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

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 , 2009, 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>TEXAS KNIGHTS TEMPLAR EDUCATIONAL FOUNDATION</b>		<b>A</b> Employer identification number <b>75-2234779</b>
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	<b>B</b> Telephone number (see the instructions) <b>(214) 575-3940</b>
	City or town	State ZIP code	<b>C</b> If exemption application is pending, check here <input type="checkbox"/>
	<b>DALLAS</b>	<b>TX 75243-1558</b>	<b>D</b> 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here <input type="checkbox"/>
<b>H</b> 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			<b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
<b>I</b> Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ <b>993,543.</b>		<b>J</b> Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	<b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
(Part I, column (d) must be on cash basis)			

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)		(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 (att sch)	670.			
	2 <input checked="" type="checkbox"/> If the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	33,084.	33,084.	33,084.	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit/(loss) (att sch)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	33,754.	33,084.	33,084.		
ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	7,646.			7,646.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch)	1,680.			1,680.
	c Other professional fees (attach sch)				
	17 Interest				
	18 Taxes (attach schedule) (see instr.) See Line 18 Stmt	970.			970.
	19 Depreciation (attach sch) and depletion				
	20 Occupancy	2,273.			2,273.
	21 Travel, conferences, and meetings				
22 Printing and publications					
23 Other expenses (attach schedule) See Line 23 Stmt	1,324.			1,324.	
24 Total operating and administrative expenses. Add lines 13 through 23	13,893.			13,893.	
25 Contributions, gifts, grants paid	14,000.			14,000.	
26 Total expenses and disbursements. Add lines 24 and 25	27,893.			27,893.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	5,861.				
b Net investment income (if negative, enter -0-)		33,084.			
c Adjusted net income (if negative, enter -0-)			33,084.		

314.20

**Part II Balance Sheets**

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>A S S E T S</b>	1 Cash – non-interest-bearing	4,233.	5,341.	5,341.
	2 Savings and temporary cash investments	2,771.	11,094.	11,094.
	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 the instructions)			
	7 Other notes and loans receivable (attach sch)			
	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)			
	b Investments – corporate stock (attach schedule) L-10b Stmt	705,089.	656,050.	827,876.
	c Investments – corporate bonds (attach schedule) L-10c Stmt	338,267.	168,163.	149,132.
	11 Investments – land, buildings, and equipment basis			
Less accumulated depreciation (attach schedule)				
12 Investments – mortgage loans				
13 Investments – other (attach schedule)				
14 Land, buildings, and equipment basis				
Less accumulated depreciation (attach schedule)				
15 Other assets (describe L-15 Stmt )	100.	100.	100.	
16 <b>Total assets</b> (to be completed by all filers – see instructions Also, see page 1, item I)	1,050,460.	840,748.	993,543.	
<b>L I A B I L I T I E S</b>	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe L-22 Stmt )	40,000.	40,000.	
	23 <b>Total liabilities</b> (add lines 17 through 22)	40,000.	40,000.	
<b>N E T A S S E T S O R F U N D B A L A N C E S</b>	<b>Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b>			
	27 Capital stock, trust principal, or current funds	1,010,460.	800,748.	
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 <b>Total net assets or fund balances</b> (see the instructions)	1,010,460.	800,748.	
	31 <b>Total liabilities and net assets/fund balances</b> (see the instructions)	1,050,460.	840,748.	

**Part III Analysis of Changes in Net Assets or Fund Balances**

1 Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,010,460.
2 Enter amount from Part I, line 27a	2	5,861.
3 Other increases not included in line 2 (itemize)	3	
4 Add lines 1, 2, and 3	4	1,016,321.
5 Decreases not included in line 2 (itemize) <b>NET CAPITAL LOSS FROM SALE OF SECURITIES</b>	5	215,573.
6 Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	800,748.

**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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a 2788 SH GROWTH FUND OF AMERICA	P	Various	02/26/09
b 5331 SH HARTFORD DISCIPLINE EQUITY	P	Various	02/26/09
c 874 SH BOND FUND OF AMERICA	P	02/26/09	08/06/09
d 1000 SH FHLMC	P	Various	08/17/09
e See Columns (a) thru (d)			

(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 51,582.		80,163.	-28,581.
b 42,755.		76,139.	-33,384.
c 10,000.		9,229.	771.
d 1,000.		1,000.	0.
e See Columns (e) thru (h)		168,379.	-154,379.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			-28,581.
b			-33,384.
c			771.
d			0.
e See Columns (i) thru (l)			-154,379.

