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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No 1545-0052

2009

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 , **20**

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.

Name of foundation

KEITH & MATTIE STEVENSON FOUNDATION

Number and street (or P O box number if mail is not delivered to street address)

SEQUENT ASSET MANAGEMENT

925 ECHO LANE, SUITE 115

City or town, state, and ZIP code

HOUSTON, TX 77024

A Employer identification number

76-0366599

B Telephone number (see page 10 of the instructions)

(713) 467-0008

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 foundation

I Fair market value of all assets at end

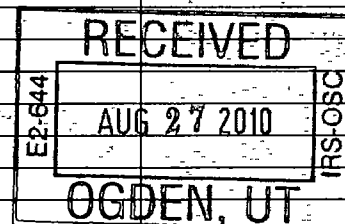
of year (from Part II, col (c), line

16) **\$** 3,882,497.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 page 11 of the instructions))(a) Revenue and
expenses per
books(b) Net investment
income(c) Adjusted net
income(d) Disbursements
for charitable
purposes
(cash basis only)

	(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 (attach schedule)				
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B.	2,305.	2,305.		ATCH 1
3 Interest on savings and temporary cash investments	105,111.	105,111.		ATCH 2
4 Dividends and interest from securities				
5a Gross rents				
b Net rental income or (loss)	-561,110.			
6a Net gain or (loss) from sale of assets not on line 10				
b Gross sales price for all assets on line 6a	1,279,262.			
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 or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	-453,694.	107,416.		
13 Compensation of officers, directors, trustees, etc.	0.			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule) ATCH 3	2,180.	1,090.	0.	1,090.
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions)	-5,600.	380.		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) ATCH 5	18,680.	18,680.		
24 Total operating and administrative expenses. Add lines 13 through 23	15,260.	20,150.	0.	1,090.
25 Contributions, gifts, grants paid	201,000.			201,000.
26 Total expenses and disbursements. Add lines 24 and 25	216,260.	20,150.	0.	202,090.
27 Subtract line 26 from line 12	-669,954.			
a Excess of revenue over expenses and disbursements		87,266.		
b Net investment income (if negative, enter -0-)		-0-		
c Adjusted net income (if negative, enter -0-)				



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

JSA ** ATCH 4

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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			
	2 Savings and temporary cash investments	1,164,615.	508,298.	508,298.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments - U S and state government obligations (attach schedule) **	151,523.	751,658.	759,740.
	b Investments - corporate stock (attach schedule) <u>ATCH 7</u>	2,183,307.	1,451,053.	1,580,776.
	c Investments - corporate bonds (attach schedule) <u>ATCH 8</u>	909,956.	1,012,746.	1,025,187.
	11 Investments - land, buildings, and equipment basis			
Less accumulated depreciation (attach schedule) ▶				
12 Investments - mortgage loans				
13 Investments - other (attach schedule)				
14 Land, buildings, and equipment basis				
Less accumulated depreciation (attach schedule) ▶				
15 Other assets (describe ▶ <u>ATCH 9</u>)		8,496.	8,496.	
16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	4,409,401.	3,732,251.	3,882,497.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	4,409,401.	3,732,251.	
	30 Total net assets or fund balances (see page 17 of the instructions)	4,409,401.	3,732,251.	
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	4,409,401.	3,732,251.		

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	4,409,401.
2 Enter amount from Part I, line 27a	2	-669,954.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	3,739,447.
5 Decreases not included in line 2 (itemize) ▶ <u>ATTACHMENT 10</u>	5	7,196.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	3,732,251.

** ATCH 6

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE PART IV SCHEDULE					
b					
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					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
b					
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	-561,110.	
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 pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8. }			3		

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	242,402.	4,457,520.	0.054380
2007	270,885.	4,944,519.	0.054785
2006	218,000.	5,389,562.	0.040449
2005	187,509.	3,639,211.	0.051525
2004	146,700.	3,628,192.	0.040433
2 Total of line 1, column (d)			2 0.241572
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 0.048314
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4 3,753,626.
5 Multiply line 4 by line 3			5 181,353.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 873.
7 Add lines 5 and 6			7 182,226.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18			8 202,090.

