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Return of Private Foundation
 or Section 4947(a)(1) Nonexempt Charitable Trust
 Treated as a Private Foundation

2010

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

For calendar year **2010**, or tax year beginning , **2010**, and ending , **20**

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

Name of foundation: **THE LLEE FOUNDATION**

Number and street (or P O box number if mail is not delivered to street address): **3355 WEST ALABAMA** Room/suite: **900**

City or town, state, and ZIP code: **HOUSTON, TX 77098**

A Employer identification number: **20-1968243**

B Telephone number (see page 10 of the instructions): **(713) 961-5544**

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ **411,813.** J Accounting method: Cash Accrual
 Other (specify) _____ (Part I, column (d) must be on cash basis.)

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

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)	125,000.			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	33.	33.		ATCH 1
	4 Dividends and interest from securities	6,009.	6,009.		ATCH 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,511.			
	b Gross sales price for all assets on line 6a	76,456.			
	7 Capital gain net income (from Part IV, line 2)		1,511.		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	132,553.	7,553.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	4,356.	2,178.	0.	2,178.
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	94.	94.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	4,902.	4,884.		18.
	24 Total operating and administrative expenses. Add lines 13 through 23	9,352.	7,156.	0.	2,196.
	25 Contributions, gifts, grants paid	129,500.			129,500.
26 Total expenses and disbursements. Add lines 24 and 25	138,852.	7,156.	0.	131,696.	
27 Subtract line 26 from line 12	-6,299.				
a Excess of revenue over expenses and disbursements			397.		
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)					

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	31,230.	22,338.	22,338.
	2 Savings and temporary cash investments	5,334.	12,661.	12,661.
	3 Accounts receivable ▶ ----- 2.			
	Less: allowance for doubtful accounts ▶ -----	2.	2.	2.
	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 15 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ -----			
	Less: allowance for doubtful accounts ▶ -----			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments - U.S. and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule) ATCH 6	300,526.	295,792.	376,812.
	c Investments - corporate bonds (attach schedule)			
	11 Investments - land, buildings, and equipment basis Less: accumulated depreciation ▶ (attach schedule)			
12 Investments - mortgage loans				
13 Investments - other (attach schedule)				
14 Land, buildings, and equipment basis Less: accumulated depreciation ▶ (attach schedule)				
15 Other assets (describe ▶ -----)				
16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	337,092.	330,793.	411,813.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ -----)			
23 Total liabilities (add lines 17 through 22)		0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds	337,092.	330,793.		
30 Total net assets or fund balances (see page 17 of the instructions)	337,092.	330,793.		
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	337,092.	330,793.		

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	337,092.
2 Enter amount from Part I, line 27a	2	-6,299.
3 Other increases not included in line 2 (itemize) ▶ -----	3	
4 Add lines 1, 2, and 3	4	330,793.
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	330,793.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)				(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a SEE PART IV SCHEDULE						
b						
c						
d						
e						
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)			
a						
b						
c						
d						
e						
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69						(l) Gains (Col. (h) gain minus col (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col. (j), if any				
a						
b						
c						
d						
e						
2 Capital gain net income or (net capital loss)				2	1,511.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8.					3	

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col. (c))
2009	16,759.	327,349.	0.051196
2008	101,014.	369,713.	0.273223
2007	84,610.	494,076.	0.171249
2006	70,546.	522,275.	0.135074
2005	44,432.	427,995.	0.103814
2 Total of line 1, column (d)			0.734556
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			0.146911
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			368,093.
5 Multiply line 4 by line 3			54,077.
6 Enter 1% of net investment income (1% of Part I, line 27b)			4.
7 Add lines 5 and 6			54,081.
8 Enter qualifying distributions from Part XII, line 4. If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.			131,696.