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	-215,573.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	— [ If gain, also enter in Part I, line 8, column (c) (see the instructions) If (loss), enter -0- in Part I, line 8 ] —	3	

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes☒ No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2008	51,967.	1,058,098.	0.049114
2007	54,962.	1,222,719.	0.044951
2006	56,298.	1,127,263.	0.049942
2005	73,259.	1,062,137.	0.068973
2004	53,652.	1,019,712.	0.052615

2 Total of line 1, column (d)	2	0.265595
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.053119
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	863,694.
5 Multiply line 4 by line 3	5	45,879.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	331.
7 Add lines 5 and 6	7	46,210.
8 Enter qualifying distributions from Part XII, line 4	8	27,893.

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

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

1 a 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 instr.)		1	662.
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			
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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	662.
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	662.
6 Credits/Payments			
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6 a		
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments Add lines 6a through 6d	7		
8 Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8		19.
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9		681.
10 Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		0.
11 Enter the amount of line 10 to be Credited to 2010 estimated tax	11		
Refunded			

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a 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 Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		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?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation \$ _____ (2) On foundation managers \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ _____		
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		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		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T		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?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) TX - Texas		
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	
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		X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses		X

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**Part VII-A Statements Regarding Activities Continued**

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>LOYD L CHANCE</u> Telephone no <u>(214) 651-6070</u> Located at <u>13510 TI BLVD SUITE 108 DALLAS TX</u> ZIP + 4 <u>75243</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			

**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
<b>1 a</b> 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 type="checkbox"/> Yes <input checked="" 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>b</b> If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1 b	
<b>c</b> 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?	1 c	X
<b>2</b> 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))		
<b>a</b> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
<b>b</b> Are there any years listed in 2a for which the foundation is <b>not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see the instructions)	2 b	X
<b>c</b> If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
<b>3 a</b> 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>b</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)	3 b	X
<b>4 a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
<b>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?	4 b	X

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**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)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

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?☐ Yes ☐ No

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

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

6b

If 'Yes' to 6b, file Form 8870

X

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

7b

**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?**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 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
B J YOUNG 4816 HARLON, FT WORTH TX 76132	DIRECTOR 1.00	0.	0.	0.
JERRY N KIRBY PO BOX 354 RED OAK TX 75154	VICE PRESIDENT/DIR 1.00	0.	0.	0.
LEONARD O PIERCE 9154 LARSON HOUSTON TX 77055	PRESIDENT/DIR 1.00	0.	0.	0.
See Information about Officers, Directors, Trustees, Etc.		0.	0.	0.

**2** Compensation of five highest-paid employees (other than those included on line 1— see 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				
0				
0				
0				
0				

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

None

**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 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		None

**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 COLLEGE SCHOLARSHIPS – SEE PART XIV, FORM 990-PF	
	14,000.
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
	0.
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	None

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**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see 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>	870,858.
<b>b</b> Average of monthly cash balances	<b>1b</b>	5,989.
<b>c</b> Fair market value of all other assets (see instructions)	<b>1c</b>	0.
<b>d</b> Total (add lines 1a, b, and c)	<b>1d</b>	876,847.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b>	
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	876,847.
<b>4</b> Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	13,153.
<b>5</b> Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	<b>5</b>	863,694.
<b>6</b> Minimum investment return. Enter 5% of line 5	<b>6</b>	43,185.

**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.)

<b>1</b> Minimum investment return from Part X, line 6	<b>1</b>	43,185.
<b>2a</b> Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	662.
<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>	662.
<b>3</b> Distributable amount before adjustments Subtract line 2c from line 1	<b>3</b>	42,523.
<b>4</b> Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b> Add lines 3 and 4	<b>5</b>	42,523.
<b>6</b> Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7</b> Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	<b>7</b>	42,523.

