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

2010

Department of the Treasury
Internal Revenue Service

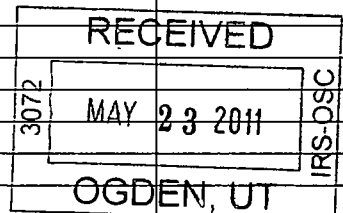
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

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

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 THOMAS HERITAGE FOUNDATION		A Employer identification number 20-3810732
Number and street (or P O box number if mail is not delivered to street address) 6909 BRIAR COVE DRIVE	Room/suite	B Telephone number 214-532-0861
City or town, state, and ZIP code DALLAS, TX 75254		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 1,571,463. (Part I, column (d) must be on cash basis.)	J Accounting method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input checked="" type="checkbox"/> Other (specify) MODIFIED ACCRUAL	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received	646,061.		N/A	
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	6,646.	6,646.		STATEMENT 1
4 Dividends and interest from securities				
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10				
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)		0.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total. Add lines 1 through 11	652,707.	6,646.		
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees STMT 2	1,925.	0.		1,925.
c Other professional fees STMT 3	1,498.	0.		1,498.
17 Interest				
18 Taxes STMT 4	11.	0.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses STMT 5	8.	0.		8.
24 Total operating and administrative expenses. Add lines 13 through 23	3,442.	0.		3,431.
25 Contributions, gifts, grants paid	7,000.			7,000.
26 Total expenses and disbursements. Add lines 24 and 25	10,442.	0.		10,431.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	642,265.			
b Net investment income (if negative, enter -0-)		6,646.		
c Adjusted net income (if negative, enter -0-)			N/A	



ANNEX Operating and Administrative Expenses MAY 23 2011

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	932,498.	1,571,463.	1,571,463.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock			
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment: basis ▶			
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment: basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)	932,498.	1,571,463.	1,571,463.	
Liabilities	17 Accounts payable and accrued expenses	3,300.		
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	3,300.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31			
	24 Unrestricted	929,198.	1,571,463.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> 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	929,198.	1,571,463.		
31 Total liabilities and net assets/fund balances	932,498.	1,571,463.		

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	929,198.
2 Enter amount from Part I, line 27a	2	642,265.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	1,571,463.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,571,463.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b NONE				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(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	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8			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 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	4,973.	154,150.	.032261
2008	0.	105,001.	.000000
2007			
2006			
2005			
2 Total of line 1, column (d)			.032261
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			.016130
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			943,331.
5 Multiply line 4 by line 3			15,216.
6 Enter 1% of net investment income (1% of Part I, line 27b)			66.
7 Add lines 5 and 6			15,282.
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.			10,431.

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	133.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	133.
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	133.
6	Credits/Payments:		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	0.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	133.
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 2011 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3	X	
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10	X	

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?
 b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.
 c Did the foundation file Form 1120-POL for this year?
 d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:
 (1) On the foundation. ▶ \$ 0. (2) On foundation managers. ▶ \$ 0.
 e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ 0.
 2 Has the foundation engaged in any activities that have not previously been reported to the IRS?
If "Yes," attach a detailed description of the activities
 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*
 4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?
 b *If "Yes," has it filed a tax return on Form 990-T for this year?*
 5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?
If "Yes," attach the statement required by General Instruction T.
 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?
 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
 8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TX
 b *If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation*
 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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? *If "Yes," complete Part XIV*
 10 Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses* **STMT 6**

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>N/A</u>	13	X	
14	The books are in care of ▶ <u>WILLIAM R THOMAS III</u> Telephone no. ▶ <u>214-532-0861</u> Located at ▶ <u>6909 BRIAR COVE DRIVE, DALLAS, TX</u> ZIP+4 ▶ <u>75254</u>			
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 ▶ <u>15</u> N/A			
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? 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 ▶	16	Yes	No X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ _____, _____, _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ _____, _____, _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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)? Yes No

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

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

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) N/A

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.

(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
WILLIAM R THOMAS III 6909 BRIAR COVE DRIVE DALLAS, TX 75254	PRESIDENT/TREASURER 5.00	0.	0.	0.
SUZANNE B THOMAS 7418 OVERDALE DRIVE DALLAS, TX 75254	VICE PRESIDENT 1.00	0.	0.	0.
CHRISTA THOMAS 6909 BRIAR COVE DRIVE DALLAS, TX 75254	SECRETARY 1.00	0.	0.	0.

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

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

Total number of other employees paid over \$50,000 0

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services 0

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3 0.

