



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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 , 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.	R. W. FAIR FOUNDATION P. O. BOX 689 TYLER, TX 75710	A Employer identification number 75-6015270
		B Telephone number (see the instructions) 903-592-3811
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		C If exemption application is pending, check here. ☐
I Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ 9,516,870.		D 1 Foreign organizations, check here. ☐ 2 Foreign organizations meeting the 85% test, check here and attach computation ☐
J Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis)		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

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)
1	Contributions, gifts, grants, etc. received (att sch)				
2	CK ☒ if the foundn is not req to att Sch B				
3	Interest on savings and temporary cash investments	93.	93.		
4	Dividends and interest from securities	106,874.	106,874.		
5a	Gross rents	372,331.	372,331.		
b	Net rental income or (loss)	-3,417.			
6a	Net gain/(loss) from sale of assets not on line 10	234,236.			
b	Gross sales price for all assets on line 6a	2,189,759.			
7	Capital gain net income (from Part IV, line 2) ...		234,236.		
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)	57,814.	57,814.		
12	Total. Add lines 1 through 11	771,348.	771,348.	0.	
13	Compensation of officers, directors, trustees, etc	2,581.	2,581.		
14	Other employee salaries and wages	20,484.	19,984.		500.
15	Pension plans, employee benefits...				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach sch) SEE ST 2	3,725.	3,725.		
c	Other prof fees (attach sch) SEE ST 3	37,320.	37,320.		
17	Interest				
18	Taxes (attach schedule)(see instr) SEE STM 4	37,441.	34,828.		40.
19	Depreciation (attach sch) and depletion	39,454.	39,454.		
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) SEE STATEMENT 5	378,415.	378,415.		
24	Total operating and administrative expenses. Add lines 13 through 23	519,420.	516,307.		540.
25	Contributions, gifts, grants paid PART XV	425,850.			425,850.
26	Total expenses and disbursements. Add lines 24 and 25	945,270.	516,307.	0.	426,390.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	-173,922.			
b	Net investment income (if negative, enter -0-)		255,041.		
c	Adjusted net income (if negative, enter -0-)			0.	

G4
25

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	
ASSETS	1 Cash — non-interest-bearing	40,368.	86,494.	86,494.	
	2 Savings and temporary cash investments	811,909.	352,038.	352,038.	
	3 Accounts receivable	13,741.			
	Less: allowance for doubtful accounts	18,265.	13,741.	13,741.	
	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	35,270.	31,579.	31,579.	
	10a Investments — U.S. and state government obligations (attach schedule)				
	b Investments — corporate stock (attach schedule)	5,728,069.	7,489,484.	7,489,484.	
	c Investments — corporate bonds (attach schedule)				
	11 Investments — land, buildings, and equipment: basis	4,079,889.			
Less: accumulated depreciation (attach schedule)	SEE STMT. 6. 2,528,601.	1,590,741.	1,551,288.	1,238,500.	
12 Investments — mortgage loans					
13 Investments — other (attach schedule)	14,504.	173,978.	305,034.		
14 Land, buildings, and equipment: basis					
Less: accumulated depreciation (attach schedule)					
15 Other assets (describe	2.				
16 Total assets (to be completed by all filers — see instructions. Also, see page 1, item I)	8,239,128.	9,698,602.	9,516,870.		
LIABILITIES	17 Accounts payable and accrued expenses	61.	525.		
	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		1.		
	23 Total liabilities (add lines 17 through 22)	61.	526.		
FUND ASSETS AND BALANCES	Foundations that follow SFAS 117, check here		☒		
	and complete lines 24 through 26 and lines 30 and 31.				
	24 Unrestricted	8,239,067.	9,698,076.		
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here		☐		
	and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds				
	28 Paid-in or capital surplus, or land, building, and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds				
30 Total net assets or fund balances (see the instructions)	8,239,067.	9,698,076.			
31 Total liabilities and net assets/fund balances (see the instructions)	8,239,128.	9,698,602.			

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	8,239,067.
2 Enter amount from Part I, line 27a	2	-173,922.
3 Other increases not included in line 2 (itemize)	3	1,632,931.
4 Add lines 1, 2, and 3.	4	9,698,076.
5 Decreases not included in line 2 (itemize)	5	-
6 Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30 ...	6	9,698,076.

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)

1a SEE SCHEDULE 1	P	VARIOUS	VARIOUS
b SEE SCHEDULE 1	P	VARIOUS	VARIOUS
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 624,975.		667,965.	-42,990.
b 1,564,784.		1,287,558.	277,226.
c			
d			
e			

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))
(j) Fair Market Value as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of column (i) over column (j), if any	
a			-42,990.
b			277,226.
c			
d			
e			

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

234,236.

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

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 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	286,140.	9,842,324.	0.029072
2007	518,119.	11,261,813.	0.046007
2006	452,540.	10,450,527.	0.043303
2005	324,990.	10,025,248.	0.032417
2004	369,640.	10,168,227.	0.036352

2 Total of line 1, column (d)**2**

0.187151

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**

0.037430

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

8,333,885.

5 Multiply line 4 by line 3**5**

311,937.

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

2,550.

7 Add lines 5 and 6**7**

314,487.

8 Enter qualifying distributions from Part XII, line 4**8**

426,390.

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. ☐ and enter 'N/A' on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary - see instr.)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		1	2,550.
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	2,550.
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	2,550.
6 Credits/Payments:			
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6a	1,465.	
b Exempt foreign organizations — tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	1,750.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	3,215.	
8 Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	13.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	652.	
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax 652. Refunded	11	0.	

Part VII 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. \$ 0. (2) On foundation managers \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If 'Yes,' attach a detailed description of the activities.		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?	N/A	
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		
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

BAA

Form 990-PF (2009)

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>RACHEL LARSON</u> Telephone no. <u>903-592-3811</u> Located at <u>TYLER, TEXAS</u> ZIP + 4 <u>75710</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <u>N/A</u> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			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
1 a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No	
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No	
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here ☐	1 b	X
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?	1 c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? If 'Yes,' list the years <u>20__ , 20__ , 20__ , 20__</u>	☐ Yes ☒ 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 the instructions.)	2 b	N/A
c 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__ , 20__ , 20__ , 20__</u>		
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No	
b If 'Yes,' did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009)	3 b	N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4 b	X

BAA

Form 990-PF (2009)

Part VII 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)?Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?N/A ☐ Yes ☐ No

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

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

If 'Yes' to 6b, file Form 8870.

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?

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 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 8		2,581.	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				

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

0

Part VII 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 0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see 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 instructions	
3	
Total. Add lines 1 through 3	0

BAA

Form 990-PF (2009)

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	6,427,322.
b Average of monthly cash balances	1b	540,414.
c Fair market value of all other assets (see instructions)	1c	1,493,061.
d Total (add lines 1a, b, and c)	1d	8,460,797.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d.	3	8,460,797.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	126,912.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	8,333,885.
6 Minimum investment return. Enter 5% of line 5	6	416,694.

