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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 **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 SUSAN VAUGHAN FOUNDATION, INC.
Number and street (or P O box number if mail is not delivered to street address)
LEGACY TRUST COMPANY C/O JENNIFER GROSVENOR
600 JEFFERSON STREET, SUITE 300
City or town, state, and ZIP code

INTERNAL REVENUE SERVICE
W & I - FIELD ASSISTANCE
HOUSTON, TX 77002

A Employer identification number
76-0285765
Room/suite/box
Telephone number (see page 10 of the instructions)
(713) 216-3447

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HOUSTON, TX 77002

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) $\$$ 24,197,177.
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) |
|--|------------------------------------|---------------------------|-------------------------|---|
| 1 Contributions, gifts, grants, etc., received (attach schedule) | 0. | | | |
| 2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B | | | | |
| 3 Interest on savings and temporary cash investments | | | | |
| 4 Dividends and interest from securities | 547,391. | 547,391. | | ATCH 1 |
| 5a Gross rents | | | | |
| b Net rental income or (loss) | | | | |
| 6a Net gain or (loss) from sale of assets not on line 10 | 532,403. | | | |
| b Gross sales price for all assets on line 6a | 10,911,238. | | | |
| 7 Capital gain net income (from Part IV, line 2) | | 532,403. | | |
| 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) | 2,969. | 2,969. | | ATCH 2 |
| 12 Total. Add lines 1 through 11 | 1,082,763. | 1,082,763. | | |
| 13 Compensation of officers, directors, trustees, etc. | 105,989. | 32,196. | | 73,793. |
| 14 Other employee salaries and wages | | | | |
| 15 Pension plans, employee benefits | | | | |
| 16 a Legal fees (attach schedule) ATCH 3 | 13,215. | 9,912. | 0. | 3,304. |
| b Accounting fees (attach schedule) ATCH 4 | 33,970. | 25,478. | 0. | 8,492. |
| c Other professional fees (attach schedule) * | 146,841. | 146,841. | | |
| 17 Interest | | | | |
| 18 Taxes (attach schedule) (see page 14 of the instructions) ** | 24,953. | 9,177. | | |
| 19 Depreciation (attach schedule) and depletion | | | | |
| 20 Occupancy | | | | |
| 21 Travel, conferences, and meetings | | | | |
| 22 Printing and publications | | | | |
| 23 Other expenses (attach schedule) ATCH 7 | 67,988. | 67,988. | | |
| 24 Total operating and administrative expenses. Add lines 13 through 23 | 392,956. | 291,592. | 0. | 85,589. |
| 25 Contributions, gifts, grants paid | 730,750. | | | 730,750. |
| 26 Total expenses and disbursements. Add lines 24 and 25 | 1,123,706. | 291,592. | 0. | 816,339. |
| 27 Subtract line 26 from line 12 | | | | |
| a Excess of revenue over expenses and disbursements | -40,943. | | | |
| b Net investment income (if negative, enter -0-) | | 791,171. | | |
| 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 | | | |
| | 2 | Savings and temporary cash investments | 1,145,719. | 826,309. | 826,309. |
| | 3 | Accounts receivable ▶ Less allowance for doubtful accounts ▶ | | | |
| | 4 | Pledges receivable ▶ Less allowance for doubtful accounts ▶ | | | |
| | 5 | Grants receivable | | | |
| | 6 | Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 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 ATCH 8 | 24,647. | 8,871. | 8,871. |
| | 10 a | Investments - U S and state government obligations (attach schedule) ** | 3,628,681. | 3,065,380. | 3,160,768. |
| | b | Investments - corporate stock (attach schedule) ATCH 10 | 14,512,889. | 14,672,603. | 17,630,620. |
| | c | Investments - corporate bonds (attach schedule) ATCH 11 | 1,756,072. | 2,459,296. | 2,514,639. |
| | 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 ▶ ATCH 12) | 60,376. | 55,970. | 55,970. | |
| 16 | Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I) | 21,128,384. | 21,088,429. | 24,197,177. | |
| 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 checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31. | | | | |
| | 24 | Unrestricted | 21,128,384. | 21,088,429. | |
| | 25 | Temporarily restricted | | | |
| | 26 | Permanently restricted | | | |
| | Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input 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 | | | |
| | 30 | Total net assets or fund balances (see page 17 of the instructions) | 21,128,384. | 21,088,429. | |
| | 31 | Total liabilities and net assets/fund balances (see page 17 of the instructions) | 21,128,384. | 21,088,429. | |

| 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 21,128,384. |
| 2 | Enter amount from Part I, line 27a | 2 -40,943. |
| 3 | Other increases not included in line 2 (itemize) ▶ ATTACHMENT 13 | 3 988. |
| 4 | Add lines 1, 2, and 3 | 4 21,088,429. |
| 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 21,088,429. |

**ATCH 9

Part IV Capital Gains and Losses for Tax on Investment Income

| (a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs MLC Co) | | | (b) How acquired P-Purchase D-Donation | (c) Date acquired (mo., day, yr.) | (d) Date sold (mo., day, yr.) |
|--|--|---|---|--------------------------------------|----------------------------------|
| 1a SEE PART IV SCHEDULE | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| (e) Gross sales price | (f) Depreciation allowed (or allowable) | (g) Cost or other basis plus expense of sale | (h) Gain or (loss) (e) plus (f) minus (g) | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69 | | | | | |
| (i) F.M.V. as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col (i) over col (j), if any | (l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col. (h)) | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| 2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 } | | | 2 | 532,403. | |
| 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 | 1,029,861. | 19,973,253. | 0.051562 |
| 2008 | 1,416,839. | 24,341,269. | 0.058207 |
| 2007 | 1,481,024. | 28,094,732. | 0.052715 |
| 2006 | 1,266,282. | 26,133,154. | 0.048455 |
| 2005 | 1,233,455. | 25,478,676. | 0.048411 |
| 2 Total of line 1, column (d) | | | 0.259350 |
| 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 | | | 0.051870 |
| 4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5 | | | 22,150,067. |
| 5 Multiply line 4 by line 3 | | | 1,148,924. |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) | | | 7,912. |
| 7 Add lines 5 and 6 | | | 1,156,836. |
| 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. | | | 816,339. |

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 for excise tax calculations. Includes sub-rows for credits/payments (6a-6d) and a total amount of 4,359.

Part VII-A Statements Regarding Activities

Table with 10 rows of activity statements and Yes/No columns. Includes questions about political campaigns, expenditures, and foundation status.

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)
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
14 The books are in care of LEGACY TRUST COMPANY Telephone no. 713-216-3447
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here
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?

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?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(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)?
(6) Agree to pay money or property to a government official?
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)?
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?
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?
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?
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?
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?
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
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?

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 14 | | 105,989. | 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 PROVIDE GRANTS TO SUPPORT RELIGIOUS, CHARITABLE, SCIENTIFIC, LITERARY, AND EDUCATIONAL PURPOSES. THIS IS THE ONLY ACTIVITY OF THE FOUNDATION. | |
| 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 NO PROGRAM RELATED INVESTMENTS | |
| 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 | 21,703,621. |
| b | Average of monthly cash balances | 1b | 721,119. |
| c | Fair market value of all other assets (see page 25 of the instructions) | 1c | 62,638. |
| d | Total (add lines 1a, b, and c) | 1d | 22,487,378. |
| 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 | 22,487,378. |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions) | 4 | 337,311. |
| 5 | Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4 | 5 | 22,150,067. |
| 6 | Minimum investment return. Enter 5% of line 5 | 6 | 1,107,503. |

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 | 1,107,503. |
| 2a | Tax on investment income for 2010 from Part VI, line 5 | 2a | 15,823. |
| b | Income tax for 2010. (This does not include the tax from Part VI) | 2b | |
| c | Add lines 2a and 2b | 2c | 15,823. |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1 | 3 | 1,091,680. |
| 4 | Recoveries of amounts treated as qualifying distributions | 4 | |
| 5 | Add lines 3 and 4 | 5 | 1,091,680. |
| 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 | 1,091,680. |

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 | 816,339. |
| 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 | 816,339. |
| 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 | N/A |
| 6 | Adjusted qualifying distributions. Subtract line 5 from line 4 | 6 | 816,339. |

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 | | | | 1,091,680. |
| 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 | 1,826. | | | |
| b From 2006 | 39,724. | | | |
| c From 2007 | 174,251. | | | |
| d From 2008 | 208,772. | | | |
| e From 2009 | 34,470. | | | |
| f Total of lines 3a through e | 459,043. | | | |
| 4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 816,339. | | | | |
| 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 | | | | 816,339. |
| e Remaining amount distributed out of corpus | 0. | | | |
| 5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a)) | 275,341. | | | 275,341. |
| 6 Enter the net total of each column as indicated below: | | | | |
| a Corpus Add lines 3f, 4c, and 4e. Subtract line 5 | 183,702. | | | |
| 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) | | | | |
| 9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a | 183,702. | | | |
| 10 Analysis of line 9: | | | | |
| a Excess from 2006 | | | | |
| b Excess from 2007 | | | | |
| c Excess from 2008 | 149,232. | | | |
| d Excess from 2009 | 34,470. | | | |
| e Excess from 2010 | | | | |

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)(ii) | | | | | |
| (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).)

SUSAN MCASHAN

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

NONE

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

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

a The name, address, and telephone number of the person to whom applications should be addressed:
ATTACHMENT 15

b The form in which applications should be submitted and information and materials they should include:
APPLICATIONS ARE IN LETTER FORM

c Any submission deadlines:
NO SUBMISSION DEADLINES

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
NO RESTRICTIONS

Part XV Supplementary Information (continued)

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

| Recipient Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|--|--|--------------------------------------|-------------------------------------|----------|
| a <i>Paid during the year</i> ATTACHMENT 16 | | | | |
| Total ▶ 3a | | | | 730,750. |
| b <i>Approved for future payment</i> | | | | |
| Total ▶ 3b | | | | |

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Table with 5 main columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include Program service revenue, Membership dues, Interest on savings, Dividends, Net rental income, Gain or loss from sales, and Subtotal.

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

Table with 2 columns: Line No. and Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes.

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

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
a Transfers from the reporting foundation to a noncharitable exempt organization of
(1) Cash
(2) Other assets
b Other transactions.
(1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities, equipment, or other assets
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
d If the answer to any of the above is "Yes," complete the following schedule

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A' for both (b) and (d).

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? [] Yes [X] No

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. All rows are currently blank.

