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Form **990-PF**

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

OMB No 1545-0052

**2009**Department of the Treasury  
Internal Revenue Service

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 <b>SEMMES FOUNDATION, INC</b>		A Employer identification number <b>74-6062264</b>
	Number and street (or P O box number if mail is not delivered to street address) Room/suite <b>800 NAVARRO, SUITE 210 210</b>		B Telephone number (see page 10 of the instructions)
	City or town, state, and ZIP code <b>SAN ANTONIO TX 78205</b>		C If exemption application is pending, check here <input type="checkbox"/>
	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		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> 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"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) <b>\$ 25,833,190</b> (Part I, column (d) must be on cash basis)		J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	

**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 14 of the instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>				
1 Contributions, gifts, grants, etc., received (attach schedule)	45,738			
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Schedule B				
3 Interest on savings and temporary cash investments	6,586	6,586	6,586	
4 Dividends and interest from securities	521,159	521,159	521,159	
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	-82,450			
b Gross sales price for all assets on line 6a <b>2,743,931</b>				
7 Capital gain net income (from Part IV, line 2)		0		
8 Net short-term capital gain			0	
9 Income modifications				
10a Gross sales less returns & allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule) <b>Stmt 1</b>	1,437,134	1,437,134	1,437,134	
12 Total. Add lines 1 through 11	1,928,167	1,964,879	1,964,879	
<b>Operating and Administrative Expenses</b>				
13 Compensation of officers, directors, trustees, etc	34,500	8,625		25,875
14 Other employee salaries and wages				
15 Pension plans, employee benefits	2,295	574		1,721
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule) <b>Stmt 2</b>	12,925	6,462		6,463
c Other professional fees (attach schedule) <b>Stmt 3</b>	51,002	51,002		
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions) <b>Stmt 4</b>	104,312	104,312		
19 Depreciation (attach schedule) and depletion	217,617	217,617		
20 Occupancy	9,900	4,950		4,950
21 Travel, conferences, and meetings	3,575	1,788		1,787
22 Printing and publications	266	133		133
23 Other expenses (att sch) <b>Stmt 5</b>	13,823	13,099		724
24 Total operating and administrative expenses. Add lines 13 through 23	450,215	408,562		41,653
25 Contributions, gifts, grants paid	708,550			708,550
26 Total expenses and disbursements. Add lines 24 and 25	1,158,765	408,562	0	750,203
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	769,402			
b Net investment income (if negative, enter -0-)		1,556,317		
c Adjusted net income (if negative, enter -0-)			1,964,879	

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

Form **990-PF** (2009)

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<b>Part II Balance Sheets</b>		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
<b>Assets</b>	1 Cash—non-interest-bearing			127,323	468,769	468,769
	2 Savings and temporary cash investments			2,123,683	907,012	907,012
	3 Accounts receivable ▶					
	Less allowance for doubtful accounts ▶					
	4 Pledges receivable ▶					
	Less allowance for doubtful accounts ▶					
	5 Grants receivable					
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)					
	7 Other notes and loans receivable (att schedule) ▶					
	Less allowance for doubtful accounts ▶					
	8 Inventories for sale or use					
	9 Prepaid expenses and deferred charges					
	10a Investments—U S and state government obligations (attach schedule) Stmt 6				1,349,002	1,349,588
	b Investments—corporate stock (attach schedule) See Stmt 7			12,220,560	12,720,803	19,114,381
	c Investments—corporate bonds (attach schedule)					
	11 Investments—land, buildings, and equipment basis ▶					
	Less accumulated depreciation (attach sch) ▶					
	12 Investments—mortgage loans					
	13 Investments—other (attach schedule)					
	14 Land, buildings, and equipment basis ▶					
	Less accumulated depreciation (attach sch) ▶					
	15 Other assets (describe ▶ See Statement 8 )			6,891	2,979	3,993,440
	16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)			14,478,457	15,448,565	25,833,190
<b>Liabilities</b>	17 Accounts payable and accrued expenses			1,447	16,141	
	18 Grants payable					
	19 Deferred revenue					
	20 Loans from officers, directors, trustees, and other disqualified persons					
	21 Mortgages and other notes payable (attach schedule)					
	22 Other liabilities (describe ▶ )					
	23 Total liabilities (add lines 17 through 22)			1,447	16,141	
<b>Net Assets or Fund Balances</b>	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					
	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					
	28 Paid-in or capital surplus, or land, bldg, and equipment fund					
	29 Retained earnings, accumulated income, endowment, or other funds			14,477,010	15,432,424	
	30 Total net assets or fund balances (see page 17 of the instructions)			14,477,010	15,432,424	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)			14,478,457	15,448,565	