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

1 Minimum investment return from Part X, line 6	1	416,694.
2a Tax on investment income for 2009 from Part VI, line 5	2a	2,550.
b Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b.	2c	2,550.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	414,144.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	414,144.
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	414,144.

Part XIII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26.	1a	426,390.
b Program-related investments — total from Part IX-B.	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes.	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	426,390.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	2,550.
6 Adjusted qualifying distributions. Subtract line 5 from line 4.	6	423,840.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7 ..				414,144.
2 Undistributed income, if any, as of the end of 2009:				
a Enter amount for 2008 only ..			423,464.	
b Total for prior years: 20__, 20__, 20__		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004 ..				
b From 2005 ..				
c From 2006 ..				
d From 2007 ..				
e From 2008 ..				
f Total of lines 3a through e ..	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ 426,390.				
a Applied to 2008, but not more than line 2a ..			423,464.	
b Applied to undistributed income of prior years (Election required — see instructions) ..		0.		
c Treated as distributions out of corpus (Election required — see instructions) ..	0.			
d Applied to 2009 distributable amount ..				2,926.
e Remaining amount distributed out of corpus ..	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 ..	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b ..		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed ..		0.		
d Subtract line 6c from line 6b. Taxable amount — see instructions ..		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount — see instructions ..			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010 ..				411,218.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2005 ..				
b Excess from 2006 ..				
c Excess from 2007 ..				
d Excess from 2008 ..				
e Excess from 2009 ..				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling.

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed.

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 organization had \$5,000 or more in assets at any time during the year — see instructions.)**1 Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

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

SEE STATEMENT 9

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines:

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

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
<i>a Paid during the year</i> VARIOUS - SEE SCHEDULE 2		N/A	VARIOUS - SEE SCHEDULE 2	425,850.
Total				3a 425,850.
<i>b Approved for future payment</i>				
Total				3b

2009.

FEDERAL STATEMENTS

PAGE 1

CLIENT 24910

R. W. FAIR FOUNDATION

75-6015270

11/11/10

11:14AM

STATEMENT 1
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
OTHER INVESTMENT INCOME.....	\$ 57,814.	\$ 57,814.	
TOTAL	\$ 57,814.	\$ 57,814.	0.

STATEMENT 2
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING/TAX PREP.	\$ 3,725.	\$ 3,725.		
TOTAL	\$ 3,725.	\$ 3,725.	\$ 0.	\$ 0.

STATEMENT 3
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BROKERAGE FEES	\$ 37,320.	\$ 37,320.		
TOTAL	\$ 37,320.	\$ 37,320.	\$ 0.	\$ 0.

STATEMENT 4
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
AD VALOREM TAX-ROYALTIES	\$ 3,665.	\$ 3,665.		
EXCISE TAXES	2,573.			
FOREIGN TAXES	934.	934.		
GROSS PRODUCTION TAX	2,113.	2,113.		
PAYROLL TAXES	3,219.	3,179.		\$ 40.
REAL ESTATE TAXES	24,902.	24,902.		
STATE INCOME TAX	35.	35.		
TOTAL	\$ 37,441.	\$ 34,828.	\$ 0.	\$ 40.

2009

FEDERAL STATEMENTS

PAGE 2

CLIENT 24910

R. W. FAIR FOUNDATION

75-6015270

11/11/10

11:14AM

STATEMENT 5
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADVERTISING.....	\$ 1,054.	\$ 1,054.		
MISC.....	299.	299.		
RENTAL EXPENSES.....	375,748.	375,748.		
ROYALTY OTHER DEDUCTIONS ..	1,314.	1,314.		
TOTAL	\$ 378,415.	\$ 378,415.	\$ 0.	\$ 0.

STATEMENT 6
FORM 990-PF, PART II, LINE 11
INVESTMENTS - LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
FURNITURE AND FIXTURES	\$ 10,037.	\$ 10,037.	\$ 0.	\$ 0.
MACHINERY AND EQUIPMENT	13,012.	13,012.	0.	0.
BUILDINGS	1,236,674.	1,236,674.	0.	224,280.
IMPROVEMENTS	1,868,458.	1,268,878.	599,580.	650,000.
LAND	951,708.		951,708.	364,220.
TOTAL	\$ 4,079,889.	\$ 2,528,601.	\$ 1,551,288.	\$ 1,238,500.

STATEMENT 7
FORM 990-PF, PART III, LINE 3
OTHER INCREASES

DISTRIBUTIONS FROM FAIR COMPANIES	\$ 300.
UNREALIZED GAIN ON INVESTMENT	1,632,631.
TOTAL	\$ 1,632,931.

STATEMENT 8
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
MEL LOVELADY P. O. BOX 689 TYLER, TX 75710	DIRECTOR 0	\$ 0.	\$ 0.	\$ 0.
FARIBA POURAYAN P.O. BOX 689 TYLER, TX 75710	ASST SEC/TREAS 0	2,581.	0.	0.

2009.

FEDERAL STATEMENTS

PAGE 3

CLIENT 24910

R. W. FAIR FOUNDATION

75-6015270

11/11/10

11:14AM

STATEMENT 8 (CONTINUED)
 FORM 990-PF, PART VIII, LINE 1
 LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
SHERRI HARRIS P. O. BOX 689 TYLER, TX 75710	SECRETARY 0	\$ 0.	\$ 0.	\$ 0.
HAROLD BEAIRD P.O. BOX 689 TYLER, TX 75710	DIRECTOR 0	0.	0.	0.
ALLEN FAIR P.O. BOX 689 TYLER, TX 75710	DIRECTOR 0	0.	0.	0.
WILL A. KNIGHT P. O. BOX 689 TYLER, TX 75710	DIRECTOR 0	0.	0.	0.
JOHN R. (BOB) GARRETT PO BOX 689 TYLER, TX 75710	VICE PRESIDENT 0	0.	0.	0.
BARBARA KING FAIR PO BOX 689 TYLER, TX 75710	PRESIDENT 0	0.	0.	0.
TOTAL		\$ 2,581.	\$ 0.	\$ 0.

STATEMENT 9
 FORM 990-PF, PART XV, LINE 2A-D
 APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:
 NAME: BARBARA FAIR
 CARE OF:
 STREET ADDRESS: P.O. BOX 689
 CITY, STATE, ZIP CODE: TYLER, TX 75701
 TELEPHONE:
 FORM AND CONTENT: LETTER
 SUBMISSION DEADLINES: NONE
 RESTRICTIONS ON AWARDS: NONE

2009.

