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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
HEARIN - CHANDLER FOUNDATION
C/O THOMAS B. VAN ANTWERP, TRUSTEE

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
P. O. BOX 450

City or town, state, and ZIP code
MOBILE, AL 36601

A Employer identification number
63-6075470

B Telephone number
(251)694-1957

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) ▶$ 33,558,293.

J Accounting method: [ ] Cash [ ] Accrual
[X] Other (specify) MODIFIED CASH
(Part I, column (d) must be on cash basis)

MAY 1 7 2010
ENVELOPE POSTMARK DATE

SCANNED MAY 2 7 2010

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	7,964.	7,964.		STATEMENT 1
	4 Dividends and interest from securities	430,972.	419,931.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	206,653.			
	b Gross sales price for all assets on line 6a 6,992,009.				
	7 Capital gain net income (from Part IV, line 2)		206,653.		
	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	<144,797.>	250.		STATEMENT 3
	12 **Total.** Add lines 1 through 11	500,792.	634,798.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	141,108.	70,554.		70,554.
	14 Other employee salaries and wages	20,250.	10,125.		10,125.
	15 Pension plans, employee benefits				
	16a Legal fees STMT 4	1,015.	0.		0.
	b Accounting fees STMT 5	15,921.	7,460.		8,461.
	c Other professional fees STMT 6	151,862.	151,862.		0.
	17 Interest				
	18 Taxes STMT 7	<82,668.>	3,739.		0.
	19 Depreciation and depletion	8,787.	0.		
	20 Occupancy	19,042.	9,521.		9,521.
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 8	44,945.	0.		0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	320,262.	253,261.		98,661.
	25 Contributions, gifts, grants paid	1,399,836.			1,399,836.
	26 **Total expenses and disbursements.** Add lines 24 and 25	1,720,098.	253,261.		1,498,497.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<1,219,306.>			
	b **Net investment income** (if negative, enter -0-)		381,537.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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02-02-10 LHA **For Privacy Act and Paperwork Reduction Act Notice, see the instructions.** Form **990-PF** (2009)

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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	33,274.	40,357.	40,357.
	2 Savings and temporary cash investments	7,607.	780,681.	780,681.
	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 STMT 9	7,078,938.	295,341.	305,159.
	b Investments - corporate stock STMT 10	13,287,485.	14,932,741.	26,086,161.
	c Investments - corporate bonds STMT 11	0.	2,327,921.	2,512,887.
	11 Investments - land, buildings, and equipment basis ▶ 71,901.			
	Less accumulated depreciation ▶ 19,187.	61,501.	52,714.	52,714.
	12 Investments - mortgage loans			
	13 Investments - other STMT 12	1,704,986.	2,524,730.	3,752,365.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶ STATEMENT 13)	27,969.	27,969.	27,969.
	16 **Total assets** (to be completed by all filers)	22,201,760.	20,982,454.	33,558,293.
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	21,505,248.	21,505,248.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	696,512.	<522,794.>	
	30 **Total net assets or fund balances**	22,201,760.	20,982,454.	
	31 **Total liabilities and net assets/fund balances**	22,201,760.	20,982,454.	

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	22,201,760.
2	Enter amount from Part I, line 27a	2	<1,219,306.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	20,982,454.
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	20,982,454.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	SEE ATTACHED SCHEDULE	P	VARIOUS	VARIOUS
b	SEE ATTACHED SCHEDULE	P	VARIOUS	VARIOUS
c	CAPITAL GAIN FROM LP INVESTMENTS	P		
d	CAPITAL GAIN FROM LP INVESTMENTS	P		
e	CAPITAL GAINS DIVIDENDS			

	(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	4,317,321.		4,278,414.	38,907.
b	2,666,668.		2,506,942.	159,726.
c	6,028.			6,028.
d	<2,208.>			<2,208.>
e	4,200.			4,200.

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				38,907.
b				159,726.
c				6,028.
d				<2,208.>
e				4,200.

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 } 2 206,653.