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

Table with 11 rows and 2 columns. Row 1: Exempt operating foundations... 4. Row 2: Tax under section 511... 0. Row 3: Add lines 1 and 2... 0. Row 4: Subtitle A (income) tax... 4. Row 5: Tax based on investment income... 4. Row 6: Credits/Payments... 228. Row 7: Total credits and payments... 228. Row 8: Enter any penalty... 0. Row 9: Tax due... 0. Row 10: Overpayment... 224. Row 11: Enter the amount of line 10 to be Credited to 2011 estimated tax... 224. Refunded

Part VII-A Statements Regarding Activities

Table with 10 rows and 3 columns (1a-10, Yes, No). Row 1a: During the tax year, did the foundation attempt to influence any national, state, or local legislation... No X. Row 1b: Did it spend more than \$100 during the year... No X. Row 1c: Did the foundation file Form 1120-POL for this year? No X. Row 2: Has the foundation engaged in any activities that have not previously been reported to the IRS? No X. Row 3: Has the foundation made any changes, not previously reported to the IRS... No X. Row 4a: Did the foundation have unrelated business gross income of \$1,000 or more during the year? No X. Row 4b: If "Yes," has it filed a tax return on Form 990-T for this year? No. Row 5: Was there a liquidation, termination, dissolution, or substantial contraction during the year? No X. Row 6: Are the requirements of section 508(e) satisfied either... Yes X. Row 7: Did the foundation have at least \$5,000 in assets at any time during the year? Yes X. Row 8a: Enter the states to which the foundation reports or with which it is registered... TX. Row 8b: If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General... Yes X. Row 9: Is the foundation claiming status as a private operating foundation... No X. Row 10: Did any persons become substantial contributors during the tax year? No X.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions) 11 X
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? 12 X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13 X
Website address N/A
14 The books are in care of WERLEIN & HARRIS, P.C. Telephone no. 713-961-5544
Located at 3355 WEST ALABAMA, SUITE 900, HOUSTON TX ZIP + 4 77098
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here 15
and enter the amount of tax-exempt interest received or accrued during the year 15
16 At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? 16 Yes No X
See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country

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.
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 X No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes X No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes X No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes X 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 X 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 X 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 22 of the instructions)? 1b
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 2010? 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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? Yes X 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 22 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 X No
b If "Yes," did it have excess business holdings in 2010 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 2010) 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 2010? 4b X

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions). Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

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

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
If "Yes," attach the statement required by Regulations section 53.4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
If "Yes" to 6b, file Form 8870.

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

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 7		0.	0.	0.

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

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

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

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

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 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 ▶	

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	334,934.
b	Average of monthly cash balances	1b	38,762.
c	Fair market value of all other assets (see page 25 of the instructions)	1c	2.
d	Total (add lines 1a, b, and c)	1d	373,698.
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	373,698.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	5,605.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	368,093.
6	Minimum investment return. Enter 5% of line 5	6	18,405.

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	18,405.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	4.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	4.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	18,401.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	18,401.
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	18,401.

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	131,696.
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	131,696.
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	4.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	131,692.

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 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				18,401.
2 Undistributed income, if any, as of the end of 2010.				
a Enter amount for 2009 only				
b Total for prior years: 20 08, 20 07, 20 06				
3 Excess distributions carryover, if any, to 2010				
a From 2005				23,114.
b From 2006				45,104.
c From 2007				60,414.
d From 2008				82,538.
e From 2009				395.
f Total of lines 3a through e	211,565.			
4 Qualifying distributions for 2010 from Part XII, line 4. ► \$ 131,696.				
a Applied to 2009, 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 2010 distributable amount				18,401.
e Remaining amount distributed out of corpus	113,295.			
5 Excess distributions carryover applied to 2010 (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	324,860.			
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 2009 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions				
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				
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 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	23,114.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	301,746.			
10 Analysis of line 9.				
a Excess from 2006	45,104.			
b Excess from 2007	60,414.			
c Excess from 2008	82,538.			
d Excess from 2009	395.			
e Excess from 2010	113,295.			

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, 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) 2010	(b) 2009	(c) 2008	(d) 2007	
2 a 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).)