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

1a 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 ruling letter if necessary - see instructions)		1	873.
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, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	
3 Add lines 1 and 2		3	873.
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	873.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	2,120.	
b Exempt foreign organizations-tax withheld at source	6b	0.	
c Tax paid with application for extension of time to file (Form 8868)	6c	0.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	2,120.	
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		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	1,247.	
11 Enter the amount of line 10 to be Credited to 2010 estimated tax	11	1,247.	Refunded

Part VII-A Statements Regarding Activities

	Yes	No
1a 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 page 19 of 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 \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a 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?		X
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, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of 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 on page 27)? 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 page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address <input type="checkbox"/> N/A				
14	The books are in care of <input type="checkbox"/> SEQUENT ASSET MANAGEMENT Telephone no <input type="checkbox"/> (713) 467-0008			
Located at <input type="checkbox"/> 952 ECHO LANE SUITE 115 HOUSTON, TX ZIP + 4 <input type="checkbox"/> 77024				
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year <input type="checkbox"/> 15			

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input 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 If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b N/A	
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
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?	1c	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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes," list the years <input type="checkbox"/>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 20 of the instructions)	2b 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 <input type="checkbox"/>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009)	3b N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	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?	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 page 22 of the instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? ☐ Yes ☒ No

Organizations relying on a current notice regarding disaster assistance check here ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

If "Yes" to 6b, file Form 8870

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

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

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

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

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."

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

Total number of other employees paid over \$50,000 ☐ NONE

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		NONE

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions	
3 NONE	
Total. Add lines 1 through 3	

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the 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	3,545,328.
b	Average of monthly cash balances	1b	259,729.
c	Fair market value of all other assets (see page 24 of the instructions)	1c	5,731.
d	Total (add lines 1a, b, and c)	1d	3,810,788.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	3,810,788.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	57,162.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,753,626.
6	Minimum investment return. Enter 5% of line 5	6	187,681.

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

1	Minimum investment return from Part X, line 6	1	187,681.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	873.
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	873.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	186,808.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	186,808.
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	186,808.

Part XII Qualifying Distributions (see page 25 of the 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	202,090.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0.
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0.
b	Cash distribution test (attach the required schedule)	3b	0.
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	202,090.
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 page 26 of the instructions)	5	873.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	201,217.

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

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				186,808.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only				
b Total for prior years 20 <u>07</u> 20 <u>06</u> 20 <u>05</u>				
3 Excess distributions carryover, if any, to 2009				
a From 2004	0.			
b From 2005	0.			
c From 2006	0.			
d From 2007	13,602.			
e From 2008	23,722.			
f Total of lines 3a through e	37,324.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ <u>202,090.</u>				
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2009 distributable amount	15,282.			186,808.
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	52,606.			
b Prior years' undistributed income Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions				
e Undistributed income for 2008 Subtract line 4a from line 2a. Taxable amount - see page 27 of the instructions				
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010.				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	52,606.			
10 Analysis of line 9				
a Excess from 2005	0.			
b Excess from 2006	0.			
c Excess from 2007	13,602.			
d Excess from 2008	23,722.			
e Excess from 2009	15,282.			

Form 990-PF (2009)

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

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

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or

4942(j)(5)

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

	Tax year	Prior 3 years			(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 28 of the instructions.)**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))

KEITH & MATTIE STEVENSON

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

N/A

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

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

ATTACHMENT 12

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

N/A

c Any submission deadlines

N/A

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

N/A

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

<div>Recipient</div> <div>Name and address (home or business)</div>	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE STATEMENT 13				201,000.
Total.			▶ 3a	201,000.
b Approved for future payment				
Total.			▶ 3b	

Form 990-PF (2009)

Enter gross amounts unless otherwise indicated

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions)
---------------	---

Form 990-PF (2009)

Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- | | | | | |
|----------|--|--------------|------------|-----------|
| 1 | Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | Yes | No |
| a | Transfers from the reporting foundation to a noncharitable exempt organization of: | | | |
| (1) | Cash | 1a(1) | | X |
| (2) | Other assets | 1a(2) | | X |
| b | Other transactions: | | | |
| (1) | Sales of assets to a noncharitable exempt organization | 1b(1) | | X |
| (2) | Purchases of assets from a noncharitable exempt organization | 1b(2) | | X |
| (3) | Rental of facilities, equipment, or other assets | 1b(3) | | X |
| (4) | Reimbursement arrangements | 1b(4) | | X |
| (5) | Loans or loan guarantees | 1b(5) | | X |
| (6) | Performance of services or membership or fundraising solicitations | 1b(6) | | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | | X |
| d | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. | | | |

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

- b If "Yes," complete the following schedule**

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.			
Signature of officer or trustee Kelly D. Bennett		Date 8/19/2010	
Preparer's signature Kelly D. Bennett		Date JUN 21 2010	
Firm's name (or yours if self-employed), address, and ZIP code MARGOLIS, PHIPPS & WRIGHT P.C. 1400 POST OAK BLVD., STE 900 HOUSTON, TX 77056-3009		EIN 76-0324056	

Form 990-PF (2009)

ATTACHMENT 1FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
FIDELITY	180.	180.
FIDELITY - INTEREST ON US TREAS. NOTE	2,125.	2,125.
TOTAL	<u>2,305.</u>	<u>2,305.</u>

ATTACHMENT 2FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
FIDELITY - DIVIDENDS	40,598.	40,598.
FIDELITY - INTEREST ON SECURITIES	57,725.	57,725.
FIDELITY - ACCRUED INTEREST PAID	-3,122.	-3,122.
KANALY - INTEREST	9,910.	9,910.
TOTAL	<u>105,111.</u>	<u>105,111.</u>

ATTACHMENT 3FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ACCOUNTING FEES	2,180.	1,090.		1,090.
TOTALS	<u>2,180.</u>	<u>1,090.</u>	<u>0.</u>	<u>1,090.</u>

ATTACHMENT 4FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
FIDELITY - FOREIGN TAXES	380.	380.
FEDERAL TAX REFUND	-5,980.	
TOTALS	<u>-5,600.</u>	<u>380.</u>

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
TRANSACTION COSTS	556.	556.
INVESTMENT FEES	18,124.	18,124.
TOTALS	18,680.	18,680.

PAGE 2, PART II

	BOOK VALUE	FMV
LINE 10A: US & STATE GOV'T OBLIGATIONS		
KANALY AUCTION RATE SECURITIES	\$ 500,000	\$ 500,000
CALIFORNIA ST REV (100,000)	\$ 101,131	\$ 100,658
US TREASURY NOTE 4.25%	\$ 49,836	\$ 51,496
US TREASURY NOTE 4 375%	\$ 100,691	\$ 107,586
	<u>\$ 751,658</u>	<u>\$ 759,740</u>