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	1,628,064.	33,534,496.	.048549
2007	1,488,527.	34,078,414.	.043679
2006	1,330,158.	29,457,582.	.045155
2005	1,106,782.	26,239,916.	.042179
2004	1,042,932.	25,165,879.	.041442

2	**Total** of line 1, column (d)	2	.221004
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	.044201
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	28,692,746.
5	Multiply line 4 by line 3	5	1,268,248.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	3,815.
7	Add lines 5 and 6	7	1,272,063.
8	Enter qualifying distributions from Part XII, line 4	8	1,498,497.

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	3,815.
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	3,815.
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	3,815.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a 10,000.		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	10,000.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached		8	
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	6,185.
11 Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶ 6,185. **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?	4b	X	
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) ▶ 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*	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 ▶ THE ORGANIZATION Telephone no. ▶ (251)694-1957

Located at ▶ P. O. BOX 450, MOBILE, AL ZIP+4 ▶ 36601

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

			Line	Yes	No
	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)?		1b		X
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?		1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):				
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	☐ Yes ☒ No			
	If "Yes," list the years ▶ ______, ______, ______, ______				
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? *If "Yes" to 6b, file Form 8870.*		6b		X
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
THOMAS B. VAN ANTWERP P. O. BOX 450 MOBILE, AL 36601	TRUSTEE 20.00	141,108.	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

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
MCMURREY INVESTMENT ADVISORS, LLC - 600 TRAVIS STREET, SUITE 7500, HOUSTON, TX 77002	INVESTMENT ADVISORY SERVICES	151,862.

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.

Form **990-PF** (2009)

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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	28,423,159.
b	Average of monthly cash balances	1b	706,532.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	29,129,691.
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	29,129,691.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	436,945.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	28,692,746.
6	**Minimum investment return.** Enter 5% of line 5	6	1,434,637.

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	1,434,637.
2a	Tax on investment income for 2009 from Part VI, line 5 — 2a: 3,815.		
b	Income tax for 2009. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	3,815.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,430,822.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,430,822.
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	1,430,822.

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	1,498,497.
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	1,498,497.
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	3,815.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,494,682.

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				1,430,822.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			1,399,721.	
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: ▶ $ 1,498,497.				
a Applied to 2008, but not more than line 2a			1,399,721.	
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				98,776.
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				1,332,046.
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).)

NONE

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

NONE

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

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

a The name, address, and telephone number of the person to whom applications should be addressed:

THOMAS B. VAN ANTWERP, TRUSTEE

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

LETTER FORMAT - 501(C)(3) ORG - PURPOSE OF GRANT - HISTORY OF ORGANIZATION

c Any submission deadlines:

OCTOBER 1 OF EACH YEAR

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

NONE

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient: Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SEE STATEMENT 14				
Total ▶ 3a				1,399,836.
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		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclusion 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			14	7,964.	
4 Dividends and interest from securities			14	430,972.	
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	211110		14	250.	
8 Gain or (loss) from sales of assets other than inventory			18	206,653.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a OIL ROYALTIES	211110	11,199.			
b LP INVESTMENT INCOME	211110	<156,246.>			
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		<145,047.>		645,839.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 500,792.

(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

Thomas B. Van Antwerp 5/17/10 Trustee

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature	[signature]	Date 5/14/10	Check if self-employed ☐	Preparer's identifying number
Firm's name (or yours if self-employed), address, and ZIP code	SMITH DUKES & BUCKALEW LLP 3800 AIRPORT BLVD MOBILE, AL 36608-1667	EIN 63-0191630	
		Phone no. (251)343-1200	

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
INTEREST FROM LP INVESTMENTS	5,367.
INTEREST ON SAVINGS & TEMPORARY INVESTMENTS	2,597.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	7,964.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CORPORATE BONDS	81,358.	0.	81,358.
LP INVESTMENTS	3,563.	0.	3,563.
MUNICIPAL BONDS	11,041.	0.	11,041.
SECURITIES	332,490.	4,200.	328,290.
US TREASURY BILLS	6,720.	0.	6,720.
TOTAL TO FM 990-PF, PART I, LN 4	435,172.	4,200.	430,972.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
OTHER INVESTMENT INCOME	250.	250.	
OIL ROYALTIES	11,199.	0.	
LP INVESTMENT INCOME	<156,246.>	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	<144,797.>	250.	

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	1,015.	0.		0.
TO FM 990-PF, PG 1, LN 16A	1,015.	0.		0.