LANNA LEE

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

N/A

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

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

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

ATTACHMENT 8

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

ATTACHMENT 9

c Any submission deadlines:

N/A

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

N/A

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

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
<p><i>a Paid during the year</i></p> <p>ATTACHMENT 10</p>				
Total				▶ 3a 129,500.
<i>b Approved for future payment</i>				
Total				▶ 3b

Schedule of Contributors

2010

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

Name of the organization THE LLEE FOUNDATION	Employer identification number 20-1968243
--	---

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)() (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

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

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

General Rule

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

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 $\frac{1}{3}$ % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

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

Name of organization **THE LEE FOUNDATION**

Employer identification number
20-1968243

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	LANNA L. LEE ----- 2121 KIRBY #15 ----- HOUSTON, TX 77019 -----	\$ 125,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

ATTACHMENT 1

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

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
COMPASS BANK	33.	33.
TOTAL	<u>33.</u>	<u>33.</u>

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

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
COMPASS BANK	6,009.	6,009.
TOTAL	<u>6,009.</u>	<u>6,009.</u>

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
WERLEIN & HARRIS, PC	4,356.	2,178.		2,178.
TOTALS	<u>4,356.</u>	<u>2,178.</u>	<u>0.</u>	<u>2,178.</u>

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
FOREIGN TAXES	94.	94.
TOTALS	<u>94.</u>	<u>94.</u>

ATTACHMENT 5

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	4,671.	4,671.	
BANK CHARGES	36.	18.	18.
INVESTMENT EXPENSES	195.	195.	
TOTALS	<u>4,902.</u>	<u>4,884.</u>	<u>18.</u>

FORM 990PF, PART II - CORPORATE STOCK

ATTACHMENT 6

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
ACCENTURE LTD - A	1,669.	2,376.
AECOM TECH GROUP	2,026.	2,210.
AGCO CORPORATION	2,174.	2,077.
ALLERGAN INC	1,479.	1,648.
ALLSTATE CORP	2,584.	2,582.
ALTRIA GROUP INC	2,539.	3,274.
AMERIPRISE FINANCIAL INC	1,003.	1,496.
AMERISOURCEBERGEN	2,391.	3,548.
AMGEN INC	0.	0.
ANADARKO PETROLEUM	1,111.	1,676.
APACHE CORP	3,528.	7,273.
APPLE COMPUTERS INC	592.	5,161.
AT&T INC	3,715.	4,172.
AUTOZONE INC	2,285.	3,544.
AVON PRODUCTS INC	1,104.	1,075.
BANK OF AMERICA CORP	5,136.	4,696.
BANK OF NEW YORK MELLON CORP	2,240.	2,839.
BARD, INC	0.	0.
BAXTER INTL INC	3,222.	3,088.
BEST BUY COMPANY	2,302.	1,577.
BORGWARNER INC	1,394.	2,316.
BROADCOM CORP	1,069.	1,219.
BURLINGTON NORTHERN SANTA FE	0.	0.
CAMERON INT'L CORP	2,860.	3,095.
CARNIVAL CORP	1,442.	2,075.
CATERPILLAR INC	1,068.	1,124.
CELGENE CORP	1,574.	1,715.
CERNER CORP	888.	1,895.
CHEVRON CORP	3,309.	5,110.

FORM 990PF, PART II - CORPORATE STOCK

ATTACHMENT 6 (CONT'D)

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
CHARLES SCHWAB CORPORATION	0.	0.
CISCO SYSTEMS	2,690.	2,448.
CLOROX COMPANY	0.	0.
COGNIZANT TECH	1,363.	3,078.
CONOCOPHILLIPS	4,153.	4,358.
CORNING INC	1,775.	1,913.
COVANCE INC	1,169.	1,594.
DANAHER CORP	1,150.	1,509.
DARDEN RESTAURANTS INC	0.	0.
DELL INC	2,908.	1,816.
DIRECT TV GROUP	1,951.	2,915.
DOVER CORP	4,904.	6,546.
DOLBY LAB	1,048.	2,134.
EBAY INC	1,538.	2,032.
ECOLAB INC	2,214.	2,370.
EMC CORP	2,282.	2,359.
EMERSON ELECTRIC COMPANY	2,313.	3,202.
EXPRESS SCRIPTS INC	1,150.	1,892.
FEDEX CORP	1,044.	1,023.
FLOWERVE CORP	1,607.	1,550.
FORTUNE BRANDS INC	3,409.	2,591.
FOSTER WHEELER AG	0.	0.
FPL GROUP INC	0.	0.
FREEPORT-MCMORAN COPPER&GOLD	1,522.	4,924.
FTI CONSULTING INC	0.	0.
GAP INC	0.	0.
GENERAL ELECTRIC COMPANY	0.	0.
GOLDMAN SACHS	0.	0.
GENERAL ELECTRIC COMPANY	4,010.	5,359.