PAGE 2, PART II

	BOOK VALUE	FMV
LINE 10B· CORPORATE STOCK		
AT&T INC COM (475)	\$ 11,649	\$ 13,314
AUTOMATIC DATA PROCESSING INC (350)	\$ 12,502	\$ 14,987
BERKSHIRE HATHAWAY (9)	\$ 35,874	\$ 29,574
BRISTOL MYERS SQUIBB (1,110)	\$ 22,955	\$ 28,028
CATERPILLAR INC (300)	\$ 15,667	\$ 17,097
CHINA LIFE INS CO (250)	\$ 10,816	\$ 18,338
CISCO SYSTEMS INC (1,375)	\$ 20,474	\$ 32,918
COHEN & STEERS RLTY INCOME (1,586.481)	\$ 24,392	\$ 14,818
CVS/CAREMARK GROUP (675)	\$ 28,566	\$ 21,742
DEVON ENERGY CORP (285)	\$ 17,117	\$ 20,948
DFA EMERGING MKTS PRTFOLIO (1,746 75)	\$ 59,879	\$ 47,512
DFA INTL SMALL CAP VALUE PORT (8,009 377)	\$ 153,073	\$ 120,861
EXELON CORP (450)	\$ 36,173	\$ 21,992
EXXON MOBIL CORP (350)	\$ 24,966	\$ 23,867
GENERAL ELECTRIC CO. (675)	\$ 18,947	\$ 10,213
GOOGLE INC (60)	\$ 20,164	\$ 37,199
HESS CORP (470)	\$ 19,013	\$ 28,435
HURON CONSULTING GRP INC (375)	\$ 17,694	\$ 8,640
INTL BUSINESS MACHINES CORP (250)	\$ 20,608	\$ 32,725
ISHARES BARCLAYS INTERMED GOVT (350)	\$ 37,064	\$ 36,841
ISHARES MSCI EAFE GROWTH INDEX (975)	\$ 78,516	\$ 53,742
ISHARES TR FTSE XINHUA HK CHINA 25 INDEX FD (1,600)	\$ 40,183	\$ 67,616
ITT CORP COM (400)	\$ 16,038	\$ 19,896
JPMORGAN CHASE & CO (725)	\$ 14,550	\$ 30,211
JOHNSON & JOHNSON (975)	\$ 36,423	\$ 62,800
LOWES COMPANIES (900)	\$ 13,939	\$ 21,051
MARTIN MARIETTA MATLS INC (200)	\$ 13,687	\$ 17,882
MEDCO HEALTH SOLUTIONS INC (445)	\$ 22,148	\$ 28,440
MEDTRONIC INC. (775)	\$ 37,088	\$ 34,085
MICROSOFT CORP. (1,800)	\$ 19,357	\$ 54,864
NUCOR CORP (250)	\$ 9,229	\$ 11,663
PEPSICO INC (625)	\$ 36,480	\$ 38,000
POWERSHARES S&P 500 (7,650)	\$ 134,648	\$ 164,552
POWERSHARES QQQ NASDAQ 100 (7,500)	\$ 124,302	\$ 166,650
SPDR DJ WILSHIRE INTL REAL ESTATE (350)	\$ 22,621	\$ 12,212
SPDR GOLD TRUST SHARE (235)	\$ 22,854	\$ 25,218
SOUTHERN CO (375)	\$ 11,370	\$ 12,495
SYSCO CORP. (1,074)	\$ 33,072	\$ 30,008
VAUGHAN NELSON SMALL CAP VALUE (4,045 375)	\$ 89,798	\$ 90,899
WAL-MART STORES INC (600)	\$ 31,975	\$ 32,070
WILLIS GROUP HOLDINGS LTD. (1,000)	\$ 35,181	\$ 26,380
	<u>\$ 1,451,053</u>	<u>\$ 1,580,776</u>

PAGE 2, PART II

	BOOK VALUE	FMV
LINE 10C: CORP BONDS		
ANHEUSER BUSCH (100,000)	\$ 102,709	\$ 110,580
BUFFALO HIGH YIELD (7,091.291)	\$ 74,330	\$ 75,380
CISCO SYSTEMS, INC (200,000)	\$ 208,606	\$ 209,866
GENERAL MILLS INC NOTES (150,000)	\$ 164,145	\$ 161,826
IBM CORP NOTES (100,000)	\$ 113,490	\$ 114,276
WELLS FARGO & CO (100,000)	\$ 100,825	\$ 102,711
FED NATL MTG ASSN 7.25%	\$ 248,641	\$ 250,548
	<u>\$ 1,012,746</u>	<u>\$ 1,025,187</u>

ATTACHMENT 9

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
FEDERAL TAXES RECEIVABLE	3,860.	3,860.
PREPAID TAXES	2,120.	2,120.
ACCRUED INTEREST	2,516.	2,516.
TOTALS	8,496.	8,496.