FORM 990-PF ACCOUNTING FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	15,921.	7,460.		8,461.
TO FORM 990-PF, PG 1, LN 16B	15,921.	7,460.		8,461.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEES	151,862.	151,862.		0.
TO FORM 990-PF, PG 1, LN 16C	151,862.	151,862.		0.

FORM 990-PF TAXES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	3,739.	3,739.		0.
TAX DEPOSITS	995.	0.		0.
TAX REFUND	<87,402.>	0.		0.
TO FORM 990-PF, PG 1, LN 18	<82,668.>	3,739.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MISCELLANEOUS EXPENSES	3,212.	0.		0.
INSURANCE	1,063.	0.		0.
OIL PRODUCTION EXPENSES	9,191.	0.		0.
EDUCATIONAL EXPENSES	1,455.	0.		0.
MEMBERSHIP DUES	3,500.	0.		0.
OFFICE EXPENSES	13,072.	0.		0.
LP INVESTMENTS EXPENSES	13,452.	0.		0.
TO FORM 990-PF, PG 1, LN 23	44,945.	0.		0.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 9

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
U.S. TREASURY	X		0.	0.
MOBILE COUNTY ALABAMA		X	100,585.	103,259.
SAN ANTONIO TX WTR SYS REV		X	194,756.	201,900.
TOTAL U.S. GOVERNMENT OBLIGATIONS				
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS			295,341.	305,159.
TOTAL TO FORM 990-PF, PART II, LINE 10A			295,341.	305,159.

FORM 990-PF CORPORATE STOCK STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK (SCHEDULE)	14,932,741.	26,086,161.
TOTAL TO FORM 990-PF, PART II, LINE 10B	14,932,741.	26,086,161.

FORM 990-PF CORPORATE BONDS STATEMENT 11

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS (SCHEDULE)	2,327,921.	2,512,887.
TOTAL TO FORM 990-PF, PART II, LINE 10C	2,327,921.	2,512,887.

FORM 990-PF OTHER INVESTMENTS STATEMENT 12

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INVESTMENT IN LTD PARTNERSHIPS (SCHEDULE)	COST	2,524,730.	3,752,365.
TOTAL TO FORM 990-PF, PART II, LINE 13		2,524,730.	3,752,365.

FORM 990-PF OTHER ASSETS STATEMENT 13

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
OPERATION INTEREST- OIL WELLS	16,750.	16,750.	16,750.
ART OBJECTS- CHANDLER BUSTS	11,219.	11,219.	11,219.
TO FORM 990-PF, PART II, LINE 15	27,969.	27,969.	27,969.

FORM 990-PF GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR STATEMENT 14

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
ALABAMA ARCHIVES AND HISTORY FOUNDATION P.O. BOX 300100 MONTGOMERY , AL 36130	CAPITAL	PUBLIC	40,000.
ALABAMA SCHOOL OF MATH AND SCIENCE 1255 DAUPHIN ST MOBILE, AL 36604	CAPITAL	PUBLIC	20,000.
ARCHDIOSIS OF MOBILE 356 GOVERNMENT STREET MOBILE, AL 36602	CAPITAL	PUBLIC	50,000.
BALDWIN COUNTY BICENTENNIAL 312 COURT HOUSE SQUARE STE 26 BAY MINNETTE , AL 36507	CAPITAL	PUBLIC	30,000.
BAY AREA FOOD BANK 5248 MOBILE SOUTH ST THEODORE, AL 36582	PROGRAM FUNDING	PUBLIC	20,000.
BEVERLY M. BURTON SCHOLARSHIP TRUST I-65 SERVICE ROAD NORTH MOBILE, AL 36608	SCHOLARSHIP	PUBLIC	25,000.
CENTRE FOR THE LIVING ARTS 250 CONTI ST MOBILE, AL 36602	CAPITAL	PUBLIC	136,841.
CHILD ADVOCACY CENTER 1351 SPRINGHILL AVE MOBILE, AL 36604	CAPITAL	PUBLIC	20,000.

