ORIGINAL

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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning 08/01 **, 2009, and ending** 07/31, 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 MORRIS L. LICHTENSTEIN JR. MEDICAL RESEARCH FOUNDATION

Number and street (or P O box number if mail is not delivered to street address): 615 NORTH UPPER BROADWAY
Room/suite: 800

City or town, state, and ZIP code: CORPUS CHRISTI, TX 78477

A Employer identification number 74-2757309

B Telephone number (see page 10 of the instructions) (361) 884-1961

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 ▶ [X]

H Check type of organization: [X] 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)* ▶ $ 9,902,077.

J Accounting method: [X] 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)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ▶ [X] if the foundation is **not** required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	196,440.	189,622.	0.	ATCH 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	945,247.			
	b Gross sales price for all assets on line 6a 3,155,818.				
	7 Capital gain net income (from Part IV, line 2)		945,247.		
	8 Net short-term capital gain			0.	
	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)	458,309.	44,768.	0.	ATCH 2
	12 **Total.** Add lines 1 through 11	1,599,996.	1,179,637.	0.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	55,740.	55,740.	0.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) ATCH 3	96,998.	80,843.	0.	16,155.
	b Accounting fees (attach schedule) ATCH 4	30,760.	15,380.	0.	15,380.
	c Other professional fees (attach schedule) *	31,044.	31,044.	0.	0.
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) **	103,910.	12,213.	0.	0.
	19 Depreciation (attach schedule) and depletion	486.	486.	0.	
	20 Occupancy	2,827.	2,827.		
	21 Travel, conferences, and meetings	1,773.	1,773.	0.	0.
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 7	567,797.	68,762.	0.	495,937.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	891,335.	269,068.	0.	527,472.
	25 Contributions, gifts, grants paid	94,047.			94,047.
	26 **Total expenses and disbursements** Add lines 24 and 25	985,382.	269,068.	0.	621,519.
	27 Subtract line 26 from line 12				
	a **Excess of revenue over expenses and disbursements**	614,614.			
	b **Net investment income** (if negative, enter -0-)		910,569.		
	c **Adjusted net income** (if negative, enter -0-)			-0-.	

SCANNED JAN 04 2011

RECEIVED DEC 2 2010 OGDEN, UT

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions. * ATCH 5 JSA ** ATCH 6 Form **990-PF** (2009)

9E1410 2 000 OE8242 N612 12/13/2010 9:32:38 AM

10

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	124,240.	82,693.	82,693.
	2 Savings and temporary cash investments	67,306.	118,242.	118,242.
	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 ATCH 8	96,200.	148,000.	148,000.
	10 a Investments - U S and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule) ATCH 9	8,269,270.	9,325,556.	8,423,709.
	c Investments - corporate bonds (attach schedule) ATCH 10	91,586.	0.	0.
	11 Investments - land, buildings, and equipment basis ▶ 13,265.			ATCH 11
	Less accumulated depreciation (attach schedule) ▶ 2,848.	374,824.	10,417.	10,777.
	12 Investments - mortgage loans	1,154,221.	1,106,123.	1,106,123.
	13 Investments - other (attach schedule)			
	14 Land, buildings, and equipment basis ▶ 0.			
	Less accumulated depreciation (attach schedule) ▶ 0.	0.	0.	0.
	15 Other assets (describe ▶ ATCH 12)	13,283.	13,283.	12,533.
	16 **Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	10,190,930.	10,804,314.	9,902,077.
Liabilities	17 Accounts payable and accrued expenses	6,008.	4,778.	
	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)	6,008.	4,778.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	10,184,922.	10,799,536.	
	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** (see page 17 of the instructions)	10,184,922.	10,799,536.	
	31 **Total liabilities and net assets/fund balances** (see page 17 of the instructions)	10,190,930.	10,804,314.	

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	10,184,922.
2	Enter amount from Part I, line 27a	2	614,614.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	10,799,536.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	10,799,536.