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge
Signature of officer or trustee: [Signature] Date: 10/28/11 Title: Vice President

Paid Preparer Use Only Pnnt/Type preparer's name: MP Gerich Preparer's signature: [Signature] Date: 10/28/11 Check [] if self-employed PTIN: Firm's name: BKD, LLP Firm's address: 2800 POST OAK BLVD., STE 3200 HOUSTON, TX 77056 Firm's EIN: Phone no: 713-499-4600

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

| Kind of Property | | Description | | | | P r o p e r t y | 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) | |
| 3,854,826. | | SEE ATTACHMENT D-1 PROPERTY TYPE: SECURITIES 4,121,410. | | | | P | VARIOUS -266,584. | VARIOUS |
| 663,525. | | SEE ATTACHMENT D-2 PROPERTY TYPE: SECURITIES 603,329. | | | | P | VARIOUS 60,196. | VARIOUS |
| 1,169,194. | | SEE ATTACHMENT D-2 PROPERTY TYPE: SECURITIES 1,160,595. | | | | P | VARIOUS 8,599. | VARIOUS |
| 1,044,388. | | SEE ATTACHMENT D-3 PROPERTY TYPE: SECURITIES 830,069. | | | | P | VARIOUS 214,319. | VARIOUS |
| 959,321. | | SEE ATTACHMENT D-3 PROPERTY TYPE: SECURITIES 989,032. | | | | P | VARIOUS -29,711. | VARIOUS |
| 1,896,610. | | SEE ATTACHMENT D-4 PROPERTY TYPE: SECURITIES 1,689,853. | | | | P | VARIOUS 206,757. | VARIOUS |
| 1,155,666. | | SEE ATTACHMENT D-4 PROPERTY TYPE: SECURITIES 984,547. | | | | P | VARIOUS 171,119. | VARIOUS |
| 450. | | SEE ATTACHMENT D-1 PROPERTY TYPE: SECURITIES | | | | P | VARIOUS 450. | VARIOUS |
| 273,423. | | TAI CHI FUND LP PROPERTY TYPE: SECURITIES | | | | P | VARIOUS 273,423. | VARIOUS |
| -106,165. | | TAI CHI FUND LP PROPERTY TYPE: SECURITIES | | | | P | VARIOUS -106,165. | VARIOUS |
| TOTAL GAIN (LOSS) | | | | | | | <u>532,403.</u> | |

SCHEDULE D

ACCT# 50-8040-05 (SUSAN VAUGHAN FDN-FIXED INCOME) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 1
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PV | DESCRIPTION | ACQUIRED SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|------------|--|--------------------|------------|-----------|----------|----------|
| 1/28/10 | 50774.000 | SOLD TAX-FREE TR ACQUIRED 1/15/10 THROUGH 1/26/10 | VARIOUS 1/28/10 | 50774.00 | 50774.00 | 0.00 | 0.00 |
| 1/29/10 | 706685.000 | SOLD TAX-FREE TR ACQUIRED 9/01/09 THROUGH 1/28/10 | VARIOUS 1/29/10 | 706685.00 | 706685.00 | 0.00 | 0.00 |
| 3/24/10 | 688.000 | SOLD TAX-FREE TR | 3/16/10 3/24/10 | 688.00 | 688.00 | 0.00 | 0.00 |
| 4/29/10 | 448513.000 | SOLD TAX-FREE TR ACQUIRED 3/31/10 THROUGH 4/26/10 | VARIOUS 4/29/10 | 448513.00 | 448513.00 | 0.00 | 0.00 |
| 4/30/10 | 1.000 | SOLD TAX-FREE TR | 3/31/10 4/30/10 | 1.00 | 1.00 | 0.00 | 0.00 |
| 5/ 3/10 | 428456.000 | SOLD TAX-FREE TR ACQUIRED 8/10/09 THROUGH 3/31/10 | VARIOUS 5/3/10 | 428456.00 | 428456.00 | 0.00 | 0.00 |
| 7/14/10 | 300000.000 | SOLD TAX-FREE TR ACQUIRED 7/25/08 THROUGH 7/12/10 | VARIOUS 7/14/10 | 300000.00 | 300000.00 | 0.00 | 0.00 |
| 9/28/10 | 85000.000 | SOLD TAX-FREE TR ACQUIRED 7/19/10 THROUGH 9/27/10 | VARIOUS 9/28/10 | 85000.00 | 85000.00 | 0.00 | 0.00 |
| 9/30/10 | 90000.000 | SOLD TAX-FREE TR ACQUIRED 7/15/10 THROUGH 9/29/10 | VARIOUS 9/30/10 | 90000.00 | 90000.00 | 0.00 | 0.00 |
| 3/31/10 | 455000.000 | SOLD U.S. TREASURY NOTES ACQUIRED 3/27/08 THROUGH 5/02/08 455,000 UNITS AT 100 % | VARIOUS 3/31/10 | 455000.00 | 454127.72 | 0.00 | 872.28 |
| ***** | 225000.000 | GAIN/LOSS LT: | 3/27/08 | 225000.00 | 225139.36 | | |
| ***** | 95000.000 | GAIN/LOSS LT: | 3/27/08 | 95000.00 | 95100.03 | | |
| ***** | 35000.000 | GAIN/LOSS LT: | 4/18/08 | 35000.00 | 34752.72 | | |
| ***** | 100000.000 | GAIN/LOSS LT: | 5/ 2/08 | 100000.00 | 99135.61 | | |
| 10/22/10 | 150000.000 | SOLD FHLB 150,000 UNITS AT 100 % | 10/11/07 10/22/10 | 150000.00 | 149405.11 | 0.00 | 594.89 |

ACCT# 50-8040-05 (SUSAN VAUGHAN FDN-FIXED INCOME) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66
 TAX OFFICER# 66 TAX ACCOUNTANT

SCHEDULE D

| DATE | SHR/FY | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|---------|------------|--|----------|------------------|------------|-----------|----------|------------|
| 7/12/10 | 100000.000 | SOLD FHLMC MTM 100,000 UNITS AT 100 X | 4.125% | 7/12/10 6/28/05 | 100000.00 | 100123.26 | 0.00 | -123.26 |
| 5/17/10 | 60000.000 | SOLD FHMA 60,000 UNITS AT 100 X | 4.125% | 5/15/10 8/1/05 | 60000.00 | 59658.66 | 0.00 | 341.34 |
| 1/15/10 | 27856.640 | SOLD CARMAX AUTO ABS 27,856.64 PAR VALUE AT 100 X | 5.41% | 6/15/11 5/23/06 | 27856.65 | 28137.86 | 0.00 | -281.21 |
| 1/14/10 | 30000.000 | SOLD CITYBANK CREDIT ABS 30,000 PAR VALUE AT 104 X | 5.45% | 5/10/13 4/25/06 | 31200.00 | 30760.53 | 0.00 | 439.47 |
| 1/14/10 | 100000.000 | SOLD CREDIT-BASED ABS V-M 100,000 PAR VALUE AT 30 X | 4.885% | 2/25/37 2/26/07 | 30000.00 | 99994.87 | 0.00 | -69994.87 |
| 1/14/10 | 150000.000 | SOLD SOUNDVIEW ABS V-M 150,000 PAR VALUE AT 25 X | 0.411% | 6/25/37 5/4/07 | 37500.00 | 150000.00 | 0.00 | -112500.00 |
| 1/12/10 | 1133.150 | SOLD TRIAD AUTO RECS ABS | 5.41% | 8/12/11 5/17/06 | 1133.15 | 1045.08 | 0.00 | 88.07 |
| 2/16/10 | 1072.460 | SOLD TRIAD AUTO RECS ABS | 5.41% | 8/12/11 5/17/06 | 1072.46 | 989.10 | 0.00 | 83.36 |
| 1/15/10 | 1130.630 | SOLD USAA AUTO ABS | 5.37% | 2/15/12 5/15/06 | 1130.63 | 1157.70 | 0.00 | -27.07 |
| 2/16/10 | 1045.970 | SOLD USAA AUTO ABS | 5.37% | 2/15/12 5/15/06 | 1045.97 | 1071.01 | 0.00 | -25.04 |
| 3/15/10 | 1036.440 | SOLD USAA AUTO ABS | 5.37% | 2/15/12 5/15/06 | 1036.44 | 1061.25 | 0.00 | -24.81 |
| 4/15/10 | 8575.710 | SOLD USAA AUTO ABS | 5.37% | 2/15/12 5/15/06 | 8575.71 | 8781.02 | 0.00 | -205.31 |
| 1/12/10 | 30000.000 | SOLD AMER INTL GROUP MTM 30,000 UNITS AT 83.65 X | 5.45% | 5/18/17 10/25/07 | 25095.00 | 29884.77 | 0.00 | -4789.77 |
| 1/28/10 | 25000.000 | SOLD BANK OF AMERICA NA 25,000 UNITS AT 102.547 X | 5.65% | 5/01/18 4/29/08 | 25636.75 | 24870.70 | 0.00 | 766.05 |

SCHEDULE D

ACCT# 50-8040-05 (SUSAN VAUGHAN FDN-FIXED INCOME) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 3
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PY | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|---------|-----------|--|------------|-------------------------|------------|----------|----------|-----------|
| 1/14/10 | 50000.000 | SOLD CHARTER ONE BK MTN 50,000 UNITS AT 102 % | 5.5% | 4/26/11 4/19/06 1/11/10 | 51000.00 | 50484.67 | 0.00 | 515.33 |
| 1/12/10 | 50000.000 | SOLD CITIGROUP INC 50,000 UNITS AT 100.467 % | 6% | 8/15/17 8/8/07 1/7/10 | 50233.50 | 49840.74 | 0.00 | 392.76 |
| 1/12/10 | 50000.000 | SOLD CITIGROUP INC 50,000 UNITS AT 103.912 % | 5.25% | 2/27/12 2/12/07 1/7/10 | 51956.00 | 49904.49 | 0.00 | 2051.51 |
| 1/28/10 | 50000.000 | SOLD CREDIT SUISSE FB USA 50,000 UNITS AT 106.9 % | 5.125% | 8/15/15 8/10/05 1/7/10 | 53450.00 | 49738.08 | 0.00 | 3711.92 |
| 2/26/10 | 85000.000 | SOLD EUROPEAN INVT BK 85,000 UNITS AT 109.36 % | 4.875% | 2/16/16 2/7/06 2/23/10 | 92856.00 | 86209.99 | 0.00 | 6646.01 |
| 1/12/10 | 35000.000 | SOLD GEN ELEC CAP CRF 35,000 UNITS AT 102.428 % | 5.625% | 5/01/18 4/16/08 1/7/10 | 35849.80 | 34910.43 | 0.00 | 939.37 |
| 9/29/10 | 35000.000 | SOLD GOLDMAN SACHS 35,000 UNITS AT 108.5 % | 5.35% | 1/15/16 1/9/06 9/24/10 | 37975.00 | 36189.31 | 0.00 | 1785.69 |
| 1/12/10 | 35000.000 | SOLD INTL LEASE FIM 35,000 UNITS AT 97.05 % | 4.875% | 9/01/10 8/18/05 1/7/10 | 33967.50 | 34975.81 | 0.00 | -1008.31 |
| 1/12/10 | 50000.000 | SOLD LEHMAN BROS MTN 50,000 UNITS AT 21.25 % | IN DEFAULT | 2/06/12 1/9/07 1/7/10 | 10625.00 | 49929.89 | 0.00 | -39304.89 |
| 1/12/10 | 50000.000 | SOLD LEHMAN BROS MTN 50,000 UNITS AT 21.75 % | IN DEFAULT | 7/26/10 7/11/05 1/7/10 | 10875.00 | 49963.02 | 0.00 | -39088.02 |
| 9/29/10 | 35000.000 | SOLD MORGAN STANLEY 35,000 UNITS AT 103.26 % | 4.75% | 4/01/14 7/11/05 9/24/10 | 36141.00 | 34537.93 | 0.00 | 1603.07 |
| 1/28/10 | 20000.000 | SOLD MORGAN STANLEY DH 20,000 UNITS AT 109.115 % | 6.600% | 4/01/12 10/29/02 1/7/10 | 21823.00 | 24498.85 | 0.00 | -2675.85 |