CHRIST CHURCH 115 S CONCEPTION ST MOBILE, AL 36602	CAPITAL CAMPAIGN	PUBLIC	100,000.
CHRYSALIS ACADEMY 439 AZALEA ROAD MOBILE, AL 36609	OPERATING FUND	PUBLIC	20,000.
DASH FOR THE GULF COAST 6413 ROSLYN DRIVE SOUTH MOBILE, AL 36608	CAPITAL	PUBLIC	50,000.
DUMBARTON HOUSE 2715 QUE STREET N.W. WASHINGTON , DC 20007-3071	OPERATING FUND	PUBLIC	20,000.
JANE WARREN MCGOWAN SCHOLARSHIP FUND 400 RAY C. HUNT DRIVE CHARLOTTESVILLE, VA 22904	SCHOLARSHIP	PUBLIC	50,000.
JOHN WILL MEMORIAL SCHOLARSHIP P.O. BOX 290 MOBILE, AL 36601	SCHOLARSHIP	PUBLIC	5,000.
KEEP MOBILE BEAUTIFUL 1451 GOVERNMENT STREET MOBILE, AL 36604	CAPITAL	PUBLIC	20,000.
MCGILL-TOOLEN 1501 OLD SHELL ROAD MOBILE, AL 36604	CAPITAL	PUBLIC	100,000.
MOBILE AREA CHAMBER OF COMMERCE 451 GOVERNMENT STREET MOBILE, AL 36602	CAPITAL	PUBLIC	100,000.
MOBILE BOTANICAL GARDENS 5151 MUSEUM DRIVE MOBILE, AL 36608	OPERATING FUND	PUBLIC	25,000.

MOBILE CARNIVAL ASSOCIATION FLORAL PARADE P.O. BOX 2121 MOBILE, AL 36652	OPERATING FUND	PUBLIC	20,000.
MOBILE CARNIVAL ASSOCIATION P.O. BOX 2121 MOBILE, AL 36652	OPERATING FUND	PUBLIC	20,000.
MOBILE MUSEUM OF ART 4850 MUSEUM DRIVE MOBILE, AL 36608	OPERATING FUND	PUBLIC	100,000.
MOBILE SYMPHONY 257 DAUPHIN STREET MOBILE, AL 36602	CAPITAL	PUBLIC	10,000.
NATIONAL MARITIME MUSEUM OF GULF OF MEXICO P.O. BOX 3005 MOBILE, AL 36652	SCHOLARSHIP	PUBLIC	120,000.
NEW YORK HISTORICAL SOCIETY 170 CENTRAL PARK WEST NEW YORK, NY 10023	CAPITAL	PUBLIC	25,000.
PENELOPE HOUSE P.O. BOX 9127 MOBILE, AL 36691	OPERATING FUND	PUBLIC	15,000.
SERENITY CARE 5409 MALCOLM DRIVE MOBILE, AL 36693	OPERATING FUND	PUBLIC	1,195.
SOCIETY OF 1842 P.O. BOX 1566 MOBILE, AL 36633	OPERATING FUND	PUBLIC	20,000.
SOCIETY OF 1868 P.O. BOX 25 MOBILE, AL 36601	CAPITAL CAMPAIGN	PUBLIC	20,000.

SPRINGHILL COLLEGE 4000 DAUPHIN STREET MOBILE, AL 36608	CAPITAL	PUBLIC	100,000.
ST. LUKES EPISCOPAL SCHOOL 3975 JAPONICA LANE MOBILE, AL 36693	CAPITAL	PUBLIC	30,000.
TEAM FOCUS 6110 GRELOT ROAD MOBILE, AL 36609	CAPITAL	PUBLIC	1,800.
THE GENERAL SOCIETY OF COLONIAL WARS 1420 MARYLAND AVENUE BALTIMORE, MD 21201	CAPITAL	PUBLIC	10,000.
THE LEARNING TREE 208 BORDER DRIVE WEST MOBILE, AL 36608	CAPITAL	PUBLIC	10,000.
UNIVERSITY OF MOBILE 5735 COLLEGE PKWY MOBILE, AL 36613	CAPITAL	PUBLIC	25,000.
UNIVERSITY OF SOUTH ALABAMA 5828 OLD SHELL ROAD MOBILE, AL 36608	CAPITAL	PUBLIC	40,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			1,399,836.