FEDERAL SUPPORTING DETAIL

PAGE 1

CLIENT 24910

R. W. FAIR FOUNDATION

75-6015270

11/11/10

11:14AM

BALANCE SHEET
OTHER (FORM 990-PF)[O]

ROYALTIES - NET.....	\$	14,504.
LAZARD, LTD		159,474.
	TOTAL	<u>\$ 173,978.</u>

SCHEDULE #1
75-6015270

Luther King Capital Management

000020

Period Ending: 12/31/2009

R.W. Fair Foundation

Realized Gain/Loss

01/01/2009 - 12/31/2009

Purchase	Sell	Date	Quantity	Security	Cost Basis	Proceeds	Short Term	Long Term
		2/13/2006	3,000	ROCKWELL COLLINS INC	156,480.00	111,991.52	0.00	(44,488.48)
		11/12/2004	4,000	ACCENTURE PLC	98,320.00	109,921.27	0.00	11,601.27
		12/9/2004	1,500	ACCENTURE PLC	39,600.00	41,220.48	0.00	1,620.48
		1/14/1982	3,000	SCHERING-PLOUGH CORP	2,646.46	69,052.85	0.00	66,406.39
		6/24/2004	1,500	SCHERING-PLOUGH CORP	28,455.00	34,526.43	0.00	6,071.43
		7/20/2004	500	SCHERING-PLOUGH CORP	9,472.80	11,508.81	0.00	2,036.01
		1/1/1955	1	TYCO CLASS ACTION SETTLEM	0.00	80.19	0.00	80.19
		1/1/1955	1	AIG CLASS ACTION SETTLEM	0.00	639.54	0.00	639.54
		8/12/2008	1,500	CELANESE CORP	57,153.84	36,276.31	(20,877.53)	0.00
		10/16/1989	400	COLGATE-PALMOLIVE CO	3,031.25	29,387.09	0.00	26,355.84
		8/12/2008	950	CHARLES RIVER LABS INTL	63,179.36	28,982.69	(34,196.67)	0.00
		12/27/2006	699	TRANSOCEAN LTD	60,008.67	54,108.89	0.00	(5,899.78)
		7/20/2004	3,000	SCHERING-PLOUGH CORP	56,836.80	79,033.01	0.00	22,196.21
		8/12/2008	500	CHARLES RIVER LABS INTL	33,252.30	15,518.35	(17,733.95)	0.00
		7/19/2006	1,800	PRAXAIR INC	97,147.49	137,987.74	0.00	40,840.25
		7/20/2004	1,500	SCHERING-PLOUGH CORP	28,418.40	40,118.75	0.00	11,700.35
		8/13/2004	500	SCHERING-PLOUGH CORP	9,130.00	13,372.92	0.00	4,242.92
		8/12/2008	500	CHARLES RIVER LABS INTL	33,252.29	15,630.17	(17,622.12)	0.00
		9/15/2008	500	CHARLES RIVER LABS INTL	31,976.95	15,630.17	(16,346.78)	0.00
		3/20/2007	1,500	JARDEN CORP	55,905.50	36,809.10	0.00	(19,096.40)
		10/23/1987	500	KIMBERLY-CLARK CORPORATI	5,630.92	29,310.29	0.00	23,679.37
		12/9/2004	2,000	SCHERING-PLOUGH CORP	37,980.00	52,589.69	0.00	14,609.69
		8/13/2004	500	TEVA PHARMACEUTICAL INDS	13,425.00	26,335.37	0.00	12,910.37
		10/28/2002	1,000	TARGET CORPORATION	33,250.00	42,235.93	0.00	8,985.93
		10/30/2002	1,000	TARGET CORPORATION	30,690.00	42,235.93	0.00	11,545.93
		12/19/2002	1,000	TARGET CORPORATION	29,770.00	42,235.93	0.00	12,465.93
		8/12/2008	2,000	CELANESE CORP	76,205.11	51,117.61	0.00	(25,087.50)
		9/15/2008	800	CELANESE CORP	27,748.95	20,447.04	(7,301.91)	0.00
		9/17/2008	400	CELANESE CORP	12,966.95	10,223.52	(2,743.43)	0.00
		10/2/2008	800	CELANESE CORP	20,169.99	20,447.04	277.05	0.00
		7/23/2009	2,000	ENCANA CORPORATION	105,450.55	106,181.32	730.77	0.00
		7/22/2008	1,200	ITT EDUCATIONAL SERVICES	106,006.99	123,760.74	0.00	17,753.75
		9/15/2008	400	ITT EDUCATIONAL SERVICES	37,434.55	41,253.58	3,819.03	0.00
		4/19/1990	200	JOHNSON & JOHNSON	1,456.25	12,181.13	0.00	10,724.88
		10/2/2008	1,000	O REILLY AUTOMOTIVE INC	26,633.79	37,762.97	11,129.18	0.00

1/2

SCHEDULE #1
75-6015270

Luther King Capital Management

Period Ending: 12/31/2009

000020

R.W. Fair Foundation

Realized Gain/Loss				01/01/2009 - 12/31/2009			
Purchase	Sell						Gain/Loss
Date	Date	Quantity	Security	Cost Basis	Proceeds	Short Term	Long Term
8/13/2004	9/9/2009	500	TEVA PHARMACEUTICAL INDS	13,425.00	26,138.37	0.00	12,713.37
1/1/1955	9/23/2009	1	TENET HEALTHCARE CLASS AC	0.00	4,650.85	0.00	4,650.85
1/1/1955	10/22/2009	1	CHICAGO BRIDGE & IRON CLA	0.00	697.12	0.00	697.12
1/1/1955	10/29/2009	1	CHICAGO BRIDGE & IRON CLA	0.00	411.37	0.00	411.37
3/20/2007	11/30/2009	1,400	JARDEN CORP	52,178.46	38,613.83	0.00	(13,564.63)
8/14/2007	11/30/2009	600	JARDEN CORP	20,278.97	16,548.78	0.00	(3,730.19)
10/11/2007	11/30/2009	1,000	JARDEN CORP	32,811.33	27,581.31	0.00	(5,230.02)
7/27/2009	12/3/2009	1,100	BURLINGTON NORTHERN SANT	85,895.52	108,616.60	22,721.08	0.00
8/6/2009	12/3/2009	500	BURLINGTON NORTHERN SANT	40,513.95	49,371.18	8,857.23	0.00
10/11/2007	12/3/2009	500	JARDEN CORP	16,405.67	14,100.66	0.00	(2,305.01)
2/13/2008	12/3/2009	500	JARDEN CORP	11,876.67	14,100.66	0.00	2,223.99
10/23/1987	12/3/2009	300	KIMBERLY-CLARK CORPORATI	3,378.55	19,901.83	0.00	16,523.28
8/6/2009	12/9/2009	1	AOL INC	13.22	14.71	1.49	0.00
8/6/2009	12/21/2009	363	AOL INC	7,538.45	8,318.05	779.60	0.00
8/28/2001	12/21/2009	500	EMC CORPORATION	8,680.00	8,682.99	0.00	2.99
10/8/2001	12/21/2009	2,000	EMC CORPORATION	28,000.00	34,731.94	0.00	6,731.94
1/1/1955	12/21/2009	1	ENRON CLASS ACTION SETTLE	0.00	7,984.74	0.00	7,984.74
8/13/2004	12/21/2009	1,000	TEVA PHARMACEUTICAL INDS	26,850.00	53,269.68	0.00	26,419.68
3/20/2007	12/21/2009	2,250	XTO ENERGY INC	93,805.97	105,607.91	0.00	11,801.94
3/10/2009	12/21/2009	800	XTO ENERGY INC	25,488.07	37,549.48	12,061.41	0.00
4/30/2009	12/21/2009	600	XTO ENERGY INC	20,641.75	28,162.11	7,520.36	0.00
9/9/2009	12/21/2009	350	XTO ENERGY INC	13,740.50	16,427.90	2,687.40	0.00
12/5/2009	12/21/2009	600	XTO ENERGY INC	24,914.35	28,162.11	3,247.76	0.00
Total Realized Gain/Loss				\$1,955,522.58	\$2,189,758.55	(\$42,990.02)	\$277,225.99