**Part XII Qualifying Distributions** (see 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>	27,893.
<b>b</b> Program-related investments — total from Part IX-B	<b>1b</b>	0.
<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> Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	27,893.
<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 instructions)	<b>5</b>	0.
<b>6</b> Adjusted qualifying distributions. Subtract line 5 from line 4	<b>6</b>	27,893.

**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
<b>1</b> Distributable amount for 2009 from Part XI, line 7				42,523.
<b>2</b> Undistributed income, if any, as of the end of 2009				
<b>a</b> Enter amount for 2008 only				
<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	0.			
<b>b</b> From 2005	6,416.			
<b>c</b> From 2006	1,980.			
<b>d</b> From 2007	0.			
<b>e</b> From 2008	0.			
<b>f</b> Total of lines 3a through e	8,396.			
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 27,893.				
<b>a</b> Applied to 2008, but not more than line 2a				
<b>b</b> Applied to undistributed income of prior years (Election required — see instructions)				
<b>c</b> Treated as distributions out of corpus (Election required — see instructions)				
<b>d</b> Applied to 2009 distributable amount				27,893.
<b>e</b> Remaining amount distributed out of corpus	0.			
<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) )	8,396.			8,396.
<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	0.			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b		0.		
<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 instructions		0.		
<b>e</b> Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount — see instructions			0.	
<b>f</b> Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				6,234.
<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 instructions)				
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)	0.			
<b>9</b> Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2005	0.			
<b>b</b> Excess from 2006	0.			
<b>c</b> Excess from 2007	0.			
<b>d</b> Excess from 2008	0.			
<b>e</b> Excess from 2009	0.			

## N/A

**(4) Gross investment income**

[illegible]

## Form 990-PF (2009)

**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
<b>a</b> Paid during the year VARIOUS SCHOLARSHIPS SEE ATTACHED SCHEDULE	SEE ATTACHED SCHEDULE	SEE ATTACHE	SCHOLARSHIPS	14,000.
<b>Total</b>			<b>3a</b>	14,000.
<b>b</b> Approved for future payment				
<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 the instructions)
		(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities					33,084.
5	Net rental income or (loss) from real estate					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory					
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)					33,084.
13	<b>Total.</b> Add line 12, columns (b), (d), and (e)					33,084.

(See worksheet in the instructions for line 13 to verify calculations )

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

[illegible]



Form 990-PF, Page 1, Part I, Line 18

**Line 18 Stmt**

Taxes (see the instructions)	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
MEDICARE/SOCIAL SECURITY	929.			929.
UNEMPLOYMENT TAX	41.			41.
Total	970.			970.

Form 990-PF, Page 1, Part I, Line 23

**Line 23 Stmt**

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
EQUIPMENT RENTAL	114.			114.
MISC	177.			177.
OFFICE SUPPLIES	387.			387.
POSTAGE	56.			56.
REPAIRS	85.			85.
TELEPHONE	505.			505.
Total	1,324.			1,324.

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income

**Columns (a) thru (d)**

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)	(b) How acquired P-Purchase D-Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
5000 SH CWMBS	P	Various	Various
371 SH WASHINGTON MUTUAL	P	Various	11/25/09
MTG SECURITIES RESTATED TO CURRENT PRINCIPAL THAT SHOULD BE TR COST OF STOCK SOLD IN PRIOR YRS	P	N/A	N/A

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income

**Columns (e) thru (h)**

(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)
5,000.		5,075.	-75.
9,000.		5,520.	3,480.
0.		157,784.	-157,784.
Total		168,379.	-154,379.

## Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income

**Columns (i) thru (l)**

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

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (column (h) gain minus column (k), but not less than -0-) or losses (from column (h))
			-75.
			3,480.
			-157,784.
Total			<u>-154,379.</u>

Form 990-PF, Page 6, Part VIII, Line 1

**Information about Officers, Directors, Trustees, Etc.**

(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
Person <input type="checkbox"/> Business <input type="checkbox"/> THOMAS N TURNER 2521 PINEHURST WEST COLUMBIA TX 77566	SEC/TREAS/DIR 1.00	0.	0.	0.
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> CLARENCE J LANEY 13510 TI BLVD SUITE 108 DALLAS TX 75243	DIRECTOR 1.00	0.	0.	0.
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> LARRGY G CANANDA 13510 TI BLVD SUITE 108 DALLAS, TX 75243	DIRECTOR 1.00	0.	0.	0.
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> ROBERT FORMAN 13510 TI BLVD SUITE 108 DALLAS TX 75243	DIRECTOR 1.00	0.	0.	0.
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/>				

Total

0. 0. 0.