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PAGE 2, PART II, LINE (10B):	Number of Shares	Cost	Market Value 12/31/2009
Adobe Systems, Inc.	13,000	267,601	478,140
AES Corp.	5,000	210,241	66,550
Allegheny Technologies Inc	10,000	264,739	447,700
Amgen	5,000	314,410	282,850
Anadarka Petroleum Corp	14,000	512,852	873,880
Apache Corp.	7,000	272,851	722,190
Apple Inc.	700	91,819	147,512
Atmos Energy Corp.	19,370	110,302	569,478
Banctrust Financial Group (S. Alabama Bancorp)	16,500	125,424	47,355
Bank New York Mellon Corp	10,000	301,179	279,700
Baxter International, Inc.	6,000	246,019	352,080
Bristol Myers Squibb Co.	6,500	142,498	164,125
Broadcom Corp CL A	8,000	152,135	251,760
California Water Service Group	4,140	30,500	152,434
Cisco Sys., Inc.	5,000	51,320	119,700
Clorox Company	2,000	86,083	122,000
Crown Castle International	16,100	478,984	628,544
EMC Corp-Mass	20,000	255,600	349,400
Emerson Electric Co.	10,000	341,179	426,000
EOG Resources Inc.	7,000	474,020	681,100
Energen Corp.	24,000	34,611	1,123,200
Ennis Business Forms	31,500	218,494	528,885
Exxon Mobil Corp.	10,904	107,423	743,544
Freeport McMoran Copper & Gold	5,218	233,277	402,895
General Electric	12,000	98,473	181,560
Honeywell International, Inc.	14,000	615,160	548,800
International Business Machines Corp.	6,000	475,908	785,400
ITT Industries	8,000	207,603	397,920
Johnson & Johnson	3,000	98,683	193,230
Leggett & Platt	10,000	43,329	204,000
Market Vectors ETF TR	10,000	453,008	437,900
Merchants & Marine Bank	10,888	435,520	435,520
Merck & Co.	1,950	72,833	71,253
Microsoft	10,000	127,905	304,800
Middlesex Water Co.	10,000	110,137	176,200

PAGE 2, PART II, LINE (10B):	Number of Shares	Cost	Value 12/31/2009
Nisource	5,000	27,383	76,900
Oracle	12,000	220,405	294,360
Pepsico, Inc. - North Carolina	3,162	5,159	192,250
Praxair	5,000	244,270	401,550
Proctor & Gamble Co	5,000	278,225	303,150
Qualcomm Inc.	10,000	457,723	462,600
Quicksilver Resources, Inc.	4,000	84,880	60,040
Roche Holding Ltd	16,000	430,580	675,200
Royal Gold Inc.	5,000	210,483	235,450
Schlumberger Ltd.	10,000	550,925	650,900
Southwest Airlines Co.	15,187	87,667	173,587
Southwestern Energy Co.	88,944	118,717	4,287,101
SPDR Gold Tr Gold	4,000	419,362	429,240
Superior Well Services Inc.	10,000	243,409	142,600
Teva Pharmaceuticals Inds	8,000	243,092	449,440
Thermo Fisher Scientific Inc.	10,000	415,903	476,900
Transocean Ltd.	4,000	327,068	331,200
Union Pacific Corp	7,000	274,870	447,300
Unitil Corp.	5,110	60,773	117,428
Verizon Communications	5,000	152,594	165,650
Watson Pharmaceuticals Inc.	10,000	347,686	396,100
Weatherford Intl. Ltd. New	27,000	340,195	483,570
Wells Fargo & Co.	8,000	222,022	215,920
Williams Cos., Inc.	1,000	223,650	210,800
Zimmer Holdings	12,000	883,580	709,320
		14,932,741	26,086,161

HEARIN-CHANDLER FOUNDATION
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PAGE 2, PART II, LINE (10C):	Number of Shares	Cost	Market Value 12/31/2009
Amegen Inc.	200,000	205,884	214,470
Andarko Petroleum Corp	100,000	97,748	108,170
Cisco Systems Inc.	200,000	199,136	205,002
Coca Cola Co.	200,000	203,250	208,334
Marathon Oil Co.	200,000	185,495	210,666
Kinder Morgan	200,000	189,101	211,842
Wyeth	300,000	307,014	319,752
XTO Energy	200,000	193,946	219,036
JP Morgan Chase	200,000	196,052	207,760
GTE Corps	160,000	160,800	175,274
Waste Management Inc.	200,000	201,700	221,626
Ei Du Pont De Nemours	100,000	97,924	106,358
Weatherford International	100,000	89,871	104,597
		2,327,921	2,512,887