FORM 990PF, PART II - CORPORATE STOCK

ATTACHMENT 6 (CONT'D)

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
GOOGLE INC	3,151.	2,970.
HALLIBURTON COMPANY	0.	0.
HARRIS CORP	0.	0.
HENRY SCHEIN INC	2,405.	2,517.
HEWLETT PACKARD COMPANY	1,987.	1,895.
HONEYWELL INTL INC	2,462.	3,349.
HUMANA INC	2,646.	3,996.
INGERSOLL-RAND CO	1,612.	1,978.
INTEL CORP	5,734.	5,384.
INTL BUSINESS MACHINE	2,838.	3,963.
ISHARES DJ US ENERGY SEC	3,851.	4,597.
ISHARES RUSSELL MIDCAP INDEX	18,446.	38,156.
ISHARES RUSSELL 2000	12,983.	15,179.
ISHARES RUSSELL 2000 VALUE	17,265.	19,550.
JACOBS ENGINEERING GROUP INC	748.	1,284.
JOHN HANCOCK BK & THT OPP	2,238.	947.
JOHNSON & JOHNSON	0.	0.
JP MORGAN CHASE & CO	4,161.	4,624.
LABORATORY CORP OF AMERICA	1,434.	2,550.
MARATHON OIL CORPORATION	5,251.	4,740.
MCDONALD'S CORP	1,406.	2,994.
MICROSOFT CORP	4,931.	5,666.
MONSANTO CO	0.	0.
NATIONAL-OILWELL VARCO, INC	0.	0.
NEXTERA ENERGY INC	2,082.	1,612.
NIKE INC CLASS B	4,275.	6,919.
NORTHERN TRUST CORP	0.	0.
ORACLE CORP	1,505.	1,909.
PEPSICO INC	2,571.	2,613.

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 6 (CONT'D)

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
PHILLIP MORRIS INTL INC	1,263.	2,107.
PIONEER NATURAL RESOURCES	1,624.	2,344.
POLO RALPH LAUREN CORP	1,004.	998.
PRAXAIR INC	2,625.	3,055.
PRICELINE.COM	1,077.	2,397.
P&G COMPANY	3,641.	4,246.
PUBLIC SERVICES ENTERPRISES	3,052.	3,372.
QUALCOMM INC	0.	0.
QUEST DIAGNOSTIC INC	1,907.	1,619.
RED HAT INC	585.	1,689.
SCHULMBERGER LIMITED	1,268.	1,670.
SOUTHWESTERN ENERGY CO	0.	0.
STATE STREET CORP	0.	0.
SUNTRUST BANKS INC	0.	0.
T. ROWE PRICE GROUP INC	1,943.	3,743.
TEXAS INSTRUMENTS INC	1,969.	3,347.
THERMO FISCHER SCIENTIFIC INC	2,159.	2,159.
TIME WARNER CABLE	1,826.	2,113.
TRANSOCEAN LTD	0.	0.
U.S. BANCORP	2,819.	2,292.
UNION PACIFIC CORP	2,016.	3,984.
UNITED TECHNOLOGIES CORP	2,318.	3,936.
VANGUARD GROWTH INDEX INV-FD	0.	0.
VANGUARD INDEX VALUE PORTFOLIO	0.	0.
VARIAN MEDICAL SYSTEMS INC	1,990.	3,256.
VISA INC	1,034.	985.
WAL-MART STORES	4,211.	4,530.
WATSON PHARMACEUTICALS	1,003.	2,479.
WESTERN DIGITAL	0.	0.