ATTACHMENT 10FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCESDESCRIPTIONAMOUNT

MUTUAL FUND REPORTING TIMING DIFFERENCES

7,196.

TOTAL

7,196.

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS					1,757.	
543,381.		SEE STATEMENT D-1 PROPERTY TYPE: SECURITIES 814,413.				P	VARIOUS	VARIOUS
							-271,032.	
735,881.		SEE STATEMENT D-1 PROPERTY TYPE: SECURITIES 1,027,716.				P	VARIOUS	VARIOUS
							-291,835.	
TOTAL GAIN (LOSS)					<u>-561,110.</u>	

KEITH & MATTIE STEVENSON FOUNDATION

76-0366599

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 11

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION
KEITH T. STEVENSON 6022 PARK CIRCLE HOUSTON, TX 77057	CO-TRUSTEE LESS THAN 1 HOUR	0.
MATTIE STEVENSON 6022 PARK CIRCLE HOUSTON, TX 77057	CO-TRUSTEE LESS THAN 1 HOUR	0.
GRAND TOTALS		0.

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

SEQUENT ASSET MANAGEMENT, LLC
952 ECHO LANE, SUITE 115
HOUSTON, TX 77024
713-467-0008

<u>NAME/ADDRESS</u>	<u>RELATION TO CONTRIBUTOR</u>	<u>STATUS OF RECIPIENT</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
Brookwood Community 1752 FM 1489 Brookshire, TX 77423	N/A	Public	Social Services	\$ 21,000
VICTORY - American Cancer Society P O Box 572915 Houston, TX 77257	N/A	Public	Medical	\$ 3,000
Memorial Hermann Foundation (Childrens Hospital Neuroscience Program) 9401 Southwest Freeway, Ste 401 Houston, TX 77074	N/A	Public	Medical	\$ 50,000
International Exotic Animal Foundation P O Box 637 Boyd, TX 76023	N/A	Public	Animal Services	\$ 15,000
Texas A&M Foundation (Stevensons Comp Animal Life-Care Ctr) 4461 TAMU College Station, TX 77843-4461	N/A	Public	Animal Services	\$ 30,000
Humane Society of the United States 2100 L Street, NW Washington, D C 20037	N/A	Public	Animal Services	\$ 18,500
People for the Ethical Treatment of Animals 501 Front Street Norfolk, VA 23510	N/A	Public	Animal Services	\$ 15,000
Star of Hope Mission Dept N026, P O Box 1505 Houston, TX 77251-1505	N/A	Public	Social Services	\$ 10,000
Sunshine Kids Foundation 2814 Virginia Houston, TX 77098	N/A	Public	Social Services	\$ 2,000
Salvation Army 1603 McGowen Street Houston, TX 77004	N/A	Public	Social Services	\$ 10,000
Houston Symphony Development Dept #1, 615 Louisiana St, Ste 102 Houston, TX 77002	N/A	Public	Cultural	\$ 5,000
Make a Wish Foundation 1604 Bissonnet Houston, TX 77005	N/A	Public	Social Services	\$ 2,500
S N A P P O Box 70286 Houston, TX 77270	N/A	Public	Animal Services	\$ 2,500
Galveston Bay Foundation 17330 Highway 3 Webster, TX 77598	N/A	Public	Cultural	\$ 10,000
Tanglewood Foundation 5757 Woodway, Ste 160 Houston, TX 77057	N/A	Public	Public Beautification	\$ 4,000
Red Collar Rescue 1000 Main, #2400 Houston, TX 77002	N/A	Public	Animal Services	\$ 2,500
TOTAL				<u><u>\$ 201,000</u></u>

SCHEDULE D
(Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

► **Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).**

OMB No 1545-0092

2009

Name of estate or trust

KEITH & MATTIE STEVENSON FOUNDATION

Employer identification number

76-0366599

Note: Form 5227 filers need to complete **only** Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	-271,032.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2008 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ►	5	-271,032.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a LONG-TERM CAPITAL GAIN DIVIDENDS			ATCH 14		1,757.

