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

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

**2009**

For calendar year 2009, or tax year beginning , 2009, and ending , 20

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return  
☐ Amended return ☐ Address change ☐ Name change

<b>Use the IRS label. Otherwise, print or type. See Specific Instructions.</b>	Name of foundation <b>LUDA BELLE WALKER FOUNDATION</b>		A Employer identification number <b>75-2745568</b>	
	Number and street (or P O box number if mail is not delivered to street address) Room/suite <b>803 JEFFERSON</b>		B Telephone number (see page 10 of the instructions) <b>936-634-2771</b>	
	City or town, state, and ZIP code <b>LUFKIN, TX 75904</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"/>	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) <b>\$ 866,124</b>		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		(Part I, column (d) must be on cash basis)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

<b>Part I Analysis of Revenue and Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 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)	783,220			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	4	4		
	4 Dividends and interest from securities	5,523	5,523		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-11,509			
	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 or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 <b>Total.</b> Add lines 1 through 11	777,238	5,527			
<b>Operating and Administrative Expenses</b>	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	96			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	150	75		75
	24 <b>Total operating and administrative expenses.</b> Add lines 13 through 23	246	75	0	75
	25 Contributions, gifts, grants paid	12,000			12,000
26 <b>Total expenses and disbursements.</b> Add lines 24 and 25	12,246	75	0	12,075	
27 Subtract line 26 from line 12:					
a <b>Excess of revenue over expenses and disbursements</b>	764,992				
b <b>Net investment income</b> (if negative, enter -0-)		5,452			
c <b>Adjusted net income</b> (if negative, enter -0-)			0		

<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 . . . . .	5,870	45,748	45,748
	2 Savings and temporary cash investments . . . . .			
	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 (attach 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)			
	b Investments—corporate stock (attach schedule) <b>SCH D 2</b>	116,656	840,480	820,376
	c Investments—corporate bonds (attach schedule) . . . . .			
	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 ▶ )				
16 <b>Total assets</b> (to be completed by all filers—see the instructions. Also, see page 1, item I) . . . . .	122,526	886,228	866,124	
<b>Liabilities</b>	17 Accounts payable and accrued expenses . . . . .			
	18 Grants payable . . . . .	11,284	9,180	
	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 ▶ )	-451	-396	
23 <b>Total liabilities</b> (add lines 17 through 22) . . . . .	10,833	8,784		
<b>Net Assets or Fund Balances</b>	<b>Foundations that follow SFAS 117, check here</b> ▶ <input type="checkbox"/> <b>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</b> ▶ <input type="checkbox"/> <b>and complete lines 27 through 31.</b>			
	27 Capital stock, trust principal, or current funds . . . . .	83,727	83,727	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	27,966	773,717	
30 <b>Total net assets or fund balances</b> (see page 17 of the instructions) . . . . .	111,693	857,444		
31 <b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions) . . . . .	122,526	886,228		

**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	111,693
2 Enter amount from Part I, line 27a . . . . .	2	764,992
3 Other increases not included in line 2 (itemize) ▶ <b>DECREASE IN GRANTS PAYABLE</b>	3	2,104
4 Add lines 1, 2, and 3 . . . . .	4	878,789
5 Decreases not included in line 2 (itemize) ▶ <b>ADJUST VALUE OF STOCK CONTRIBUTED</b>	5	21,345
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 . . . . .	6	857,444

**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</b>	<b>489 720 SHARES MFS EMERGING GROWTH FD C</b>	<b>D</b>	<b>VARIOUS</b>	<b>05/21/2009</b>
<b>b</b>	<b>CAPTIAL GAINS DISTRIBUTIONS</b>	<b>D</b>	<b>VARIOUS</b>	<b>VARIOUS</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> 12,022		23,595	-11,573
<b>b</b> 64		0	64
<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) FMV 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) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	<b>2</b>	-11,509
<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>	0

**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	13,500	227,108	.059443
2007	12,000	278,573	.043077
2006	11,410	244,163	.046731
2005	10,799	233,289	.046290
2004	8,856	219,312	.040381