Form 990-PF, Page 2, Part II, Line 10b

**L-10b Stmt**

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
SEE ATTACHED STATEMENT	656,050.	827,876.
Total	<u>656,050.</u>	<u>827,876.</u>

Form 990-PF, Page 2, Part II, Line 10c

**L- 10c Stmt**

Line 10c - Investments - Corporate Bonds:	End of Year	
	Book Value	Fair Market Value
SEE ATTACHED STATEMENT	168,163.	149,132.
Total	<u>168,163.</u>	<u>149,132.</u>

Form 990-PF, Page 2, Part II, Line 15

**Other Assets Stmt**

Line 15 - Other Assets:	Beginning Year Book Value	End of Year	
		Book Value	Fair Market Value
DUE FROM GRAND COMMANDERY	100.	100.	100.
Total	<u>100.</u>	<u>100.</u>	<u>100.</u>

Form 990-PF, Page 2, Part II, Line 22

**Other Liab Stmt**

Line 22 - Other Liabilities:	Beginning Year Book Value	Ending Year Book Value
DUE TO GRAND COMMANDERY	40,000.	40,000.
Total	<u>40,000.</u>	<u>40,000.</u>

**Supporting Statement of:**

Investments/Line 10b Book-1

Description	Amount
STOCK AT BOOK VALUE	
BOND FUND OF AMERICA	44,373.
HARTFORD CAP APPRECIATION	114,174.
HARTFORD DIVIDEND & GROWTH FUND	154,495.
HARTFORD TOTAL RETURN BOND A	43,991.
INCOME FUND OF AMERICA	165,347.
WASHINGTON MUTUAL	133,670.
Total	<u>656,050.</u>

**Supporting Statement of:**

Investments/Line 10b FMV-1

Description	Amount
STOCKS AT FMV	
BOND FUND OF AMERICA	49,500.
HARTFORD CAP APPRECIATION	118,492.
HARTFORD DIVIDEND & GROWTH	155,937.
HARTFORD TOTAL RETURN BOND	48,181.
INCOME FUND OF AMERICA	244,761.
WASHINGTON MUTUAL INVS	211,005.
Total	<u>827,876.</u>

**Supporting Statement of:**

Investments/Line 10c Book-1

Description	Amount
BONDS AT COST	
DEERE & CO DEBENTURE	24,750.
GE CAPITAL CORP NOTES	13,000.
GTE NORTHWEST INC DEBENTURE	20,175.
MBIA INC SENIOR NOTES	25,000.
SLM EDNOTES	25,000.
WAL-MART STORES INC NOTE	39,730.
CWMBS MTG	15,225.
FNMA	866.
GNMA POOL	1,018.
GNMA POOL	1,350.
GNMA POOL	581.
GNMA POOL	697.
GNMA POOL	771.
Total	<u>168,163.</u>

**Supporting Statement of:**

Investments/Line 10c FMV-1

Description	Amount
BONDS AT FMV	
DEERE & CO DEBENTURE	31,710.
GE CAPITAL CORP NOTES	12,888.
GTE NORTHWEST INC DEBENTURE	20,388.
MBIA INC SENIOR NOTES	10,812.
SLM DEDNOTES	12,251.
WAL-MART STORES INC NOTE	40,879.
CWMBS MTG	14,513.
FNMA	952.
GNMA POOL	1,078.
GNMA POOL	1,492.
GNMA POOL	817.
GNMA POOL	615.
GNMA POOL	737.
Total	<u>149,132.</u>