**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	14,477,010
2 Enter amount from Part I, line 27a	2	769,402
3 Other increases not included in line 2 (itemize) ▶ See Statement 9	3	217,617
4 Add lines 1, 2, and 3	4	15,464,029
5 Decreases not included in line 2 (itemize) ▶ See Statement 10	5	31,605
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	15,432,424

**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.)
<b>1a See Worksheet</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				

  

(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)
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

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))
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

  

<b>2</b> Capital gain net income or (net capital loss)	<div style="border: 1px solid black; padding: 2px;">           If gain, also enter in Part I, line 7            If (loss), enter -0- in Part I, line 7         </div>	<b>2</b>	<b>- 82,450</b>
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		<b>3</b>	<b>- 121,943</b>

**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 page 18 of the 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	1,254,447	24,886,680	0.050406
2007	1,265,738	24,320,809	0.052043
2006	1,114,920	21,047,762	0.052971
2005	982,415	19,891,288	0.049389
2004	927,134	18,982,303	0.048842

  

<b>2</b> Total of line 1, column (d)	<b>2</b>	<b>0.253651</b>
<b>3</b> 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	<b>3</b>	<b>0.050730</b>
<b>4</b> Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	<b>4</b>	<b>22,350,931</b>
<b>5</b> Multiply line 4 by line 3	<b>5</b>	<b>1,133,863</b>
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	<b>15,563</b>
<b>7</b> Add lines 5 and 6	<b>7</b>	<b>1,149,426</b>
<b>8</b> Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18	<b>8</b>	<b>750,203</b>

**Part VI Excise Tax Based on Investment Income** (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

<b>1a</b>	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)		
<b>b</b>	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	31,126
<b>c</b>	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
<b>2</b>	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
<b>3</b>	Add lines 1 and 2	3	31,126
<b>4</b>	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
<b>5</b>	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	5	31,126
<b>6</b>	<b>Credits/Payments</b>		
<b>a</b>	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	16,912
<b>b</b>	Exempt foreign organizations—tax withheld at source	6b	
<b>c</b>	Tax paid with application for extension of time to file (Form 8868)	6c	
<b>d</b>	Backup withholding erroneously withheld	6d	
<b>7</b>	Total credits and payments. Add lines 6a through 6d	7	16,912
<b>8</b>	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	302
<b>9</b>	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9	14,516
<b>10</b>	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10	
<b>11</b>	Enter the amount of line 10 to be <b>Credited to 2010 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	11	

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b> During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
<b>1b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to <b>1a</b> or <b>1b</b> , attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
<b>1c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		X
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
<b>2</b> 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		X
<b>3</b> 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		X
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
<b>4b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?		
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
<b>6</b> Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
<b>7</b> 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	X	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> <b>TX</b>		
<b>8b</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	X	
<b>9</b> 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 on page 27)? If "Yes," complete Part XIV		X
<b>10</b> Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the 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 ► <b>WWW.SEMMESFOUNDATION.ORG</b>	13	X	
14	The books are in care of ► <b>THOMAS R SEMMES</b> <b>800 NAVARRO, SUITE 210</b> Located at ► <b>SAN ANTONIO, TX</b>	Telephone no ► <b>210-225-0887</b> ZIP+4 ► <b>78205</b>		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year	► 15		

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> 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)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 )	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here	► <input type="checkbox"/> <b>1b</b> <b>X</b>	
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?	<b>N/A</b> <b>1c</b>	
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? If "Yes," list the years ► 20 , 20 , 20 , 20	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions )	<b>N/A</b> <b>2b</b>	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 )	<b>N/A</b> <b>3b</b>	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	<b>4a</b>	<b>X</b>
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?	<b>4b</b>	<b>X</b>

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

<b>5a</b>	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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>b</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 page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A <input type="checkbox"/>		<b>5b</b>
<b>c</b>	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? If "Yes," attach the statement required by Regulations section 53.4945-5(d)	N/A <input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>6a</b>	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>b</b>	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870			<b>6b</b> <b>X</b>
<b>7a</b>	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>b</b>	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A		<b>7b</b>

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 11				

**2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions).**

If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)****3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services

**Part IX-A Summary of Direct Charitable Activities**

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

	Expenses
1 N/A	
2	
3	
4	

**Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)**

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 page 24 of the instructions.	
3	
Total. Add lines 1 through 3	