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	0.
b	Average of monthly cash balances	1b	957,696.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	957,696.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	957,696.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	14,365.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	943,331.
6	Minimum investment return. Enter 5% of line 5	6	47,167.

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

1	Minimum investment return from Part X, line 6	1	47,167.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	133.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	133.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	47,034.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	47,034.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	47,034.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	10,431.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	10,431.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	10,431.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				47,034.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			7,583.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ \$ 10,431.				
a Applied to 2009, but not more than line 2a			7,583.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2010 distributable amount				2,848.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (c), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				44,186.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

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 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 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:
NOT APPLICABLE

b The form in which applications should be submitted and information and materials they should include:
NOT APPLICABLE

c Any submission deadlines:
NOT APPLICABLE
 d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
NOT APPLICABLE

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	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
Name and address (home or business)				
<i>a Paid during the year</i>				
CITY SQUARE 511 N. AKARD STREET, SUITE 302 DALLAS, TX 75201				1,000.
MERCY STREET 3801 HOLYSTONE STREET DALLAS, TX 75212				6,000.
Total			▶ 3a	7,000.
<i>b Approved for future payment</i>				
NONE				
Total			▶ 3b	0.

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No 1545-0047

2010

Name of the organization

Employer identification number

THE THOMAS HERITAGE FOUNDATION

20-3810732

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

501(c)() (enter number) organization

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

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

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

501(c)(3) taxable private foundation

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

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

General Rule

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

Special Rules

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

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization

Employer identification number

THE THOMAS HERITAGE FOUNDATION

20-3810732

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	THE THOMAS HERITAGE CHARITABLE LEAD TRUST 5626 E. 117TH PLACE TULSA, OK 74137	\$ 646,061.	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.)

Name of organization

Employer identification number

THE THOMAS HERITAGE FOUNDATION

20-3810732

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____

Name of organization

Employer identification number

THE THOMAS HERITAGE FOUNDATION

20-3810732

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of \$1,000 or less for the year (Enter this information once See instructions) ▶ \$

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
—	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
—	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
—	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
—	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
—	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
—	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	

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

SOURCE	AMOUNT
CITIBANK	973.
MORGANK STANLEY	3.
NORTH DALLAS BANK	5,670.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	6,646.

FORM 990-PF ACCOUNTING FEES STATEMENT 2

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

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROFESSIONAL FEES	1,498.	0.		1,498.
TO FORM 990-PF, PG 1, LN 16C	1,498.	0.		1,498.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAX	11.	0.		0.
TO FORM 990-PF, PG 1, LN 18	11.	0.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
POSTAGE	8.	0.		8.
TO FORM 990-PF, PG 1, LN 23	8.	0.		8.

FORM 990-PF LIST OF SUBSTANTIAL CONTRIBUTORS STATEMENT 6
PART VII-A, LINE 10

NAME OF CONTRIBUTOR	ADDRESS
THE THOMAS HERITAGE CHARITABLE LEAD TRUST	5626 E. 117TH PLACE TULSA, OK 74137

5

**AMENDED AND RESTATED BYLAWS
OF
THE THOMAS HERITAGE FOUNDATION**

**ARTICLE I.
NAME**

The name of the corporation is THE THOMAS HERITAGE FOUNDATION.

**ARTICLE II.
PURPOSE**

Section 1. Section 501(c)(3) Purpose. The purpose or purposes for which the corporation is organized are those authorized by Section 501(c)(3) of the Internal Revenue Code of 1986. The corporation is created solely as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986. The corporation shall be operated exclusively for such purposes. No part of its net earnings shall inure to the benefit of any director or individual; no part of its activity shall be carrying on propaganda, or otherwise attempting to influence legislation, and it shall not participate or intervene (including the publishing or distribution of statements) in any political campaign on behalf or in opposition to any candidate for public office.

Section 2. Specific Purpose. The corporation's Section 501(c)(3) purpose shall be effectuated as follows: at least fifty percent (50%) of distributed income and principal shall be applied toward Christian activities, including, but not limited to, churches, charities, missions, and educational institutions, and the remainder of distributed income and principal shall be applied toward organizations or projects devoted to, among other things, charitable, cultural, civic, educational, medical or scientific activities, or other worthy causes, within the limits of Section 501(c)(3) or the Internal Revenue Code of 1986, as the Board of Directors shall determine.

**ARTICLE III.
OFFICES**

Section 1. Principal Office. The principal office of the corporation in the State of Texas shall be located in the City of Dallas, County of Dallas. The corporation may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the corporation may require from time to time.