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

	(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	(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) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	945,247.
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	388,641.

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	436,923.	9,350,430.	0.046728
2007	428,821.	9,132,321.	0.046956
2006	378,539.	10,402,385.	0.036390
2005	356,165.	10,481,231.	0.033981
2004	437,907.	7,343,414.	0.059633

2	**Total** of line 1, column (d)	2	0.223688
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	0.044738
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	9,571,395.
5	Multiply line 4 by line 3	5	428,205.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	9,106.
7	Add lines 5 and 6	7	437,311.
8	Enter qualifying distributions from Part XII, line 4	8	621,519.

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.

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 ▶ [ ] and enter "N/A" on line 1. Date of ruling or determination letter: ____________ (attach copy of ruling letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b	1	0.
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	0.
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	0.
6	Credits/Payments		
a	2009 estimated tax payments and 2008 overpayment credited to 2009 — 6a		
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	0.
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	0.
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** ▶ **Refunded** ▶	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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation. ▶$ ________ (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*	2		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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a	X	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		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?	6	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.*	7	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*	8b	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*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

JSA
9E1440 1 000

OE8242 N612 12/13/2010 9:32:38 AM

Part VII-A Statements Regarding Activities *(continued)*

		Line	Yes	No
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) . . . ATCH. 13.	11	X	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ CHARLES W. THOMASSON Telephone no ▶ (361)884-1961

Located at ▶ 615 NORTH UPPER BROADWAY STE.800 CORPUS CHRISTI, TX ZIP + 4 ▶ 78477

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

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.

		Line	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)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
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? ☐ Yes ☒ 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 page 20 of the instructions)	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)*	3b	X	
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

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

			Yes	No
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)?	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? ☐ 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?	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?	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 (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 14		78,901.	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 ▶

JSA
9E1460 1 000
OE8242 N612 12/13/2010 9:32:38 AM

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
ATTACHMENT 15		310,584.
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 DCH "GLUCOMON" TRIAL -- FULL DESCRIPTION ON SCHEDULE B	78,227.
2 SPOHN NURSE TRAINING COURSE TRIAL -- FULL DESCRIPTION ON SCHEDULE B	107,265.
3 SPOHN NTD STUDY -- FULL DESCRIPTION ON SCHEDULE B	23,981.
4 SPOHN KIOSK TRIAL -- FULL DESCRIPTION ON SCHEDULE B	240,977.

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	

JSA
9E1465 1 000
OE8242 N612 12/13/2010 9:32:38 AM

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	4,488,921.
b	Average of monthly cash balances	1b	160,499.
c	Fair market value of all other assets (see page 24 of the instructions)	1c	5,067,732.
d	**Total** (add lines 1a, b, and c)	1d	9,717,152.
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	9,717,152.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	145,757.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	9,571,395.
6	**Minimum investment return.** Enter 5% of line 5	6	478,570.

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	478,570.
2a	Tax on investment income for 2009 from Part VI, line 5 — 2a	0.		
b	Income tax for 2009. (This does not include the tax from Part VI) — 2b			
c	Add lines 2a and 2b		2c	0.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	478,570.
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	478,570.
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	478,570.

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	621,519.
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	621,519.
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	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	621,519.

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					478,570.
2 Undistributed income, if any, as of the end of 2009					
a Enter amount for 2008 only					
b Total for prior years 20 07 ,20 06 ,20 05					
3 Excess distributions carryover, if any, to 2009					
a From 2004	205,122.				
b From 2005	56,881.				
c From 2006	80,678.				
d From 2007					
e From 2008					
f **Total** of lines 3a through e		342,681.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 621,519.					
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					478,570.
e Remaining amount distributed out of corpus		142,949.			
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		485,630.			
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)		205,122.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a		280,508.			
10 Analysis of line 9.					
a Excess from 2005	56,881.				
b Excess from 2006	80,678.				
c Excess from 2007					
d Excess from 2008					
e Excess from 2009	142,949.				