SCHEDULE D

ACCT# 50-8040-05 (SUSAN VAUGHAN FDN-FIXED INCOME) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PV | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|-----------|-------------------------|----------|-----------|------------|----------|----------|----------|
| 1/15/10 | 5104.390 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 5104.39 | 5089.08 | 0.00 | 15.31 |
| 2/16/10 | 4038.960 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 4038.96 | 4026.84 | 0.00 | 12.12 |
| 3/15/10 | 16258.290 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 16258.29 | 16209.52 | 0.00 | 48.77 |
| 4/15/10 | 4623.790 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 4623.79 | 4609.92 | 0.00 | 13.87 |
| 5/17/10 | 4519.700 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 4519.70 | 4506.14 | 0.00 | 13.56 |
| 6/15/10 | 4434.160 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 4434.16 | 4420.86 | 0.00 | 13.30 |
| 7/15/10 | 4302.310 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 4302.31 | 4289.41 | 0.00 | 12.90 |
| 8/16/10 | 4379.900 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 4379.90 | 4366.76 | 0.00 | 13.14 |
| 9/15/10 | 5139.720 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 5139.72 | 5124.30 | 0.00 | 15.42 |
| 10/15/10 | 5956.280 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 5956.28 | 5938.42 | 0.00 | 17.86 |
| 11/15/10 | 5513.860 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 5513.86 | 5497.32 | 0.00 | 16.54 |
| 12/15/10 | 5160.210 | SOLD FHLMC SER 3204 CMO | 4/15/29 | 1/11/07 | 5160.21 | 5144.73 | 0.00 | 15.48 |
| 1/15/10 | 2288.340 | SOLD FHLMC SER 3378 CMO | 1/15/23 | 10/17/07 | 2288.34 | 2294.72 | 0.00 | -6.38 |
| 2/16/10 | 1775.320 | SOLD FHLMC SER 3378 CMO | 1/15/23 | 10/17/07 | 1775.32 | 1780.27 | 0.00 | -4.95 |
| 3/15/10 | 2124.100 | SOLD FHLMC SER 3378 CMO | 1/15/23 | 10/17/07 | 2124.10 | 2130.02 | 0.00 | -5.92 |
| 4/15/10 | 1940.260 | SOLD FHLMC SER 3378 CMO | 1/15/23 | 10/17/07 | 1940.26 | 1945.67 | 0.00 | -5.41 |
| 5/17/10 | 1822.320 | SOLD FHLMC SER 3378 CMO | 1/15/23 | 10/17/07 | 1822.32 | 1827.40 | 0.00 | -5.08 |
| 6/15/10 | 1309.540 | SOLD FHLMC SER 3378 CMO | 1/15/23 | 10/17/07 | 1309.54 | 1313.19 | 0.00 | -3.65 |

SCHEDULE D

ACCT# 50-8040-05 (SUSAN VAUGHAN FDM-FIXED INCOME) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 5
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PV | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|-----------|-------------------------|----------|---------------------------|------------|----------|----------|----------|
| 7/15/10 | 1591.960 | SOLD FHLMC SER 3378 CMO | 5.5% | 1/15/23 10/17/07 7/15/10 | 1591.96 | 1596.40 | 0.00 | -4.44 |
| 8/16/10 | 1555.480 | SOLD FHLMC SER 3378 CMO | 5.5% | 1/15/23 10/17/07 8/15/10 | 1555.48 | 1559.82 | 0.00 | -4.34 |
| 9/15/10 | 1797.720 | SOLD FHLMC SER 3378 CMO | 5.5% | 1/15/23 10/17/07 9/15/10 | 1797.72 | 1802.73 | 0.00 | -5.01 |
| 10/15/10 | 2612.250 | SOLD FHLMC SER 3378 CMO | 5.5% | 1/15/23 10/17/07 10/15/10 | 2612.25 | 2619.53 | 0.00 | -7.28 |
| 11/15/10 | 2537.810 | SOLD FHLMC SER 3378 CMO | 5.5% | 1/15/23 10/17/07 11/15/10 | 2537.81 | 2544.89 | 0.00 | -7.08 |
| 12/15/10 | 2454.730 | SOLD FHLMC SER 3378 CMO | 5.5% | 1/15/23 10/17/07 12/15/10 | 2454.73 | 2461.57 | 0.00 | -6.84 |
| 1/25/10 | 1137.590 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 1/25/10 | 1137.59 | 1192.70 | 0.00 | -55.11 |
| 2/25/10 | 1151.330 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 2/25/10 | 1151.33 | 1207.11 | 0.00 | -55.78 |
| 3/25/10 | 2871.190 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 3/25/10 | 2871.19 | 3010.29 | 0.00 | -139.10 |
| 4/26/10 | 35568.030 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 4/25/10 | 35568.03 | 37291.12 | 0.00 | -1723.09 |
| 5/25/10 | 4793.570 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 5/25/10 | 4793.57 | 5025.80 | 0.00 | -232.23 |
| 6/25/10 | 3791.350 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 6/25/10 | 3791.35 | 3975.02 | 0.00 | -183.67 |
| 7/26/10 | 2776.210 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 7/25/10 | 2776.21 | 2910.70 | 0.00 | -134.49 |
| 8/25/10 | 894.270 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 8/25/10 | 894.27 | 937.59 | 0.00 | -43.32 |
| 9/27/10 | 2682.220 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 9/25/10 | 2682.22 | 2812.16 | 0.00 | -129.94 |
| 10/25/10 | 3147.050 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 10/25/10 | 3147.05 | 3299.51 | 0.00 | -152.46 |
| 11/26/10 | 2564.130 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 11/25/10 | 2564.13 | 2688.35 | 0.00 | -124.22 |
| 12/27/10 | 2946.490 | SOLD FNMA SER 43 CMO | 6.5% | 9/25/33 8/2/06 12/25/10 | 2946.49 | 3089.23 | 0.00 | -142.74 |

SCHEDULE D

| DATE | SHR/PY | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|-----------|----------------------|----------|------------------|------------|----------|----------|----------|
| 1/25/10 | 1798.250 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 1798.25 | 1900.37 | 0.00 | -102.12 |
| 2/25/10 | 2077.160 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 2077.16 | 2195.11 | 0.00 | -117.95 |
| 3/25/10 | 2412.830 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 2412.83 | 2549.85 | 0.00 | -137.02 |
| 4/26/10 | 14049.300 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 14049.30 | 14847.11 | 0.00 | -797.81 |
| 5/25/10 | 1586.210 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 1586.21 | 1676.28 | 0.00 | -90.07 |
| 6/25/10 | 2203.040 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 2203.04 | 2328.14 | 0.00 | -125.10 |
| 7/26/10 | 1121.510 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 1121.51 | 1185.20 | 0.00 | -63.69 |
| 8/25/10 | 1379.950 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 1379.95 | 1458.31 | 0.00 | -78.36 |
| 9/27/10 | 1267.140 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 1267.14 | 1339.10 | 0.00 | -71.96 |
| 10/25/10 | 2012.540 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 2012.54 | 2126.82 | 0.00 | -114.28 |
| 11/26/10 | 1197.420 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 1197.42 | 1265.42 | 0.00 | -68.00 |
| 12/27/10 | 708.400 | SOLD FNMA SER 59 CMO | 6.500% | 12/25/33 6/8/06 | 708.40 | 748.63 | 0.00 | -40.23 |
| 1/25/10 | 2664.540 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 2664.54 | 2806.74 | 0.00 | -142.20 |
| 2/25/10 | 2141.770 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 2141.77 | 2256.07 | 0.00 | -114.30 |
| 3/25/10 | 1844.670 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 1844.67 | 1943.11 | 0.00 | -98.44 |
| 4/26/10 | 19479.590 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 19479.59 | 20519.15 | 0.00 | -1039.56 |
| 5/25/10 | 2122.600 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 2122.60 | 2235.88 | 0.00 | -113.28 |
| 6/25/10 | 1845.400 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 1845.40 | 1943.88 | 0.00 | -98.48 |

SCHEDULE

ACCT# 50-8040-05 (SUSAN VAUGHAN FDN-FIXED INCOME) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PY | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|-----------|----------------------|----------|------------------|------------|----------|----------|----------|
| 7/26/10 | 1467.470 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 1467.47 | 1545.78 | 0.00 | -78.31 |
| 8/25/10 | 1686.570 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 1686.57 | 1776.58 | 0.00 | -90.01 |
| 9/27/10 | 1370.210 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 1370.21 | 1443.33 | 0.00 | -73.12 |
| 10/25/10 | 1375.490 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 1375.49 | 1448.90 | 0.00 | -73.41 |
| 11/26/10 | 1532.080 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 1532.08 | 1613.84 | 0.00 | -81.76 |
| 12/27/10 | 1305.810 | SOLD FNMA SER 63 CMO | 6.5% | 10/25/33 10/5/06 | 1305.81 | 1375.50 | 0.00 | -69.69 |
| 1/25/10 | 2664.540 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 2664.54 | 2806.74 | 0.00 | -142.20 |
| 2/25/10 | 2141.770 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 2141.77 | 2256.07 | 0.00 | -114.30 |
| 3/25/10 | 1844.670 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 1844.67 | 1943.11 | 0.00 | -98.44 |
| 4/26/10 | 19479.590 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 19479.59 | 20519.15 | 0.00 | -1039.56 |
| 5/25/10 | 2122.600 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 2122.60 | 2235.88 | 0.00 | -113.28 |
| 6/25/10 | 1845.400 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 1845.40 | 1943.88 | 0.00 | -98.48 |
| 7/26/10 | 1467.470 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 1467.47 | 1545.78 | 0.00 | -78.31 |
| 8/25/10 | 1686.570 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 1686.57 | 1776.58 | 0.00 | -90.01 |
| 9/27/10 | 1370.210 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 1370.21 | 1443.33 | 0.00 | -73.12 |
| 10/25/10 | 1375.490 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 1375.49 | 1448.90 | 0.00 | -73.41 |
| 11/26/10 | 1532.080 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 1532.08 | 1613.84 | 0.00 | -81.76 |
| 12/27/10 | 1305.810 | SOLD FNMA SER 63 CMO | 6.500% | 10/25/33 6/5/06 | 1305.81 | 1375.50 | 0.00 | -69.69 |

