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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 changeUse the  
IRS label.  
Otherwise,  
print  
or type.  
See Specific  
Instructions.THE CHARLOTTE & JAMIL AZZAM FOUNDATION  
C/O KANALY TRUST, 5555 SAN FELIPE #200  
HOUSTON, TX 77056

A Employer identification number

76-0364245

B Telephone number (see the instructions)

(713) 561-9300

C If exemption application is pending, check here ☐D 1 Foreign organizations, check here ☐2 Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐H Check type of organization: ☒ Section 501(c)(3) exempt private foundation  
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundationI Fair market value of all assets at end of year  
(from Part II, column (c), line 16)

\$ 1,738,946.

J Accounting method: ☒ Cash ☐ Accrual  
☐ Other (specify)

(Part I, column (d) must be on cash basis.)

## Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

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

4 Dividends and interest from securities

5a Gross rents

b Net rental income or (loss)

6a Net gain/(loss) from sale of assets not on line 10

b Gross sales price for all assets on line 6a 1,226,148.

7 Capital gain net income (from Part IV, line 2)

8 Net short-term capital gain

9 Income modifications

10a Gross sales less returns and allowances

b Less Cost of goods sold

c Gross profit/(loss) (att sch).

11 Other income (attach schedule)

12 Total. Add lines 1 through 11

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 sch) SEE ST 1

c Other prof fees (attach sch)

17 Interest

18 Taxes (attach schedule)(see instr) SEE STM 2

19 Depreciation (attach sch) and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses (attach schedule)

24 Total operating and administrative expenses. Add lines 13 through 23

25 Contributions, gifts, grants paid STMT 3

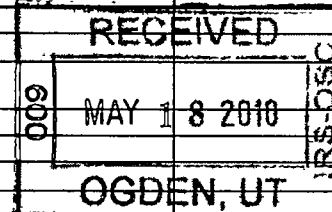
26 Total expenses and disbursements. Add lines 24 and 25

27 Subtract line 26 from line 12:

a Excess of revenue over expenses and disbursements

b Net investment income (if negative, enter -0-)

c Adjusted net income (if negative, enter -0-)



P NE 9

<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						
	2 Savings and temporary cash investments	332,884.	201,853.	202,981.			
	3 Accounts receivable						
	Less: allowance for doubtful accounts						
	4 Pledges receivable						
	Less: allowance for doubtful accounts						
	5 Grants receivable						
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)						
	7 Other notes and loans receivable (attach sch.)						
	Less: allowance for doubtful accounts						
	8 Inventories for sale or use						
	9 Prepaid expenses and deferred charges						
	10a Investments — U.S. and state government obligations (attach schedule)	199,336.					
	b Investments — corporate stock (attach schedule)	646,623.	514,236.	1,112,735.			
	c Investments — corporate bonds (attach schedule)	34,320.	414,780.	423,230.			
	11 Investments — land, buildings, and equipment: basis						
<b>LIABILITIES</b>	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 instructions. Also, see page 1, item I)	1,213,163.	1,130,869.	1,738,946.			
	17 Accounts payable and accrued expenses						
	18 Grants payable						
	19 Deferred revenue						
<b>NET ASSETS OR FUND BALANCES</b>	20 Loans from officers, directors, trustees, & other disqualified persons						
	21 Mortgages and other notes payable (attach schedule)						
	22 Other liabilities (describe)						
	23 <b>Total liabilities</b> (add lines 17 through 22)	0.	0.				
	<b>Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b> <input checked="" type="checkbox"/>						
	24 Unrestricted	1,213,163.	1,130,869.				
	25 Temporarily restricted						
	26 Permanently restricted						
	<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> <input type="checkbox"/>						
	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 <b>Total net assets or fund balances</b> (see the instructions)	1,213,163.	1,130,869.				
	31 <b>Total liabilities and net assets/fund balances</b> (see the instructions)	1,213,163.	1,130,869.				

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

1 Total net assets or fund balances at beginning of year — Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,213,163.
2 Enter amount from Part I, line 27a	2	-84,795.
3 Other increases not included in line 2 (itemize) <b>SEE STATEMENT 4</b>	3	2,501.
4 Add lines 1, 2, and 3	4	1,130,869.
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	1,130,869.