HEARIN-CHANDLER FOUNDATION
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PAGE 2, PART II, LINE (13):	Number of Shares	Cost	Market Value 12/31/2009
Alliance Bernstein Hldg LP	10,000	249,049	281,000
Enterprise Products Partners LP	25,000	402,479	785,250
Kinder Morgan Energy Partners LP	10,000	296,931	609,800
Magellan Midstream Partners LP	8,000	233,848	346,640
Penn VA Resource Partnersl LP	20,000	377,238	431,200
Plains All Amerivan Pipeline LP	15,500	626,361	819,175
Sunco Inc.	6,000	283,729	401,340
Western Gas Partners	4,000	55,095	77,960
		2,524,730	3,752,365

HEARIN-CHANDLER FOUNDATION
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PAGE 3, PART IV, LINE (1a)&(1b):

Description of Property Sold	Shares	Gross Sales Price	Cost or Other Basis	Gain/(Loss)	
Arch Coal	6,000	107,360	108,328	(968)	
Conoco Phillips	7,250	300,874	254,294	46,580	
Hershey Company	2,000	72,518	77,671	(5,153)	ST
Leggett & Platt	6,328	125,988	27,419	98,569	
Metlife	10,000	352,513	699,913	(347,400)	
Monsanto Co.	5,000	381,411	419,970	(38,559)	ST
Olin Corp.	3,000	37,463	77,233	(39,770)	
Patriot Coal	7,000	66,684	46,075	20,609	ST
Patriot Coal	3,000	28,580	21,268	7,312	
Peabody Energy	15,000	551,363	309,370	241,993	
Pfizer	3,940	73,243	69,009	4,234	ST
Plum Creek	5,000	165,450	224,283	(58,833)	
PPL	5,000	145,348	149,375	(4,027)	ST
SPDR Gold		375	-	375	
CGG Veritas	5,048	105,938	66,309	39,629	
Wyeth	2,500	125,988	107,706	18,282	ST
Wyeth	1,500	76,043	73,203	2,840	
XTO	12,500	595,302	503,945	91,357	
General Electric	100,000	94,994	90,880	4,114	ST
Honeywell Intl, Inc.	200,000	206,000	200,025	5,975	ST
Sunco Inc.	200,000	227,374	207,641	19,733	ST
Goldman Sachs Group Inc.	200,000	203,500	188,593	14,907	ST
U.S. Treasury bills	2,541,000	2,540,736	2,540,632	104	ST
Energy Transfer Partners L.P.	5,500	219,419	141,377	78,042	
Energy Transfer Partners L.P.	4,500	179,525	180,837	(1,312)	ST
		$ 6,983,989	$ 6,785,356	$ 198,633	

The Hearin-Chandler Foundation
Comprehensive Depreciation [Depreciation]
GAAP
For the Period January 1, 2009 to December 31, 2009