JSA
9E1480 1 000
OE8242 N612 12/13/2010 9:32:38 AM

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)

	Tax year	Prior 3 years			(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
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))

NONE

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

NONE

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

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc. (see 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 16

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

ATTACHMENT 17

c Any submission deadlines

NONE

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

ATTACHMENT 18

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*				
ATTACHMENT 19				
Total . . . . ▶ **3a**				94,047.
b *Approved for future payment*				
Total . . . . ▶ **3b**				

JSA
9E1491 1 000
OE8242 N612 12/13/2010 9:32:38 AM

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See page 28 of the instructions)
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities	713940	6,818.	14	189,622.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income	713940	413,041.	15	44,768.	
8 Gain or (loss) from sales of assets other than inventory			18	945,247.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b OTHER INCOME			26	500.	
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		419,859.		1,180,137.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 1,599,996.

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

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

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)
	NOT APPLICABLE

JSA
9E1492 1 000
OE8242 N612 12/13/2010 9:32:38 AM

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	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

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
	N/A		N/A

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

Sign Here

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: Claus Hormann | Date: 14 Dec '10 | Title: PRESIDENT

Paid Preparer's Use Only

Preparer's signature: Christine Salch	Date: 12-14-10	Check if self-employed ☐	Preparer's identifying number (See Signature on page 30 of the instructions) P00188210
Firm's name (or yours if self-employed), address, and ZIP code	SWANK & SALCH, P.C. 802 N. CARANCAHUA, SUITE 310 CORPUS CHRISTI, TX 78401	EIN ▶ 74-2727608	Phone no 361-883-8151

JSA
9E1493 1 000

OE8242 N612 12/13/2010 9:32:38 AM

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)	
		SEE ATTACHED SCHEDULE 1 PROPERTY TYPE: SECURITIES				P	VAR	VAR
2,122,204.		1,733,563.					388,641.	
		SEE ATTACHED SCHEDULE 1 PROPERTY TYPE: SECURITIES				P	VAR	07/28/2010
33,614.		91,586.					-57,972.	
		WOOLDRIDGE CREEK UNIT 8, LOT 1B CORPUS C PROPERTY TYPE: OTHER				P	VAR	09/22/2009
1,000,000.		385,422.					614,578.	
TOTAL GAIN(LOSS)							945,247.	

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 THE MORRIS L. LICHTENSTEIN JR. MEDICAL RESEARCH FOUNDATION

Employer identification number 74-2757309

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	388,641.
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	388,641.

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					

b	Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	556,606.
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	556,606.

Part III Summary of Parts I and II

Caution: *Read the instructions **before** completing this part.*

			(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
13	**Net short-term gain or (loss)**	13			388,641.
14	**Net long-term gain or (loss):**				
a	Total for year	14a			556,606.
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	-		945,247.

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 ( )

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? ☐ **Yes.** Skip lines 25 and 26; go to line 27 and check the "No" box ☐ **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? ☐ **Yes.** Skip lines 27 thru 30, go to line 31 ☐ **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-1
(Form 1041)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

▶ See instructions for Schedule D (Form 1041).
▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

OMB No 1545-0092

2009

Name of estate or trust
THE MORRIS L. LICHTENSTEIN JR. MEDICAL

Employer identification number
74-2757309

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 ATTACHED SCHEDULE 1			2,122,204.	1,733,563.	388,641.

1b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 1b . . . . 388,641.

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side	Employer identification number

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

(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)
6a SEE ATTACHED SCHEDULE 1		07/28/2010	33,614.	91,586.	-57,972.
WOOLDRIDGE CREEK UNIT 8, LOT 1B CORPUS CHRISTI, TE		09/22/2009	1,000,000.	385,422.	614,578.
6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b					556,606.