**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	<b>15,483,209</b>
<b>b</b>	Average of monthly cash balances	<b>1b</b>	<b>2,239,921</b>
<b>c</b>	Fair market value of all other assets (see page 24 of the instructions)	<b>1c</b>	<b>4,968,171</b>
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	<b>22,691,301</b>
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	<b>0</b>
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	<b>0</b>
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	<b>22,691,301</b>
<b>4</b>	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	<b>4</b>	<b>340,370</b>
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	<b>22,350,931</b>
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	<b>1,117,547</b>

**Part XI Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	<b>1,117,547</b>
<b>2a</b>	Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	<b>31,126</b>
<b>b</b>	Income tax for 2009 (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	<b>31,126</b>
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	<b>1,086,421</b>
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	<b>1,086,421</b>
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	<b>1,086,421</b>

**Part XII Qualifying Distributions** (see page 25 of the instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	<b>1a</b>	<b>750,203</b>
<b>b</b>	Program-related investments—total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	<b>750,203</b>
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	<b>5</b>	<b>0</b>
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	<b>750,203</b>

**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 page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
<b>1</b> Distributable amount for 2009 from Part XI, line 7				<b>1,086,421</b>
<b>2</b> Undistributed income, if any, as of the end of 2009				
<b>a</b> Enter amount for 2008 only			<b>553,008</b>	
<b>b</b> Total for prior years 20____, 20____, 20____				
<b>3</b> Excess distributions carryover, if any, to 2009				
<b>a</b> From 2004				
<b>b</b> From 2005				
<b>c</b> From 2006				
<b>d</b> From 2007				
<b>e</b> From 2008				
<b>f</b> Total of lines 3a through e				
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ <b>750,203</b>				
<b>a</b> Applied to 2008, but not more than line 2a			<b>553,008</b>	
<b>b</b> Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
<b>c</b> Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
<b>d</b> Applied to 2009 distributable amount				<b>197,195</b>
<b>e</b> Remaining amount distributed out of corpus				
<b>5</b> Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a) )				
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5				
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b				
<b>c</b> 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				
<b>d</b> Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions				
<b>e</b> Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
<b>f</b> Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				<b>889,226</b>
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)				
<b>9</b> Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a				
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2005				
<b>b</b> Excess from 2006				
<b>c</b> Excess from 2007				
<b>d</b> Excess from 2008				
<b>e</b> Excess from 2009				

**Part XIV Private Operating Foundations** (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling					
b Check box to indicate whether the foundation is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)					
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
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 page 28 of the instructions.)

<b>1 Information Regarding Foundation Managers:</b>	
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) )	N/A
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	N/A
<b>2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:</b>	
Check here <input type="checkbox"/> 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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.	
a The name, address, and telephone number of the person to whom applications should be addressed	THOMAS R SEMMES 210-225-0887 800 NAVARRO, SUITE 210 SAN ANTONIO TX 78205
b The form in which applications should be submitted and information and materials they should include	CONCISE WRITTEN PROPOSALS. MUST SHOW EXEMPT STATUS.
c Any submission deadlines	NONE
d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors	See Statement 12

**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 <b>SEE SECHEDULE</b>				<b>708,550</b>
<b>Total</b>			<b>3a</b>	<b>708,550</b>
b Approved for future payment <b>N/A</b>				
<b>Total</b>			<b>3b</b>	

## 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 (See page 28 of the instructions )
		(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	6,586	
4	Dividends and interest from securities			14	521,159	
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			15	1,437,134	
8	Gain or (loss) from sales of assets other than inventory			25	-82,450	
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		1,882,429	0
13	Total. Add line 12, columns (b), (d), and (e)				13	1,882,429

(See worksheet in line 13 instructions on page 28 to verify calculations )

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

[illegible]

**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
  - c** 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.

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[illegible]

- 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**

**Sign Here**

**Paid  
Preparer's  
Use Only**

Preparer's  
signature

Firm's name (or yours if self-employed) address, and ZIP code

John R. Hannah & Co., LLP  
800 Navarro, Suite 210  
San Antonio, TX 78205

Date \_\_\_\_\_

Check if self-employed ☐

Preparer's identifying  
number (see **Signature** on  
page 30 of the instructions)  
**P00453199**