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	-291,835.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2008 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ►	12	-290,078.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2009

Part III Summary of Parts I and II		(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part.				
13	Net short-term gain or (loss)	13		-271,032.
14	Net long-term gain or (loss):			
a	Total for year	14a		-290,078.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a ▶	15		-561,110.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation	
16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of a The loss on line 15, column (3) or b \$3,000
16	(3,000)

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the worksheet on page 8 of the instructions if:

- Either line 14b, col (2) or line 14c, col (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero.

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17	
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18	
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19	
20	Add lines 18 and 19	20	
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶	21	
22	Subtract line 21 from line 20. If zero or less, enter -0-	22	
23	Subtract line 22 from line 17. If zero or less, enter -0-	23	
24	Enter the smaller of the amount on line 17 or \$2,300	24	
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23.	25	
26	Subtract line 25 from line 24.	26	
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30; go to line 31. <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27	
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28	
29	Subtract line 28 from line 27	29	
30	Multiply line 29 by 15% (15)	30	
31	Figure the tax on the amount on line 23. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31	
32	Add lines 30 and 31	32	
33	Figure the tax on the amount on line 17. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33	
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34	

Schedule D (Form 1041) 2009

**Continuation Sheet for Schedule D
(Form 1041)**

OMB No 1545-0092

2009

► See instructions for Schedule D (Form 1041).

► Attach to Schedule D to list additional transactions for lines 1a and 6a.

Name of estate or trust

KEITH & MATTIE STEVENSON FOUNDATION

Employer identification number

76-0366599

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

	(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a	SEE STATEMENT D-1	VARIOUS	VARIOUS	543,381.	814,413.	-271,032.
1b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 1b						-271,032

1b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 1b -271,032.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D-1 (Form 1041) 2009

FEDERAL CAPITAL GAIN DIVIDENDSATTACHMENT 13LONG-TERM CAPITAL GAIN DIVIDENDS

15% RATE CAPITAL GAIN DIVIDENDS

FIDELITY - CAPITAL GAIN DISTRIBUTIONS

1,757.

TOTAL 15% RATE CAPITAL GAIN DIVIDENDS

1,757.

TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS

1,757.



