



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



Return of Private Foundation

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

Treated as a Private Foundation

OMB No 1545-0052

2009Department of the Treasury
Internal Revenue Service

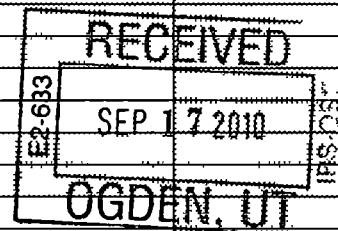
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

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 THE CARMAGE AND MARTHA ANN WALLS FOUNDATION		A Employer identification number 76-0031815
	Number and street (or P O box number if mail is not delivered to street address) Room/suite 5701 WOODWAY, SUITE 131		B Telephone number 713-266-5481
	City or town, state, and ZIP code HOUSTON, TX 77057		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 ☐
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation			E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 5,168,054. (Part I, column (d) must be on cash basis)			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐
J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____			

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)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check ☒ if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		59.	59.		STATEMENT 1
4 Dividends and interest from securities		132,600.	132,600.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		56,832.			
b Gross sales price for all assets on line 6a 2,924,042.					
7 Capital gain net income (from Part IV, line 2)			56,832.		
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		189,491.	189,491.		
13 Compensation of officers, directors, trustees, etc.		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 3		3,925.	3,925.		0.
c Other professional fees					
17 Interest					
18 Taxes STMT 4		3,714.	3,714.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 5		58,561.	58,561.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		66,200.	66,200.		0.
25 Contributions, gifts, grants paid		295,000.			295,000.
26 Total expenses and disbursements. Add lines 24 and 25		361,200.	66,200.		295,000.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<171,709.>			
b Net investment income (if negative, enter -0-)			123,291.		
c Adjusted net income (if negative, enter -0-)				N/A	



SCANNED SEP 21 2010
Operating and Administrative Expenses

**THE CARMAGE AND MARTHA ANN WALLS
FOUNDATION**

Form 990-PF (2009)

76-0031815 Page 2

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing		6,683.	330.	330.
	2	Savings and temporary cash investments		340,679.	164,635.	164,635.
	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			1,080.	1,080.
	10a	Investments - U S and state government obligations STMT 7		1,297,220.	1,277,291.	1,277,291.
	b	Investments - corporate stock STMT 8		2,452,289.	1,313,215.	1,313,215.
	c	Investments - corporate bonds				
11	Investments - land, buildings, and equipment: basis ▶					
	Less: accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other STMT 9		1,022,958.	2,410,336.	2,410,336.	
14	Land, buildings, and equipment: basis ▶					
	Less: accumulated depreciation ▶					
15	Other assets (describe ▶ STATEMENT 10)		2,131.	1,167.	1,167.	
16	Total assets (to be completed by all filers)		5,121,960.	5,168,054.	5,168,054.	
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				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)		0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☒ and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted		5,121,960.	5,168,054.	
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances		5,121,960.	5,168,054.		
31	Total liabilities and net assets/fund balances		5,121,960.	5,168,054.		

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	5,121,960.
2	Enter amount from Part I, line 27a	2	<171,709.>
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 6	3	217,803.
4	Add lines 1, 2, and 3	4	5,168,054.
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	5,168,054.

**THE CARMAGE AND MARTHA ANN WALLS
FOUNDATION**

Form 990-PF (2009)

76-0031815 Page 3

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 NET, REALIZED LOSS FROM SALE OF INVESTMENTS		VARIOUS	VARIOUS
b FORM 6781, PART I - SHORT TERM GAIN		VARIOUS	VARIOUS
c FORM 6781, PART I - LONG TERM GAIN		VARIOUS	VARIOUS
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 2,924,042.		2,942,478.	<18,436.>
b			30,107.
c			45,161.
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			<18,436.>
b			30,107.
c			45,161.
d			
e			

2 Capital gain net income or (net capital loss)	2	56,832.
{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	3	N/A
{ 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	276,931.	5,708,333.	.048513
2007	346,932.	6,721,566.	.051615
2006	300,000.	6,998,472.	.042867
2005	300,000.	6,245,803.	.048032
2004	300,000.	6,025,345.	.049790

2 Total of line 1, column (d)	2	.240817
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	.048163
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	5,264,832.
5 Multiply line 4 by line 3	5	253,570.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,233.
7 Add lines 5 and 6	7	254,803.
8 Enter qualifying distributions from Part XII, line 4	8	295,000.