Net Realized Gain/Loss

\$234,235.97

2/2

SCHEDULE #2
R.W. FAIR FOUNDATION
75-6015270
CONTRIBUTIONS FOR THE YEAR 2009

	<u>2009</u>
<u>COMMUNITY SERVICES AND OTHER ACTIVITIES</u>	
American Cancer Society, Inc. 1301 S. Broadway Ave Tyler, TX 75701	\$ 5,000
American Heart Association 1125 Judson Rd., Ste. 150 Longview, Tx. 75601	1,000
Azelway Boys Ranch, Inc. 15892 CR 26 Tyler, TX 75707	3,000
Bethesda Heath Clinic 409 W. Ferguson St. Tyler, TX 75702	9,000
Boy Scouts of America 1331 East Fifth Street Tyler. Tx. 75701	7,700
Boys & Girls Club of Smith County, Inc. 325 S. Broadway Ave. Tyler, TX 75702	3,000
Camp Tyler Foundation 15143 Camp Tyler Rd. Whitehouse, TX 75791	2,500
Cancer Foundation for Life, Inc 215 Winchester Drive Tyler, TX 75701	10,000
CASA for Kids of East Texas, Inc. 318 E. Fifth St. Tyler, TX 75701	1,000
City of Tyler 212 North Bonner Avenue Tyler, Tx 75702	13,500
Cystic Fibrosis Foundation 122 S. College Ave. Tyler, TX 75702	5,000

SCHEDULE #2
R.W. FAIR FOUNDATION
75-6015270
CONTRIBUTIONS FOR THE YEAR 2009

	<u>2009</u>
<u>COMMUNITY SERVICES AND OTHER ACTIVITIES - CONT'D</u>	
Dallas Area Parkinsons Society 6370 LBJ Freeway, Ste 176 Dallas, Tx. 75240-6400	\$ 1,000
East Texas Communities Foundation 315 North Broadway Tyler, Tx. 75701	1,500
East Texas Crisis Center P.O. Box 7060 Tyler, TX 75711	2,500
East Texas Food Bank P.O. Box 6974 Tyler, TX 75711	1,000
Friends of the Library 201 South College Tyler, Tx. 75702	1,000
Gladney Center 26300 John Ryan Drive Ft. Worth, Tx. 76132	10,000
Heart of Tyler, Inc. 110 N. College Tyler, TX 75702	8,500
Hospice of East Texas 4111 University Blvd. Tyler, Tx. 75701	450
Hubbard Cemetery Association 302 Hide-A-A-Way Lane Central Lindale, Tx. 75771	500
Humane Society of Smith County, Inc. 1823 County Road 386 Tyler, TX 75708	550
Junior Achievement Worldwide 2737 S Broadway, Suite 207 Tyler, TX 75701	1,000

**SCHEDULE #2
R.W. FAIR FOUNDATION
75-6015270
CONTRIBUTIONS FOR THE YEAR 2009**

	<u>2009</u>
<u>COMMUNITY SERVICES AND OTHER ACTIVITIES - CONT'D</u>	
Junior League of Tyler 1919 South Donnybrook Tyler, Tx. 75701	\$ 5,000
Leukemia and Lymphoma Society 8111 LBJ Freeway, Suite 425 Dallas, Tx. 75251	3,500
Meals on Wheels Ministry, Inc. 3001 Robertson Road Tyler, TX 75701	3,000
Military Warriors Support Fdn 31796 Casino Drive, Suite B Lake Elsinore, Ca 92530	5,000
PATH - People Attempting to Help 402 W. Front Street Tyler, TX 75702	20,500
The Salvation Army 633 N. Broadway Tyler, TX 75702	3,000
Smith County Champions for Children 421 South Bonner Tyler, Tx. 75702	1,000
Texas Scottish Rite Hospital - Dallas 2222 Welbore Street Dallas, Tx. 75219	2,000
Texas Chest Foundation P. O. Box 6554 Tyler, TX 75711	3,000
Tyler Day Nursery 2901 West Gentry Parkway Tyler, TX 75702	1,000
Tyler Economic Dev Council P O Box 2004 Tyler, Tx. 75710	15,000

SCHEDULE #2
R.W. FAIR FOUNDATION
75-6015270
CONTRIBUTIONS FOR THE YEAR 2009

	<u>2009</u>
<u>COMMUNITY SERVICES AND OTHER ACTIVITIES - CONT'D</u>	
Tyler Police Fdn 711 West Ferguson Tyler, Tx. 75702	\$ 500
Tyler Rose Museum 420 Rose Park Drive Tyler, Tx. 75702	11,000
United Way of Tyler/Smith Co 4000 South Park Dr. Tyler, Tx. 75703	10,000
Young Men's Christian Association of Tyler 225 South Vine Ave. Tyler, TX 75702	5,000
Total Community Services	<u>\$ 177,200</u>
<u>CHURCH & RELIGIOUS ACTIVITIES</u>	
Christian Womens Job Corps of Tyler 235 South Broadway Tyler, Tx. 75702	\$ 4,000
Hide-A-Way Lake Com. Church 1500 Lake Park Circle Hideaway, Tx. 75771	1,000
Marvin United Methodist Church 300 W. Erwin St Tyler, TX 75702	83,800
New Life Community Church 1201 NNW Loop 323 Tyler, Tx 75702	250
Saint Paul Children's Foundation, Inc P.O Box 1238 Tyler, TX 75710	20,000
Total Church and Religious Activities	<u>\$ 109,050</u>