EIN ▶ 74-2900458

Phone no **210-226-9249**

# Capital Gains and Losses for Tax on Investment Income

Form **990-PF****2009**

For calendar year 2009, or tax year beginning

, and ending

Name

Employer Identification Number

**SEMMEs FOUNDATION, INC****74-6062264**

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
(1) FROST SEMMES #1 SHORT TERM SEE SCH	P	Various	Various
(2) FROST SEMMES #1 LONG TERM SEE SCH	P	Various	Various
(3) FROST SEMMES #2 SHORT TERM SEE SCH	P	Various	Various
(4) FROST SEMMES #2 LONG TERM SEE SCH	P	Various	Various
(5) LITIGATION PROCEEDS	P	Various	Various
(6) TIFF K-1	P	Various	Various
(7) TIFF K-1	P	Various	Various
(8) TIFF K-1 SEC 1231 LOSS	P	Various	Various
(9) TIFF US EQUITY FUND	P	Various	Various
(10) SALOMON SMITH BARNEY - ST - SEE SCH	P	Various	Various
(11) SALOMON SMITH BARNEY - LT - SEE SCH	P	Various	Various
(12) KINDER MORGAN K-1 SEC 1231 LOSS	P	Various	Various
(13) ROUNDING	P	Various	Various
(14) FROST NATIONAL BANK			
(15) FROST NATIONAL BANK			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
(1) 1,698,369		1,698,369	
(2) 423,333		263,849	159,484
(3) 93,753		224,652	-130,899
(4) 272,034		297,278	-25,244
(5) 10			10
(6) 24,354			24,354
(7) 31,629			31,629
(8)		151	-151
(9) 5,013		8,474	-3,461
(10) 12,758		28,147	-15,389
(11) 170,788		305,410	-134,622
(12)		42	-42
(13)		9	-9
(14) 6,678			6,678
(15) 4,891			4,891

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))
(1)			
(2)			159,484
(3)			-130,899
(4)			-25,244
(5)			10
(6)			24,354
(7)			31,629
(8)			-151
(9)			-3,461
(10)			-15,389
(11)			-134,622
(12)			-42
(13)			-9
(14)			6,678
(15)			4,891

Form <b>990-PF</b>		<b>Capital Gains and Losses for Tax on Investment Income</b>		<b>2009</b>
Name <b>SEMMES FOUNDATION, INC</b>			Employer Identification Number <b>74-6062264</b>	
For calendar year 2009, or tax year beginning			, and ending	
<b>(a)</b> 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>(b)</b> How acquired P-Purchase D-Donation	<b>(c)</b> Date acquired (mo, day, yr)	<b>(d)</b> Date sold (mo, day, yr)	
(1) <b>TIFF</b>				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

  

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
(1) <b>321</b>			<b>321</b>
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

  

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
(1)			<b>321</b>
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			



## Federal Statements

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
OIL & GAS ROYALTY INCOME	\$ 1,331,147	\$ 1,331,147	\$ 1,331,147
OIL & GAS LEASE BONUS	66,466	66,466	66,466
SABINE ROYALTY	51,295	51,295	51,295
TIFF PARTNERS IV, LLC	2,678	2,678	2,678
KINDER MORGAN ROUNDING	-14,454	-14,454	-14,454
	2	2	2
Total	\$ 1,437,134	\$ 1,437,134	\$ 1,437,134

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	\$ 12,925	\$ 6,462	\$	\$ 6,463
Total	\$ 12,925	\$ 6,462	\$ 0	\$ 6,463

Statement 3 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
PORTFOLIO MANAGEMENT AND CUSTODI	\$ 51,002	\$ 51,002	\$	\$
Total	\$ 51,002	\$ 51,002	\$ 0	\$ 0

## Federal Statements

Statement 4 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
PRODUCTION TAXES	\$ 70,583	\$ 70,583		
FOREIGN TAXES PAID	5,837	5,837		\$
AD VALORUM TAXES	27,892	27,892		
Total	\$ 104,312	\$ 104,312	\$ 0	\$ 0

Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses				
OTHER OIL AND GAS EXPENSES	4,669	4,669		
TIFF PARTNERS IV, LLC	7,706	7,706		724
OFFICE	1,448	724		
Total	\$ 13,823	\$ 13,099	\$ 0	\$ 724

**Federal Statements**

FYE: 12/31/2009

**Statement 6 - Form 990-PF, Part II, Line 10a - US and State Government Investments**

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
US TREASURY BILLS	\$	\$ 1,349,002	Market	\$ 1,349,588
Total	\$ 0	\$ 1,349,002		\$ 1,349,588

**Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments**

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
FROST NATIONAL BANK	\$ 6,407,078	\$ 6,862,677	Market	\$ 13,821,399
TIFF INVESTMENT PROGRAM	2,688,329	2,815,571	Market	2,371,877
VANGUARD GROUP	739,304	757,848	Market	876,844
USAA	851,178	896,212	Market	905,743
SALOMON SMITH BARNEY	1,534,671	1,388,495	Market	1,138,518
Total	\$ 12,220,560	\$ 12,720,803		\$ 19,114,381