Section 2. Registered Office and Agent. The corporation shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the corporation in the State of Texas. The address of the registered office and the identity of the registered agent may be changed from time to time by the Board of Directors.

ARTICLE IV. DIRECTORS

Section 1. Board of Directors. The affairs of the corporation shall be managed by a Board of Directors. The initial number of directors shall be three (3) commencing with the meeting of the Board of Directors at which these Bylaws are adopted. The majority of the directors then serving may enlarge the number of directors at any meeting regularly called. The majority of directors then serving at any meeting regularly called may reduce the number of directors, but the number shall not be reduced below three (3).

Section 2. Elections. The outgoing Board of Directors shall elect new directors at the regular meeting in December. If elections are not held at that time, they will be held as soon as convenient, and the outgoing Board of Directors shall continue to manage the affairs of the corporation during any interim period.

Section 3. Terms. Each director shall hold office for one fiscal year or until a successor has been elected. There shall be no limitation on the number of terms an individual may serve as director. WILLIAM R. THOMAS, III, AND SUZANNE B. THOMAS shall serve as directors for so long as they shall live and shall desire to serve.

Section 4. Removal. Any director may be removed by the unanimous vote of all other directors present and voting at a meeting. Such vote may occur at any regular or special meeting, provided that written notice is sent to all directors not less than ten (10) days before such meeting and that such notice specifies that a vote for the removal of a director will be considered at such meeting and identifies the director whose removal is to be voted upon.

Section 5. Vacancies. Vacancies that occur on the Board of Directors shall be filled by a majority vote of the remaining directors. If all of the initial directors are unable to continue to serve, and no vacancies on the Board of Directors have been filled such that there is a complete vacancy on the Board of Directors, than a director shall be appointed by a district court sitting in the county where the principal office of the corporation is located, and the remaining vacancies shall be filled in accordance with this Section.

Section 6. Meetings. Regular meetings of the Board of Directors shall be held at least once annually. Special meetings of the Board of Directors may be called by the President or at the request of any two directors.

Section 7. Notices. Notices of all meetings shall be sent by the Secretary to each member of the Board of Directors at least five (5) days before each meeting except as may be provided in the Section regarding removal.

Section 8. Certain Meetings. If the election or removal of a director or officer or the enlargement of the Board of Directors is to be considered at a meeting of the Board of Directors, notice to the directors of that meeting shall indicate that fact.

Section 9. Annual Meeting. The regular meeting in the last two weeks of December shall be known as the annual meeting and shall be for the purpose of electing directors and officers, receiving reports of officers and committees, and any other business that may arise.

Section 10. Attendance. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting that the meeting is not properly called.

Section 11. Quorum for Meeting. A quorum shall consist of two-thirds (2/3) of the directors then serving. A majority vote of those present shall decide all questions.

Section 12. Voting. The affirmative vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as may be otherwise specifically provided by law or these Bylaws.

Section 13. Proxies. A director may vote at a meeting of the Board of Directors by proxy executed in writing by the director and delivered to the Secretary at or prior to such meeting. A director present by proxy at any meeting of the Board of Directors may not be counted to determine whether a quorum is present at such meeting. Each proxy shall be revocable unless otherwise irrevocable by law.

Section 14. Action by Written Consent.

a. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action to be taken shall be signed by all members of the Board of Directors. Such consent shall have the same force and effect as a unanimous vote at a meeting.

b. (1) Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action to be taken shall be signed by a sufficient number of the directors as would be necessary to take that action at a meeting at which all of the directors were present and voted.

(2) Each written consent shall bear the date of signature of each director who signs the consent. A written consent signed by less than all of the directors is not effective to take the action that is the subject of the consent unless, within 60 days after the date of the earliest dated consent delivered to the corporation in the manner required by this Section, a consent or consents signed by the required number of directors is delivered to the President of the corporation at the corporation's principal place of business or to the Secretary of the corporation. Delivery shall be by hand, electronic transmission, or certified or registered mail, return receipt requested.

(3) Prompt notice of the taking of any action by directors without a meeting by less than unanimous written consent shall be given by the Secretary to all directors who did not consent in writing to the action.

(4) A telegram, telex, cablegram, or similar transmission by a director or a photographic, photostatic, facsimile, or similar reproduction of a writing signed by a director shall be regarded as signed by the director for purposes of this Section.