**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)
<b>1 a SHORT TERM SALES (SEE ATTACHED)</b>		P	VARIOUS	VARIOUS
<b>b LONG TERM SALES (SEE ATTACHED)</b>		P	VARIOUS	VARIOUS
<b>c CAPITAL GAIN DISTRIBUTIONS</b>		P	VARIOUS	VARIOUS
<b>d ENRON CORP SECURITIES LITIGATION</b>		P	VARIOUS	VARIOUS
<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> 341,079.		368,059.	-26,980.
<b>b</b> 883,942.		873,156.	10,786.
<b>c</b> 945.			945.
<b>d</b> 182.			182.
<b>e</b>			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
<b>a</b>			-26,980.
<b>b</b>			10,786.
<b>c</b>			945.
<b>d</b>			182.
<b>e</b>			

<b>2</b> Capital gain net income or (net capital loss).	<div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div>	<b>2</b>	-15,067.
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):	<div> <div>If gain, also enter in Part I, line 8, column (c) (see the instructions)</div> <div>If (loss), enter -0- in Part I, line 8</div> </div>	<b>3</b>	-26,980.

**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	56,282.	2,060,414.	0.027316
2007	108,239.	2,282,920.	0.047413
2006	31,368.	2,036,663.	0.015402
2005	158,257.	1,892,669.	0.083616
2004	88,669.	1,778,737.	0.049849

<b>2</b> Total of line 1, column (d)	<b>2</b>	0.223596
<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>	0.044719
<b>4</b> Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	<b>4</b>	1,689,914.
<b>5</b> Multiply line 4 by line 3	<b>5</b>	75,571.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	254.
<b>7</b> Add lines 5 and 6	<b>7</b>	75,825.
<b>8</b> Enter qualifying distributions from Part XII, line 4	<b>8</b>	94,989.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary - see instr.)		1	254.
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			
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	254.
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	254.
6 Credits/Payments:			
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6a	1,000.	
b Exempt foreign organizations – tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	1,000.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	746.	
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax. 746. Refunded	11	0.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? 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.		X
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

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address: N/A				
14	The books are in care of: KANALY TRUST	Telephone no.: (713) 561-9300		
Located at: 5555 SAN FELIPE, SUITE 200 HOUSTON TX		ZIP + 4: 77056		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here	N/A		
and enter the amount of tax-exempt interest received or accrued during the year:		15		N/A

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

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 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)?	1b	N/A
Organizations relying on a current notice regarding disaster assistance check here		
<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?	1c	X
<b>2</b> Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
<b>a</b> At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If 'Yes,' list the years: 20__, 20__, 20__, 20__		
<b>b</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)	2b	N/A
<b>c</b> If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here		
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.)	3b	N/A
<b>4a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
<b>b</b> Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b	X

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**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)****5a** During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?. . . . . ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? . . . . . ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? . . . . . ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) . . . . . ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? . . . . . ☐ Yes ☒ No

**b** If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? . . . . .

5b N/A

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? . . . . . ☐ Yes ☒ No

6b X

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

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
KANALY TRUST 4550 POST OAK PL HOUSTON, TX 77027	TRUSTEE 10.00	25,038.	0.	0.
JAMIL AZZAM 8711 CRESCENT GATE LN HOUSTON, TX 77024	DIRECTOR 1.00	0.	0.	0.
CHARLOTTE B. AZZAM 8711 CRESCENT GATE LANE HOUSTON, TX 77024	DIRECTOR 1.00	0.	0.	0.

**2** Compensation of five highest-paid employees (other than those included on line 1— see instructions). If none, enter 'NONE.'

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

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

0

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services – (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.

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

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes:		
<b>a</b> Average monthly fair market value of securities	<b>1a</b>	1,432,842.
<b>b</b> Average of monthly cash balances	<b>1b</b>	282,807.
<b>c</b> Fair market value of all other assets (see instructions)	<b>1c</b>	
<b>d</b> Total (add lines 1a, b, and c)	<b>1d</b>	1,715,649.
<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>	1,715,649.
<b>4</b> Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	25,735.
<b>5</b> Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	1,689,914.
<b>6</b> Minimum investment return. Enter 5% of line 5	<b>6</b>	84,496.