SCHEDULE D

ACCT# 50-8010-05 (SUSAN VAUGHAN FDN-FIXED INCOME) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 8
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PY | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|-----------|--|----------|-----------|------------|----------|----------|-----------|
| 1/12/10 | 35000.000 | SOLD ROYAL BK SCOTLAND ACQUIRED 9/25/02 THROUGH 11/10/03 35,000 UNITS AT 88.55 % | 1/7/10 | VARIOUS | 30992.50 | 43064.61 | 0.00 | -12072.11 |
| 12/17/10 | 44558.001 | RECD FROST LOW DURATION BOND INS CAPITAL GAINS DISTRIBUTION | 12/16/10 | | 0.00 | 0.00 | 0.00 | 3631.48 |
| 12/17/10 | 44558.001 | RECD FROST LOW DURATION BOND INS CAPITAL GAINS DISTRIBUTION | 12/16/10 | | 0.00 | 0.00 | 450.04 | 0.00 |

Total Gain/Loss -266,133.85

SCHEDULE D

ACCT# 50-8040-03 (SUSAN VAUGHAN FDN-SO TX MONEY MGMT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX D 66
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PV | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|---------|-----------|---|-----------------|-----------|------------|----------|----------|----------|
| 1/14/10 | 25966.000 | SOLD SHORT-TERM PRIME ACQUIRED 1/09/10 THROUGH 1/13/10 | VARIOUS 1/14/10 | | 25966.00 | 25966.00 | 0.00 | 0.00 |
| 2/ 3/10 | 36205.000 | SOLD SHORT-TERM PRIME ACQUIRED 2/01/10 THROUGH 2/02/10 | VARIOUS 2/3/10 | | 36205.00 | 36205.00 | 0.00 | 0.00 |
| 2/ 9/10 | 34582.000 | SOLD SHORT-TERM PRIME ACQUIRED 2/01/10 THROUGH 2/08/10 | VARIOUS 2/9/10 | | 34582.00 | 34582.00 | 0.00 | 0.00 |
| 2/12/10 | 9841.000 | SOLD SHORT-TERM PRIME | 2/10/10 2/12/10 | | 9841.00 | 9841.00 | 0.00 | 0.00 |
| 2/18/10 | 34749.000 | SOLD SHORT-TERM PRIME ACQUIRED 2/10/10 THROUGH 2/17/10 | VARIOUS 2/18/10 | | 34749.00 | 34749.00 | 0.00 | 0.00 |
| 2/25/10 | 288.000 | SOLD SHORT-TERM PRIME | 2/10/10 2/25/10 | | 288.00 | 288.00 | 0.00 | 0.00 |
| 3/ 8/10 | 63750.000 | SOLD SHORT-TERM PRIME ACQUIRED 2/10/10 THROUGH 3/05/10 | VARIOUS 3/8/10 | | 63750.00 | 63750.00 | 0.00 | 0.00 |
| 3/ 9/10 | 9964.000 | SOLD SHORT-TERM PRIME ACQUIRED 7/28/08 THROUGH 2/10/10 | VARIOUS 3/9/10 | | 9964.00 | 9964.00 | 0.00 | 0.00 |
| 3/18/10 | 36682.000 | SOLD SHORT-TERM PRIME | 3/16/10 3/18/10 | | 36682.00 | 36682.00 | 0.00 | 0.00 |
| 3/24/10 | 298.000 | SOLD SHORT-TERM PRIME | 3/23/10 3/24/10 | | 298.00 | 298.00 | 0.00 | 0.00 |
| 3/26/10 | 6221.000 | SOLD SHORT-TERM PRIME | 3/23/10 3/26/10 | | 6221.00 | 6221.00 | 0.00 | 0.00 |
| 3/30/10 | 24644.000 | SOLD SHORT-TERM PRIME ACQUIRED 3/16/10 THROUGH 3/29/10 | VARIOUS 3/30/10 | | 24644.00 | 24644.00 | 0.00 | 0.00 |
| 4/14/10 | 14988.000 | SOLD SHORT-TERM PRIME ACQUIRED 4/07/10 THROUGH 4/12/10 | VARIOUS 4/14/10 | | 14988.00 | 14988.00 | 0.00 | 0.00 |
| 5/ 3/10 | 36944.000 | SOLD SHORT-TERM PRIME ACQUIRED 4/26/10 THROUGH 4/29/10 | VARIOUS 5/3/10 | | 36944.00 | 36944.00 | 0.00 | 0.00 |

SCHEDULE D

ACCT# 50-8040-03 (SUSAN VAUGHAN FOM-SO TX MONEY MGMT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 2
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PY | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|---------|-----------|---|----------|-----------|------------|----------|----------|----------|
| 5/ 7/10 | 25517.000 | SOLD SHORT-TERM PRIME ACQUIRED 3/15/10 THROUGH 5/06/10 | VARIOUS | 5/7/10 | 25517.00 | 25517.00 | 0.00 | 0.00 |
| 5/17/10 | 27717.000 | SOLD SHORT-TERM PRIME | 5/14/10 | 5/17/10 | 27717.00 | 27717.00 | 0.00 | 0.00 |
| 5/27/10 | 21804.000 | SOLD SHORT-TERM PRIME ACQUIRED 5/14/10 THROUGH 5/24/10 | VARIOUS | 5/27/10 | 21804.00 | 21804.00 | 0.00 | 0.00 |
| 6/14/10 | 45604.000 | SOLD SHORT-TERM PRIME ACQUIRED 6/04/10 THROUGH 6/11/10 | VARIOUS | 6/14/10 | 45604.00 | 45604.00 | 0.00 | 0.00 |
| 6/16/10 | 26993.000 | SOLD SHORT-TERM PRIME ACQUIRED 3/15/10 THROUGH 6/15/10 | VARIOUS | 6/16/10 | 26993.00 | 26993.00 | 0.00 | 0.00 |
| 6/18/10 | 27690.000 | SOLD SHORT-TERM PRIME ACQUIRED 3/15/10 THROUGH 6/17/10 | VARIOUS | 6/18/10 | 27690.00 | 27690.00 | 0.00 | 0.00 |
| 7/27/10 | 22779.000 | SOLD SHORT-TERM PRIME ACQUIRED 7/13/10 THROUGH 7/26/10 | VARIOUS | 7/27/10 | 22779.00 | 22779.00 | 0.00 | 0.00 |
| 8/13/10 | 43699.000 | SOLD SHORT-TERM PRIME ACQUIRED 6/29/10 THROUGH 8/11/10 | VARIOUS | 8/13/10 | 43699.00 | 43699.00 | 0.00 | 0.00 |
| 8/19/10 | 152.000 | SOLD SHORT-TERM PRIME | 8/18/10 | 8/19/10 | 152.00 | 152.00 | 0.00 | 0.00 |
| 9/ 7/10 | 33420.000 | SOLD SHORT-TERM PRIME ACQUIRED 8/30/10 THROUGH 9/03/10 | VARIOUS | 9/7/10 | 33420.00 | 33420.00 | 0.00 | 0.00 |
| 9/ 9/10 | 35317.000 | SOLD SHORT-TERM PRIME ACQUIRED 3/13/10 THROUGH 9/08/10 | VARIOUS | 9/9/10 | 35317.00 | 35317.00 | 0.00 | 0.00 |
| 9/14/10 | 87800.000 | SOLD SHORT-TERM PRIME | 9/13/10 | 9/14/10 | 87800.00 | 87800.00 | 0.00 | 0.00 |
| 9/23/10 | 32876.000 | SOLD SHORT-TERM PRIME ACQUIRED 3/15/10 THROUGH 9/21/10 | VARIOUS | 9/23/10 | 32876.00 | 32876.00 | 0.00 | 0.00 |

SCHEDULE D

ACCT# 50-8040-03 (SUSAN VAUGHAN FDN-SO TX MONEY MGMT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 3
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PV | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|-----------|---|-------------------|-----------|------------|----------|----------|----------|
| 10/14/10 | 21053.000 | SOLD SHORT-TERM PRIME ACQUIRED 9/30/10 THROUGH 10/13/10 | VARIOUS 10/14/10 | | 21053.00 | 21053.00 | 0.00 | 0.00 |
| ***** | 183.000 | GAIN/LOSS ST: | 10/ 1/10 | | 183.00 | 183.00 | | |
| ***** | 164.000 | GAIN/LOSS ST: | 10/ 4/10 | | 164.00 | 164.00 | | |
| ***** | 185.000 | GAIN/LOSS ST: | 10/ 5/10 | | 185.00 | 185.00 | | |
| ***** | 20006.000 | GAIN/LOSS ST: | 10/12/10 | | 20006.00 | 20006.00 | | |
| ***** | 96.000 | GAIN/LOSS ST: | 10/13/10 | | 96.00 | 96.00 | | |
| ***** | 419.000 | GAIN/LOSS ST: | 9/30/10 | | 419.00 | 419.00 | | |
| 11/ 3/10 | 31041.000 | SOLD SHORT-TERM PRIME ACQUIRED 11/01/10 THROUGH 11/02/10 | VARIOUS 11/3/10 | | 31041.00 | 31041.00 | 0.00 | 0.00 |
| ***** | 30736.000 | GAIN/LOSS ST: | 11/ 2/10 | | 30736.00 | 30736.00 | | |
| ***** | 305.000 | GAIN/LOSS ST: | 11/ 1/10 | | 305.00 | 305.00 | | |
| 11/24/10 | 25186.000 | SOLD SHORT-TERM PRIME | 11/24/10 11/24/10 | | 25186.00 | 25186.00 | 0.00 | 0.00 |
| 12/ 9/10 | 17574.000 | SOLD SHORT-TERM PRIME ACQUIRED 11/12/10 THROUGH 12/07/10 | VARIOUS 12/9/10 | | 17574.00 | 17574.00 | 0.00 | 0.00 |
| ***** | 1214.000 | GAIN/LOSS ST: | 11/15/10 | | 1214.00 | 1214.00 | | |
| ***** | 225.000 | GAIN/LOSS ST: | 11/22/10 | | 225.00 | 225.00 | | |
| ***** | 492.000 | GAIN/LOSS ST: | 11/24/10 | | 492.00 | 492.00 | | |
| ***** | 414.000 | GAIN/LOSS ST: | 11/29/10 | | 414.00 | 414.00 | | |
| ***** | 411.000 | GAIN/LOSS ST: | 12/ 1/10 | | 411.00 | 411.00 | | |
| ***** | 3.000 | GAIN/LOSS ST: | 12/ 2/10 | | 3.00 | 3.00 | | |
| ***** | 241.000 | GAIN/LOSS ST: | 12/ 3/10 | | 241.00 | 241.00 | | |
| ***** | 10386.000 | GAIN/LOSS ST: | 12/ 7/10 | | 10386.00 | 10386.00 | | |
| ***** | 188.000 | GAIN/LOSS ST: | 11/12/10 | | 188.00 | 188.00 | | |
| 12/16/10 | 24181.000 | SOLD SHORT-TERM PRIME | 12/13/10 12/14/10 | | 24181.00 | 24181.00 | 0.00 | 0.00 |
| 11/26/10 | 629.000 | SOLD ABBOTT LABS 629 SHARES AT \$47.2228 | 3/10/06 11/19/10 | | 29677.48 | 27462.14 | 0.00 | 2215.34 |
| 9/ 3/10 | 460.000 | SOLD BECTON DICKINSON & CO ACQUIRED 1/15/08 THROUGH 5/11/09 460 SHARES AT \$68.4973 | VARIOUS 8/31/10 | | 31489.83 | 39194.72 | 0.00 | -7704.89 |
| ***** | 357.000 | GAIN/LOSS LT: -8292.62 | 1/15/08 | | 24438.85 | 32731.47 | | |