JSA
9F1222 3 000
OE8242 N612 12/13/2010 9:32:38 AM

The Morris L Lichtenstein Medical Research Foundation
Gain Loss
7/31/2010

Date of Sale	Purchase Date	Fund	Quantity	Purchase Price	Sales Price	Gain or Loss	Term
11/2/2009	VAR	ISHARES MSCI ERMG MKT FDEMERGING MARKETS INDX FUND	15,805 0000	499,380 05	597,562.74	98,182 69	Short
11/2/2009	5/6/2009	ISHARES TR RUSSELL 1000 RUSSELL 1000 INDEX FUND	17,437 0000	834,494 61	1,000,160 78	165,666 17	Short
12/29/2009	5/6/2009	ISHARES TR RUSSELL 1000 RUSSELL 1000 INDEX FUND	487 0000	23,306 70	29,975 51	6,668 81	Short
4/19/2010	5/6/2009	ISHARES TR RUSSELL 1000 RUSSELL 1000 INDEX FUND	2,256 0000	107,966 96	149,969 38	42,002 42	Short
12/29/2009	5/6/2009	ISHARES TR RUSSELL 2000 RUSSELL 2000 INDEX FUND	716 0000	34,805 21	44,962 57	10,157 36	Short
4/19/2010	5/6/2009	ISHARES TR RUSSELL 2000 RUSSELL 2000 INDEX FUND	2,109 0000	102,519 83	149,832 96	47,313 13	Short
5/28/2010	5/6/2009	ISHARES TR RUSSELL 2000 RUSSELL 2000 INDEX FUND	935.0000	45,450 94	59,953 45	14,502 51	Short
12/24/2009	11/3/2009	PIMCO TOTAL RETURN FUND INSTL	2,308 4030	25,232 08	24,964 00	(268 08)	Short
12/11/2009	11/2/2009	VANGUARD EMERGING MARKETS	1,600 0000	60,406.68	64,822 98	4,416 30	Short
				1,733,563 06	2,122,204 37	388,641 31	
7/28/2010	3/24/2005	GENERAL MOTORS CORP NOTES SEMI- ANNUAL PAY 7 2%	100,000 0000	91,586 00	33,614 00	(57,972 00)	Long
				1,825,149 06	2,155,818 37	330,669 31	

THE MORRIS L. LICHTENSTEIN JR. MEDICAL RESEARCH FOUNDATION
EIN 74-2757309
FORM 990-PF
FISCAL YEAR ENDED JULY 31, 2010

PAGE 1, LINE 23 -- DETAILS OF MEDICAL RESEARCH EXPENSES

	TOTAL	GENERAL	DCH GLUCOMON STUDY	SPOHN NURSE TRAINING	SPOHN NTD	SPOHN KIOSK	ZIMBA	THOMAS
WAGES	162,652	4,500	46,307	2,400	7,594	101,088	763	
PAYROLL TAXES	14,600	2,204	3,840	184	581	7,733	58	
CONTRACT LABOR	84,103	3,931	263	71,615	856	7,438		
DEPRECIATION	1,303					1,303		
RENT	1,872		1,872					
CLINICAL TRIALS	18,675		18,675					
SUPPLIES	-							
TRAVEL	2,955					2,955		
OTHER PROFESSIONAL FEES	80,974			2,764	4,000	74,210		
INSURANCE	395					395		
LEGAL	80,202	14,962	4,165	17,522	5,225	25,909	6,210	6,209
SUPERVISION COSTS	41,000		3,105	11,955	5,725	13,565	5,235	1,415
OFFICE EXPENSE	3,492			825		2,667		
VIDEO PRODUCTION	3,715					3,715		
	495,937	25,597	78,227	107,265	23,981	240,977	12,266	7,624

SCHEDULE A

Foundation Research Projects

1. In collaboration with Driscoll Children's Hospital, Foundation principal investigator S. Ponder, M.D., is conducting a prospective randomized controlled trial of the effectiveness of the use of the "GlucoMon" glucose measurement and telemetry monitoring device in assisting family management of Type 1 diabetes in children.