2009 Supplemental Information

Account No.	Taxpayer ID	Page
	76-0366599	11 of 14

KEITH&MATTIE STEVENSON FDN
KEITH T STEVENSON
6022 PARK CIRCLE DR
HOUSTON TX 77057-1428

Customer Service: 713-467-0008

Detail Information		Short-Term Realized Gain/Loss				
Description/CUSIP	Date Acquired	Date Sold	Quantity	Proceeds	Cost/Basis	Gain/Loss(-)
<i>Cost basis, realized gain and loss, and holding period information reported may not reflect all adjustments necessary for tax reporting purposes. This information is not reported to the IRS. It may assist you in tax return preparation.</i>						
CHESAPEAKE ENERGY CORPORATION OKLAHOMA // 165167107	03/27/08	02/23/09	725.000	11,346.45	33,452.77	22,106.32
DIAGEO ADR EACH REPR 4*ORD GBX28.935185 // 252430205	03/19/08	02/23/09	350.000	17,153.52	28,019.47	10,857.95
DIAMOND HILL LONG/SHRT FUND CL I // 252645833	Various	02/23/09	12,851.656	153,552.29	247,865.37	94,313.08
FIDELITY ADVISOR DIVERSIFIED INT'L I // 315920686	01/01/09	02/23/09	293.980	2,804.57	6,599.22	3,794.65
ISHARES TR S&P 500 INDEX FD // 464287200	07/17/08	03/06/09	600.000	40,680.17	75,635.89	34,955.72
	07/17/08	04/02/09	1,373.000	115,257.45	173,080.13	57,822.68
			USD Subtotal	155,937.62	248,716.02	
ISHARES TR IBOXX \$ HIGH YIELD CORP BD FD // 464288513	02/23/09	10/26/09	75.000	6,496.96	5,195.16	1,301.80
	02/23/09	10/26/09	100.000	8,673.13	6,926.88	1,746.25
	02/23/09	10/26/09	275.000	23,852.88	19,048.92	4,803.96
	02/23/09	10/26/09	400.000	34,691.10	27,707.53	6,983.57
			USD Subtotal	73,714.07	58,878.49	
NUVEEN TRADEWINDS INTL VALUE CL I // 67065W803	Various	05/19/09	3,456.681	70,871.53	98,221.97	27,350.44
RYDEX ETF TR INVERSE S&P 500 2X STRATEGY // 78355W767	03/02/09	09/22/09	65.000	4,134.27	10,864.97	6,730.70
	03/02/09	09/22/09	300.000	19,068.50	50,145.99	31,077.49
			USD Subtotal	23,202.77	61,010.96	
SPDR GOLD TR GOLD SHS // 78463V107	08/01/08	01/31/09	0.000	6.62	7.06	0.44
	08/01/08	02/23/09	228.000	22,226.93	20,436.55	1,790.38
	09/03/09	09/30/09	0.000	11.84	11.86	0.02
	09/03/09	10/31/09	0.000	11.31	10.77	0.54
	09/03/09	11/30/09	0.000	12.13	11.04	1.09
	09/03/09	12/11/09	115.000	12,521.18	11,172.72	1,348.46
	09/03/09	12/31/09	0.000	8.20	6.72	1.48

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2009 Supplemental Information

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KEITH&MATTIE STEVENSON FDN
KEITH T STEVENSON
6022 PARK CIRCLE DR
HOUSTON TX 77057-1428

Customer Service: 713-467-0008

Detail Information

Short-Term Realized Gain/Loss

Description/CUSIP	Date Acquired	Date Sold	Quantity	Proceeds	Cost Basis	Gain/Loss(-)
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Cost basis, realized gain and loss, and holding period information reported may not reflect all adjustments necessary for tax reporting purposes.
This information is not reported to the IRS. It may assist you in tax return preparation.

USD Subtotal 34,798.21 31,656.72

TOTAL SHORT-TERM PROCEEDS 543,381.02

TOTAL SHORT-TERM COST BASIS 814,412.99

TOTAL SHORT-TERM REALIZED LOSS (271,031.96)

Short-Term Realized Gain 17,977.53

Short-Term Realized Loss 289,009.49

Short-Term Realized Disallowed Loss 0.00

Total Short-Term Realized Gain/Loss (271,031.96)

1- FIFO (First-in, First-out)

1- Cost basis information was provided by a third party. We treat it as original cost basis as of the date it is provided, and we assume that for equities, it reflects any prior corporate actions, and for asset-backed fixed incomes securities, it reflects any prior principal pay downs. We do not apply any wash sale rules to tax lots with third party provided provided cost basis.

a- Average Cost - Single Category

Detail Information

Long-Term Realized Gain/Loss

Description/CUSIP	Date Acquired	Date Sold	Quantity	Proceeds	Cost Basis	Gain/Loss(-)
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Cost basis, realized gain and loss, and holding period information reported may not reflect all adjustments necessary for tax reporting purposes.
This information is not reported to the IRS. It may assist you in tax return preparation.