SCHEDULE D

ACCT# 50-8040-03 (SUSAN VAUGHAN FDM-50 TX MONEY NGHT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66
 TAX OFFICER# 66 TAX ACCOUNTANT

PAGE 4

| DATE | SHR/PV | DESCRIPTION | ACQUIRED | SOLED/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|---------|----------|---|----------|------------|------------|----------|----------|----------|
| ***** | 103.000 | GAIN/LOSS LT: 587.73 | 5/11/09 | | 7050.98 | 6463.25 | | |
| 4/ 7/10 | 1107.000 | SOLD CHARLES SCHMAB CORP 1,107 SHARES AT \$18.4839 | 3/30/09 | 4/1/10 | 20417.05 | 16405.74 | 0.00 | 4011.31 |
| 9/21/10 | 1381.000 | SOLD CISCO SYS INC ACQUIRED 11/20/07 THROUGH 10/15/09 1,381 SHARES AT \$21.9036 | VARIOUS | 9/16/10 | 30193.12 | 39136.94 | -497.00 | -8446.82 |
| ***** | 1177.000 | GAIN/LOSS LT: -8446.82 | 11/20/07 | | 25733.02 | 34179.84 | | |
| ***** | 204.000 | GAIN/LOSS ST: -497.00 | 10/15/09 | | 4460.10 | 4957.10 | | |
| 2/ 1/10 | 495.000 | SOLD COLGATE PALMOLIVE CO 495 SHARES AT \$80.0899 | 9/27/07 | 1/27/10 | 39624.20 | 35497.04 | 0.00 | 4127.16 |
| 9/13/10 | 1060.000 | SOLD CONTINENTAL AIRLINES INC CL B ACQUIRED 11/23/09 THROUGH 12/02/09 1,060 SHARES AT \$23.1606 | VARIOUS | 9/8/10 | 24507.43 | 14650.26 | 9857.17 | 0.00 |
| ***** | 262.000 | GAIN/LOSS ST: 1952.01 | 12/ 2/09 | | 6057.50 | 4105.49 | | |
| ***** | 798.000 | GAIN/LOSS ST: 7905.16 | 11/23/09 | | 18449.93 | 10544.77 | | |
| 6/ 8/10 | 2589.000 | SOLD CORNITHIAN COLLEGES INC 2,589 SHARES AT \$12.8432 | 2/9/10 | 6/3/10 | 33146.91 | 34644.70 | -1497.79 | 0.00 |
| 3/26/10 | 0.016 | SOLD DENBURY RESOURCES INC 0.016 SHARES AT \$15.5262 | 10/11/07 | 3/26/10 | 0.25 | 0.24 | 0.00 | 0.01 |
| 9/13/10 | 219.000 | SOLD DEVON ENERGY CORPORATION MEM 219 SHARES AT \$63.1601 | 10/11/07 | 9/8/10 | 13823.07 | 19409.97 | 0.00 | -5586.90 |
| 3/16/10 | 1355.000 | SOLD DISNEY MALT CO 1,355 SHARES AT \$39.6449 | 3/10/06 | 3/11/10 | 45534.06 | 37752.49 | 0.00 | 7781.57 |
| 5/14/10 | 717.000 | SOLD DISNEY MALT CO ACQUIRED 3/10/06 THROUGH 3/10/06 717 SHARES AT \$35.8001 | VARIOUS | 5/11/10 | 25639.56 | 19976.78 | 0.00 | 5662.78 |
| ***** | 100.000 | GAIN/LOSS LT: 789.79 | 3/10/06 | | 3575.95 | 2786.16 | | |

SCHEDULE D

ACCT# 50-8040-03 (SUSAN VAUGHAN FDM-SD TX MONEY HGHT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 5
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PY | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|----------|--|----------|-----------|------------|----------|----------|----------|
| 3/23/10 | 617.000 | GAIN/LOSS LT: 4872.99 | 3/10/06 | | 22063.61 | 17190.62 | | |
| 10/12/10 | 656.000 | SOLD ECOLAB INC 656 SHARES AT \$43.2275 | 2/5/08 | 3/18/10 | 28330.64 | 31521.19 | 0.00 | -3190.55 |
| 7/27/10 | 261.000 | SOLD ENTERGY CORP 261 SHARES AT \$76.6958 | 9/22/09 | 10/6/10 | 20006.82 | 20987.56 | 0.00 | -980.74 |
| 8/30/10 | 0.963 | SOLD FRONTIER COMMUNICATIONS CORP 0.9633 SHARES AT \$7.7794 | 8/30/07 | 7/27/10 | 7.49 | 10.60 | 0.00 | -3.11 |
| ***** | 259.000 | SOLD FRONTIER COMMUNICATIONS CORP ACQUIRED 8/30/07 THROUGH 10/02/09 | VARIOUS | 8/25/10 | 1945.06 | 2640.19 | -26.25 | -668.88 |
| ***** | 191.549 | 259 SHARES AT \$7.55 | 8/30/07 | | 1438.51 | 2107.39 | | |
| ***** | 67.451 | GAIN/LOSS LT: -668.88 | 10/ 2/09 | | 506.55 | 532.80 | | |
| ***** | 67.451 | GAIN/LOSS ST: -26.25 | | | | | | |
| 2/17/10 | 854.000 | SOLD MARSCO CORPORATION 854 SHARES AT \$28.6088 | 12/19/08 | 2/11/10 | 24397.44 | 22229.62 | 0.00 | 2167.82 |
| 3/ 5/10 | 695.000 | SOLD MCKESSON CORP 695 SHARES AT \$61.7949 | 5/21/09 | 3/2/10 | 42919.11 | 27932.05 | 14987.06 | 0.00 |
| 12/ 8/10 | 1269.000 | SOLD NEMS CORP INC-A 1,269 SHARES AT \$14.2501 | 10/7/09 | 12/3/10 | 18032.31 | 14863.67 | 0.00 | 3168.64 |
| 1/11/10 | 484.000 | SOLD NORTHERN YR CORP ACQUIRED 2/17/09 THROUGH 7/17/09 | VARIOUS | 1/6/10 | 25089.96 | 27493.00 | -2403.04 | 0.00 |
| ***** | 350.000 | 484 SHARES AT \$51.8801 | 2/17/09 | | 18143.57 | 19711.62 | | |
| ***** | 134.000 | GAIN/LOSS ST: -1568.05 | 7/17/09 | | 6946.39 | 7781.38 | | |
| ***** | 134.000 | GAIN/LOSS ST: -834.99 | | | | | | |
| 11/ 2/10 | 812.000 | SOLD NUCOR CORP 812 SHARES AT \$37.88913 | 3/23/10 | 10/28/10 | 30732.97 | 37449.52 | -6716.55 | 0.00 |

SCHEDULE D

ACCT# 50-8040-03 (SUSAN VAUGHAN FDN-SO TX MONEY MGMT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 6
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PY | DESCRIPTION | ACQUIRED SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|----------|--|--------------------|------------|----------|----------|----------|
| 12/13/10 | 412.000 | SOLD PEPSICO INC ACQUIRED 3/10/06 THROUGH 3/10/06 412 SHARES AT \$64.5469 | VARIOUS 12/8/10 | 26576.39 | 24832.89 | 0.00 | 1743.50 |
| ***** | 229.000 | GAIN/LOSS LT: 970.00 | 3/10/06 | 14771.83 | 13801.83 | | |
| ***** | 18.000 | GAIN/LOSS LT: 76.24 | 3/10/06 | 1161.10 | 1084.86 | | |
| ***** | 165.000 | GAIN/LOSS LT: 697.26 | 3/10/06 | 10643.46 | 9946.20 | | |
| 6/ 4/10 | 502.000 | SOLD ST JUDE MEDICAL INC 502 SHARES AT \$36.7018 | 4/22/09 6/1/10 | 18403.90 | 18127.22 | 0.00 | 276.68 |
| 12/ 7/10 | 319.000 | SOLD STARBUCKS CORP 319 SHARES AT \$32.5981 | 9/3/08 12/2/10 | 10385.85 | 5087.67 | 0.00 | 5298.18 |
| 8/ 9/10 | 2146.000 | SOLD TO AMERITRADE HOLDING CORP ACQUIRED 6/22/06 THROUGH 4/24/07 2,146 SHARES AT \$15.8955 | VARIOUS 8/4/10 | 34025.32 | 33578.24 | 0.00 | 447.08 |
| ***** | 1249.000 | GAIN/LOSS LT: 447.05 | 6/22/06 | 19803.18 | 19356.13 | | |
| ***** | 897.000 | GAIN/LOSS LT: 0.03 | 6/24/07 | 14222.14 | 14222.11 | | |
| 5/17/10 | 440.000 | SOLD TRAVELERS COMPANIES INC 440 SHARES AT \$50.0554 | 8/13/09 5/12/10 | 22006.41 | 21010.00 | 996.41 | 0.00 |
| 10/14/10 | 0.600 | SOLD UNITED CONTINENTAL HOLDINGS INC COM 0.6 SHARES AT \$25.8878 | 11/23/09 10/14/10 | 15.53 | 7.55 | 7.98 | 0.00 |
| 4/26/10 | 1916.000 | SOLD VALERO ENERGY CORP MEM 1,916 SHARES AT \$19.1851 | 1/29/10 4/21/10 | 36681.38 | 36207.42 | 473.96 | 0.00 |
| 6/17/10 | 920.000 | SOLD MARGREEN CO ACQUIRED 5/01/09 THROUGH 6/02/09 920 SHARES AT \$79.6747 | VARIOUS 6/14/10 | 27263.45 | 28775.79 | 0.00 | -1512.28 |
| ***** | 559.000 | GAIN/LOSS LT: -802.62 | 5/ 1/09 | 16565.51 | 17368.13 | | |
| ***** | 361.000 | GAIN/LOSS LT: -709.66 | 6/ 2/09 | 10697.94 | 11407.60 | | |
| 2/12/10 | 1274.000 | SOLD WILLIAMS SONOMA INC 1,274 SHARES AT \$19.5892 | 12/5/08 2/9/10 | 24803.44 | 11542.44 | 0.00 | 13261.00 |