**Statement 8 - Form 990-PF, Part II, Line 15 - Other Assets**

Description	Beginning of Year	End of Year	Fair Market Value
ROYALTY INTERESTS	\$ 2,979	\$ 2,979	\$ 3,993,440
PREPAID EXCISE TAX	3,912		
Total	\$ 6,891	\$ 2,979	\$ 3,993,440

**Statement 9 - Form 990-PF, Part III, Line 3 - Other Increases**

Description	Amount
PERCENTAGE DEPLETION	\$ 217,617
Total	\$ 217,617

**Statement 10 - Form 990-PF, Part III, Line 5 - Other Decreases**

Description	Amount
FEDERAL EXCISE TAX	\$ 31,605
Total	\$ 31,605

S6062264 SEMMES FOUNDATION, INC

74-6062264

FYE: 12/31/2009

## Federal Statements

**Statement 11 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees,  
Etc.**

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
THOMAS R SEMMES 800 NAVARRO, STE 210 SAN ANTONIO TX 78205	PRESIDENT	15.00	30,000	0	0
CAROL DUFFELL 800 NAVARRO, STE 210 SAN ANTONIO TX 78205	SEC/TREAS	0.00	0	0	0
L.L. MORRISON, JR 2001 KIRBY, #1300 HOUSTON TX 77019	DIRECTOR	0.00	1,500	0	0
D.R. SEMMES, JR. 134 KINROSS SAN ANTONIO TX 78209	DIRECTOR	0.00	1,500	0	0
PATRICIA A. SEMMES 800 NAVARRO, STE 210 SAN ANTONIO TX 78205	DIRECTOR	0.00	1,500	0	0

## Federal Statements

### Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

#### Description

CONCISE WRITTEN PROPOSALS. MUST SHOW EXEMPT STATUS.

### Form 990-PF, Part XV, Line 2c - Submission Deadlines

#### Description

NONE

### Statement 12 - Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

#### Description

GENERALLY SAN ANTONIO AREA. NO INDIVIDUAL GRANTS, LOANS.  
THE MAJORITY OF CONTRIBUTIONS ARE IN AREAS OF INTEREST, OR  
INSTITUTIONS SPECIFIED BY THE BOARD OF DIRECTORS.



Account Name:

SEMME FOUNDATION #1 CUSTODIAL AGCY F0673000

Account Number: F0673000

Tax I.D. Number: XX-XXX2264



Frost Bank

## DETAIL OF SHORT-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
	SHORT-TERM SALES REPORTED ON FORM 1099-B: -----					
300,000.00000	U S TREASURY BILLS 4/16/09	01/15/2009	04/16/2009	299,928 75	299,928 75	
300,000.00000	U S TREASURY BILLS 7/16/09	01/15/2009	07/16/2009	299,592 75	299,592 75	
550,000 00000	U S TREASURY BILLS 9/10/09	VAR	09/10/2009	549,295 53	549,295.53	
250,000.00000	U S TREASURY BILLS 12/10/09	06/10/2009	12/10/2009	249,620 83	249,620 83	
300,000 00000	U S TREASURY BILLS 12/17/09	09/16/2009	12/17/2009	299,930.99	299,930 99	
	TOTAL SHORT-TERM SALES REPORTED ON 1099-B			1,698,368 85 =====	1,698,368 85 =====	=====
	TOTAL SHORT-TERM SALES			1,698,368.85 =====	1,698,368.85 =====	=====

IMPORTANT TAX RETURN DOCUMENT ENCLOSED

XXXXXX

## Account Name:

SEMMES FOUNDATION #1 CUSTODIAL AGCY F0673000



Account Number: F0673000

Tax I.D. Number: XX-XXX2264

Frost Bank

## DETAIL OF LONG-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
	15% MAXIMUM RATE SALES REPORTED ON FORM 1099-B: -----					
45,060.00000	CENTRAL SECURITIES CORP	12/23/2009	12/23/2009		-13,968.59	13,968.59
0.11010	CENTRAL SECURITIES CORP	02/15/2000	12/28/2009	1.90	3.23	-1.33
0.60030	CENTRAL SECURITIES CORP	02/15/2000	12/28/2009	10.78	17.63	-6.85
5,000.00000	CITIGROUP INC COM	VAR	11/04/2009	20,199.97	154,330.00	-134,130.03
8,000.00000	WYETH COM STOCK*	12/02/1993	10/19/2009	403,120.00	123,466.80	279,653.20
				-----	-----	-----
	TOTAL 15% MAXIMUM RATE SALES REPORTED ON 1099-B			423,332.65	263,849.07	159,483.58
				=====	=====	=====
	TOTAL LONG-TERM SALES			423,332.65	263,849.07	159,483.58
				=====	=====	=====