<b>2</b> Total of line 1, column (d)	<b>2</b>	.235922
<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>	.047184
<b>4</b> Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	<b>4</b>	200,520
<b>5</b> Multiply line 4 by line 3	<b>5</b>	9,416
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	55
<b>7</b> Add lines 5 and 6	<b>7</b>	9,471
<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>	12,075

**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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b	<b>1</b>		<b>55</b>
<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-)	<b>2</b>		<b>0</b>
<b>3</b>	Add lines 1 and 2	<b>3</b>		<b>55</b>
<b>4</b>	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>4</b>		
<b>5</b>	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	<b>5</b>		<b>55</b>
<b>6</b>	Credits/Payments:			
<b>a</b>	2009 estimated tax payments and 2008 overpayment credited to 2009	<b>6a</b>		<b>451</b>
<b>b</b>	Exempt foreign organizations—tax withheld at source	<b>6b</b>		
<b>c</b>	Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>		
<b>d</b>	Backup withholding erroneously withheld	<b>6d</b>		
<b>7</b>	Total credits and payments. Add lines 6a through 6d	<b>7</b>		<b>451</b>
<b>8</b>	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	<b>8</b>		<b>0</b>
<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>	<b>9</b>		<b>55</b>
<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>	<b>10</b>		<b>396</b>
<b>11</b>	Enter the amount of line 10 to be: <b>Credited to 2010 estimated tax</b> <b>396</b> <b>Refunded</b>	<b>11</b>		

**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?		<input checked="" type="checkbox"/>
<b>b</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)? <i>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.</i>		<input checked="" type="checkbox"/>
<b>c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		<input checked="" type="checkbox"/>
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation. <b>\$ 0</b> (2) On foundation managers <b>\$ 0</b>		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <b>\$ 0</b>		
<b>2</b> Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		<input checked="" type="checkbox"/>
<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? <i>If "Yes," attach a conformed copy of the changes.</i>		<input checked="" type="checkbox"/>
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		<input checked="" type="checkbox"/>
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?		<b>N/A</b>
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		<input checked="" type="checkbox"/>
<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?		<input checked="" type="checkbox"/>
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	<input checked="" type="checkbox"/>	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <b>TEXAS</b>		
<b>b</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? <i>If "No," attach explanation</i>	<input checked="" type="checkbox"/>	
<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)? <i>If "Yes," complete Part XIV</i>		<input checked="" type="checkbox"/>
<b>10</b> Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		<input checked="" type="checkbox"/>

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

<b>11</b>	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)	<b>11</b>		✓
<b>12</b>	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	<b>12</b>		✓
<b>13</b>	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <b>N/A</b>	<b>13</b>	✓	
<b>14</b>	The books are in care of ▶ <b>C. JAMES HALEY, JR</b> Telephone no. ▶ <b>936-634-2771</b> Located at ▶ <b>803 JEFFERSON, LUFKIN TX</b> ZIP+4 ▶ <b>75904</b>			
<b>15</b>	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of <b>Form 1041</b> —Check here and enter the amount of tax-exempt interest received or accrued during the year	<b>15</b>		N/A

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

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

	Yes	No
<b>1a</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 <b>any</b> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	<b>1b</b>	N/A
<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?	<b>1c</b>	✓
<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 ▶ 20____, 20____, 20____, 20____		
<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 <b>all</b> years listed, answer "No" and attach statement—see page 20 of the instructions) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>2b</b>	N/A
<b>c</b> If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____		
<b>3a</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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>3b</b>	N/A
<b>4a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	<b>4a</b>	✓
<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?	<b>4b</b>	✓

**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 page 22 of the 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 page 22 of the instructions)? ☐ Yes ☒ No  
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? ☐ Yes ☒ No  
If "Yes" to 6b, file Form 8870
- 7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No
- b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

5b N/A

6b

7b N/A

**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
C. JAMES HALEY, JR 803 JEFFERSON, LUFKIN TX 75904	PRESIDENT, 1	0	0	0
ANNA BETH CONNELL 1302 TOM TEMPLE, LUFKIN TX 75904	TRUSTEE, 1	0	0	0
ELSIE WILLIS 1302 TOM TEMPLE, LUFKIN TX 75904	TRUSTEE, 1	0	0	0