2. In collaboration with CHRISTUS Spohn Memorial Hospital, Foundation Medical Director M. Wilson, M.D., and principal investigator P.L. Wakefield, M.D., are conducting a prospective randomized controlled trial of the effectiveness of a proprietary computer-based audio/visual training program in educating hospital nurses in the proper care of hospital patients who have diabetes.

3. In collaboration with CHRISTUS Spohn Memorial Hospital, Foundation Medical Director M. Wilson, M.D., and principal investigator Frances Forgione, R.N., Ph.D., are investigating correlations between infant neural tube defects (NTD) and maternal diabetes and/or high blood glucose levels, and possible preventive measures.

4. In collaboration with CHRISTUS Spohn Memorial Hospital, Foundation Medical Director M. Wilson, M.D., and principal investigators Marcia Ory, Ph.D., and Jane Bolin, R.N., Ph.D., are investigating the effectiveness of an interactive, computer-based, dual lingual diabetes education program for medically under-served, low literacy populations.

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME
MORTGAGE NOTE RECEIVABLES	86,065.	86,065.	0.
INVESTMENT INTEREST	767.	767.	0.
UNRELATED BUSINESS INCOME - INTEREST	6,743.	0.	0.
MONEY MARKET DIVIDENDS	102,790.	102,790.	0.
UNRELATED BUSINESS INCOME - DIVIDENDS	75.	0.	0.
TOTAL	196,440.	189,622.	0.

9E7000 1 000

RENT AND ROYALTY INCOME

Taxpayer's Name	Identifying Number
THE MORRIS L. LICHTENSTEIN JR. MEDICAL	74-2757309

DESCRIPTION OF PROPERTY
VARIOUS MINERAL INTERESTS

Yes | No | Did you actively participate in the operation of the activity during the tax year?

ROYALTY HAVING NO DEPLETION	44,768.	
OTHER INCOME		
TOTAL GROSS INCOME		44,768.
OTHER EXPENSES:		
SEE ATTACHMENT		
DEPRECIATION (SHOWN BELOW)		
LESS: Beneficiary's Portion		
AMORTIZATION		
LESS: Beneficiary's Portion		
DEPLETION		
LESS: Beneficiary's Portion		
TOTAL EXPENSES		29,089.
TOTAL RENT OR ROYALTY INCOME (LOSS)		15,679.
Less Amount to		
Rent or Royalty		
Depreciation		
Depletion		
Investment Interest Expense		
Other Expenses		
Net Income (Loss) to Others		
Net Rent or Royalty Income (Loss)		15,679.
Deductible Rental Loss (if Applicable)		

SCHEDULE FOR DEPRECIATION CLAIMED

(a) Description of property	(b) Cost or unadjusted basis	(c) Date acquired	(d) ACRS des	(e) Bus %	(f) Basis for depreciation	(g) Depreciation in prior years	(h) Method	(i) Life or rate	(j) Depreciation for this year
Totals									

JSA

OE8242 N612 12/13/2010 9:32:38 AM

SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER DEDUCTIONS

TAXES	1,184.
LOE AND OTHER EXPENSES	27,905.
	29,089.

RENT AND ROYALTY SUMMARY

PROPERTY	TOTAL INCOME	DEPLETION/ DEPRECIATION	OTHER EXPENSES	ALLOWABLE NET INCOME
VARIOUS MINERAL INTE	44,768.		29,089.	15,679.
TOTALS	44,768.		29,089.	15,679.

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME
ROYALTY INCOME	44,768.	44,768.	0.
CORPUS CHRISTI ATHLETIC CLUB, INC.	413,041.	0.	0.
OTHER INCOME	500.	0.	0.
TOTALS	458,309.	44,768.	0.

