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Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

2009

Department of the Treasury
Internal Revenue Service

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

For calendar year 2009, or tax year beginning JUL 1, 2009, and ending JUN 30, 2010

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

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation PETRELLO FAMILY FOUNDATION		A Employer identification number 01-0559509
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	B Telephone number 281-775-8035
	City or town, state, and ZIP code HOUSTON, TX 77067		C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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) **\$ 2,591,427.**
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))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received	996,650.			
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	52,266.	52,266.	52,266.	STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11	1,048,916.	52,266.	52,266.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0.	0.	0.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees				
	c Other professional fees				
	17 Interest	51,242.	51,242.	51,242.	0.
	18 Taxes				
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses				
	24 Total operating and administrative expenses. Add lines 13 through 23	51,242.	51,242.	51,242.	0.
	25 Contributions, gifts, grants paid	1,323,945.			1,323,945.
26 Total expenses and disbursements. Add lines 24 and 25	1,375,187.	51,242.	51,242.	1,323,945.	
27 Subtract line 26 from line 12	<326,271.>				
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)		1,024.			
c Adjusted net income (if negative, enter -0-)			1,024.		

Part II Balance Sheets		Beginning of year (a) Book Value	End of year	
			(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	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			
	b Investments - corporate stock STMT 2	3,068,476.	3,068,438.	0.
	c Investments - corporate bonds			
Liabilities	11 Investments - land, buildings, and equipment basis ▶			
	Less: accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment basis ▶			
	Less: accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	3,068,476.	3,068,438.	2,591,427.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
Net Assets or Fund Balances	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable	1,194,354.	1,520,587.	STATEMENT 3
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	1,194,354.	1,520,587.	
	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	601,551.	<326,272.>	
	30 Total net assets or fund balances	1,874,122.	1,547,851.	
	31 Total liabilities and net assets/fund balances	3,068,476.	3,068,438.	

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	1,874,122.
2 Enter amount from Part I, line 27a	2	<326,271.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	1,547,851.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,547,851.

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					
b NONE					
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					
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)			2		
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). If (loss), enter -0- in Part I, line 8					

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 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	1,355,151.	3,054,870.	.443603
2007	1,730,103.	5,868,711.	.294801
2006	1,295,907.	4,825,904.	.268531
2005	1,461,619.	4,174,300.	.350147
2004	469,383.	2,183,884.	.214930
2 Total of line 1, column (d)			2 1.572012
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 .314402
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4 3,083,755.
5 Multiply line 4 by line 3			5 969,539.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 10.
7 Add lines 5 and 6			7 969,549.
8 Enter qualifying distributions from Part XII, line 4			8 1,323,945.

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 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 letter if necessary-see instructions)		1	10.
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	0.
3 Add lines 1 and 2		3	10.
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	10.
6 Credits/Payments			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a		
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		0.
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.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

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
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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
1c 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 <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 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
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?		
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 instructions) <input type="checkbox"/> TX, DE		
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

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	13	X	
14	The books are in care of ▶ ANTHONY G. PETRELLO Telephone no ▶ 281-775-8035 Located at ▶ 515 W. GREENS RD., SUITE 1200, HOUSTON, TX ZIP+4 ▶ 77067-4531			
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 ▶ 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
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)? Organizations relying on a current notice regarding disaster assistance check here N/A <input type="checkbox"/>	1b	
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 ▶		
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 instructions) N/A	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶		
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) N/A	3b	
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)?

☐ 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)?

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?

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

6b

X

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?

N/A

7b

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.

(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
ANTHONY G. PETRELLO 515 WEST GREENS RD., SUITE 1200 HOUSTON, TX 77067	DIRECTOR 0.00	0.	0.	0.
CYNTHIA A. PETRELLO 515 WEST GREENS RD., SUITE 1200 HOUSTON, TX 77067	DIRECTOR 0.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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

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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. 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

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.)

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	3,130,716.
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	3,130,716.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	3,130,716.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	46,961.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,083,755.
6	Minimum investment return. Enter 5% of line 5	6	154,188.