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

<b>1</b> Minimum investment return from Part X, line 6	<b>1</b>	84,496.
<b>2a</b> Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	254.
<b>b</b> Income tax for 2009. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b> Add lines 2a and 2b.	<b>2c</b>	254.
<b>3</b> Distributable amount before adjustments. Subtract line 2c from line 1.	<b>3</b>	84,242.
<b>4</b> Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b> Add lines 3 and 4	<b>5</b>	84,242.
<b>6</b> Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7</b> Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	84,242.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes		
<b>a</b> Expenses, contributions, gifts, etc — total from Part I, column (d), line 26	<b>1a</b>	94,989.
<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> Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	94,989.
<b>5</b> Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	<b>5</b>	254.
<b>6</b> Adjusted qualifying distributions. Subtract line 5 from line 4	<b>6</b>	94,735.

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

**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
<b>1</b> Distributable amount for 2009 from Part XI, line 7.				84,242.
<b>2</b> Undistributed income, if any, as of the end of 2009:				
<b>a</b> Enter amount for 2008 only			24,483.	
<b>b</b> Total for prior years: 20__, 20__, 20__		0.		
<b>3</b> Excess distributions carryover, if any, to 2009:				
<b>a</b> From 2004				
<b>b</b> From 2005				
<b>c</b> From 2006				
<b>d</b> From 2007				
<b>e</b> From 2008				
<b>f</b> Total of lines 3a through e	0.			
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4. ► \$ 94,989.				
<b>a</b> Applied to 2008, but not more than line 2a			24,483.	
<b>b</b> Applied to undistributed income of prior years (Election required – see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required – see instructions)	0.			
<b>d</b> Applied to 2009 distributable amount				70,506.
<b>e</b> Remaining amount distributed out of corpus	0.			
<b>5</b> Excess distributions carryover applied to 2009. (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		0.		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount – see instructions		0.		
<b>e</b> Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount – see instructions			0.	
<b>f</b> Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				13,736.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)	0.			
<b>9</b> Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
<b>10</b> Analysis of line 9.				
<b>a</b> Excess from 2005				
<b>b</b> Excess from 2006				
<b>c</b> Excess from 2007				
<b>d</b> Excess from 2008				
<b>e</b> Excess from 2009				

N/A

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

(4) Gross investment income .

[illegible]

NONE

NONE

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

c Any submission deadlines.

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

**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>				
<b>Total</b>			<b>3a</b>	
<i>b Approved for future payment</i>				
<b>Total</b>			<b>3b</b>	

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (see the instructions)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount		
1	Program service revenue:					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities			14	50,763.	
5	Net rental income or (loss) from real estate:					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property.					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory					-15,067.
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue:					
a						
b						
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)				50,763.	-15,067.
13	Total. Add line 12, columns (b), (d), and (e)				13	35,696.

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

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

[illegible]



## THE CHARLOTTE &amp; JAMIL AZZAM FOUNDATION

76-0364245

**STATEMENT 1**  
**FORM 990-PF, PART I, LINE 16B**  
**ACCOUNTING FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
.....	\$ 1,620.	\$ 1,539.		\$ 81.
TOTAL	<u>\$ 1,620.</u>	<u>\$ 1,539.</u>	<u>\$ 0.</u>	<u>\$ 81.</u>

**STATEMENT 2**  
**FORM 990-PF, PART I, LINE 18**  
**TAXES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX PAID . . . .	\$ 177.			
TOTAL	<u>\$ 177.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**STATEMENT 3**  
**FORM 990-PF, PART I, LINE 25**  
**CONTRIBUTIONS, GIFTS, AND GRANTS**
CASH GRANTS AND ALLOCATIONS

CLASS OF ACTIVITY: 501(C)(3) EXEMPT ORG.  
 DONEE'S NAME: TEXAS CHILDREN'S HOSPITAL  
 DONEE'S ADDRESS: MC 4-4483 P.O. BOX 300630  
 HOUSTON, TX 77230  
 RELATIONSHIP OF DONEE: UNRELATED  
 ORGANIZATIONAL STATUS OF DONEE: 501(C)(3)  
 AMOUNT GIVEN: \$ 42,350.

CLASS OF ACTIVITY: 501(C)(3) EXEMPT ORG.  
 DONEE'S NAME: THE INDIAN NAVAJO RESERVATION  
 DONEE'S ADDRESS: FOUR CORNERS, NM  
 RELATIONSHIP OF DONEE: UNRELATED  
 ORGANIZATIONAL STATUS OF DONEE: 501(C)(3)  
 AMOUNT GIVEN: 5,000.