SCHEDULE #2
R.W. FAIR FOUNDATION
75-6015270
CONTRIBUTIONS FOR THE YEAR 2009

	<u>2009</u>
<u>EDUCATIONAL ACTIVITIES</u>	
Stephen F. Austin St Univ. Fdn P O Box 6092 SFA Nacogdoches, Tx. 75962	\$ 25,000
Texas College 2404 North Grand Avenue Tyler, Tx. 75702	2,500
Tyler Junior College Foundation P O Box 9020 Tyler, Tx. 75711-9020	600
Tyler Junior College Foundation P O Box 9020 Tyler, Tx. 75711-9020	11,000
The University of Texas at Tyler 3900 University Blvd. Tyler, TX 75799	500
University of Texas Health Center 11937 US Hwy. 271 Tyler, Tx. 75708	100,000
Total Educational Activities	\$ 139,600
TOTAL	<u>\$ 425,850</u>

None of the donees above are related by blood, marriage or employment to any disqualified person of this Foundation.

SCHEDULE #3

2009 FORM 990-PF

PART II, LINE 10b - CORPORATE STOCK

75-6015270

Luther King Capital Management

000020

Period Ending: 12/31/2009

R.W. Fair Foundation

Portfolio Appraisal

	Quantity	Average Cost	Current Price	Total Cost	Market Value	% of Total Portfolio	Est. Annual Income	Current Yield %
Equities								
CONSUMER DISCRETIONARY								
AOL TIME WARNER INC	4,000	25.63	29.14	102,538.89	116,560.00	1.5	3,000	2.6
HOME DEPOT INC	7,000	20.13	28.93	140,920.46	202,510.00	2.5	6,300	3.1
JARDEN CORP	4,000	23.55	30.91	94,194.18	123,640.00	1.6	1,200	1.0
O REILLY AUTOMOTIVE INC	4,000	26.63	18.12	106,535.16	152,480.00	1.9	0	0.0
V F CORPORATION	2,000	70.19	73.24	140,380.95	146,480.00	1.8	4,800	3.3
TOTAL CONSUMER DISCRETIONARY				584,569.64	741,670.00	9.3	15,300	2.1
CONSUMER STAPLES								
COCA-COLA COMPANY	4,000	16.47	57.00	65,898.75	228,000.00	2.9	6,560	2.9
COLGATE-PALMOLIVE CO	3,000	7.58	82.15	22,734.37	246,450.00	3.1	5,280	2.1
KIMBERLY-CLARK CORPORATION	2,700	20.21	63.71	54,572.07	172,017.00	2.2	6,480	3.8
PROCTER & GAMBLE COMPANY	3,000	9.70	60.63	29,114.05	181,890.00	2.3	5,280	2.9
WALGREEN COMPANY	5,000	42.87	16.72	214,354.80	183,600.00	2.3	2,750	1.5
WAL-MART STORES INC	2,700	45.02	53.45	121,560.60	144,315.00	1.8	2,943	2.0
TOTAL CONSUMER STAPLES				508,234.64	1,156,272.00	14.5	29,293	2.5
ENERGY								
EOG RESOURCES INC	2,300	75.29	97.30	173,159.34	223,790.00	2.8	1,334	0.6
EXXON MOBIL CORPORATION	3,660	15.52	68.19	56,807.50	249,575.40	3.1	6,149	2.5
SCHLUMBERGER LIMITED	3,000	17.31	65.09	51,926.55	195,270.00	2.5	2,520	1.3
TOTAL ENERGY				281,893.39	668,635.40	8.4	10,003	1.5
FINANCIALS								
AMERICAN EXPRESS COMPANY	4,000	55.38	40.52	221,500.78	162,080.00	2.0	2,880	1.8
BANK OF AMERICA CORP	11,500	22.65	15.06	260,489.00	173,190.00	2.2	460	0.3
CULLEN FROST BANKERS INC	3,000	35.73	50.00	107,179.95	150,000.00	1.9	5,160	3.4
JP MORGAN & COMPANY INC	5,280	31.60	41.67	166,844.00	220,017.60	2.8	1,056	0.5

SCHEDULE #3
2009 FORM 990-PF

PART II, LINE 10b - CORPORATE STOCK
75-6015270

Luther King Capital Management

Period Ending: 12/31/2009

R.W. Fair Foundation

Portfolio Appraisal

Equities	Quantity	Average Cost	Current Price	Total Cost	Market Value	% of Total Portfolio	Est. Annual Income	Current Yield %
FINANCIALS								
US BANCORP	7,000	34.51	22.51	241,604.67	157,570.00	2.0	1,400	0.9
TOTAL FINANCIALS				241,604.67	842,857.60	10.9	10,950	1.3
HEALTH CARE								
ABBOTT LABORATORIES	3,000	44.28	33.99	132,834.90	161,970.00	2.0	4,800	3.0
EXPRESS SCRIPTS INC	2,200	69.18	36.42	152,203.30	190,124.00	2.4	0	0.0
GILEAD SCIENCES	3,000	50.27	43.27	150,818.10	129,810.00	1.6	0	0.0
JOHNSON & JOHNSON	2,000	7.28	64.41	14,562.50	128,820.00	1.6	3,920	3.0
MEDASSETS INC	7,000	19.97	21.21	139,770.80	148,470.00	1.9	0	0.0
TEVA PHARMACEUTICAL INDS	6,000	27.29	56.18	163,726.80	337,080.00	4.2	2,892	0.9
THERMO FISHER SCIENTIFIC	5,500	31.31	47.69	172,230.83	262,295.00	3.3	0	0.0
TOTAL HEALTH CARE				976,147.23	1,358,569.00	17.1	11,612	0.9
INDUSTRIALS								
DANAHER CORPORATION	3,000	74.79	75.20	224,367.48	225,600.00	2.8	480	0.2
EMERSON ELECTRIC COMPANY	5,000	50.09	42.60	250,445.00	213,000.00	2.7	6,700	3.1
GENERAL ELECTRIC COMPANY	11,000	10.70	15.13	117,681.81	166,430.00	2.1	4,400	2.6
ROBERT HALF INTL INC	4,000	26.70	26.73	106,794.55	106,920.00	1.3	1,920	1.8
TOTAL INDUSTRIALS				699,288.84	711,950.00	9.0	13,500	1.9
INFORMATION TECHNOLOGY								
AKAMAI TECHNOLOGIES	3,100	25.25	25.34	78,263.18	78,554.00	1.0	0	0.0
APPLE INC	1,000	86.19	210.73	86,187.95	210,732.00	2.7	0	0.0
CISCO SYSTEMS INC	8,500	13.64	25.94	115,918.95	203,490.00	2.6	0	0.0
EMC CORPORATION	10,000	10.21	17.47	102,060.00	174,700.00	2.2	0	0.0
GOOGLE INC	300	348.16	619.98	104,446.80	185,994.00	2.3	0	0.0
NATIONAL INSTRUMENTS CORP	6,000	24.93	29.45	149,594.40	176,700.00	2.2	2,880	1.6
NUANCE COMMUNICATIONS INC	11,000	12.95	15.53	142,463.42	170,830.00	2.1	0	0.0
ORACLE CORPORATION	8,500	6.74	24.53	57,324.80	208,505.00	2.6	1,700	0.8
TOTAL INFORMATION TECHNOLOGY				836,259.50	1,409,505.00	17.7	4,580	0.3
MATERIALS								
AIR PRODS & CHEMS INC	2,500	75.52	81.06	188,792.90	202,650.00	2.5	4,500	2.2