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

1	Minimum investment return from Part X, line 6	1	154,188.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	10.
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	10.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	154,178.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	154,178.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	154,178.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,323,945.
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	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,323,945.
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	5	10.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,323,935.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				154,178.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004	360,469.			
b From 2005	1,253,266.			
c From 2006	1,054,612.			
d From 2007	1,436,667.			
e From 2008	1,202,407.			
f Total of lines 3a through e	5,307,421.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 1,323,945.				
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				154,178.
e Remaining amount distributed out of corpus	1,169,767.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	6,477,188.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	360,469.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	6,116,719.			
10 Analysis of line 9				
a Excess from 2005	1,253,266.			
b Excess from 2006	1,054,612.			
c Excess from 2007	1,436,667.			
d Excess from 2008	1,202,407.			
e Excess from 2009	1,169,767.			

N/A

- ☐ 4942(I)(3) or ☐ 4942(I)(5)

- (4) Gross investment income**

[illegible]

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
a Paid during the year SEE STATEMENT 7 ATTACHED				
Total			3a	0.
b Approved for future payment NONE				
Total			3b	0.

Part XVII

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



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

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer or trustee 		Date <u>9/14/10</u>	Title
	Preparer's signature 	Date <u>8/17/10</u>	Check if self-employed <input type="checkbox"/>	Preparer's identifying number <u>287.62.9806</u>
Paid Preparer's Use Only	Firm's name (or yours if self-employed), address, and ZIP code BENTLEY BRATCHER & ASSOCIATES, P.C. 515 WEST GREENS ROAD, SUITE 710 HOUSTON, TEXAS 77067-4525		EIN <u>20-2733640</u>	
			Phone no (281) 875-8181	

Form **990-PF** (2009)

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► Attach to Form 990, 990-EZ, or 990-PF.

OMB No 1545-0047

2009

Name of the organization

PETRELLO FAMILY FOUNDATION

Employer identification number

01-0559509

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

- ☐ 501(c)() (enter number) organization
- ☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- ☐ 527 political organization

Form 990-PF

- ☒ 501(c)(3) exempt private foundation
- ☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
- ☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☐ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ► \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions
for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2009)

Name of organization

Employer identification number

PETRELLO FAMILY FOUNDATION

01-0559509

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	ANTHONY PETRELLO 515 W. GREENS RD., SUITE 1200 HOUSTON, TX 77067	\$ _____	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ENSCO INTERNATIONAL	3,825.	0.	3,825.
NATIONAL OILWELL VARCO	42,660.	0.	42,660.
XTO ENERGY, INC	5,781.	0.	5,781.
TOTAL TO FM 990-PF, PART I, LN 4	52,266.	0.	52,266.

FORM 990-PF CORPORATE STOCK STATEMENT 2

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
PLAINS EXPLORATION & PRODUCTION CO	844,292.	0.
WEATHERFORD INTL LTD NEW	311,445.	0.
ENSCO INTERNATIONAL, INC	565,704.	0.
NATIONAL OILWELL VARCO, INC.	775,508.	0.
EXXON MOBILE CORP	571,489.	0.
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,068,438.	0.

FORM 990-PF OTHER NOTES AND LOANS PAYABLE STATEMENT 3

LENDER'S NAME TERMS OF REPAYMENT SECURITY PROVIDED BY BORROWER

SMITH BARNEY PORTFOLIO CREDIT LINE STOCKS

DATE OF NOTE MATURITY DATE ORIGINAL LOAN AMOUNT INTEREST RATE PURPOSE OF LOAN

0. .00%

RELATIONSHIP OF LENDER

NONE

DESCRIPTION OF CONSIDERATION

FMV OF CONSIDERATION BALANCE DUE
0. 1,520,587.

TOTAL TO FORM 990-PF, PART II, LINE 21, COLUMN B 1,520,587.