**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		
<b>Total number of others receiving over \$50,000 for professional services</b>		▶

**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

<b>1</b>	N/A	
<b>2</b>		
<b>3</b>		
<b>4</b>		

**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

<b>1</b>	N/A	
<b>2</b>		
All other program-related investments. See page 24 of the instructions.		
<b>3</b>		
<b>Total. Add lines 1 through 3</b>		▶



**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>	194,094
<b>b</b>	Average of monthly cash balances . . . . .	<b>1b</b>	9,660
<b>c</b>	Fair market value of all other assets (see page 24 of the instructions) . . . . .	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, b, and c) . . . . .	<b>1d</b>	203,754
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) . . . . .	<b>1e</b>	0
<b>2</b>	Acquisition indebtedness applicable to line 1 assets . . . . .	<b>2</b>	0
<b>3</b>	Subtract line 2 from line 1d . . . . .	<b>3</b>	203,574
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions) . . . . .	<b>4</b>	3,054
<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>	200,520
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5 . . . . .	<b>6</b>	10,026

**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>	10,026
<b>2a</b>	Tax on investment income for 2009 from Part VI, line 5 . . . . .	<b>2a</b>	55
<b>b</b>	Income tax for 2009. (This does not include the tax from Part VI.) . . . . .	<b>2b</b>	0
<b>c</b>	Add lines 2a and 2b . . . . .	<b>2c</b>	55
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1 . . . . .	<b>3</b>	9,971
<b>4</b>	Recoveries of amounts treated as qualifying distributions . . . . .	<b>4</b>	0
<b>5</b>	Add lines 3 and 4 . . . . .	<b>5</b>	9,971
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions) . . . . .	<b>6</b>	0
<b>7</b>	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 . . . . .	<b>7</b>	9,971

**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>	12,075
<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>	12,075
<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>	55
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4 . . . . .	<b>6</b>	12,020

**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>9,971</b>
<b>2</b> Undistributed income, if any, as of the end of 2009				
<b>a</b> Enter amount for 2008 only . . . . .			<b>11,284</b>	
<b>b</b> Total for prior years. 20____, 20____, 20____		<b>0</b>		
<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> <b>Total</b> of lines 3a through e . . . . .	<b>0</b>			
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4. ► \$ <b>12,075</b>				
<b>a</b> Applied to 2008, but not more than line 2a . . . . .			<b>11,284</b>	
<b>b</b> Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		<b>0</b>		
<b>c</b> Treated as distributions out of corpus (Election required—see page 26 of the instructions) . . . . .	<b>0</b>			
<b>d</b> Applied to 2009 distributable amount . . . . .				<b>791</b>
<b>e</b> Remaining amount distributed out of corpus . . . . .	<b>0</b>			
<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>0</b>			<b>0</b>
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> <u>Corpus</u> . Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .	<b>0</b>			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		<b>0</b>		
<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>0</b>		
<b>d</b> Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions . . . . .		<b>0</b>		
<b>e</b> Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions . . . . .			<b>0</b>	
<b>f</b> Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010 . . . . .				<b>9,180</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>0</b>			
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions) . . . . .	<b>0</b>			
<b>9</b> <b>Excess distributions carryover to 2010.</b> Subtract lines 7 and 8 from line 6a . . . . .	<b>0</b>			
<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)*N/A*

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

- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2).)

NONE

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

NONE

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

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see 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:

C. JAMES HALEY, JR, 803 JEFFERSON, LUFKIN, TX 75904, (936) 634-2771

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

SEE STATEMENT 3

- 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 4

**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 Paid during the year</b>				
<b>MUSEUM OF EAST TEXAS</b> 503 N. SECOND, LUFKIN, TX 75901	N/A	PUBLIC	GENERAL OPERATIONS	3,000
<b>THE MOSIAC CENTER</b> 601 N. FIRST STREET, LUFKIN, TX 75904	N/A	PUBLIC	GENERAL OPERATIONS	2,000
<b>PREGNANCY HELP CENTER</b> 106 SOUTH BYNUM, LUFKIN, TX 75904	N/A	PUBLIC	GENERAL OPERATIONS	4,000
<b>FRIENDS OF ELLEN TROUT ZOO</b> LUFKIN, TX 75904	N/A	PUBLIC	GENERAL OPERATIONS	3,000
<b>Total</b>			<b>3a</b>	<b>12,000</b>
<b>b Approved for future payment</b>				
<b>NONE</b>				
<b>Total</b>			<b>3b</b>	<b>0</b>