IMPORTANT TAX RETURN DOCUMENT ENCLOSED

**Account Name:**

SEMMES FOUNDATION #2 CUSTODIAL AGCY F0673100

**Account Number:** F0673100**Tax I.D. Number:** XX-XXX2264**Frost Bank****DETAIL OF SHORT-TERM CAPITAL GAINS AND LOSSES**

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
	SHORT-TERM SALES REPORTED ON FORM 1099-B -----					
2,200.000	ALLSTATE CORP COM	04/25/2008	02/23/2009	38,791.94	109,787.26	-70,995.32
2,600.000	NOKIA CORP SPONSORED PREFER	05/20/2009	11/06/2009	33,851.12	40,697.02	-6,845.90
2,300.000	WELLS FARGO & CO NEW COM*	09/09/2008	03/04/2009	21,110.20	74,168.10	-53,057.90
	TOTAL SHORT-TERM SALES REPORTED ON 1099-B			93,753.26 =====	224,652.38 =====	-130,899.12 =====
	TOTAL SHORT-TERM SALES			93,753.26 =====	224,652.38 =====	-130,899.12 =====

**IMPORTANT TAX RETURN DOCUMENT ENCLOSED**





Account Name:

SEMME FOUNDATION #2 CUSTODIAL AGCY F0673100

Account Number: F0673100

Tax I.D. Number: XX-XXX2264



Frost Bank

## DETAIL OF LONG-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
	15% MAXIMUM RATE SALES REPORTED ON FORM 1099-B -----					
2,200.000	FLUOR CORP NEW COM	VAR	03/05/2009	67,669.86	88,509.66	-20,839.80
1,000.000	GENENTECH INC COM	06/21/2007	03/26/2009	95,000.00	75,884.00	19,116.00
2,500.000	NOKIA CORP SPONSORED PREFER	09/28/2006	01/14/2009	33,559.81	50,213.25	-16,653.44
2,800.000	NOKIA CORP SPONSORED PREFER	VAR	11/06/2009	36,455.06	59,672.64	-23,217.58
2,400.000	WEATHERFORD INTERNATIONAL LTD COM*	01/15/2004	12/16/2009	39,349.63	22,998.24	16,351.39
	TOTAL 15% MAXIMUM RATE SALES REPORTED ON 1099-B			272,034.36 =====	297,277.79 =====	-25,243.43 =====
	TOTAL LONG-TERM SALES			272,034.36 =====	297,277.79 =====	-25,243.43 =====