R.W. Fair Foundation

Portfolio Appraisal

	Quantity	Average Cost	Current Price	Total Cost	Market Value	% of Total Portfolio	Est. Annual Income	Current Yield %
Equities								
MATERIALS								
FMC CORPORATION	3.500	48.38	55.76	169,322.04	195,160.00	2.5	1,750	0.9
TOTAL MATERIALS				358,114.94	397,810.00	5.0	6,250	1.6
TELECOM SERVICES								
VERIZON COMMUNICATIONS	5.500	36.71	33.13	201,907.86	182,215.00	2.3	10,450	5.7
TOTAL TELECOM SERVICES				201,907.86	182,215.00	2.3	10,450	5.7
Total Equities				539,031.44	7,489,484.20	94.2	11,944	1.5

R.W. FAIR FOUNDATION
75-6015270
2009 FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

	VALUATION METHOD	VALUE	FAIR MARKET VALUE
PRODUCING ROYALTY	COST	161,386	145,560
NON-PRODUCINT ROYALTY	COST	14,092	-
RESERVE FOR DEPLETION	COST	(160,974)	
LAZARD, LTD	COST	159,474	159,474
TOTAL		173,978	305,034

Asset	t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: CITY-OWENS PROPERTY												
35		LAND	1/01/83	162,630.00	0.00	0.00	0.00	0.00	0.00	162,630.00	Land	0.0
36		LAND	1/01/84	56,547.38	0.00	0.00	0.00	0.00	0.00	56,547.38	Land	0.0
37		PAVING	1/01/84	17,354.15	0.00	0.00	17,354.15	0.00	17,354.15	0.00	S/L	5.0
80		LIGHT POLES/PARKING LOT	12/04/07	7,468.10	0.00	0.00	746.81	497.87	1,244.68	6,223.42	S/L	15.0
CITY-OWENS PROPERTY												
				243,999.63	0.00c	0.00	18,100.96	497.87	18,598.83	225,400.80		
Group: COFFEE SHOP EQUIPMENT												
45		E TX REFRIG (ICE MACHINE)	3/05/99	2,541.14	0.00	0.00	2,541.14	0.00	2,541.14	0.00	S/L	5.0
46		DISHWASHER	6/08/00	3,238.20	0.00	0.00	3,238.20	0.00	3,238.20	0.00	S/L	5.0
62		WATER HEATER-4TH FLOOR	4/11/02	3,760.34	0.00	0.00	3,305.49	454.85	3,760.34	0.00	S/L	5.0
COFFEE SHOP EQUIPMENT												
				9,539.68	0.00c	0.00	9,084.83	454.85	9,539.68	0.00		
Group: FAIR FDN BLDG												
1		BUILDING RIGHTS	1/01/77	70,002.00	0.00	0.00	0.00	0.00	0.00	70,002.00	Memo	0.0
2		BUILDING RIGHTS	1/01/77	544,948.28	0.00	0.00	544,948.28	0.00	544,948.28	0.00	S/L	50.0
3		BUILDING RIGHTS	1/01/77	129,715.44	0.00	0.00	129,715.44	0.00	129,715.44	0.00	S/L	33.0
4		AIR CONDITION EQUIPMENT	1/01/77	82,207.36	0.00	0.00	82,207.36	0.00	82,207.36	0.00	S/L	20.0
5		ELEVATOR & EQUIPMENT	1/01/77	97,812.27	0.00	0.00	97,812.27	0.00	97,812.27	0.00	S/L	20.0
6		REMODEL AIR CONDITION	1/01/78	18,063.11	0.00	0.00	18,063.11	0.00	18,063.11	0.00	S/L	20.0
7		BUILDING IMPROVEMENTS	7/01/78	7,776.11	0.00	0.00	7,776.11	0.00	7,776.11	0.00	S/L	50.0
8		BUILDING ROOF	8/01/78	23,412.00	0.00	0.00	23,412.00	0.00	23,412.00	0.00	S/L	20.0
9		COFFEE SHOP ALTER & EQ	6/01/80	65,972.39	0.00	0.00	65,972.39	0.00	65,972.39	0.00	S/L	10.0
10		COFFEE SHOP ALTER & EQ	7/01/87	25,000.00	0.00	0.00	25,000.00	0.00	25,000.00	0.00	S/L	10.0
11		COFFEE SHOE EQ	6/30/89	2,532.50	0.00	0.00	2,532.50	0.00	2,532.50	0.00	S/L	10.0
12		E TX ALARM SYSTEM	3/31/91	6,851.50	0.00	0.00	6,851.50	0.00	6,851.50	0.00	S/L	10.0
13		MADDOX AIR COND	3/31/91	94,840.00	0.00	0.00	84,170.50	4,742.00	88,912.50	5,927.50	S/L	20.0
14		OTIS ELEVATOR-DETECTOR	7/31/92	3,500.00	0.00	0.00	2,872.92	175.00	3,047.92	452.08	S/L	20.0
15		WHITE STONE CONTR-REFURB	10/31/92	11,660.00	0.00	0.00	3,770.07	233.20	4,003.27	7,656.73	S/L	50.0
16		ROOF REPAIR & REPLACEMENT	4/15/93	38,010.00	0.00	0.00	29,384.30	1,900.50	31,284.80	6,725.20	S/L	20.0
FAIR FDN BLDG												
				1,222,302.96	0.00c	0.00	1,124,488.75	7,050.70	1,131,539.45	90,763.51		
Group: FAIR FDN BLDG IMPROVEMENT												
48		EXTERIOR PLASTERING	6/01/99	10,430.49	0.00	0.00	3,619.06	379.29	3,998.35	6,432.14	S/L	27.5
49		EXTERIOR PLASTERING/REPAI	9/27/00	37,240.45	0.00	0.00	11,228.57	1,354.20	12,582.77	24,657.68	S/L	27.5
50		MADDOX WATER TOWER LOU	6/28/00	3,600.00	0.00	0.00	3,600.00	0.00	3,600.00	0.00	S/L	7.0
51		TYLER FIRE EXT FIRE HOSE	9/08/00	2,025.00	0.00	0.00	2,025.00	0.00	2,025.00	0.00	S/L	7.0
70		PLUMBING IMPROVEMENTS	12/22/03	6,800.00	0.00	0.00	871.80	174.36	1,046.16	5,753.84	S/L	39.0
71		ELEVATOR	12/11/03	161,809.00	0.00	0.00	21,090.50	4,148.95	25,239.45	136,569.55	S/L	39.0
73		ELEVATOR	9/15/04	71,810.52	0.00	0.00	7,978.97	1,841.30	9,820.27	61,990.25	S/L	39.0
74		Access Control System	7/01/05	5,068.00	0.00	0.00	454.82	129.95	584.77	4,483.23	S/L	39.0
75		FLOORING	7/01/05	808.11	0.00	0.00	72.52	20.72	93.24	714.87	S/L	39.0
76		SIDEWALKS	5/10/06	7,680.63	0.00	0.00	525.17	196.94	722.11	6,958.52	S/L	39.0
77		FLOORING/ENTRY	7/21/06	2,997.22	0.00	0.00	1,034.75	428.17	1,462.92	1,534.30	S/L	7.0