ATTACHMENT 6 (CONT'D)

FORM 990PF, PART II - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
XILINX INC	2,011.	2,260.
3M CO	1,560.	1,553.
ABB LTD	2,651.	2,447.
CNOOC LTD ADRS	1,016.	1,430.
COMPANHIA DE BEBIDAS-AMBEV ADR	1,675.	4,344.
ISHARES MSCI EAFE INDEX FD	38,640.	38,775.
PETROLEO BRASILEIRO	2,019.	1,816.
SAP AG - SPONS ADR	0.	0.
TOTALS	<u>295,792.</u>	<u>376,812.</u>

THE LLEE FOUNDATION

20-1968243

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

ATTACHMENT 7

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
LANNA L. LEE 2121 KIRBY #15 HOUSTON, TX 77019	TRUSTEE, PART-TIME .10	0.	0.	0.
GRAND TOTALS		0.	0.	0.

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

LANNA L. LEE
2121 KIRBY #15
HOUSTON, TX 77019
713-533-9536

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

WRITTEN APPLICATION IN THEIR OWN WORDS SPECIFYING THE AMOUNT REQUESTED
AND HOW THE FUNDS WILL BE USED.

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

ATTACHMENT 10

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
VOLUNTEER HOUSTON 5090 RICHMOND AVE. #461 HOUSTON, TX 77056-7402	N/A PUBLIC	GENERAL SUPPORT	500.
HABITAT FOR HUMANITY INTERNATIONAL 121 HABITAT STREET AMERICUS, GA 31709-3498	N/A PUBLIC	GENERAL SUPPORT	10,000.
THE SALVATION ARMY 1500 AUSTIN STREET HOUSTON, TX 77002-7708	N/A PUBLIC	GENERAL SUPPORT	5,000.
CIRCLE OF FRIENDS 5143 GREENTREE HOUSTON, TX 77056	N/A PUBLIC	GENERAL SUPPORT	5,000.
MAKE-A-WISH FOUNDATION P.O. BOX 97104 WASHINGTON, DC 20090-7104	N/A PUBLIC	GENERAL SUPPORT	10,000.
TEXAS CHILDREN'S HOSPITAL P.O. BOX 300630, SUITE 5214 HOUSTON, TX 77230-0630	N/A PUBLIC	GENERAL SUPPORT	20,000.

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

ATTACHMENT 10 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
	FOUNDATION STATUS OF RECIPIENT			
ST. JUDE CHILDREN'S RESEARCH HOSPITAL 501 ST JUDE PLACE MEMPHIS, TN 38105	N/A PUBLIC		GENERAL SUPPORT	20,000.
HOUSTON SPCA 900 PORTWAY DRIVE HOUSTON, TX 77024	N/A PUBLIC		GENERAL SUPPORT	10,000.
NEHEMIAH CENTER 5015 FANNIN STREET HOUSTON, TX 77004	N/A PUBLIC		GENERAL SUPPORT	5,000.
CRISS COLE CHILDREN'S FUND P.O. BOX 571085 HOUSTON, TX 77257-1085	N/A PUBLIC		GENERAL SUPPORT	2,000.
STAR OF HOPE P.O. BOX 1505 HOUSTON, TX 77251-1505	N/A PUBLIC		GENERAL SUPPORT	2,000.
NATIONAL WILDLIFE FEDERATION P.O. BOX 1691 MERRIFIELD, VA 22116-1691	N/A PUBLIC		GENERAL SUPPORT	2,000.

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

ATTACHMENT 10 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
THE SMILE TRAIN P.O. BOX 96231 WASHINGTON, DC 20077-7377	N/A PUBLIC	GENERAL SUPPORT	2,000.
HOUSTON PBS 4343 ELGIN HOUSTON, TX 77204-0008	N/A PUBLIC	GENERAL SUPPORT	2,000.
GUIDING EYES FOR THE BLIND, INC. 611 GRANITE SPRINGS ROAD YORKTOWN HEIGHTS, NY 10598-9986	N/A PUBLIC	GENERAL SUPPORT	2,000.
MEALS ON WHEELS FOR GREATER HOUSTON 3217 MONTROSE BLVD HOUSTON, TX 77006	N/A PUBLIC	GENERAL SUPPORT	2,000.
THE CHAPLAINCY FUND P.O. BOX 691284 HOUSTON, TX 77269	N/A PUBLIC	GENERAL SUPPORT	2,000.
HAPPY HILL FARM 3846 N. HIGHWAY 144 GRANDBURY, TX 76048	N/A PUBLIC	GENERAL SUPPORT	1,000.