TEXAS KNIGHT TEMPLAR EDUCATIONAL FOUNDATION

75-2234779

FORM 990-PF  
2009

FALL 2009  
July

TEXAS KNIGHTS TEMPLAR

Alexander, Amanda 6911 Kelsey Rae Ct Houston, TX 77069	Texas A&M University	1,000 00
Conway, Alicia 1406 Evergreen Longview, TX 75605	University of Texas at Tyler	1,000.00
Cupples, Catherine 7418 San Ramon Houston, TX 77083	Texas A&M University	1,000 00
Davis, Michael 38020 Windy Ridge Trail Magnolia, TX 77355	Wheaton College	1,000 00
Eng, Lindsey M. 2919 Fontana Dr Houston, TX 77043	texas A&M University	1,000 00
Hilley, Carly D. 1009 Trailwood Longview, TX 75605	Texas A&M University	1,000 00
Lewis, Grant M. 804 S Aspen Ave Knox City, TX 79529	Southern Methodist University	1,000.00
Penn, Jennifer E. 714 Barton Rd. Maypearl, TX 76064	Texas A&M University	1,000 00
Saldana, Aaron 5934 Allison R Houston, TX 77078	University of Houston	1,000 00

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TEXAS KNIGHT TEMPLAR EDUCATIONAL FOUNDATION  
Form 990-PF  
2009

75-2234779

SPRING 2010 TEXAS KNIGHTS TEMPLAR  
Nov

Clayton Guy Dalrymple 2405 Rosedale Brenham, TX 77833	[REDACTED]	Sam Houston State University	1,000.00
Virginia Grace Henderson 1708 W. Oak Street Denton, TX 76201	[REDACTED]	North Texas University	1,000.00
Grant Michael Lewis 804 S. Aspen Ave Knox City, TX 79529	[REDACTED]	Southern Methodist University	2,000.00
Kari Lynn Murphree 254 CR 407 Bay City TX, 77414	[REDACTED]	Blinn College	1,000.00
TOTAL			\$5,000.00

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PAGE 02/01

TEXAS KNIGHT TEMPLAR EDUCATIONAL FOUNDATION  
tktedapp/Revised 11/20/00 FORM 940-PF 2009 75-2234779  
**THE TEXAS KNIGHTS TEMPLAR EDUCATIONAL FOUNDATION**  
**GRAND COMMANDERY OF TEXAS**

APPLICATION FOR SCHOLARSHIP

Name: Katy Elizabeth Wright  
Permanent address: 1845 N. San Jacinto Liberty Tx 77575  
Street City State Zip  
College/ University: Baylor University  
Address: One Bear Place #85202 Waco Texas 76798-5202  
Street City State Zip  
Phone Number: Applicant's Permanent (936) 336-5231 College (936) 402-4485

INSTRUCTIONS

BE CERTAIN THAT ALL REQUIRED DOCUMENTS AND MATERIALS ARE MAILED TO:  
The Texas Knights Templar Educational Foundation, 507 S. Harwood  
Fax 214-744-3622.

1. **ELIGIBILITY:** An applicant must have completed a minimum of one semester of college to be considered for a scholarship.

2. **APPLICATION:** This completed application and all required supporting documents must be mailed by the Fall Semester and October 1<sup>st</sup> for the Spring Semester. I am applying for the \_\_\_\_\_ semester.

3. **TRANSCRIPTS:** One official high school transcript and one official transcript from a vocational/technical school that you have attended. Send a copy of each transcript to the address above.

4. **PERSONAL REFERENCES:** Enclose not less than three (3) nor more than five (5) personal references to substantiate information in this application. Personal references must be mailed directly to Sir Knight Loyd L. Chance at the above address. Personal references must use the form included in this packet. They may also include a letter.

5. **COURSE INSTRUCTOR INFORMATION FORM:** At least three instructor forms are required and must be mailed directly to Sir Knight Loyd L. Chance by your instructors. Forms are included in this packet.

6. **RECENT PHOTOGRAPH**

7. Applicants should follow up with course instructors and individuals making personal recommendations to verify that references have been mailed. **THIS IS YOUR RESPONSIBILITY.**

**INCOMPLETE APPLICATIONS WILL NOT BE CONSIDERED.**

8. **FINANCIAL ASSISTANCE:** Junior and Senior students needing assistance in the form of loans may obtain them through the Student Loan Fund of the Knights Templar Educational Foundation by writing to Sir Knight Loyd L. Chance for a Loan Application Form at the above address.

**THE GRAND COMMANDERY KNIGHTS TEMPLAR OF TEXAS IS A PART OF THE MASONIC FRATERNITY OF ANCIENT FREE AND ACCEPTED MASONS.**

SEP 24 2004