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

**THE CARMAGE AND MARTHA ANN WALLS
FOUNDATION**

Form 990-PF (2009)

76-0031815

Page 4

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 ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		1	1,233.
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	1,233.
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	1,233.
6 Credits/Payments			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	2,400.	
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	2,400.	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ 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	1,167.	
11 Enter the amount of line 10 to be credited to 2010 estimated tax ☒ 600. Refunded ☒	11	567.	

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 instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ☒ \$ 0. (2) On foundation managers ☒ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☒ \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
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?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) TX		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Form 990-PF (2009)

**THE CARMAGE AND MARTHA ANN WALLS
FOUNDATION**

76-0031815

Page 5

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 ► BARBARA ZAVODNY Telephone no ► 832-251-4211 Located at ► 5701 WOODWAY, SUITE 131, HOUSTON, TX ZIP+4 ► 77057			
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?	☐ Yes ☒ No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	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? If "Yes," list the years ►	☐ Yes ☒ No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see 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?	☐ Yes ☒ No	
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.)	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

Form 990-PF (2009)

**THE CARMAGE AND MARTHA ANN WALLS
FOUNDATION**

Form 990-PF (2009)

76-0031815

Page 6

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	5b	
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		
If "Yes," attach the statement required by Regulations section 53.4945-5(d).		☐ Yes ☐ No		
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?			6b	X
If "Yes" to 6b, file Form 8870.				
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?		☐ Yes ☒ No		
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?		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
LISSA WALLS VAHLIDIEK	TRUSTEE/PRESIDENT			
5701 WOODWAY, SUITE 300		0.00	0.	0.
HOUSTON, TX 77057				
MARTHA ANN WALLS	TRUSTEE/VICE PRESIDENT			
5701 WOODWAY, SUITE 300		0.00	0.	0.
HOUSTON, TX 77057				
JOHN R. ALLENDER	TRUSTEE/SEC/TRES			
1301 MCKINNEY, SUITE 5100		0.00	0.	0.
HOUSTON, TX 77010				

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

Form 990-PF (2009)

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.

**THE CARMAGE AND MARTHA ANN WALLS
FOUNDATION**

76-0031815

Page 8

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	4,986,655.
b Average of monthly cash balances	1b	356,163.
c Fair market value of all other assets	1c	2,189.
d Total (add lines 1a, b, and c)	1d	5,345,007.
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	5,345,007.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	80,175.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,264,832.
6 Minimum investment return. Enter 5% of line 5	6	263,242.

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	263,242.
2a Tax on investment income for 2009 from Part VI, line 5	2a	1,233.
b Income tax for 2009 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	1,233.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	262,009.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	262,009.
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	262,009.

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	295,000.
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	295,000.
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	1,233.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	293,767.

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

Form 990-PF (2009)

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				262,009.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			15,509.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 295,000.				
a Applied to 2008, but not more than line 2a			15,509.	
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				262,009.
e Remaining amount distributed out of corpus	17,482.			
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	17,482.			
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	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	17,482.			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009	17,482.			