IMPORTANT TAX RETURN DOCUMENT ENCLOSED

Semmes Foundation Inc  
Smith Barney Gains and Losses  
12/31/2009

Shares	Description	Date Bot	Date Sold	Sales Pr	Cost	Gain/(Loss)
560	Citigroup Inc	5/28/2008	3/30/2009	1,330.00	13,870.58	(12,540.58)
Fractions	Citigroup Inc	var	7/30/2009	2.22	1.48	0.74
12	HSBC Hldgs	4/8/2009	11/9/2009	692.48	221.85	470.63
Fractions	PNC Financial Serfices	var	1/2/2009	28.32	90.15	(61.83)
280	SLM Corp	3/28/2008	1/20/2009	3,320.44	4,621.86	(1,301.42)
410	SLM Corp	8/8/2008	3/23/2009	1,840.84	6,844.34	(5,003.50)
60	Sun Microsystems	11/5/2008	4/2/2009	489.91	284.61	205.30
355	Sun Microsystems	11/5/2008	4/20/2009	5,044.82	2,184.59	2,860.23
70	Telecomuniacoes Brasileiras sa	3/25/2009	3/25/2009	0.13	0.01	0.12
70	Telecomuniacoes Brasileiras sa	5/7/2009	5/7/2009	0.01	0.01	-
5	Telemig Cellular	3/26/2009	3/26/2009	0.30	0.01	0.29
24	Tim Participacoes AS BRL	5/7/2009	5/7/2009	0.05	0.01	0.04
36	Vivo Participacoes	3/25/2009	3/25/2009	0.74	0.01	0.73
Fractions	Wells Fago New	var	1/2/2009	8.09	27.07	(18.98)
Subtotal Short Term				12,758.35	28,146.58	(15,388.23)
Fractions	Brasil Telecom		11/24/2009	6.46	6.76	(0.30)
Fractions	Brasil Telecom		11/24/2009	0.63	0.65	(0.02)
Fractions	Pfizer		10/16/2009	4.39	4.32	0.07
Fractions	Vivo Participacoes		9/11/2009	4.41	4.22	0.19
Fractions	Tellmig Cellular		1/6/2009	0.23	-	0.23
Fractions	HSBC		4/8/2009	12.51	-	12.51
Fractions	AABN AMRO		8/26/2009	8.16	-	8.16
60	Azko Nobel	10/13/2004	10/26/2009	4,046.68	2,278.24	1,768.44
165	Boston Scientific Corp	9/28/2006	5/28/2009	1,498.92	2,431.29	(932.37)
90	Boston Scientific Corp	9/28/2006	6/3/2009	880.50	1,326.16	(445.66)
95	Boston Scientific Corp	9/28/2006	6/23/2009	927.18	1,399.83	(472.65)
270	Boston Scientific Corp	9/28/2006	7/27/2009	2,835.54	3,978.48	(1,142.94)
Fractions	Brasil Telecom	11/30/2001	11/16/2009	5.00	1.03	3.97
Fractions	Brasil Telecom	11/30/2001	11/24/2009	0.25	0.06	0.19
fractions	Brasil Telecom	11/30/2001	11/16/2009	9.47	3.69	5.78
Fractions	Brasil Telecom	11/30/2001	1/24/2009	0.02	0.01	0.01
353	Brasil Telecom	5/1/2002	11/24/2009	21,821.21	13,663.55	8,157.66
150	Cit Group	11/6/2007	7/16/2009	57.77	4,590.39	(4,532.62)
1125	Citigroup Inc	var	3/30/2009	2,671.85	34,861.85	(32,190.00)
125	Conseco	7/24/2007	3/9/2009	47.78	2,503.57	(2,455.79)
35	Eastman Kodak	6/4/2008	8/26/2009	179.45	512.22	(332.77)
13	Fairpoint Communications	6/9/2006	3/30/2009	8.32	87.89	(79.57)
2178	Ford Motor Company	1/5/2007	3/18/2009	5,442.78	15,302.43	(9,859.65)
720	Gannett Co Inc	var	8/7/2009	5,630.25	33,859.17	(28,228.92)
30	Glaxosmithkline PLC SP	1/20/2004	1/21/2009	1,054.03	1,369.68	(315.65)
60	Glaxosmithkline PLC SP	2/27/2004	1/26/2009	2,088.06	2,704.29	(616.23)
150	Glaxosmithkline PLC SP	3/24/2004	4/6/2009	4,586.91	6,361.80	(1,774.89)
30	HSBC	6/18/2007	11/9/2009	1,731.21	2,787.49	(1,056.28)
0.5	Rts HSBC		3/16/2009	4.25	-	4.25