## 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	
<b>1</b>	Program service revenue:					
<b>a</b>	_____					
<b>b</b>	_____					
<b>c</b>	_____					
<b>d</b>	_____					
<b>e</b>	_____					
<b>f</b>	_____					
<b>g</b>	Fees and contracts from government agencies					
<b>2</b>	Membership dues and assessments . . . . .					
<b>3</b>	Interest on savings and temporary cash investments					
<b>4</b>	Dividends and interest from securities . . . . .			<b>14</b>	<b>5,527</b>	
<b>5</b>	Net rental income or (loss) from real estate					
<b>a</b>	Debt-financed property . . . . .					
<b>b</b>	Not debt-financed property . . . . .					
<b>6</b>	Net rental income or (loss) from personal property					
<b>7</b>	Other investment income . . . . .					
<b>8</b>	Gain or (loss) from sales of assets other than inventory					
<b>9</b>	Net income or (loss) from special events . . . . .					
<b>10</b>	Gross profit or (loss) from sales of inventory . . . . .					
<b>11</b>	Other revenue: <b>a</b> _____					
<b>b</b>	_____					
<b>c</b>	_____					
<b>d</b>	_____					
<b>e</b>	_____					
<b>12</b>	Subtotal. Add columns (b), (d), and (e) . . . . .				<b>5,527</b>	
<b>13</b>	<b>Total.</b> Add line 12, columns (b), (d), and (e) . . . . .				<b>13</b>	<b>5,527</b>

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

[illegible]

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


		Yes	No
<b>1</b>	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?		
<b>a</b>	Transfers from the reporting foundation to a noncharitable exempt organization of:		
(1)	Cash	1a(1)	✓
(2)	Other assets	1a(2)	✓
<b>b</b>	Other transactions:		
(1)	Sales of assets to a noncharitable exempt organization	1b(1)	✓
(2)	Purchases of assets from a noncharitable exempt organization	1b(2)	✓
(3)	Rental of facilities, equipment, or other assets	1b(3)	✓
(4)	Reimbursement arrangements	1b(4)	✓
(5)	Loans or loan guarantees	1b(5)	✓
(6)	Performance of services or membership or fundraising solicitations	1b(6)	✓
<b>c</b>	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	✓
<b>d</b>	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		

[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		12-20-10 Date	PRESIDENT Title
Paid Preparer's Use Only Sign Here	Preparer's signature	Date	Check if self-employed <input type="checkbox"/> Preparer's identifying number (see <b>Signature</b> on page 30 of the instructions)
	Firm's name (or yours if self-employed), address, and ZIP code		EIN <input type="checkbox"/> Phone no

**Luda Belle Walker Foundation**  
**75-2745568**

**Statement 1**  
**Form 990-PF, Part I, Line 1**

**Direct Contributions:**

Luda Belle Walker Family Trust	\$ 783,220
803 Jefferson	
Lufkin, TX 75904	

**Statement 2**  
**Form 990-PF, Part I, Line 18**

Excise taxes	\$ 55
Foreign taxes	\$ 41
	<u>\$ 96</u>

**Statement 3**  
**Form 990-PF, Part XV, Line 2b**

Furnish correct name, address and phone number of applicant; brief resume of 1) Operation  
2) Explanation of the request evidencing the need, the services to be rendered and how,  
when members of the public will be benefited.

**Statement 4**  
**Form 990-PF, Part XV, Line 2d**

Policy of primarily making grants to projects located in Angelina County, Texas area. Grants  
made only to a governmental unit exempt under the IRS Code or a non-profit, charitable  
organization having an exemption letter from the IRS evidencing that it is such an organization.