SCHEDULE D

ACCT# 50-8040-03 (SUSAN VAUGHAN FDN-SO TX MONEY MGMT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 7
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/FY | DESCRIPTION | ACQUIRED SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|---------|----------|--|--------------------|------------|----------|----------|----------|
| 3/26/10 | 1174.000 | SOLD WILLIAMS SONOMA INC 1,174 SHARES AT \$26.6234 | 12/5/08 3/23/10 | 31208.51 | 10636.44 | 0.00 | 20572.07 |
| 9/13/10 | 470.000 | SOLD ISHARES OOH JONES US TECHNOLOGY SEC 470 UNITS AT \$54.0901 | 3/10/06 9/8/10 | 25403.12 | 23923.00 | 0.00 | 1480.12 |
| 9/13/10 | 772.000 | SOLD SECTOR SPDR TR 772 UNITS AT \$31.3907 | 3/10/06 9/8/10 | 24202.33 | 24480.12 | 0.00 | -277.79 |
| 7/13/10 | 717.000 | SOLD CANON JNC ACQUIRED 3/10/06 THROUGH 11/17/08 | VARIOUS 7/8/10 | 27905.30 | 26817.44 | 0.00 | 1087.86 |
| ***** | 472.000 | 717 SHARES AT \$38.9602 | | | | | |
| ***** | 245.000 | GAIN/LOSS LT: -1038.62 | | 18370.02 | 19408.64 | | |
| | | GAIN/LOSS LT: 2126.48 | | 9535.28 | 7408.80 | | |
| 2/ 8/10 | 2686.000 | SOLD CHINA UNICOM LTD SPONS ADR ACQUIRED 7/24/09 THROUGH 12/17/09 | VARIOUS 2/3/10 | 30302.52 | 37337.69 | -7035.17 | 0.00 |
| ***** | 1069.000 | 2,686 SHARES AT \$11.3218 | | | | | |
| ***** | 323.000 | GAIN/LOSS ST: -3662.87 | | 12060.09 | 15722.96 | | |
| ***** | 138.000 | GAIN/LOSS ST: -3142.89 | | 3643.97 | 4786.86 | | |
| ***** | 1156.000 | GAIN/LOSS ST: -429.35 | | 1556.87 | 1986.22 | | |
| | | GAIN/LOSS ST: -1800.06 | | 13041.59 | 14841.65 | | |
| 2/10/10 | 1221.000 | SOLD HONDA MOTOR LTD ADR 1,221 SHARES AT \$34.1205 | 3/17/06 2/5/10 | 41611.76 | 37277.13 | 0.00 | 4334.63 |
| 9/ 8/10 | 466.000 | SOLD TELEFONICA SA SPONS ADR ACQUIRED 6/13/08 THROUGH 5/20/09 | VARIOUS 9/2/10 | 31909.23 | 36651.65 | 0.00 | -4742.42 |
| ***** | 289.000 | 466 SHARES AT \$68.5199 | | | | | |
| ***** | 100.000 | GAIN/LOSS LT: -4615.90 | | 19789.20 | 24405.10 | | |
| ***** | 77.000 | GAIN/LOSS LT: -678.21 | | 6847.47 | 7525.88 | | |
| | | GAIN/LOSS LT: 551.69 | | 5272.56 | 4720.87 | | |
| 5/14/10 | 1166.000 | SOLD UNILEVER PLC 1,166 SHARES AT \$28.60 | 9/28/09 5/11/10 | 33300.40 | 32847.27 | 453.13 | 0.00 |

SCHEDULE D

ACCT# 50-8040-03 (SUSAN VAUGHAN, FDN-SO TX MONEY MGMT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 8
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PY | DESCRIPTION | ACQUIRED SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|-----------------|----------|--|--------------------|------------|-------|-----------|----------|
| 3/12/10 | 1045.000 | RECD ENCORE ACQUISITION CO CAPITAL GAINS DISTRIBUTION | * NONE * | 0.00 | 0.00 | 0.00 | 15675.00 |
| | | | | | | 8599.91 | 60196.37 |
| Total Gain/Loss | | | | | | 68,796.28 | |

SCHEDULE D

ACCT# 50-8040-04 (SUSAN VAUGHAN FDN-CYPRESS ASSET MGMT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66
 TAX OFFICER# 66 TAX ACCOUNTANT

PAGE 1

| DATE | SHR/PY | DESCRIPTION | ACQUIRED SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|------------|--|--------------------|------------|-----------|----------|----------|
| 1/26/10 | 15026.000 | SOLD SHORT-TERM PRIME ACQUIRED 1/16/09 THROUGH 1/19/10 | VARIOUS 1/26/10 | 15026.00 | 15026.00 | 0.00 | 0.00 |
| 2/25/10 | 802.000 | SOLD SHORT-TERM PRIME ACQUIRED 2/18/10 THROUGH 2/23/10 | VARIOUS 2/25/10 | 802.00 | 802.00 | 0.00 | 0.00 |
| 3/3/10 | 34223.000 | SOLD SHORT-TERM PRIME ACQUIRED 6/26/08 THROUGH 3/02/10 | VARIOUS 3/3/10 | 34223.00 | 34223.00 | 0.00 | 0.00 |
| 3/8/10 | 187000.000 | SOLD SHORT-TERM PRIME | 3/4/10 3/8/10 | 187000.00 | 187000.00 | 0.00 | 0.00 |
| 3/19/10 | 6721.000 | SOLD SHORT-TERM PRIME ACQUIRED 3/11/10 THROUGH 3/16/10 | VARIOUS 3/19/10 | 6721.00 | 6721.00 | 0.00 | 0.00 |
| 3/24/10 | 826.000 | SOLD SHORT-TERM PRIME | 3/11/10 3/24/10 | 826.00 | 826.00 | 0.00 | 0.00 |
| 4/29/10 | 104746.000 | SOLD SHORT-TERM PRIME ACQUIRED 3/04/10 THROUGH 4/27/10 | VARIOUS 4/29/10 | 104746.00 | 104746.00 | 0.00 | 0.00 |
| 5/17/10 | 124875.000 | SOLD SHORT-TERM PRIME ACQUIRED 5/10/10 THROUGH 5/14/10 | VARIOUS 5/17/10 | 124875.00 | 124875.00 | 0.00 | 0.00 |
| 5/18/10 | 8293.000 | SOLD SHORT-TERM PRIME | 5/10/10 5/18/10 | 8293.00 | 8293.00 | 0.00 | 0.00 |
| 5/28/10 | 19278.000 | SOLD SHORT-TERM PRIME ACQUIRED 6/26/08 THROUGH 5/24/10 | VARIOUS 5/28/10 | 19278.00 | 19278.00 | 0.00 | 0.00 |
| 9/14/10 | 261732.000 | SOLD SHORT-TERM PRIME ACQUIRED 6/11/10 THROUGH 9/13/10 | VARIOUS 9/14/10 | 261732.00 | 261732.00 | 0.00 | 0.00 |
| 9/27/10 | 7514.000 | SOLD SHORT-TERM PRIME ACQUIRED 6/11/10 THROUGH 9/24/10 | VARIOUS 9/27/10 | 7514.00 | 7514.00 | 0.00 | 0.00 |
| 12/10/10 | 23345.000 | SOLD SHORT-TERM PRIME ACQUIRED 10/26/10 THROUGH 12/09/10 | VARIOUS 12/10/10 | 23345.00 | 23345.00 | 0.00 | 0.00 |
| ***** | 140.000 | GAIN/LOSS ST: | 10/29/10 | 140.00 | 140.00 | 0.00 | 0.00 |

SCHEDULE D

ACCT# 50-B040-04 (SUSAN VAUGHAN FDN-CYPRESS ASSET MGM) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 2
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PV | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|---------|----------|---|----------|-----------|------------|----------|----------|----------|
| ***** | 1860.000 | GAIN/LOSS | 11/ 1/10 | | 1860.00 | 1860.00 | | |
| ***** | 2.000 | GAIN/LOSS ST: | 11/ 2/10 | | 2.00 | 2.00 | | |
| ***** | 300.000 | GAIN/LOSS ST: | 11/ 5/10 | | 300.00 | 300.00 | | |
| ***** | 1411.000 | GAIN/LOSS ST: | 11/ 8/10 | | 1411.00 | 1411.00 | | |
| ***** | 13.000 | GAIN/LOSS ST: | 11/ 9/10 | | 13.00 | 13.00 | | |
| ***** | 3786.000 | GAIN/LOSS ST: | 11/10/10 | | 3786.00 | 3786.00 | | |
| ***** | 575.000 | GAIN/LOSS ST: | 11/12/10 | | 575.00 | 575.00 | | |
| ***** | 1301.000 | GAIN/LOSS ST: | 11/15/10 | | 1301.00 | 1301.00 | | |
| ***** | 5102.000 | GAIN/LOSS ST: | 11/16/10 | | 5102.00 | 5102.00 | | |
| ***** | 625.000 | GAIN/LOSS ST: | 11/22/10 | | 625.00 | 625.00 | | |
| ***** | 900.000 | GAIN/LOSS ST: | 11/29/10 | | 900.00 | 900.00 | | |
| ***** | 2158.000 | GAIN/LOSS ST: | 12/ 1/10 | | 2158.00 | 2158.00 | | |
| ***** | 4.000 | GAIN/LOSS ST: | 12/ 2/10 | | 4.00 | 4.00 | | |
| ***** | 657.000 | GAIN/LOSS ST: | 12/ 8/10 | | 657.00 | 657.00 | | |
| ***** | 17.000 | GAIN/LOSS ST: | 12/ 9/10 | | 17.00 | 17.00 | | |
| ***** | 4494.000 | GAIN/LOSS ST: | 10/26/10 | | 4494.00 | 4494.00 | | |
| 5/28/10 | 1000.000 | SOLD ANADARKO PETE CORP ACQUIRED 7/11/07 THROUGH 7/21/09 1,000 SHARES AT \$51.5305 | VARIOUS | 5/25/10 | 51449.62 | 52636.50 | 1207.40 | -2394.28 |
| ***** | 500.000 | GAIN/LOSS ST: | 7/11/07 | | 25724.81 | 25982.50 | | |
| ***** | 250.000 | GAIN/LOSS LT: | 11/ 7/07 | | 12862.41 | 14999.00 | | |
| ***** | 250.000 | GAIN/LOSS ST: | 7/21/09 | | 12862.40 | 11655.00 | | |
| 3/ 3/10 | 600.000 | SOLD BERKSHIRE HATHAWAY INC-CL B 600 SHARES AT \$79.46 | 11/20/98 | 2/26/10 | 47627.39 | 26523.42 | 0.00 | 21103.97 |
| 3/ 4/10 | 500.000 | SOLD BERKSHIRE HATHAWAY INC-CL B ACQUIRED 11/20/98 THROUGH 11/24/98 500 SHARES AT \$79.70 | VARIOUS | 3/1/10 | 39809.49 | 22295.43 | 0.00 | 17514.06 |
| ***** | 350.000 | GAIN/LOSS ST: | 11/20/98 | | 27866.64 | 15472.00 | | |
| ***** | 150.000 | GAIN/LOSS LT: | 11/24/98 | | 11942.85 | 6823.43 | | |
| 5/19/10 | 500.000 | SOLD BERKSHIRE HATHAWAY INC-CL B 500 SHARES AT \$75.676 | 11/24/98 | 5/14/10 | 37797.36 | 22744.76 | 0.00 | 15052.60 |