SEAGATE TECHNOLOGY COM USD0:00001 / G7945J104

01/17/07 02/23/09 1,075,000 4,291.97 29,543.80 f t 25,251.83

DELL INC / 24702R101

01/11/07 02/23/09 1,875,000 15,089.41 50,643.75 f t 35,554.34

FEDERAL HOME LN MTG CORP MTN 4:15000% / 3128X3CF8

04/15/04 10/28/09 150,000,000 150,000.00 150,000.00 f t 0.00

Adjusted Cost Basis

150,000.00 f t d 0.00

FEDERAL FARM CR BKS CONS 5:25000% / 31331VG34

06/12/06 06/19/09 200,000,000 200,000.00 200,000.00 f t 0.00

Adjusted Cost Basis

200,000.00 f t d 0.00

FIDELITY ADVISOR DIVERSIFIED INT L I / 315920686

various 02/23/09 6,135.972 58,537.17 137,739.52 e t 79,202.35

GENENTECH INC (TENDERED) FR CUSIP / 368710992

11/14/07 04/09/09 275,000 26,125.00 20,482.00 f t 5,643.00

ISHARES TR S&P 500/ GROWTH INDEX FD / 464287309

10/03/07 09/03/09 525,000 26,861.75 17,511.25 f t 10,649.50

various 09/03/09 1,100,000 56,296.55 76,655.21 f t 20,358.66

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STATEMENT D-1



2009 Supplemental Information

Account No.

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KEITH&MATTIE STEVENSON FDN
KEITH T STEVENSON
6022 PARK CIRCLE DR
HOUSTON TX 77057-1428

Customer Service: 713-467-0008

Detail Information

Long-Term Realized Gain/Loss

Description/CUSIP	Date Acquired	Date Sold	Quantity	Proceeds	Cost Basis	Gain/Loss (-)
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Cost basis, realized gain and loss, and holding period information reported may not reflect all adjustments necessary for tax reporting purposes.
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			USD Subtotal	83,158.30	114,166.46	
ISHARES TR S&P SMALLCAP 600/ GROWTH /			464287887			
10/03/07	02/23/09		300.000	10,914.93	22,009.50 f t	11,094.57-
10/03/07	03/06/09		486.000	15,367.44	35,655.39 f t	20,287.95-
			USD Subtotal	26,282.37	57,664.89	
KOHL'S CORP / 500255104						
11/14/07	11/12/09		600.000	32,813.67	29,958.95 f t	2,854.72
NEXEN INC COM NPV ISIN #CA65334H1029 /			65334H102			
07/17/08	09/28/09		525.000	11,967.26	17,293.33 f t	5,326.07-
PFIZER INC / 717081103						
various	05/19/09		2,125.000	32,082.07	43,957.96 f t	11,875.89-
POWERSHARES QQQ TR UNIT SER 1 / 73935A104						
various	02/23/09		600.000	16,925.16	22,896.93 f t	5,971.77-
POWERSHARES EXCHANGE TRADED PD TR / 73935X625						
various	02/23/09		4,025.000	39,990.02	83,570.25 f t	43,580.23-
RIO TINTO SPRD ADR CNV INTO 4 / 767204100						
10/17/05	02/23/09		65.000	6,807.21	10,152.13 f t	3,344.92-
SCHERING PLOUGH CORP EXCHANGED FOR 5767 / 806605101						
11/14/07	11/03/09		725.000	20,349.47	21,342.62 f t	993.15-
TEXTRON INC / 883203101						
10/04/07	02/23/09		375.000	2,242.81	23,902.44 f t	21,659.63-
TIFFANY & CO NEW / 886547108						
05/03/05	02/23/09		475.000	9,218.82	14,401.20 f t	5,182.38-
TOTAL LONG-TERM REALIZED LOSS				735,880.71	1,027,116.23	(291,839.52)

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STATEMENT D-1

**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 KEITH & MATTIE STEVENSON FOUNDATION	Employer identification number 76-0366599
	Number, street, and room or suite no. If a P.O. box, see instructions SEQUENT ASSET MANAGEMENT 925 ECHO LANE, SUITE 115	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions HOUSTON, TX 77024	

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

<input type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input checked="" type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

- The books are in the care of ► **SEQUENT ASSET MANAGEMENT**

Telephone No ► **713 467-0008**FAX No. ► **713 467-0081**

- 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 08/15, 2010, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ☒ calendar year 2009 or
 ► ☐ tax year beginning _____, _____, and ending _____, _____

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	\$ 2,120.
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	\$ 2,120.
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	\$ 0.

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.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

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