Section 15. Telephonic Meetings. A meeting of the Board of Directors may be held by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation pursuant to this section shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting that the meeting was not properly called.

Section 16. Prohibited Actions. No loans or disbursements shall be made by the corporation to any members of the Board of Directors. Directors may be reimbursed for reasonable, ordinary and necessary travel and other out-of-pocket expenses incurred in their duties as director. A person serving as a director may receive reasonable compensation for other services rendered to the corporation.

ARTICLE V. OFFICERS

Section 1. Personnel. The officers of the corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have the authority to perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary. An officer need not be a member of the Board of Directors.

Section 2. President. The President shall preside at all meetings of the Board of Directors and be responsible for the general management of the affairs of the corporation. The President may sign with the Secretary or any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments that the Board of Directors has authorized be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors, by these Bylaws, or by statute to some other officer or agent of the corporation. The President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 3. Vice President. In the absence of the President or in the event of the inability or refusal to act of the President, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President. When so acting, the Vice President shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 4. Secretary. The Secretary shall keep minutes of the meetings of the Board of Directors and shall send copies of all minutes to the Board of Directors and to such other parties as are designated by the President. The Secretary shall notify the directors of all meetings of the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors from time to time.

Section 5. Treasurer. The Treasurer shall cause to be kept regular books of account of the corporation's funds and property and shall present a periodic financial statement to the Board of Directors. If, in its discretion, the Board of Directors causes the books of the corporation to be audited, the Treasurer shall present the results of the audit to the Board of Directors. The Treasurer shall be responsible for presenting an annual budget to the Board of Directors for approval and shall perform such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Elections. The officers shall be elected annually by the Board of Directors and serve a term of one year and thereafter until their successors are elected and qualified.

Section 7. Removal. The Board of Directors may remove any officer whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officers so removed.

Section 8. Vacancies. Any vacancy that occurs among the officers shall be filled by the Board of Directors. The person chosen shall hold office until his successor is elected and qualifies.

ARTICLE VI. APPOINTIVE OFFICERS AND AGENTS

Section 1. Officers and Agents. The Board of Directors may appoint such officers and agents in addition to those specifically provided for in the Bylaws as may be deemed necessary, who shall have such authority and perform such duties as shall from time to time be prescribed by the Board of Directors. All appointive officers and agents shall hold their respective offices or positions at the pleasure of the Board of Directors, and may be removed from office or discharged at any time, with or without cause.

Section 2. Chief Executive Officer. A Chief Executive Officer may be appointed by the Board of Directors, and under the direction of the Board of Directors, shall be administrative officer of the corporation and shall perform such other duties as directed by the Board of Directors. The compensation of the Chief Executive Officer shall be determined by the Board of Directors, and this person shall serve at the pleasure of the Board of Directors.

Section 3. Staff. The Chief Executive Officer of the corporation, with the approval of the Board of Directors, shall have the authority to appoint and/or employ any person or persons deemed necessary to carry out the purposes of the corporation.

ARTICLE VII. COMMITTEES

Section 1. Appointment of Committees. Committees may be designated by the Board of Directors who shall appoint their members. Each committee shall have and may exercise such powers as the Board of Directors may determine and specify in the respective resolutions appointing them.

Section 2. Advisory Committees. An Advisory Committee may be appointed by the Board of Directors, and such committee shall assist in determining community needs and may review applications received for funding. The Advisory Committee shall confer with and report to the Board of Directors regularly with its recommendation.

Section 3. Removal. The members of any committee may be removed by the Board of Directors whenever in their judgment the best interests of the corporation shall be served by such removal.

Section 4. Chairman. One member of each committee shall be appointed chairman by the Board of Directors.

Section 5. Vacancies. Vacancies in the members of any committee may be filled by appointments made in the same manner as provided in the case of original appointments.

Section 6. Quorum. Unless otherwise provided by the Board of Directors, a majority of the whole committee shall constitute a quorum, and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules. Each committee may adopt rules for its own governance not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

ARTICLE VIII. NOTICES

Section 1. Form of Notice. Whenever under the provisions of these Bylaws, notice is required to be given to any director or committee member, and no provision is made as to how such notice shall be given, it shall not be construed to mean personal notice, but any such notice may be given in writing, by mail, postage prepaid, addressed to such director or committee member at such address as appears on the books of the corporation. Any notice required or permitted to be given by mail shall be deemed to be given at the time when the notice is deposited, postage prepaid, in the United States Mail.