CLASS OF ACTIVITY: 501(C)(3) EXEMPT ORG.  
 DONEE'S NAME: CHILDREN AT RISK  
 DONEE'S ADDRESS: HOUSTON, TX  
 RELATIONSHIP OF DONEE: UNRELATED  
 ORGANIZATIONAL STATUS OF DONEE: 501(C)(3)  
 AMOUNT GIVEN: 5,000.

CLASS OF ACTIVITY: 501(C)(3) EXEMPT ORG.  
 DONEE'S NAME: RESULTS EDUCATIONAL FUNDS  
 DONEE'S ADDRESS: HOUSTON, TX  
 RELATIONSHIP OF DONEE: RELATED  
 ORGANIZATIONAL STATUS OF DONEE: 501(C)(3)

## THE CHARLOTTE &amp; JAMIL AZZAM FOUNDATION

76-0364245

**STATEMENT 3 (CONTINUED)**  
**FORM 990-PF, PART I, LINE 25**  
**CONTRIBUTIONS, GIFTS, AND GRANTS**

AMOUNT GIVEN: \$ 2,500.

CLASS OF ACTIVITY: 501(C)(3) EXEMPT ORG.  
DONEE'S NAME: STAR OF HOPE  
DONEE'S ADDRESS:RELATIONSHIP OF DONEE: HOUSTON, TX  
UNRELATEDORGANIZATIONAL STATUS OF DONEE: 501(C)(3)  
AMOUNT GIVEN: 2,000.CLASS OF ACTIVITY: 501(C)(3) EXEMPT ORG.  
DONEE'S NAME: HABITAT FOR HUMANITY  
DONEE'S ADDRESS:RELATIONSHIP OF DONEE: HOUSTON, TX  
UNRELATEDORGANIZATIONAL STATUS OF DONEE: 501(C)(3)  
AMOUNT GIVEN: 2,806.CLASS OF ACTIVITY: 501(C)(3) EXEMPT ORG.  
DONEE'S NAME: THE OPEN DOOR MISSION  
DONEE'S ADDRESS:RELATIONSHIP OF DONEE: HOUSTON, TX  
UNRELATEDORGANIZATIONAL STATUS OF DONEE: 501(C)(3)  
AMOUNT GIVEN: 5,000.CLASS OF ACTIVITY: 501(C)(3) EXEMPT ORG.  
DONEE'S NAME: TEXAS CHILDREN'S HOSPITAL MOBILE CLINIC  
DONEE'S ADDRESS:RELATIONSHIP OF DONEE: HOUSTON, TX  
UNRELATEDORGANIZATIONAL STATUS OF DONEE: 501(C)(3)  
AMOUNT GIVEN: 29,000.TOTAL \$ 93,656.**STATEMENT 4**  
**FORM 990-PF, PART III, LINE 3**  
**OTHER INCREASES**

FEDERAL FIDUCIARY TAX REFUND \$ 1,452.

TIMING DIFFERENCES 1,049.

TOTAL \$ 2,501.



# 2009 Tax Information Statement

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Account Number: 17291587  
 Recipient's Tax ID number: XX-XXX4245  
 Payer's Federal ID number: 74-1853251  
☐ Corrected ☐ 2nd TIN notice

Payer's Name and Address  
 KANALY TRUST COMPANY  
 5555 SAN FELIPE, SUITE 200  
 HOUSTON, TX 77056

## 2009 Form 1099-B: Proceeds from Broker and Barter Exchange Transactions

OMB No. 1545-0715

Reported to the IRS are Gross Proceeds less commissions and option premiums.