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
UPTON, MICKITS, & HEYMANN, LLP	2,063.	2,063.	0.	0.
GARY, THOMASSON, HALL & MARKS	94,935.	78,780.	0.	16,155.
TOTALS	96,998.	80,843.	0.	16,155.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
SWANK & SALCH, P.C.	30,760.	15,380.	0.	15,380.
TOTALS	30,760.	15,380.	0.	15,380.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
AMERICAN AD VALOREM TAX	900.	900.	0.	0.
TEXAS AGENT CORPORATION	35.	35.	0.	0.
URBAN ENGINEERING	263.	263.	0.	0.
WELLS FARGO	4,550.	4,550.	0.	0.
LARRY THOMPSON & ASSOCIATES	25,296.	25,296.	0.	0.
TOTALS	31,044.	31,044.	0.	0.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
AD VALOREM TAXES	12,213.	12,213.	0.	0.
EXCISE TAX	91,697.	0.	0.	0.
TOTALS	103,910.	12,213.	0.	0.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
RENT AND ROYALTY EXPENSES	29,089.			
RENT AND ROYALTY EXPENSES		29,089.	0.	0.
INSURANCE	14,453.	14,453.	0.	0.
CONTRACT LABOR	24,160.	24,160.	0.	0.
REPAIRS/MAINTENANCE	764.	764.	0.	0.
OFFICE SUPPLIES	296.	296.	0.	0.
UNRELATED BUSINESS INCOME	3,068.	0.	0.	0.
	30.	0.	0.	0.
MEDICAL RESEARCH ACTIVITES (DETAILS ON SCHEDULE A)	495,937.	0.	0.	495,937.
TOTALS	567,797.	68,762.	0.	495,937.

FORM 990PF, PART II - PREPAID EXPENSES AND DEFERRED CHARGES

ATTACHMENT 8

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
PREPAID EXCISE TAX	148,000.	148,000.
TOTALS	148,000.	148,000.

FORM 990PF, PART II - CORPORATE STOCK

ATTACHMENT 9

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
CORPUS CHRISTI ATHLETIC CLUB	4,811,760.	3,603,837.
TENE, INC.	377,000.	188,346.
CHARLES SCHWAB INVESTMENTS	4,136,796.	4,631,526.
TOTALS	9,325,556.	8,423,709.

FORM 990PF, PART II - CORPORATE BONDS

ATTACHMENT 10

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
HERNDON PLANT OAKLEY	0.	0.
TOTALS	0.	0.

INVESTMENTS - LAND, BUILDINGS, EQUIPMENT

ATTACHMENT 11

		FIXED ASSET DETAIL				ACCUMULATED DEPRECIATION DETAIL			
ASSET DESCRIPTION	METHOD/ CLASS	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
COMPUTER & PRINTER	SL	1,691.			1,691	423	338		761
CHAIRS	SL	1,035			1,035.	25	148.		173
3 PRINTERS	SL	1,572			1,572	26.	314		340
3 KIOSKS	SL		7,650.		7,650		911		911
CHAIRS	SL		732		732.		78.		78.
L&W CROSS TIMBERS	SLA	585			585	585.			585
TOTALS		4,883.			13,265.	1,059			2,848

FORM 990PF, PART II - OTHER ASSETS

ATTACHMENT 12

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
WORKING INTEREST	5,685.	5,685.
ROYALTY INTEREST	5,978.	5,978.
COPYRIGHT EXPENSES	750.	0.
A/R TENE INC.	870.	870.
TOTALS	13,283.	12,533.