Book Asset Detail 1/01/09 - 12/31/09

Asset	d	t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp	c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Value	Book Method	Book Period
Group: FAIR FDN BLDG IMPROVEMENT (continued)														
78			A/C CHILLER	9/08/06	5,553.74	0.00		0.00	1,295.86	555.37	1,851.23	3,702.51	S/L	10.0
79			REMODELING	6/08/06	12,298.71	0.00		0.00	4,538.81	1,756.96	6,295.77	6,002.94	S/L	7.0
81			A/C COMPRESSOR	4/15/08	11,275.17	0.00		0.00	6,442.96	1,610.74	8,053.70	3,221.47	S/L	7.0
FAIR FDN BLDG IMPROVEMENT					339,397.04	0.00c		0.00	64,778.79	12,596.95	77,375.74	262,021.30		
Group: LINDSEY BLDG IMPROVEMENTS														
47			J GRAVES INSULATION-ASB RM	12/30/99	82,225.00	0.00		0.00	27,034.58	2,990.00	30,024.58	52,200.42	S/L	27.5
52			ERI CONS: ASBESTOS REMOVA	1/07/00	21,673.50	0.00		0.00	7,060.33	788.13	7,848.46	13,825.04	S/L	27.5
53			P-CONSTR ASBESTOS REMOVA	3/08/01	14,900.00	0.00		0.00	4,221.68	541.82	4,763.50	10,136.50	S/L	27.5
54			SWAM ELECT-ASBESTOS RMV	3/09/01	678.46	0.00		0.00	192.22	24.67	216.89	461.57	S/L	27.5
55			J GRAVES ASBESTOS RMV	4/16/01	46,390.54	0.00		0.00	13,003.42	1,686.93	14,690.35	31,700.19	S/L	27.5
56			TX DEPT HEALTH-ASBESTOS	4/02/01	3,000.00	0.00		0.00	840.90	109.09	949.99	2,050.01	S/L	27.5
57			ERI CONS ENG ASBESTOS RMV	6/01/01	23,947.50	0.00		0.00	6,567.43	870.82	7,438.25	16,509.25	S/L	27.5
58			ADV PLUMBING ASBESTOS RMV	6/27/01	1,042.37	0.00		0.00	285.83	37.90	323.73	718.64	S/L	27.5
59			J GRAVES ASBESTOS RMV	6/29/01	51,210.20	0.00		0.00	14,044.02	1,862.19	15,906.21	35,303.99	S/L	27.5
60			J GRAVES CEILING REPAIR	11/02/01	1,200.00	0.00		0.00	310.93	43.64	354.57	845.43	S/L	27.5
61			MISC LABOR ASBESTOS RMV	12/31/01	860.30	0.00		0.00	220.26	31.28	251.54	608.76	S/L	27.5
64			P-CONSTRUCTION-INTERIOR	2/20/02	12,545.00	0.00		0.00	2,211.48	321.67	2,533.15	10,011.85	S/L	39.0
65			TX DEPT HEALTH-CERTIF	2/27/02	2,325.00	0.00		0.00	2,325.00	0.00	2,325.00	0.00	S/L	5.0
66			J GRAVES ASBESTOS RMV	4/16/02	60,060.00	0.00		0.00	10,330.83	1,540.00	11,870.83	48,189.17	S/L	39.0
67			J GRAVES ASBESTOS ABATEM	5/31/02	26,368.00	0.00		0.00	4,479.16	676.10	5,155.26	21,212.74	S/L	39.0
68			ERI CONSULTING ASBESTOS R	7/02/02	26,927.50	0.00		0.00	4,459.16	690.45	5,149.61	21,777.89	S/L	39.0
82			ASBESTOS ABATEMENT	4/15/08	8,971.00	0.00		0.00	172.52	230.03	402.55	8,568.45	S/L	39.0
LINDSEY BLDG IMPROVEMENTS					384,324.37	0.00c		0.00	97,759.75	12,444.72	110,204.47	274,119.90		
Group: LINDSEY LOT 30A-BL 7														
38			LAND	12/01/86	32,000.00	0.00		0.00	0.00	0.00	0.00	32,000.00	Land	0.0
LINDSEY LOT 30A-BL 7					32,000.00	0.00c		0.00	0.00	0.00	0.00	32,000.00		
Group: LINDSEY PROPERTY														
39			BUILDING	12/01/86	445,000.00	0.00		0.00	445,000.00	0.00	445,000.00	0.00	S/L	20.0
40			ROOF	2/29/88	19,000.00	0.00		0.00	19,000.00	0.00	19,000.00	0.00	S/L	20.0
41			AIR CONDITIONER	4/30/88	19,936.00	0.00		0.00	19,936.00	0.00	19,936.00	0.00	S/L	20.0
42			ROOF	4/30/88	2,640.00	0.00		0.00	2,640.00	0.00	2,640.00	0.00	S/L	20.0
43			E TX ALARM SYSTEM	3/31/91	5,901.50	0.00		0.00	5,901.50	0.00	5,901.50	0.00	S/L	10.0
LINDSEY PROPERTY					492,477.50	0.00c		0.00	492,477.50	0.00	492,477.50	0.00		
Group: MANZIEL LOT 11 & 17														
31			COVERED PARKING	4/01/79	11,400.00	0.00		0.00	11,400.00	0.00	11,400.00	0.00	S/L	10.0
32			LAND LOTS 11 & 17	4/01/79	243,045.13	0.00		0.00	0.00	0.00	0.00	243,045.13	Land	0.0