**LUDA BELLE WALKER FOUNDATION**  
**SCHEDULE OF MONTHLY AVERAGE VALUES**  
**YEAR ENDED 12-31-09**

	<u>SECURITIES</u>	<u>CASH</u>	<u>TOTAL</u>
JANUARY	170,952	6,023	176,976
FEBRUARY	157,155	6,281	163,436
MARCH	152,774	6,688	159,463
APRIL	161,498	7,137	168,635
MAY	162,995	8,897	171,891
JUNE	159,649	9,364	169,013
JULY	164,425	8,265	172,690
AUGUST	170,127	8,415	178,541
SEPTEMBER	173,440	8,837	182,277
OCTOBER	175,133	9,204	184,337
NOVEMBER	178,941	9,278	188,219
DECEMBER	502,042	27,527	529,569
	<hr/>	<hr/>	<hr/>
AVERAGE	194,094	9,660	203,754
	<hr/>	<hr/>	<hr/>



**FORM 990-PF, PART II, LINE 10B**  
**INVESTMENTS - CORPORATE STOCK**

CORPORATE STOCKS	VAL METHOD	BOOK VALUE	FAIR MKT. VALUE
200 3M Company	Cost	15,875	16,534
300 Alcoa Inc	Cost	8,630	4,836
340 American Electric Power Co	Cost	10,142	11,829
1811 AT&T Inc.	Cost	45,506	50,762
375 Bank of New York Mellon Corp	Cost	10,307	10,489
300 Boeing Co	Cost	25,410	16,239
460 Chevron Corp	Cost	31,847	35,415
1895 Citigroup Inc	Cost	83,054	6,272
602 Coca Colo Co	Cost	28,087	34,314
139 Colgate Palmolive Co	Cost	8,361	11,419
213 ConocoPhillips	Cost	11,385	10,878
200 Cons Edison Inc	Cost	9,584	9,086
108 Diamond Offshore Drilling Inc	Cost	7,586	10,629
300 Dominion Res Inc	Cost	12,095	11,676
300 Du Point El De Nemours & Co	Cost	13,784	10,101
850 Exxon Mobil Corp	Cost	8,223	57,962
66 Forestar	Cost	1,151	1,451
2062 General Electric Co	Cost	26,601	31,198
66 Guaranty Financial Group Inc	Cost	739	1
137 Honeywell International Inc	Cost	4,288	5,370
745 Intel Corp	Cost	17,657	15,198
489 Intl Business Machines Corp	Cost	30,786	64,010
575 Johnson & Johnson	Cost	26,242	37,036
137 Lockheed Martin Corp	Cost	10,618	10,323
184 Mc Donalds Corp	Cost	11,337	11,489
305 Metlife Incorporated	Cost	10,011	10,782
632 Microsoft Corp	Cost	15,696	19,263
300 Motorola Inc	Cost	6,452	2,328
200 Nstar Inc	Cost	7,040	7,360
231 PNC Finl Svcs Gp	Cost	10,911	12,194
587 Procter & Gamble	Cost	36,826	35,590
744 Pfizer Inc	Cost	12,245	13,533
31 Sears Holding Corp	Cost	5,347	2,587
200 Southern Co	Cost	7,168	6,664
200 Temple-Inland Inc.	Cost	2,777	4,222
95 Travelers Companies Inc	Cost	5,004	4,737
2327.768 Aim Equity FDS Inc	Cost	36,056	27,840
3718.243 American Bd Fd of America	Cost	48,526	43,875
376 095 American Cap World Bond C	Cost	7,458	7,454
913.963 Growth Fund of America	Cost	27,208	24,083
1016.833 American High Income Tr C	Cost	11,386	10,789
1095.229 Putnam Glb Nat Resources A	Cost	31,317	21,006
417.173 Putnam Global Health Care A	Cost	24,745	19,507
4,622.724 Putnam Global Utilities A	Cost	57,281	52,006
837 891 Putnam Growth & Income A	Cost	17,732	10,038
		<u>840,480</u>	<u>820,376</u>

**SCHEDULE 2**