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

ATTACHMENT 10 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
PARALYZED VETERANS OF AMERICA 801 EIGHTEENTH ST, NW WASHINGTON, DC 20006-3517	N/A PUBLIC	GENERAL SUPPORT	1,000.
OPERA INTERNATIONAL 6711 LORING CT BETHESDA, MD 20817	N/A PUBLIC	GENERAL SUPPORT	1,000.
THE UT MD ANDERSON CANCER CENTER P.O. BOX 891284 HOUSTON, TX 77269-1284	N/A PUBLIC	GENERAL SUPPORT	20,000.
SPECIAL OLYMPICS TEXAS P.O. BOX 143806 AUSTIN, TX 78714-3806	N/A PUBLIC	GENERAL SUPPORT	5,000.

TOTAL CONTRIBUTIONS PAID 129,500.

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL CAPITAL GAIN DISTRIBUTIONS					37.	
2,883.		SEE ATTACHED STATEMENT PROPERTY TYPE: SECURITIES 2,918.				P	10/23/2009	07/26/2010
							-35.	
73,536.		SEE ATTACHED STATEMENT PROPERTY TYPE: SECURITIES 72,027.				P	VARIOUS	VARIOUS
							1,509.	
TOTAL GAIN (LOSS)							<u>1,511.</u>	

2010 Tax Information Statement

Recipient's Name and Address:

THE LLEE FOUNDATION
C/O VICTOR E. HARRIS, CPA
3355 WEST ALABAMA STE 900
HOUSTON, TX 77098-1718

4182-Z

XX-XXX8243

63-0476286

(800)239-2265 ext 6327

2nd TIN notice

Account Number:

Recipient's Tax ID Number:

Payer's Federal ID Number:

Questions?

Corrected

Payer's Name and Address:

COMPASS BANK
WEALTH MANAGEMENT GROUP
P O BOX 10566 - WMG TAX DEPT.
BIRMINGHAM, AL 35296

2010 Form 1099-B: Proceeds from Broker and Barter Exchange Transactions

OMB No. 1545-0715

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

Number of shares	CUSIP	Description	Date		Stocks, Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
			Acquired	Sale				
			(Box 1a)	(Box 2)	(Box 4)			
Short Term Sales Reported on 1099-B								
32.0000	237194105	DARDEN RESTAURANTS INC	10/23/2009	07/26/2010	1,385.49	1,006.50	378.99	0.00
32.0000	H27178104	FOSTER WHEELER AG	10/23/2009	07/26/2010	759.19	1,011.56	-252.37	0.00
5.0000	38141G104	GOLDMAN SACHS GROUP INC	10/23/2009	07/26/2010	738.14	899.98	-161.84	0.00
Total Short Term Sales Reported on 1099-B					2,882.82	2,918.04	-35.22	0.00
Long Term 15% Sales Reported on 1099-B								
36.0000	02209S103	ALTRIA GROUP INC	02/11/2005	12/03/2010	855.16	554.47	300.69	0.00
36.0000	031162100	AMGEN INCORPORATED	08/24/2006	07/26/2010	1,926.22	2,413.62	-487.40	0.00
6.0000	053332102	AUTOZONE INC	02/11/2005	12/03/2010	1,582.56	569.37	1,013.19	0.00
26.0000	067383109	BARD C R INC	08/24/2006	12/03/2010	2,233.49	1,898.91	334.58	0.00
40.0000	12189T104	BURLINGTON NORTHERN SANTA FE (CO FORMED THRU MERGER OF BURLINGTON	02/11/2005	02/16/2010	4,000.00	1,892.20	2,107.80	0.00
16.0000	156782104	CERNER CORPORATION	08/24/2006	07/26/2010	1,223.73	710.48	513.25	0.00
69.0000	808513105	CHARLES SCHWAB INCORPORATED NEW	11/21/2008	07/26/2010	1,046.36	1,072.39	-26.03	0.00
20.0000	166764100	CHEVRONTXACO CORP	06/17/2005	12/03/2010	1,694.67	1,173.43	521.24	0.00
20.0000	169054109	CLOROX COMPANY	03/13/2009	12/03/2010	1,244.08	1,008.02	236.06	0.00