Section 2. Waiver. Whenever any notice is required to be given to any director or committee member under the provisions of these Bylaws, a written waiver signed by a person entitled to notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

**ARTICLE IX.
FISCAL YEAR**

The fiscal year of this corporation shall be the calendar year.

**ARTICLE X.
CONTRACTS, CHECKS, DEPOSITS, AND FUNDS**

Section 1. Contracts and Instruments. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Checks. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instrument shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice-President of the corporation.

Section 3. Deposit of Funds. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories and the Board of Directors may select.

Section 4. Contributions. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purpose or for any specific purpose of the corporation.

**ARTICLE XI.
BOOKS AND RECORDS**

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its meetings of the Board of Directors and committees having any of the authority of the Board of Directors. The books, accounts, and records of the corporation shall be open to inspection by any of the directors during business hours.

**ARTICLE XII.
INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Section 1. Indemnification. Article 1396-2.22A of the Texas Non-Profit Corporation Act (the "Act") permits the corporation to indemnify its present and former directors and officers to the extent and under the circumstances set forth therein. In addition, in some circumstances, indemnification is required by the Act. The corporation hereby elects to and does hereby indemnify all such persons to the fullest extent permitted or required by the Act promptly upon request of any such person making a request for indemnity hereunder. Such obligation to so

indemnify and to so make such determination may be specifically enforced by resort to any court of competent jurisdiction. Further, the corporation shall pay or reimburse the reasonable expenses of such persons covered hereby in advance of the final disposition of any proceedings to the fullest extent permitted by the Act and subject to the conditions thereof.

Section 2. Insurance. The corporation may purchase and maintain insurance against any liability asserted against and incurred by any officer or director in a capacity described in these Bylaws or arising out of the status of such a person, whether or not the corporation would have the power to indemnify such person against that liability under this Article.

**ARTICLE XII.
AMENDMENTS AND PARLIAMENTARY PROCEDURE**

Section 1. Amendments. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted at any regular or special meeting of the Board of Directors by a majority vote of the directors present provided that notice setting forth the proposed alterations, amendments, or new Bylaws has been given to all directors of the corporation not less than seven (7) days before such meeting.

Section 2. Parliamentary Procedure. In all cases where parliamentary procedure of the corporation is not provided by these Bylaws, *Robert's Rules of Order, Revised* shall apply.

As approved by a Unanimous Consent of the Board of Directors effective September 19, 2010.



WILLIAM R. THOMAS, III President

ATTEST:



CHRISTA D. THOMAS, Secretary

UNANIMOUS CONSENT OF
THE BOARD OF DIRECTORS OF
THE THOMAS HERITAGE FOUNDATION

September 19, 2010

Pursuant to Article 6.201 of the Texas Business Organizations Code, we, the undersigned, being all of the members of the Board of Directors of THE THOMAS HERITAGE FOUNDATION (hereinafter referred to as the "Corporation"), do hereby consent that when we have signed this Statement of Unanimous Consent, or an exact counterpart hereof, the following resolutions shall be deemed to be adopted to the same extent, and to have the same force and effect, as if adopted at a formal meeting of the Board of Directors of the Corporation, duly called and held for the purpose of acting upon the matters covered by said resolution:

WHEREAS, as originally adopted, the Bylaws of the Corporation require the books of the Corporation to be audited annually;

WHEREAS, as originally adopted, the Bylaws of the Corporation contain multiple references to William R. Thomas;

WHEREAS, at the annual meeting on December 28, 2009, the Board of Directors adopted the following resolution:

"RESOLVED, that the Thomas Heritage Foundation shall no longer require an annual audit, effective for the fiscal year 2009, and that the Corporation's Bylaws will be amended accordingly to eliminate any requirement for an annual audit."

WHEREAS, William R. Thomas is now deceased, and the Board of Directors desires to remove the references to Mr. Thomas from the Corporation's Bylaws;

WHEREAS, the members of the Board of Directors acknowledge that they have received adequate notice of the amendment adopted in December 28, 2009 and of the amendment removing references to Mr. Thomas;

NOW THEREFORE BE IT

.RESOLVED, that the attached Amended and Restated Bylaws of The Thomas Heritage Foundation, in the form proposed and attached to these minutes be, and they hereby are in all respects, approved and adopted as and for the Bylaws of the Corporation.

William R. Thomas III
William R. Thomas III, Director

9/19/10
Date

Suzanne B. Thomas
Suzanne B. Thomas, Director

9/19/10
Date

Christa D. Thomas
Christa D. Thomas, Director

9/19/10
Date