FORM 990-PF, PART XV, LINE 3 - GRANTS AND CONTRIBUTIONS
STATEMENT 7

<u>RECIPIENT</u>	<u>AMOUNT</u>
ALLEY THEATRE 615 TEXAS AVENUE HOUSTON, TX 77002	\$ 30,500
AMSCHWAND SARCOMA CANCER FOUNDATION 2260 WEST HOLCOMBE BOULEVARD, SUITE 174 HOUSTON, TX 77030	4,250
BEST BUDDIES 100 SOUTHEAST SECOND STREET, SUITE 2200 MIAMI, FLORIDA 33131	1,000
BROOKWOOD COMMUNITY 1752 FM 1489 BRROKSHIRE, TX 77423	2,500
CAMP ARANZAZU 5420 FM 1781 ROCKPORT, TX 78382-7622	1,000
CHAMPAGNE COWGIRLS STEEN PO BOX 20070 HOUSTON, TX 77225-0070	500
COALITION TO SALUTE AMERICA'S HEROES 12 GODFREY PLACE WILTON, CT 06897	1,600
CONTEMPORARY ARTS MUSEUM HOUSTON 5216 MONTROSE BLVD HOUSTON, TX 77006	1,000
CRISIS INTERVENTION OF HOUSTON, INC 3701 KIRBY DRIVE, SUITE 540 HOUSTON, TX 77098	3,000
DISCOVERY GREEN CONSERVANCY 1500 MCKINNEY HOUSTON, TX 77010	860
ELKS NATIONAL FOUNDATION 2750 N. LAKEVIEW AVE. CHICAGO, IL 60614-2256	500

FORM 990-PF, PART XV, LINE 3 - GRANTS AND CONTRIBUTIONS

STATEMENT 7

<u>RECIPIENT</u>	<u>AMOUNT</u>
FOTO FEST INTERNATIONAL 1113 VINE STREET #101 HOUSTON, TX 77002	2,500
FOUNDATION FOR TEEN HEALTH 1504 BEN TAUB LOOP HOUSTON, TX 77030	4,000
FRANCISCAN LIFE CENTER 271 FINCH AVE. MERIDEN, CT 06451-2715	4,440
GIRLS INCORPORATED OF GREATER HOUSTON 1235 NORTH LOOP WEST, SUITE 914 HOUSTON, TX 77008	1,500
HERMAN PARK CONSERVATORY 6201-A GOLF COURSE DRIVE HOUSTON, TX 77030	2,500
HEROES FOR CHILDREN 5535 MEMORIAL DR, SUITE F-709 HOUSTON, TX 77007	1,800
HOPE STONE 1210 WEST CLAY STREET HOUSTON, TX 77019	500
HOUSTON BALLET 1921 W. BELL HOUSTON, TX 77019	5,000
HOUSTON CENTER FOR CONTEMPORARY CRAFT 4848 MAIN STREET HOUSTON, TX 77002	5,000
HOUSTON GRAND OPERA 510 PRESTON STREET HOUSTON, TX 77002-1594	20,484
HOUSTON MUSEUM OF NATURAL SCIENCE ONE HERMANN CIRCLE DRIVE HOUSTON, TX 77030	2,500

FORM 990-PF, PART XV, LINE 3 - GRANTS AND CONTRIBUTIONS**STATEMENT 7**

<u>RECIPIENT</u>	<u>AMOUNT</u>
HOUSTON SYMPHONY SOCIETY 615 LOUISIANA STREET, SUITE 102 HOUSTON, TX 77002-2798	2,425
HUMAN RIGHTS WATCH 350 FIFTH AVENUE, 34TH FLOOR NEW YORK, NY 10118-3299	1,000
INSPIRE WOMEN 1415 S. VOSS RD, SUITE 110-516 HOUSTON, TX 77057	2,100
INTERFAITH MINISTRIES FOR GREATER HOUSTON 3217 MONTROSE BLVD HOUSTON, TX 77006	3,000
JUVENILE DIABETES RESEARCH FOUNDATION 26 BROADWAY, 14TH FLOOR NEW YORK, NY 10004	1,000
LEADERSHIP HOUSTON 3100 WESLAYAN, SUITE 377 HOUSTON, TX 77027	10,000
LEGACY COMMUNITY HEALTH SERVICES 215 WESTHEIMER HOUSTON, TX 77006	5,000
MARCH OF DIMES 3000 WESLAYAN, SUITE 100 HOUSTON, TX 77025753	3,500
MEMORIAL HERMANN FOUNDATION 929 GESSNER, SUITE 2650 HOUSTON, TX 77024	2,800
MEMORIAL PARK CONSERVANCY PO BOX 131024 HOUSTON, TX 77219	5,000
MS. WHEELCHAIR TEXAS FOUNDATION 6315 S. WINTERSAGE LN. HOUSTON, TX 77066	1,000