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

2010 Tax Information Statement

Account Number: 4182-Z
 Recipient's Tax ID Number: XX-XXX8243
 Payer's Federal ID Number: 63-0476286
 Questions? (800)239-2265 ext 6327

Recipient's Name and Address:
 THE LLEE FOUNDATION
 C/O VICTOR E. HARRIS, CPA
 3355 WEST ALABAMA STE 900
 HOUSTON, TX 77098-1718

Payer's Name and Address:
 COMPASS BANK
 WEALTH MANAGEMENT GROUP
 P O BOX 10566 - WMG TAX DEPT.
 BIRMINGHAM, AL 35296

Corrected 2nd TIN notice

Number of Shares	CUSIP	Description	(Box 7)		(Box 1a)		Cost or Other Basis	Net Gain or Loss	Federal Income Tax Withheld
			Date Acquired	Date of Sale	Stocks, Bonds, etc.	(Box 4)			
21.0000	302182100	EXPRESS SCRIPTS INC	02/04/2008	12/03/2010	1,127.78	689.90	437.88	0.00	
24.0000	35671D857	FREEMPORT-MCM COPR GOLD	05/17/2007	07/26/2010	1,708.89	1,707.00	1.89	0.00	
19.0000	302941109	FTI CONSULTING INC	08/04/2008	07/26/2010	681.60	1,354.98	-673.38	0.00	
73.0000	364760108	GAP INC	10/23/2009	12/03/2010	1,555.96	1,617.31	-61.35	0.00	
40.0000	369604103	GENERAL ELECTRIC COMPANY	05/04/2005	07/26/2010	642.58	1,445.00	-802.42	0.00	
1.0000	38259P508	GOOGLE INC CL-A	05/17/2007	07/26/2010	485.87	473.25	12.62	0.00	
56.0000	406216101	HALLIBURTON COMPANY	08/24/2006	06/15/2010	1,413.55	1,858.92	-445.37	0.00	
32.0000	413875105	HARRIS CORP DEL	03/13/2009	12/03/2010	1,446.85	1,009.27	437.58	0.00	
310.0000	464287630	ISHARES RUSSELL 2000 VALUE INDEX	02/11/2005	07/26/2010	19,039.93	19,462.32	-422.39	0.00	
33.0000	478160104	JOHNSON & JOHNSON	08/24/2006	07/26/2010	1,897.37	2,130.97	-233.60	0.00	
44.0000	594918104	MICROSOFT CORPORATION	02/11/2005	12/03/2010	1,185.11	1,146.42	38.69	0.00	
14.0000	61166W101	MONSANTO CO	05/17/2007	07/26/2010	793.05	882.00	-88.95	0.00	
50.0000	637071101	NATIONAL-OILWELL VARCO, INC.	11/28/2007	07/26/2010	1,885.31	3,291.75	-1,406.44	0.00	
29.0000	665859104	NORTHERN TRUST CORPORATION	11/21/2008	07/26/2010	1,391.24	996.44	394.80	0.00	
15.0000	741503403	PRICELINE.COM INC.	03/13/2009	07/26/2010	3,438.76	1,179.16	2,259.60	0.00	
41.0000	742718109	PROCTOR & GAMBLE COMPANY	02/11/2005	12/03/2010	2,542.56	2,073.76	468.80	0.00	
56.0000	747525103	QUALCOMM INCORPORATED	VARIOUS	07/26/2010	2,187.72	2,087.40	100.32	0.00	
27.0000	756577102	RED HAT INC	03/19/2009	12/03/2010	1,277.74	426.74	851.00	0.00	
34.0000	803054204	SAP AKTIENGESELLSCHAFT ADR	03/19/2009	07/26/2010	1,646.27	1,289.11	357.16	0.00	