Book Asset Detail 1/01/09 - 12/31/09

11/11/2010 2:26 PM

Page 3

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp	c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: MANZIEL LOT 11 & 17 (continued)													
		MANZIEL LOT 11 & 17		254,445.13	0.00	c	0.00	11,400.00	0.00	11,400.00	243,045.13		
Group: MANZIEL LT 11 & 17 IMPROV													
72		PAVING	6/30/03	57,817.50	0.00		0.00	25,383.89	3,854.50	29,238.39	28,579.11	S/L	15.0
		MANZIEL LT 11 & 17 IMPROV		57,817.50	0.00	c	0.00	25,383.89	3,854.50	29,238.39	28,579.11		
Group: MANZIEL-COLLEGE ST LOT 3C													
30		LAND	4/01/79	21,840.00	0.00		0.00	0.00	0.00	0.00	21,840.00	Land	0.0
33		ROOF	5/01/85	2,150.00	0.00		0.00	2,150.00	0.00	2,150.00	0.00	S/L	20.0
34		PAVING	9/30/90	17,422.16	0.00		0.00	17,422.16	0.00	17,422.16	0.00	S/L	5.0
		MANZIEL-COLLEGE ST LOT 3C		41,412.16	0.00	c	0.00	19,572.16	0.00	19,572.16	21,840.00		
Group: OFFICE EQUIPMENT													
44		IBM SELECTRIC #2	2/01/83	939.75	0.00		0.00	939.75	0.00	939.75	0.00	S/L	5.0
		OFFICE EQUIPMENT		939.75	0.00	c	0.00	939.75	0.00	939.75	0.00		
Group: OWENS PROPERTY													
22		LAND	6/01/77	18,000.00	0.00		0.00	0.00	0.00	0.00	18,000.00	Land	0.0
23		PARKING LOT	6/01/77	119,300.00	0.00		0.00	0.00	0.00	0.00	119,300.00	Land	0.0
24		PAVING	6/01/77	7,350.00	0.00		0.00	7,350.00	0.00	7,350.00	0.00	S/L	5.0
25		OFFICE BUILDING	6/01/77	1,250.00	0.00		0.00	1,250.00	0.00	1,250.00	0.00	S/L	5.0
26		RAILING	6/01/77	2,100.00	0.00		0.00	2,100.00	0.00	2,100.00	0.00	S/L	5.0
27		LAND	7/01/81	50,000.00	0.00		0.00	0.00	0.00	0.00	50,000.00	Land	0.0
28		LAND	1/01/83	170,218.34	0.00		0.00	0.00	0.00	0.00	170,218.34	Land	0.0
29		PAVING	1/01/83	190,108.72	0.00		0.00	190,108.72	0.00	190,108.72	0.00	S/L	5.0
83		SEALCOAT FOR PARKING LOT	2/15/08	12,769.56	0.00		0.00	2,341.09	2,553.91	4,895.00	7,874.56	S/L	5.0
		OWENS PROPERTY		571,096.62	0.00	c	0.00	203,149.81	2,553.91	205,703.72	365,392.90		
Group: SEARS BLDG 3RD FLOOR													
17		BUILDING	8/01/77	115,760.00	0.00		0.00	115,760.00	0.00	115,760.00	0.00	S/L	16.0
18		REMODELING	8/01/77	294,125.12	0.00		0.00	294,125.12	0.00	294,125.12	0.00	S/L	22.0
19		ELEVATOR & EQUIPMENT	8/01/77	7,714.35	0.00		0.00	7,714.35	0.00	7,714.35	0.00	S/L	20.0
20		FURNITURE & FIXTURES	8/01/77	4,412.21	0.00		0.00	4,412.21	0.00	4,412.21	0.00	S/L	10.0
21		LAND	8/01/77	8,125.00	0.00		0.00	0.00	0.00	0.00	8,125.00	Land	0.0
		SEARS BLDG 3RD FLOOR		430,136.68	0.00	c	0.00	422,011.68	0.00	422,011.68	8,125.00		
Grand Total													
				4,079,889.02	0.00	c	0.00	2,489,147.87	39,453.50	2,528,601.37	1,551,287.65		

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No 1545-1709

► **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒ **X**
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension — check this box and complete Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

Type or print File by the due date for filing your return. See instructions	Name of Exempt Organization	Employer identification number
	R. W. FAIR FOUNDATION	75-6015270
	Number, street, and room or suite number. If a P.O. box, see instructions	
	P. O. BOX 689	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	TYLER, TX 75710	

Check type of return to be filed (file a separate application for each return):

- | | | |
|---|--|------------------------------------|
| ☐ Form 990 | ☐ Form 990-T (corporation) | ☐ Form 4720 |
| ☐ Form 990-BL | ☐ Form 990-T (section 401(a) or 408(a) trust) | ☐ Form 5227 |
| ☐ Form 990-EZ | ☐ Form 990-T (trust other than above) | ☐ Form 6069 |
| ☒ Form 990-PF | ☐ Form 1041-A | ☐ Form 8870 |

- The books are in the care of ► RACHEL LARSON

Telephone No. ► 903-592-3811 FAX No. ► _____

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 8/15, 20 10, to file the exempt organization return for the organization named above.
The extension is for the organization's return for
► ☒ calendar year 20 09 or
► ☐ tax year beginning _____, 20 _____, and ending _____, 20 _____

- 2 If this tax year is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$ 3,215.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$ 1,465.
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ 1,750.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8868** (Rev 4-2009)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **X**

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print	Name of Exempt Organization	Employer identification number
	R. W. FAIR FOUNDATION	75-6015270
	Number, street, and room or suite number. If a P.O. box, see instructions	For IRS use only
	SQUYRES JOHNSON SQUYRES & CO 821 ESE LOOP 323 STE 460	
File by the extended due date for filing the return. See instructions	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	TYLER, TX 75701-9613	

Check type of return to be filed (File a separate application for each return):

☐ Form 990	☒ Form 990-PF	☐ Form 1041-A	☐ Form 6069
☐ Form 990-BL	☐ Form 990-T (section 401(a) or 408(a) trust)	☐ Form 4720	☐ Form 8870
☐ Form 990-EZ	☐ Form 990-T (trust other than above)	☐ Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in care of **RACHEL LARSON**
Telephone No **903-592-3811** FAX No. _____
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until 11/15, 2010

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

6 If this tax year is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension ALL INFORMATION NEEDED TO COMPLETE RETURN HAS NOT BEEN RECEIVED. ADDITIONAL TIME IS NEEDED TO ASSEMBLE, PREPARE AND TIMELY FILE THE RETURN. ADDITIONAL TIME WILL BE APPRECIATED.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	8a \$	2,550.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b \$	3,215.
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instrs	8c \$	0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature *Rachel Larson* Title CPA Date 8/13/10