FORM 990PF, PART VII-A, LINE 11A-TRANSFERS TO CONT. ENT. STATEMENT

CONTROLLED ENTITY'S NAME: CORPUS CHRISTI ATHLETIC CLUB, INC.
CONTROLLED ENTITY'S ADDRESS: P.O. BOX 8150
CITY, STATE & ZIP: CORPUS CHRISTI, TX 78468
EIN: 74-2298676
TRANSFER AMOUNT: 13,140.
EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
REIMBURSEMENT OF CONTRACT LABOR AT COST

CONTROLLED ENTITY'S NAME: TENE, INC.
CONTROLLED ENTITY'S ADDRESS: P.O. BOX 2888
CITY, STATE & ZIP: CORPUS CHRISTI, TX 78403
EIN: 75-1545244
TRANSFER AMOUNT: 0.
EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
NO TRANSFERS DURING CURRENT YEAR

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

ATTACHMENT 14

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
MARCIA MARKS 226 WILSHIRE PLACE CORPUS CHRISTI, TX 78411	VICE-PRESIDENT 6.00	13,600.	0.	0.
CHARLES W. THOMASSON 226 ROSEBUD AVE. CORPUS CHRISTI, TX 78404	PRES / SEC / TREAS 15.00	15,800.	0.	0.
SAMUEL BEECROFT P.O. BOX 2643 CORPUS CHRISTI, TX 78403	TRUSTEE 3.00	7,393.	0.	0.
ALLEN BORDEN 123 RAINBOW LANE CORPUS CHRISTI, TX 78411	TRUSTEE 3.00	8,800.	0.	0.
MELISSA MARKS GARNER 1500 JACKSON STREET DALLAS, TX 75201	TRUSTEE 3.00	10,731.	0.	0.
JON G. MARKS 10442 NW 60TH PLACE PARKLAND, FL 33076	TRUSTEE 3.00	8,377.	0.	0.

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

ATTACHMENT 14 (CONT'D)

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
CAMILLE THOMASSON 210 INDIANA AVE. CORPUS CHRISTI, TX 78404	TRUSTEE 4.00	14,200.	0.	0.
	GRAND TOTALS	78,901.	0.	0.

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALS

ATTACHMENT 15

NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
GARY, THOMASSON, HALL & MARKS P.O. BOX 2888 CORPUS CHRISTI, TX 78403	LEGAL & MGMT	190,377.
PEGGY L. WAKEFIELD, M.D., F.A.A.P. P.O. BOX 2685 CORPUS CHRISTI, TX 78403	MEDICAL RESEARCH	69,282.
TEXAS A&M UNIVERSITY HEALTH SCIENCE 4247 TAMU COLLEGE STATION, TX 77843	RESEARCH SUPPORT	50,925.
	TOTAL COMPENSATION	310,584.

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

CHARLES W. THOMASSON
PO BOX 2888
CORPUS CHRISTI, TX 78403
361-884-1961

990PF, PART XV - FORM AND CONTENTS OF SUBMITTED APPLICATIONS

COMPLETE DESCRIPTION OF NEED FOR THE GRANT; COPY OF APPLICANT'S CODE SECTION 501(C)(3) DETERMINATION LETTER; WRITTEN STATEMENT THAT NOTHING HAPPENED WHICH WOULD CHANGE SUCH TAX EXEMPT STATUS.

990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS

MUST BE A PUBLIC CHARITY (RATHER THAN A PRIVATE FOUNDATION); PRIMARILY SOUTH TEXAS MEDICAL RESEARCH, ARTS, EDUCATIONAL, HISTORICAL LANDMARKS, CARE OF ANIMALS, AND MENTAL HEALTH.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 19