Number of shares (Box 5)	CUSIP (Box 1b)	Description (Box 7)	Date Acquired (Box 1a)	Date of Sale (Box 2)	Stocks, Bonds, etc. (Box 4)	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld (Box 4)
<b>Short Term Sales Reported on 1099-B</b>								
165.0000	464287762	ISHARES TR DJ US HLTHCAR US HEALTHCARE SECTR INDX	10/20/2008	04/09/2009	8,097.88	9,063.45	-965.57	0.00
1024.0000	464287465	ISHARES TR MSCI EAFE FD MSCI EAFE INDEX FUND	VARIOUS	02/20/2009	36,512.72	44,694.34	-8,181.62	0.00
400.0000	464287200	ISHARES TRUST S&P 500 S&P 500 INDEX	VARIOUS	04/07/2009	32,738.20	51,576.67	-18,838.47	0.00
461.0000	464287200	ISHARES TRUST S&P 500 S&P 500 INDEX	VARIOUS	05/28/2009	42,016.52	59,131.71	-17,115.19	0.00
383.0000	464287200	ISHARES TRUST S&P 500 S&P 500 INDEX	VARIOUS	07/07/2009	34,124.63	34,002.08	122.55	0.00
502.0000	57060U100	MARKET VECTORS ETF TRUST GOLD MINERS FUND	02/27/2009	10/12/2009	24,247.56	18,379.55	5,868.01	0.00
502.0000	57060U100	MARKET VECTORS ETF TRUST GOLD MINERS FUND	VARIOUS	12/17/2009	22,857.26	15,008.78	7,848.48	0.00
910.0000	74347R883	PROSHS ULTRASHRT S&P500 PROSHARES TRUST	11/05/2009	12/23/2009	31,570.05	35,669.67	-4,099.62	0.00
10658.5430	87234N880	TCW TOTAL RETURN BOND FUND I CLASS	VARIOUS	12/09/2009	108,914.57	100,532.69	8,381.88	0.00
<b>Total Short Term Sales Reported on 1099-B</b>					<b>341,079.39</b>	<b>368,058.94</b>	<b>-26,979.55</b>	<b>0.00</b>

Long Term 15% Sales Reported on 1099-B

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# 2009 Tax Information Statement

Account Number: 17291587  
 Recipient's Tax ID number: XX-XXX4245  
 Payer's Federal ID number: 74-1853251  
☐ Corrected ☐ 2nd TIN notice

Recipient's Name and Address  
 CHARLOTTE & JAMIL AZZAM  
 FOUNDATION  
 5555 SAN FELIPE, SUITE 200  
 HOUSTON, TX 77056

Payer's Name and Address  
 KANALY TRUST COMPANY  
 5555 SAN FELIPE, SUITE 200  
 HOUSTON, TX 77056

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
(Box 5)	(Box 1b)	(Box 7)	(Box 1a)	(Box 2)	(Box 4)			
42349.4700	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	01/20/2009	42,349.47	42,349.47	0.00	0.00	0.00
1013.1900	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	01/21/2009	1,013.19	1,013.19	0.00	0.00	0.00
16512.4300	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	02/26/2009	16,512.43	16,512.43	0.00	0.00	0.00
990.7100	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	02/27/2009	990.71	990.71	0.00	0.00	0.00
989.9300	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	02/27/2009	989.93	989.93	0.00	0.00	0.00
2268.9000	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	03/02/2009	2,268.90	2,268.90	0.00	0.00	0.00
14605.4100	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	03/13/2009	14,605.41	14,605.41	0.00	0.00	0.00
2237.0500	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	03/25/2009	2,237.05	2,237.05	0.00	0.00	0.00
887.0400	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	03/25/2009	887.04	887.04	0.00	0.00	0.00
1179.6200	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	03/26/2009	1,179.62	1,179.62	0.00	0.00	0.00
909.6100	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	03/26/2009	909.61	909.61	0.00	0.00	0.00
49476.1900	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL	04/06/2009	49,476.19	49,476.19	0.00	0.00	0.00

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# 2009 Tax Information Statement

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Account Number: 17291587  
 Recipient's Tax ID number: XX-XXX4245  
 Payer's Federal ID number: 74-1853251  
☐ Corrected ☐ 2nd TIN notice

Recipient's Name and Address  
 CHARLOTTE & JAMIL AZZAM  
 FOUNDATION  
 5555 SAN FELIPE, SUITE 200  
 HOUSTON, TX 77056

Payer's Name and Address  
 KANALY TRUST COMPANY  
 5555 SAN FELIPE, SUITE 200  
 HOUSTON, TX 77056