Form 990-PF (2009)

Page 10

N/A

- ▶

- ☐ 4942(I)(3) or ☐ 4942(I)(5)

- [illegible]

1 Information Regarding Foundation Managers:

- NONE

- NONE

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

- N/A

- N/A

- N/A

- N/A

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 11				
Total			▶ 3a	295,000.
b Approved for future payment NONE				
Total			▶ 3b	0.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

<u>SOURCE</u>	<u>AMOUNT</u>
MONEY MARKET & BANK ACCOUNT INTEREST	59.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	59.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

<u>SOURCE</u>	<u>GROSS AMOUNT</u>	<u>CAPITAL GAINS DIVIDENDS</u>	<u>COLUMN (A) AMOUNT</u>
FORM K-1, SMITH BARNEY BRISTOL ENERGY FUND, L.P.	393.	0.	393.
GOVERNMENT AND CORPORATE BOND INTEREST	72,390.	0.	72,390.
STOCK AND MUTUAL FUND INVESTMENTS	59,813.	0.	59,813.
TAX EXEMPT INCOME	4.	0.	4.
TOTAL TO FM 990-PF, PART I, LN 4	132,600.	0.	132,600.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

<u>DESCRIPTION</u>	<u>(A) EXPENSES PER BOOKS</u>	<u>(B) NET INVEST- MENT INCOME</u>	<u>(C) ADJUSTED NET INCOME</u>	<u>(D) CHARITABLE PURPOSES</u>
ACCOUNTING FEES	3,925.	3,925.		0.
TO FORM 990-PF, PG 1, LN 16B	3,925.	3,925.		0.

FORM 990-PF	TAXES			STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FOREIGN TAXES WITHHELD ON INVESTMENTS	2,481.	2,481.		0.	
FEDERAL INCOME TAXES	1,233.	1,233.		0.	
TO FORM 990-PF, PG 1, LN 18	3,714.	3,714.		0.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
INSURANCE	1,080.	1,080.		0.	
INVESTMENT MANAGEMENT FEES FORM K-1, SMITH BARNEY BRISTOL ENERGY FUND, L.P.	44,576.	44,576.		0.	
OTHER DEDUCTIONS	12,905.	12,905.		0.	
TO FORM 990-PF, PG 1, LN 23	58,561.	58,561.		0.	

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES			STATEMENT	6
DESCRIPTION	AMOUNT				
UNREALIZED GAIN ON SECURITIES & INVESTMENTS	217,803.				
TOTAL TO FORM 990-PF, PART III, LINE 3	217,803.				

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	7
-------------	--	-----------	---

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
GOVERNMENT SECURITIES HELD WITH BROKER	X		1,277,291.	1,277,291.
TOTAL U.S. GOVERNMENT OBLIGATIONS			1,277,291.	1,277,291.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			1,277,291.	1,277,291.

FORM 990-PF	CORPORATE STOCK	STATEMENT	8
-------------	-----------------	-----------	---

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCKS HELD WITH BROKER	1,313,215.	1,313,215.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,313,215.	1,313,215.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	9
-------------	-------------------	-----------	---

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
PARTNERSHIP INVESTMENTS	FMV	1,050,954.	1,050,954.
MUTUAL FUNDS	FMV	1,359,382.	1,359,382.
TOTAL TO FORM 990-PF, PART II, LINE 13		2,410,336.	2,410,336.

FORM 990-PF	OTHER ASSETS	STATEMENT	10
-------------	--------------	-----------	----

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
REFUNDABLE INCOME TAXES	2,131.	1,167.	1,167.
TO FORM 990-PF, PART II, LINE 15	2,131.	1,167.	1,167.

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 11

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
RAINSVILLE LIONS CLUB P.O. BOX 62 RAINSVILLE, AL 35986	CLOTHING FOR KIDS PROJECT	CURRENT 501(C)(3)	1,000.
UNITED WAY OF WALTON COUNTY P.O. BOX 582 MONROE, GA 30655	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.
KERR CTY UNITED WAY P.O. BOX 290561 KERRVILLE, TX 78029	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.
KIPP COASTAL VILLAGE 721 10TH ST. GALVESTON, TX 77550	PUBLIC SUPPORT	CURRENT 501(C)(3)	25,000.
UNITED WAY OF LAMAR COUNTY P.O. BOX 1, 635 CLARKSVILLE ST. PARIS, TX 75641	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.
DEKALB COUNTY CHAPTER P.O. BOX 680008 FORT PAYNE, AL 35968	PUBLIC SUPPORT	CURRENT 501(C)(3)	4,000.
BRAZOSPORT MEDICAL CENTER P.O. BOX 2553 FREEPORT, TX 77542	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.
ANGELINA COUNTY SENIOR CITIZENS ACTIVITIES, INC. 2801 VALLEY, P.O. BOX 389 LUFKIN, TX 75902	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.