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

2010 Tax Information Statement

Account Number: 4182-Z
 Recipient's Name and Address:
 THE LLEE FOUNDATION
 C/O VICTOR E. HARRIS, CPA
 3355 WEST ALABAMA STE 900
 HOUSTON, TX 77098-1718

Recipient's Tax ID Number: XX-XXX8243
 Payer's Federal ID Number: 63-0476286
 Questions? (800)239-2265 ext 6327
 Corrected 2nd TIN notice

Payer's Name and Address:
 COMPASS BANK
 WEALTH MANAGEMENT GROUP
 P O BOX 10566 - WMG TAX DEPT.
 BIRMINGHAM, AL 35296

Number of Shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks, Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld	
			(Box 1a)			(Box 2)			
31.0000	845467109	SOUTHWESTERN ENERGY CO	08/04/2008	07/26/2010	1,170.52	1,033.65	136.87	0.00	
45.0000	857477103	STATE STREET CORPORATION	08/24/2006	07/26/2010	1,782.65	2,736.23	-953.58	0.00	
33.0000	867914103	SUNTRUST BANKS INCORPORATED	VARIOUS	07/26/2010	862.13	2,339.56	-1,477.43	0.00	
45.0000	882508104	TEXAS INSTRUMENTS INCORPORATED	08/24/2006	12/03/2010	1,472.59	1,408.28	64.31	0.00	
56.0000	H8817H100	TRANSOCEAN LTD	VARIOUS	06/15/2010	2,570.45	4,408.71	-1,838.26	0.00	
61.0500	922908504	VANGUARD INDEX GROWTH PORT FD #9	02/04/2008	12/03/2010	1,900.49	1,874.84	25.65	0.00	
34.1710	922908405	VANGUARD INDEX TR VALUE PORTFOLIO #6	02/04/2008	12/03/2010	688.20	851.54	-163.34	0.00	
27.0000	958102105	WESTERN DIGITAL CORP	10/23/2009	12/03/2010	934.85	959.38	-24.53	0.00	
Total Long Term 15% Sales Reported on 1099-B						73,536.29	72,026.78	1,509.51	0.00

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



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
 - 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

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

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.

Type or print	Name of exempt organization THE LLEE FOUNDATION	Employer identification number 20-1968243
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. 3355 WEST ALABAMA #900	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions HOUSTON, TX 77098	

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ▶ WERLEIN & HARRIS, P.C.
 Telephone No. ▶ 713 961-5544 FAX No ▶ 713 961-5444

- 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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 20 11, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year 20 10 or
 ▶ tax year beginning _____, 20 _____, and ending _____, 20 _____.

2 If the tax year entered in line 1 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	\$ <u>8</u>
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.	3b	\$ <u>228</u>
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ <u>0</u>

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

- 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 <small>File by the extended due date for filing your return. See instructions.</small>	Name of exempt organization THE LLEE FOUNDATION	Employer identification number 20-1968243
	Number, street, and room or suite no. If a P.O. box, see instructions. 3355 WEST ALABAMA, Suite 900	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. HOUSTON, TX 77098	

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

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

- The books are in the care of **WERLEIN & HARRIS, P.C.**
 Telephone No. **713 961-5544** FAX No. **713 961-5444**
- 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.

- I request an additional 3-month extension of time until 11/15, 2011
- For calendar year 2010, or other tax year beginning _____, 20____, and ending _____, 20____.
- If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return Change in accounting period
- State in detail why you need the extension **PERTINENT INFORMATION IN THE CONTROL OF THIRD PARTIES HAS NOT BEEN RECEIVED. ADDITIONAL TIME IS RESPECTFULLY REQUESTED TO GATHER THE DATA NEEDED FOR 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 \$	8
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 \$	228
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c \$	0

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 Julia M. Summar Title CPA-Texas Date 7/21/11