SCHEDULE D

ACCT# 50-8040-04 (SUSAN VAUGHAN FDN-CYPRESS ASSET MGMT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 3
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PV | DESCRIPTION | ACQUIRED SOLD/RECD | SALE PRICE | BASIS | NET S.Y. | NET L.T. |
|----------------|--------------------|---|---------------------|----------------------|----------------------|-----------|----------|
| 9/13/10 | 500.000 | SOLD BERKSHIRE HATHAWAY INC-CL B ACQUIRED 11/24/98 THROUGH 1/22/99 500 SHARES AT \$81.683 | VARIOUS 9/8/10 | 40800.80 | 22374.31 | 0.00 | 18426.49 |
| ***** ***** | 400.000 100.000 | 14444.83 3981.86 GAIN/LOSS LT: | 11/24/98 1/22/99 | 32640.64 8160.16 | 18195.81 4178.50 | | |
| 11/26/10 | 3000.000 | SOLD CISCO SYS INC 3,000 SHARES AT \$19.4304 | 5/8/98 11/22/10 | 58050.21 | 38050.00 | 0.00 | 20000.21 |
| 1/ 3/11 | 500.000 | SOLD CISCO SYS INC 500 SHARES AT \$20.27 | 5/8/98 12/29/10 | 10094.83 | 6341.67 | 0.00 | 3753.16 |
| 1/26/10 | 200.000 | SOLD DEVON ENERGY CORPORATION NEM 200 SHARES AT \$72.04 | 3/15/04 1/21/10 | 14391.81 | 5700.67 | 0.00 | 8691.14 |
| 3/19/10 | 200.000 | SOLD DEVON ENERGY CORPORATION NEM 200 SHARES AT \$67.706 | 3/15/04 3/16/10 | 13525.02 | 5700.67 | 0.00 | 7824.35 |
| 4/21/10 | 500.000 | SOLD GOLDMAN SACHS GROUP INC ACQUIRED 6/29/04 THROUGH 3/04/05 500 SHARES AT \$160.5474 | VARIOUS 4/16/10 | 80232.34 | 50441.70 | 0.00 | 29790.64 |
| ***** ***** | 300.000 200.000 | 20017.70 9772.94 GAIN/LOSS LT: | 6/29/04 3/ 4/05 | 48139.40 32092.94 | 28121.70 22320.00 | | |
| 10/21/10 | 100.000 | SOLD GOLDMAN SACHS GROUP INC 100 SHARES AT \$153.60 | 3/7/05 10/18/10 | 15351.74 | 11280.50 | 0.00 | 4071.24 |
| 6/ 7/10 | 2000.000 | SOLD HALLIBURTON CO 2,000 SHARES AT \$23.752 | 3/16/10 6/2/10 | 47343.19 | 63257.00 | -15913.81 | 0.00 |
| 9/13/10 | 500.000 | SOLD JOHNSON & JOHNSON 500 SHARES AT \$59.00 | 4/29/93 9/8/10 | 29459.50 | 2884.19 | 0.00 | 26575.31 |
| 3/ 4/10 | 100.000 | SOLD MONSANTO CO NEM 100 SHARES AT \$70.61 | 3/20/08 3/1/10 | 7052.91 | 9805.71 | 0.00 | -2752.80 |

SCHEDULE D

ACCT# 50-8040-04 (SUSAN VAUGHAN FDN-CYPRESS ASSET MGMT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 4
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PY | DESCRIPTION | ACQUIRED SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|----------|--|--------------------|------------|----------|----------|-----------|
| 5/18/10 | 600.000 | SOLD MONSANTO CO MEM ACQUIRED 3/20/08 THROUGH 600 SHARES AT \$52.2015 7/09/08 | VARIOUS 5/13/10 | 33072.34 | 64302.64 | 0.00 | -31230.30 |
| ***** | 200.000 | GAIN/LOSS LT: -8587.31 | 3/20/08 | 11024.11 | 19611.42 | | |
| ***** | 100.000 | GAIN/LOSS LT: -4007.94 | 3/20/08 | 5512.06 | 9520.00 | | |
| ***** | 100.000 | GAIN/LOSS LT: -5641.94 | 4/ 2/08 | 5512.06 | 11154.00 | | |
| ***** | 50.000 | GAIN/LOSS LT: -2810.47 | 4/ 2/08 | 2758.03 | 5566.50 | | |
| ***** | 150.000 | GAIN/LOSS LT: -10182.64 | 7/ 9/08 | 8268.08 | 18450.72 | | |
| 9/27/10 | 2500.000 | SOLD MORGAN STANLEY 2,500 SHARES AT \$24.942 | 9/25/96 9/22/10 | 62153.94 | 21785.70 | 0.00 | 40368.24 |
| 9/13/10 | 900.000 | SOLD MOSAIC CO 900 SHARES AT \$59.647 | 8/11/09 9/8/10 | 53609.39 | 46971.00 | 0.00 | 6638.39 |
| 9/13/10 | 300.000 | SOLD PROCTER & GAMBLE CO 300 SHARES AT \$60.381 | 12/23/41 9/8/10 | 18089.99 | 46.13 | 0.00 | 18043.86 |
| 3/ 4/10 | 1000.000 | SOLD SPECTRA ENERGY CORP MI 1,000 SHARES AT \$21.99 | 8/12/05 3/1/10 | 21909.72 | 24464.71 | 0.00 | -2554.99 |
| 3/ 4/10 | 1400.000 | SOLD THE HERSHEY COMPANY ACQUIRED 4/05/06 THROUGH 1,400 SHARES AT \$39.9543 4/06/06 | VARIOUS 3/1/10 | 55823.31 | 72949.25 | 0.00 | -17125.94 |
| ***** | 650.000 | GAIN/LOSS LT: -8008.78 | 4/ 5/06 | 25917.97 | 33926.75 | | |
| ***** | 750.000 | GAIN/LOSS LT: -9117.16 | 4/ 6/06 | 29905.34 | 39022.50 | | |
| 9/27/10 | 500.000 | SOLD WELLS FARGO & CO MEM 500 SHARES AT \$25.773 | 6/2/08 9/22/10 | 12846.28 | 15300.00 | 0.00 | -2453.72 |
| 10/21/10 | 1500.000 | SOLD WELLS FARGO & CO MEM ACQUIRED 11/06/08 THROUGH 1,500 SHARES AT \$24.8604 11/10/08 | VARIOUS 10/18/10 | 37169.97 | 44157.60 | 0.00 | -6987.63 |
| ***** | 1000.000 | GAIN/LOSS LT: -4928.02 | 11/ 6/08 | 24779.98 | 29708.00 | | |
| ***** | 500.000 | GAIN/LOSS LT: -2059.61 | 11/10/08 | 12389.99 | 14449.60 | | |

SCHEDULE D

ACCT# 50-8040-04 (SUSAN VAUGHAN FDN-CYPRESS ASSET MGMT) YR END 12/31/10 TAXPAYER ID 76-0282765 TX 0 66 PAGE 5
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PY | DESCRIPTION | ACQUIRED | SOLD/RECD | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|----------|----------|--|----------|-----------|------------|----------|----------|-----------|
| 5/13/10 | 750.000 | SOLD BP PLC SPONS ADR 750 SHARES AT \$48.6181 | 1/29/09 | 5/10/10 | 36402.96 | 31932.75 | 0.00 | 4470.21 |
| 5/19/10 | 750.000 | SOLD BP PLC SPONS ADR ACQUIRED 1/29/09 THROUGH 3/16/10 750 SHARES AT \$46.6635 | VARIOUS | 5/14/10 | 34937.03 | 37324.05 | -3388.45 | 1001.43 |
| ***** | 250.000 | GAIN/LOSS LT: 1001.43 | 1/29/09 | | 11645.68 | 10644.25 | | |
| ***** | 400.000 | GAIN/LOSS ST: -2253.92 | 10/13/09 | | 18633.08 | 20987.00 | | |
| ***** | 100.000 | GAIN/LOSS ST: -1034.53 | 3/16/10 | | 4658.27 | 5692.80 | | |
| 11/26/10 | 300.000 | SOLD CANADIAN NATIONAL RAILWAY CO 300 SHARES AT \$64.22 | 6/18/07 | 11/22/10 | 19241.67 | 16027.29 | 0.00 | 3214.38 |
| 5/14/10 | 3000.000 | SOLD CHINA UNICOM LTD SPONS ADR 3,000 SHARES AT \$12.04 | 7/21/09 | 5/11/10 | 35879.39 | 43800.00 | -7920.61 | 0.00 |
| 9/13/10 | 700.000 | SOLD PETROLEO BRASILEIRO SPONS ADR ACQUIRED 11/30/07 THROUGH 3/04/08 700 SHARES AT \$32.24 | VARIOUS | 9/8/10 | 22511.61 | 29099.17 | 0.00 | -6587.56 |
| ***** | 200.000 | GAIN/LOSS LT: -1885.78 | 11/30/07 | | 6431.89 | 8317.67 | | |
| ***** | 400.000 | GAIN/LOSS LT: -3256.22 | 12/3/07 | | 12863.78 | 16120.00 | | |
| ***** | 100.000 | GAIN/LOSS LT: -1445.56 | 3/4/08 | | 3215.94 | 4661.50 | | |
| 5/10/10 | 700.000 | SOLD TRANSOCEAN LTD ACQUIRED 2/14/07 THROUGH 3/28/08 700 SHARES AT \$74.7876 | VARIOUS | 5/5/10 | 52294.44 | 72211.01 | 0.00 | -19916.57 |
| ***** | 50.000 | GAIN/LOSS LT: -2671.18 | 1/29/08 | | 3735.32 | 6406.50 | | |
| ***** | 100.000 | GAIN/LOSS LT: -4665.77 | 1/31/08 | | 7470.63 | 12136.40 | | |
| ***** | 41.000 | GAIN/LOSS LT: 546.26 | 2/14/07 | | 3062.96 | 2516.70 | | |
| ***** | 119.000 | GAIN/LOSS LT: 1607.66 | 3/12/07 | | 8890.05 | 7282.39 | | |
| ***** | 48.000 | GAIN/LOSS LT: 616.32 | 4/25/07 | | 3585.90 | 3129.58 | | |
| ***** | 71.000 | GAIN/LOSS LT: 215.89 | 8/28/07 | | 5304.15 | 5088.26 | | |
| ***** | 106.000 | GAIN/LOSS LT: -6814.87 | 12/11/07 | | 7918.87 | 14732.94 | | |
| ***** | 100.000 | GAIN/LOSS LT: -6006.36 | 3/28/08 | | 7470.64 | 13477.00 | | |