Asset ID	Selected Dates: Placed in Service Date	Selected Dates: Disposal Date	Asset Balances: Beginning	Asset Balances: Additions	Asset Balances: Deletions	Asset Balances: Ending	Depr Meth/Conv	Life Yr Mo	Depreciable Basis: Book Cost	Depreciable Basis: Credit Reduction Amount	Depreciable Basis: Bus Use %	Depreciable Basis: Net S179/A & AFYD	Depreciable Basis: Prior Reported Depreciation	Depreciable Basis: Depreciable Basis	Current & Accum Depreciation: Beginning Accum Depr	Current & Accum Depreciation: Current Depr & AFYD	Current & Accum Depreciation: Net Sec 179/179A	Current & Accum Depreciation: Net Additions Deletions	Current & Accum Depreciation: Ending Accum Depr	Net Book Value
000010	Upholster furniture 7/10/2007		1,305 00	0 00	0 00	1,305 00	SL100FM	7 0	1,305 00	0 00	100 00	0 00	279 64	1,305 00	279 64	186 43	0 00	0 00	466 07	838 93
000020	Refinish office furniture 7/10/2007		1,200 00	0 00	0 00	1,200 00	SL100FM	7 0	1,200 00	0 00	100 00	0 00	257 14	1,200 00	257 14	171 43	0 00	0 00	428 57	771 43
000030	Bronstein's office furniture 8/23/2007		7,165 83	0 00	0 00	7,165 83	SL100FM	7 0	7,165 83	0 00	100 00	0 00	1,450 23	7,165 83	1,450 23	1,023 69	0 00	0 00	2,473 92	4,691 91
000040	Rugs 8/23/2007		7,886 40	0 00	0 00	7,886 40	SL100FM	7 0	7,886 40	0 00	100 00	0 00	1,596 06	7,886 40	1,596 06	1,126 63	0 00	0 00	2,722 69	5,163 71
000050	OEC office furniture 8/23/2007		11,469 84	0 00	0 00	11,469 84	SL100FM	7 0	11,469 84	0 00	100 00	0 00	2,321 28	11,469 84	2,321 28	1,638 55	0 00	0 00	3,959 83	7,510 01
000060	Shutters 8/23/2007		6,203 20	0 00	0 00	6,203 20	SL100FM	10 0	6,203 20	0 00	100 00	0 00	878 79	6,203 20	878 79	620 32	0 00	0 00	1,499 11	4,704 09
000070	Television 9/19/2007		1,524 96	0 00	0 00	1,524 96	SL100FM	5 0	1,524 96	0 00	100 00	0 00	406 65	1,524 96	406 65	304 99	0 00	0 00	711 64	813 32
000080	Desk chair 9/19/2007		860 33	0 00	0 00	860 33	SL100FM	7 0	860 33	0 00	100 00	0 00	163 87	860 33	163 87	122 90	0 00	0 00	286 77	573 56
000090	Computer & printer 10/18/2007		1,004 57	0 00	0 00	1,004 57	SL100FM	5 0	1,004 57	0 00	100 00	0 00	251 14	1,004 57	251 14	200 91	0 00	0 00	452 05	552.52
000100	Office furniture 12/13/2007		1,466 23	0 00	0 00	1,466 23	SL100FM	7 0	1,466 23	0 00	100 00	0 00	226 92	1,466 23	226 92	209 46	0 00	0 00	436 38	1,029 85
000110	Office artwork 2/22/2008		7,500 00	0 00	0 00	7,500 00	SL100FM	10 0	7,500 00	0 00	100 00	0 00	687 50	7,500 00	687 50	750 00	0 00	0 00	1,437 50	6,062.50
000120	Office artwork 3/25/2008		4,000 00	0 00	0 00	4,000 00	SL100FM	10 0	4,000 00	0 00	100 00	0 00	333 33	4,000 00	333 33	400 00	0 00	0 00	733 33	3,266 67
000130	Office artwork 4/21/2008		5,928 44	0 00	0 00	5,928 44	SL100FM	10 0	5,928 44	0 00	100 00	0 00	444 63	5,928 44	444 63	592 84	0 00	0 00	1,037 47	4,890 97
000140	Office furnishings 3/25/2008		11,885 00	0 00	0 00	11,885 00	SL100FM	10 0	11,885 00	0 00	100 00	0 00	990 42	11,885 00	990 42	1,188 50	0 00	0 00	2,178 92	9,706 08
000150	Office furnishings 7/24/2008		1,051 70	0 00	0 00	1,051 70	SL100FM	10 0	1,051 70	0 00	100 00	0 00	52 59	1,051 70	52 59	105 17	0 00	0 00	157 76	893 94
000160	Laptop 8/1/2008		1,449 69	0 00	0 00	1,449 69	SL100FM	10 0	1,449 69	0 00	100 00	0 00	60 40	1,449 69	60 40	144 97	0 00	0 00	205 37	1,244 32
Grand Total			71,901 19	0 00	0 00	71,901 19			71,901 19	0 00		0 00	10,400 59	71,901 19	10,400 59	8,786 79	0 00	0 00	19,187 38	52,713 81