FORM 990-PF, PART XV, LINE 3 - GRANTS AND CONTRIBUTIONS**STATEMENT 7**

<u>RECIPIENT</u>	<u>AMOUNT</u>
NEWARK ACADEMY 91 SOUTH ORANGE AVENUE LIVINGSTON, NJ 07039-4989	1,000
ONE X ONE 1447 CLOVERFIELD BOULEVARD, SUITE 202 SANTA MONICA, CA 90404	4,000
POINTS OF LIGHT INSTITUTE 600 MEANS STREET NW, SUITE 210 ATLANTA, GA 30318	25,000
RICE DESIGN ALLIANCE PO BOX 1892 HOUSTON, TX 77251	1,500
SACRED HEART HIGH SCHOOL 142 ELM STREET WATERBURY, CT 06706	6,000
SAN JOSE CLINIC 2615 FANNIN STREET HOUSTON, TX 77002	1,500
SOCIETY FOR THE PERFORMING ARTS 615 LOUISIANA STREET, SUITE 100 HOUSTON, TX 77002	4,000
TEXAN-FRENCH ALLIANCE FOR THE ARTS 777 POST OAK BOULAVARD, SUITE 600 HOUSTON, TX 77056	250
TEXAS CHILDREN'S HOSPITAL P.O. BOX 300630 HOUSTON, TX 77230-0630	1,000,000
THE BLUE BIRD CIRCLE 615 WEST ALABAMA HOUSTON, TX 77006	3,000
THE CENTER FOR AIDS PO BOX 66306 HOUSTON, TX 77266-6306	1,000

FORM 990-PF, PART XV, LINE 3 - GRANTS AND CONTRIBUTIONS**STATEMENT 7**

<u>RECIPIENT</u>	<u>AMOUNT</u>
THE CENTER FOUNDATION 3350 WEST DALLAS HOUSTON, TX 77019	3,550
THE CHILDREN'S ASSESSMENT CENTER 2500 BOLSOVER STREET HOUSTON, TX 77005	2,500
THE EMERY/WEINER SCHOOL 9825 STELLA LINK HOUSTON, TX 77025	4,900
THE HERITAGE SOCIETY 1100 BAGBY STREET HOUSTON, TX 77002	1,000
THE MENIL FOUNDATION, INC. 1515 BRANARD HOUSTON, TX 77006	750
THE PERIWINKLE FOUNDATION 3000 RICHMOND AVENUE, SUITE 340 HOUSTON, TX 77098	10,000
THE MUSEUM OF FINE ARTS, HOUSTON 1001 BISSONNET HOUSTON, TX 77005	13,890
THE RISE SCHOOL OF HOUSTON 8080 NORTH STADIUM DRIVE HOUSTON, TX 77054	1,000
THE RONE MOAWARD FOUNDATION HOUSTON, TX	5,000
THE SALVATION ARMY 1500 AUSTIN STREET HOUSTON, TX 77002	1,500
THE USO PO BOX 96322 WASHINGTON, DC 20090-6322	100

FORM 990-PF, PART XV, LINE 3 - GRANTS AND CONTRIBUTIONS**STATEMENT 7**

<u>RECIPIENT</u>	<u>AMOUNT</u>
TIRR FOUNDATION 4605 POST OAK PLACE, SUITE 222 HOUSTON, TX 77027	1,000
UNITED CEBERAL PALSEY 4500 BISSONNET, SUITE 340 BELLAIRE, TX 77401-3006	2,000
UNIVERSITY OF HOUSTON FOUNDATION PO BOX 27405 HOUSTON, TX 77227	14,675
VETERANS OF FOREIGN WARS OF THE UNITED STATES 406 W 34TH STRET KANSAS CITY, MO 64111	1,000
VICTORY OF AMERICAN CANCER 526 POST OAK PLACE HOUSTON, TX 77027	71
YALE UNIVERSITY PO BOX 2038 NEW HAVEN, CT 06521	80,000
	<u>\$ 1,323,945</u>