Semmes Foundation Inc  
Smith Barney Gains and Losses  
12/31/2009

Shares	Description	Date Bot	Date Sold	Sales Pr	Cost	Gain/(Loss)
160	Home Depot	10/15/2007	4/8/2009	4,019.57	5,273.76	(1,254.19)
120	Home Depot	10/15/2007	4/20/2009	3,029.58	3,955.32	(925.74)
40	Home Depot	10/15/2007	4/29/2009	1,049.80	1,318.44	(268.64)
40	Home Depot	10/15/2007	6/25/2009	941.01	1,318.44	(377.43)
140	Home Depot	10/15/2007	8/25/2009	3,842.86	4,614.54	(771.68)
40	KT Corp	2/25/2002	2/26/2009	499.95	835.21	(335.26)
35	KT Corp	2/25/2002	4/2/2009	514.53	730.81	(216.28)
140	KT Corp	5/1/2002	4/7/2009	2020.36	3131.35	(1,110.99)
Fractions	Merck	5/16/2008	11/3/2009	17.52	10.34	7.18
90	Microsoft Corp	5/12/2006	11/18/2009	2,700.17	2,090.32	609.85
270	Micron Technology	11/23/2004	5/6/2009	1,457.77	3,077.41	(1,619.64)
60	Micron Technology	11/23/2004	12/7/2009	513.00	683.87	(170.87)
165	Micron Technology	11/23/2004	12/11/2009	1,423.40	1,880.64	(457.24)
495	Micron Technology	var	12/22/2009	4645.75	5307.5	(661.75)
275	Micron Technology	11/23/2004	12/22/2009	2,580.97	3,134.39	(553.42)
500	Mitsubishi UFJ Financial	11/21/2006	3/9/2009	1972.78	5285.35	(3,312.57)
1045	Mitsubishi UFJ Financial	2/9/2007	4/6/2009	5375.34	12389.93	(7,014.59)
770	Motorola Inc	7/12/2007	11/5/2009	7138.71	13670.79	(6,532.08)
497	Nortel Networks	7/6/2009	1/20/2009	37.91	12379.16	(12,341.25)
Fractions	PNC	11/6/2007	1/2/2009	14.98	191.88	(176.90)
Fractions	Pfizer	var	10/16/2009	12.56	17.32	(4.76)
60	Sanofi-Aventis	1/10/2007	4/6/2009	1641.65	2691.41	(1,049.76)
120	Sanofi-Aventis	1/10/2007	4/29/2009	3409.59	5388.98	(1,979.39)
1050	Schering Plough Corp	5/16/2008	11/3/2009	11025	8594	2,431.00
175	Sumitomo Mitsui Finl Group	9/20/2007	3/9/2009	476.41	1287.12	(810.71)
1485	Sumitomo Mitsui Finl Group	9/20/2007	4/6/2009	5,370.17	10,462.71	(5,092.54)
5	Telemig Celular	11/30/2001	9/11/2009	299.46	46.01	253.45
295	Telmex Intl	5/1/2002	11/12/2009	4,454.38	2,532.90	1,921.48
480	Tenet Health	12/3/2003	5/27/2009	1,597.25	7,387.30	(5,790.05)
135	Tenet Health	12/3/2003	6/1/2009	530.33	2,077.68	(1,547.35)
125	Tenet Health	12/3/2003	6/1/2009	491.04	1,923.77	(1,432.73)
100	Unilever	11/1/2004	7/20/2009	2,607.24	1,925.80	681.44
20	Unilever	11/1/2004	7/24/2009	525.42	392.23	133.19
60	Unilever	11/1/2004	8/26/2009	1,669.20	1,176.68	492.52
1760	Unisys Corp	var	8/4/2009	3,557.56	18,242.82	(14,685.26)
Fractions	Vivo Participacoes	var	9/11/2009	12.22	12.54	(0.32)
670	Wyeth	var	10/16/2009	33,747.95	29,932.24	3,815.71
Subtotal - Long Term				<u>170,787.61</u>	<u>305,410.03</u>	<u>(134,622.42)</u>
Total Short and Long Term				<u>183,545.96</u>	<u>333,556.61</u>	<u>(150,010.65)</u>

**SEMMES FOUNDATION, INC.  
2009 CONTRIBUTIONS**

**ASSISTANCE LEAGUE OF SAN ANTONIO**

P.O. Box 13130  
San Antonio, Texas 78213  
Watch Me Grow Program \$ 1,000

**CONFERENCE OF SOUTHWEST FOUNDATIONS**

624 N. Good-Latimer Expy., Suite 100  
Dallas, Texas 75204  
General Support 1,000

**FOOD FOR THE HUNGRY**

1224 E. Washington St.  
Phoenix, Arizona 85034  
General Support 2,000

**MCNAY ART MUSEUM**

P.O. Box 6069  
San Antonio, Texas 78209  
General Support McNay Library 10,000  
"Reclaimed" exhibit 25,000  
Intern Program 25,000  
Fund Raising Support 17,000  
General Support 5,250

**SUL ROSS STATE UNIVERSITY**

Alpine, Texas 79832  
Museum of the Big Bend Advisory Council 500

**TEXAS MILITARY INSTITUTE**

20955 West Tejas Drive  
San Antonio, Texas 78257  
Debt Reduction 130,000

**TRINITY UNIVERSITY**

715 Stadium Dr.  
San Antonio, Texas 78212  
Scholarship Fund 200,000

**UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY**

700 South Alamo  
San Antonio, Texas 78293  
General Support 25,000

**SEMMES FOUNDATION, INC.**  
**2009 CONTRIBUTIONS**  
(Continued)

**UNIVERSITY OF ALABAMA MUSEUMS**

120 Smith Hall

P.O. Box 870340

Tuscaloosa, Alabama 35487-0340

Capital Campaign - Jones Archeological Museum at Moundville 150,000

**UNIVERSITY OF TEXAS AT AUSTIN, MCDONALD OBSERVATORY**

1 University Station C1402

Austin, Texas 78712

Observatory Equipment 16,800

**YMCA OF GREATER SAN ANTONIO**

1123 Navarro

San Antonio, Texas 78205

Capital campaign 100,000

***TOTAL CONTRIBUTIONS FOR 2009*** **\$708,550**