ALBERTVILLE CITY SCHOOL FOUNDATION 107 WEST MAIN ST. ALBERTVILLE, AL 35950	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.
STEPHEN F. AUSTIN STATE UNIVERSITY P.O. BOX 6092, SFA STATION NACOGDOCHES, TX 75962	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.
SHUMLA P.O. BOX 627 COMSTOCK, TX 78837	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.
GOOSE CREEK CISD EDUCATION FOUNDATION P.O. BOX 8081 BAYTOWN, TX 77522	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.
IMPACT LEARNING CENTER 305 S. SCOTT STREET, SUITE 21 SCOTTSBORO, AL 35768	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.
GUADALUPE COUNTY 100 CLUB P.O. BOX 454 SEGUIN, TX 78155	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.
THE HAY CENTER 2800 ANTOINE, SUITE 2872 HOUSTON, TX 77092	PUBLIC SUPPORT	CURRENT 501(C)(3)	7,000.
BOYS & GIRLS CLUBS OF BAY CITY AND MATAGORDA COUNTY P.O. BOX 762 BAY CITY, TX 77404	PUBLIC SUPPORT	CURRENT 501(C)(3)	5,000.
BOYS & GIRLS CLUBS OF GREATER HOUSTON 1520-A AIRLINE DRIVE HOUSTON, TX 77009	PUBLIC SUPPORT	CURRENT 501(C)(3)	10,000.
RONALD MCDONALD HOUSE OF HOUSTON 1907 HOLCOMBE BLVD. HOUSTON, TX 77030	PUBLIC SUPPORT	CURRENT 501(C)(3)	10,000.

THE CARMAGE AND MARTHA ANN WALLS FOUNDAT

76-0031815

CATHOLIC CHARITIES OF THE
ARCHDIOCESE OF GALVESTON -
HOUSTON - 2900 LOUISIANA
HOUSTON, TX 77002

PUBLIC SUPPORT

CURRENT
501(C)(3)

3,000.

UNIVERSITY OF ALABAMA
201 REESE PHIFER HALL, BOX
870172 TUSCALOOSA, AL 35487

CARMAGE & MARTHA ANN
WALLS ENDOWED
SCHOLARSHIP IN PRINT
JOURNALISM

CURRENT
501(C)(3)

75,000.

TRINITY UNIVERSITY
ONE TRINITY PLACE SAN ANTONIO,
TX 78212

WALLS FAMILY
SCHOLARSHIP FUND

CURRENT
501(C)(3)

100,000.

TOTAL TO FORM 990-PF, PART XV, LINE 3A

295,000.

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

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

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

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

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization SOUTHERN NEWSPAPERS, INC. MEDIA EMPLOYEES' MEDICAL PLAN TRUST	Employer identification number 76-0087045
	Number, street, and room or suite no. If a P.O. box, see instructions. 5701 WOODWAY DRIVE, NO. 131	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. HOUSTON, TX 77057-1515	

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

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

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

SOUTHERN NEWSPAPERS, INC.

- The books are in the care of **5701 WOODWAY DR, SUITE 131 - HOUSTON, TX 77057-1515**

Telephone No. **713-266-5481**

FAX No. **713-26-5749**

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

- 4 I request an additional 3-month extension of time until **NOVEMBER 15, 2010.**
- 5 For calendar year **2009**, or other tax year beginning _____, and ending _____.
- 6 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period
- 7 State in detail why you need the extension
WAITING ON INFORMATION TO PREPARE A COMPLETE AND ACCURATE RETURN.

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

Signature and Verification

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

Signature **Richard B. Lami** Title **CPA**

Date **8/16/10**