Number of shares (Box 5)	CUSIP (Box 1b)	Description (Box 7)	Date Acquired (Box 2)	Date of Sale (Box 1a)	Stocks, Bonds, etc. (Box 2)	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld (Box 4)
945.0600	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		04/07/2009	945.06	945.06	0.00	0.00
944.4100	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		04/07/2009	944.41	944.41	0.00	0.00
50020.0000	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		04/08/2009	50,020.00	50,020.00	0.00	0.00
128.3400	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		05/01/2009	128.34	128.34	0.00	0.00
925.3300	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		05/14/2009	925.33	925.33	0.00	0.00
925.2800	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		05/14/2009	925.28	925.28	0.00	0.00
128.9900	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		06/01/2009	128.99	128.99	0.00	0.00
951.3400	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		06/04/2009	951.34	951.34	0.00	0.00
950.9600	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		06/04/2009	950.96	950.96	0.00	0.00
5000.0000	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		06/22/2009	5,000.00	5,000.00	0.00	0.00
14177.3900	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		06/25/2009	14,177.39	14,177.39	0.00	0.00
379709.3500	825252679	AIM LIQUID ASSETS PORT MMKT-RES CL		06/25/2009	379,709.35	379,709.35	0.00	0.00
3.0000	084670207	BERKSHIRE HATHAWAY INC CL B	11/09/2006	04/07/2009	8,654.82	10,837.04	-2,182.22	0.00

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# 2009 Tax Information Statement

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Account Number: 17291587  
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☐ Corrected ☐ 2nd TIN notice

Recipient's Name and Address  
 CHARLOTTE & JAMIL AZZAM  
 FOUNDATION  
 5555 SAN FELIPE, SUITE 200  
 HOUSTON, TX 77056

Payer's Name and Address  
 KANALY TRUST COMPANY  
 5555 SAN FELIPE, SUITE 200  
 HOUSTON, TX 77056

Number of shares (Box 5)	CUSIP (Box 1b)	Description (Box 7)	Date Acquired (Box 1a)	Date of Sale (Box 2)	Stocks, Bonds, etc. (Box 4)	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
7.0000	084670207	BERKSHIRE HATHAWAY INC CL B	VARIOUS	07/07/2009	19,744.54	25,235.12	-5,490.58	0.00
731.0000	17275R102	CISCO SYS INC	VARIOUS	04/07/2009	12,140.68	11,830.33	310.35	0.00
1000.0000	30231G102	EXXON MOBIL CORP	01/01/1997	08/25/2009	70,610.23	4,172.50	66,437.73	0.00
117.0000	459200101	INTERNATIONAL BUSINESS MACHS CORP	VARIOUS	07/07/2009	11,764.68	10,123.56	1,641.12	0.00
384.0000	464288885	ISHARES MSCI GWTH IDX FD	11/08/2007	02/20/2009	14,199.24	31,123.20	-16,923.96	0.00
598.0000	464287309	ISHARES S&P 500 GROWTH S&P 500 GROWTH INDEX FD	08/09/2007	04/22/2009	26,500.36	41,121.95	-14,621.59	0.00
202.0000	464287887	ISHARES S&P SMCAP GROWTH S&P SMALLCAP 600	09/26/2007	04/09/2009	8,406.51	14,469.26	-6,062.75	0.00
224.0000	464287655	ISHARES TR RUSSELL 2000 RUSSELL 2000 INDEX FUND	01/26/2007	04/09/2009	10,381.76	17,521.97	-7,140.21	0.00
77.0000	464287200	ISHARES TRUST S&P 500 S&P 500 INDEX	06/27/2008	07/07/2009	6,860.56	9,843.68	-2,983.12	0.00
200.0000	478160104	JOHNSON & JOHNSON	07/29/1997	07/07/2009	11,329.04	6,119.15	5,209.89	0.00
425.0000	478160104	JOHNSON & JOHNSON	VARIOUS	07/07/2009	24,074.22	24,627.93	-553.71	0.00
807.0000	594918104	MICROSOFT CORP	VARIOUS	07/07/2009	18,350.63	7,576.83	10,773.80	0.00
499.0000	713448108	PEPSICO INC	VARIOUS	07/07/2009	28,244.20	31,574.56	-3,330.36	0.00
1412.0000	73935X625	POWERSHS EXCH TRAD FD TR POWERSHARES DYNAMIC OIL	VARIOUS	07/07/2009	17,781.79	29,921.12	-12,139.33	0.00
251.0000	73935A104	POWERSHS OQQ TRUST SER 1	VARIOUS	03/03/2009	6,672.63	8,831.46	-2,158.83	0.00
Total Long Term 15% Sales Reported on 1099-B					883,941.89	873,155.66	10,786.23	0.00

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.