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
CORPUS CHRISTI CHAMBER MUSIC SOCIETY P O BOX 60124 CORPUS CHRISTI, TX 78466	N/A PUBLIC CHARITY	GRANT FOR ORION QUARTET	5,000.
JOE GARZA RECREATION CENTER 3204 HIGHLAND AVE. CORPUS CHRISTI, TX 78405	N/A PUBLIC CHARITY	STRINGS FOR THE MUSIC PROGRAM	47.
TEXAS A&M UNIVERSITY- CORPUS CHRISTI 6300 OCEAN DRIVE CORPUS CHRISTI, TX 78412	N/A NON-TAXABLE	SCHOLARSHIPS FOR SCHOOL OF BUSINESS AND MUSIC DEPARTMANT	52,000
WOMEN'S SHELTER OF SOUTH TEXAS P O BOX 3368 CORPUS CHRISTI, TX 78463-3368	N/A NON-TAXABLE	FUNDING FOR OPERATIONS	15,000
COASTAL BEND COMMUNITY FOUNDATION 600 LEOPARD SUITE 1716 CORPUS CHRISTI, TX 78473	N/A NON-TAXABLE	FOUNDATION'S DAY OF GIVING	12,000
CORPUS CHRISTI INTERNATIONAL COMPETITION FOR PIANO CORPUS CHRISTI, TX	N/A NON-TAXABLE	FUNDING FOR THE 40TH AND FINAL INTERNATIONAL COMPETITION FOR PIANO AND STRINGS	10,000.
		TOTAL CONTRIBUTIONS PAID	94,047

Description of Property

DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Me-thod	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
COMPUTER & PRINTER	05/08/2008	1,691	100.000			1,691	423	761	SL		5.000				338
CHAIRS	05/19/2009	1,035.	100 000			1,035	25	173	SL		7 000				148
3 PRINTERS	07/02/2009	1,572	100 000			1,572	26	340	SL		5 000				314
3 KIOSKS	09/29/2009	7,650.	100 000			7,650		911	SL		7 000				911
CHAIRS	10/19/2009	732	100 000			732.		78.	SL		7 000				78
Less Retired Assets															
Subtotals		12,680				12,680	474	2,263							1,789
Listed Property															
Less Retired Assets															
Subtotals															
TOTALS		12,680				12,680	474	2,263							1,789

AMORTIZATION

Asset description	Date placed in service	Cost or basis	Accumulated amortization	Ending Accumulated amortization	Code	Life	Current-year amortization
TOTALS							

*Assets Retired
JSA
9X9024 1 000

OE8242 N612 12/13/2010 9 32:38 AM

Description of Property

VARIOUS MINERAL INTERESTS

DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Me-thod	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
L&W CROSS TIMBERS	07/15/1995	585.	100 000			585	585	585	SLA		7 000				
Less Retired Assets															
Subtotals		585.				585	585	585							

Listed Property

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Me-thod	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
Less Retired Assets															
Subtotals															
TOTALS		585				585	585	585							

AMORTIZATION

Asset description	Date placed in service	Cost or basis	Accumulated amortization	Ending Accumulated amortization	Code	Life	Current-year amortization
TOTALS							

*Assets Retired

JSA
9X9024 1 000

OE8242 N612 12/13/2010 9 32 38 AM

Form **8868**
(Rev April 2009)
Department of the Treasury
Internal Revenue Service

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 From 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	Name of Exempt Organization THE MORRIS L. LICHTENSTEIN JR. MEDICA RESEARCH FOUNDATION	**Employer identification number** 74-2757309
File by the due date for filing your return See instructions	Number, street, and room or suite no If a P O box, see instructions 615 NORTH UPPER BROADWAY	
	City, town or post office, state, and ZIP code For a foreign address, see instructions CORPUS CHRISTI, TX 78477	

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

[ ] Form 990	[ ] Form 990-T (corporation)	[ ] Form 4720
[ ] Form 990-BL	[ ] Form 990-T (sec 401(a) or 408(a) trust)	[ ] Form 5227
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 6069
[X] Form 990-PF	[ ] Form 1041-A	[ ] Form 8870

- The books are in the care of ▶ CHARLES W. THOMASSON

Telephone No. ▶ 361 884-1961 FAX No. ▶

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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 03/15 , 2011 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ [ ] calendar year ____ or
▶ [X] tax year beginning 08/01, 2009 , and ending 07/31, 2010 .

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**	$ 0.
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**	$ 0.
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)