SCHEDULE D

ACCT# 50-8040-04 (SUSAN VAUGHAN FDN-CYPRESS ASSET MGMT) YR END 12/31/10 TAXPAYER ID 76-0285765 TX 0 66 PAGE 6
 TAX OFFICER# 66 TAX ACCOUNTANT

| DATE | SHR/PY | DESCRIPTION | ACQUIRED | SALE PRICE | BASIS | NET S.T. | NET L.T. |
|-------------------------|--------------------------------|--|--|--|--|----------|----------|
| ***** ***** | 15,000 50,000 | GAIN/LOSS LT: 199.86 GAIN/LOSS LT: -2745.18 | 2/14/07 2/14/08 | 1120.60 3735.32 | 920.74 6480.50 | | |
| 3/ 4/10 | 1000.000 | SOLD UNILEVER N V ACQUIRED 11/06/08 THROUGH 11/12/08 1,000 SHARES AT \$30.38 | VARIOUS 3/1/10 | 30299.61 | 23744.35 | 0.00 | 6555.26 |
| ***** ***** | 500.000 500.000 | GAIN/LOSS LT: 2985.81 GAIN/LOSS LT: 3569.45 | 11/ 6/08 11/12/08 | 15149.81 15149.80 | 12164.00 11580.35 | | |
| 9/13/10 | 1500.000 | SOLD UNILEVER N V ACQUIRED 11/12/08 THROUGH 11/18/08 1,500 SHARES AT \$27.6435 | VARIOUS 9/8/10 | 41344.54 | 35060.35 | 0.00 | 6284.19 |
| ***** ***** | 500.000 1000.000 | GAIN/LOSS LT: 2201.16 GAIN/LOSS LT: 4083.03 | 11/12/08 11/18/08 | 13781.51 27563.03 | 11580.35 23480.00 | | |
| 3/ 4/10 | 1400.000 | SOLD VEOLIA ENVIRONMENT 1,400 SHARES AT \$32.6257 | 10/13/09 3/1/10 | 45563.40 | 49260.40 | -3697.00 | 0.00 |
| 3/19/10 | 5000.000 | SOLD WEATHERFORD INTNL LTD ACQUIRED 7/25/03 THROUGH 4/08/04 5,000 SHARES AT \$17.1636 | VARIOUS 3/16/10 | 85416.91 | 46952.97 | 0.00 | 38463.94 |
| ***** ***** ***** | 800.000 800.000 1600.000 | GAIN/LOSS LT: 5993.51 GAIN/LOSS LT: 4987.71 GAIN/LOSS LT: 5250.70 GAIN/LOSS LT: 14245.41 GAIN/LOSS LT: 7986.61 | 1/15/04 2/11/04 4/ 8/04 11/17/03 7/25/03 | 13666.71 13666.71 13666.70 27333.41 17083.38 | 7673.20 8679.00 8416.00 13088.00 9096.77 | | |
| 9/13/10 | 500.000 | SOLD ENTERPRISE GP HLDGS L P 500 UNITS AT \$55.8216 | 12/20/05 9/8/10 | 27870.32 | 15636.60 | 0.00 | 12233.72 |

-29712.47

218073.00

Less: Sale in 2011 (3,753.16)
 Total Long Term Gain/Loss 214,319.84
 Total Gain/Loss 184,607.37

The Susan Vaughan
Foundation, Inc.

Capital Gains

1/1/2010 through 12/31/2010

| Security | Shares | Bought | Sold | Gross Proceeds | Cost Basis | Realized Gain/Loss |
|-------------------------------|-----------|------------|------------|---------------------|---------------------|--------------------|
| ABB Ltd | 4,982 00 | 2/6/2009 | 1/21/2010 | 93,540 65 | 65,730 68 | 27,809 97 |
| Syngenta | 418 00 | 4/24/2009 | 1/21/2010 | 109,860 69 | 87,729 66 | 22,131 03 |
| BNP Paribas | 576 00 | 5/19/2009 | 1/22/2010 | 43,030.71 | 38,020 23 | 5,010 48 |
| BNP Paribas | 194 00 | 10/26/2009 | 1/22/2010 | 14,492 98 | 11,716 82 | 2,776 16 |
| Renault SA | 1,857 00 | 4/29/2009 | 2/3/2010 | 90,550.32 | 55,813.69 | 34,736.63 |
| Compagnie Generale | 5,729 00 | 5/29/2009 | 2/4/2010 | 144,095 81 | 100,349 59 | 43,746 22 |
| Wacker Chemie AG | 628 00 | 3/30/2010 | 7/29/2010 | 107,440 02 | 91,860.24 | 15,579.78 |
| Qiagen NV | 5,989 00 | 3/16/2010 | 8/19/2010 | 108,725.48 | 136,570.64 | (27,845.16) |
| Atos Origin SA | 3,153 00 | 4/14/2010 | 9/9/2010 | 130,052 18 | 170,350 86 | (40,298.68) |
| Neste Oil NPV | 7,690 00 | 3/17/2010 | 9/16/2010 | 109,510 41 | 139,613.32 | (30,102.91) |
| Deutsche Telekom AG | 2,117 00 | 3/16/2010 | 12/10/2010 | 140,664 16 | 28,738 79 | 111,925 37 |
| Deutsche Telekom AG | 3,713 00 | 6/18/2010 | 12/14/2010 | 63,702.55 | 58,052.18 | 5,650.37 |
| Total Short Term | | | | 1,155,665.96 | 984,546.70 | 171,119.26 |
| BNP Paribas | 787 00 | 10/21/2008 | 1/22/2010 | 58,793.69 | 60,795 69 | (2,001 99) |
| Industria de Diseno Textil SA | 2,752 00 | 2/25/2008 | 2/5/2010 | 157,708.58 | 143,497 60 | 14,210 98 |
| Swedish Match AB | 5,682.00 | 5/11/2007 | 4/9/2010 | 134,712.62 | 102,939.40 | 31,773 22 |
| Heineken NV | 3,488 00 | 1/5/2009 | 4/14/2010 | 173,550.59 | 106,016.12 | 67,534 47 |
| Sanofi-Aventis EUR2 | 1,510 00 | 2/13/2008 | 5/11/2010 | 97,430 01 | 118,439.79 | (21,009.78) |
| Swedish Match AB | 140 00 | 5/11/2007 | 6/10/2010 | 3,093 64 | 2,536.35 | 557 30 |
| Swedish Match AB | 5,589 00 | 8/20/2007 | 6/10/2010 | 123,502.66 | 102,391.04 | 21,111.62 |
| Sanofi-Aventis EUR2 | 890 00 | 2/13/2008 | 6/18/2010 | 53,284.81 | 69,808 88 | (16,524 07) |
| Lonaz Group Ltd | 1,249 00 | 6/2/1903 | 7/22/2010 | 86,100 38 | 92,496 10 | (6,395 72) |
| Cap Gemini | 1,695 00 | 4/7/2008 | 7/28/2010 | 75,727 29 | 100,525.01 | (24,797 72) |
| L'Oreal | 689 00 | 10/30/2006 | 8/5/2010 | 72,923.13 | 66,914 44 | 6,008.69 |
| L'Oreal | 132.00 | 1/10/2007 | 8/5/2010 | 13,970 76 | 12,922 28 | 1,048.48 |
| LVMH Moet Hennessy | 682 00 | 12/10/2008 | 9/13/2010 | 86,943.41 | 43,736.81 | 43,206 60 |
| British Sky Broadcasting | 13,074 00 | 11/28/2008 | 9/16/2010 | 144,589.29 | 83,855.89 | 60,733.40 |
| Total SA EUR2 5 | 1,427 00 | 10/26/2007 | 9/21/2010 | 73,643.92 | 112,624 23 | (38,980.31) |
| Muenchener Rueckvers NPV | 714 00 | 11/26/2008 | 9/21/2010 | 96,441.53 | 99,004 21 | (2,562 68) |
| France Telecom | 4,100 00 | 3/5/2009 | 10/12/2010 | 89,946 63 | 98,484 12 | (8,537.49) |
| Atlanta | 5,940 00 | 11/3/2008 | 11/24/2010 | 123,860 91 | 103,661 15 | 20,199 76 |
| Allianz AG Holdings | 1,102 00 | 3/26/2009 | 11/24/2010 | 129,211 98 | 100,190 20 | 29,021 78 |
| Vinci SA | 1,878 00 | 1/28/2009 | 12/14/2010 | 101,174 32 | 69,013 73 | 32,160 59 |
| Total Long Term | | | | 1,896,610.15 | 1,689,853.03 | 206,757.12 |
| Grand Total | | | | 3,052,276.11 | 2,674,399.73 | 377,876.38 |

ATTACHMENT 1

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

| <u>DESCRIPTION</u> | <u>REVENUE AND EXPENSES PER BOOKS</u> | <u>NET INVESTMENT INCOME</u> |
|--|---|--------------------------------------|
| COMMERCIAL BONDS AND U.S. INSTRUMENTS DIVIDENDS | 212,555. 334,836. | 212,555. 334,836. |
| TOTAL | <u>547,391.</u> | <u>547,391.</u> |

ATTACHMENT 2

FORM 990PF, PART I - OTHER INCOME

| <u>DESCRIPTION</u> | REVENUE AND EXPENSES PER BOOKS | NET INVESTMENT INCOME |
|-------------------------|---|-----------------------------|
| PARTNERSHIP INCOME/LOSS | 2,969. | 2,969. |
| TOTALS | <u>2,969.</u> | <u>2,969.</u> |

ATTACHMENT 3

FORM 990PF, PART I - LEGAL 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> |
|--------------------|---------------------------------------|------------------------------|----------------------------|----------------------------|
| LEGAL FEES | 13,215. | 9,912. | | 3,304. |
| TOTALS | <u>13,215.</u> | <u>9,912.</u> | <u>0.</u> | <u>3,304.</u> |

ATTACHMENT 4

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> |
|--------------------------|---|--------------------------------------|------------------------------------|--------------------------------|
| AUDIT AND TAX ACCOUNTING | 33,970. | 25,478. | 8,492. | |
| TOTALS | <u>33,970.</u> | <u>25,478.</u> | <u>0.</u> | <u>8,492.</u> |

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

| <u>DESCRIPTION</u> | <u>REVENUE AND EXPENSES PER BOOKS</u> | <u>NET INVESTMENT INCOME</u> |
|---------------------------------|---|--------------------------------------|
| CYPRESS MANAGEMENT - INVESTMENT | 41,481. | 41,481. |
| JO HAMBRO MANAGEMENT - INVESTME | 52,349. | 52,349. |
| STMM - INVESTMENT | 16,834. | 16,834. |
| FROST INVESTMENTS | 15,095. | 15,095. |
| CUSTODY FEE | 21,082. | 21,082. |
| TOTALS | <u>146,841.</u> | <u>146,841.</u> |

FORM 990PF, PART I - TAXES

| <u>DESCRIPTION</u> | <u>REVENUE AND EXPENSES PER BOOKS</u> | <u>NET INVESTMENT INCOME</u> |
|----------------------------|---|--------------------------------------|
| FEDERAL EXCISE TAX EXPENSE | 15,776. | |
| FOREIGN TAXES | 9,177. | 9,177. |
| TOTALS | <u>24,953.</u> | <u>9,177.</u> |

ATTACHMENT 7

FORM 990PF, PART I - OTHER EXPENSES

| <u>DESCRIPTION</u> | <u>REVENUE AND EXPENSES PER BOOKS</u> | <u>NET INVESTMENT INCOME</u> |
|------------------------|---|--------------------------------------|
| INSURANCE | 9,377. | 9,377. |
| MISCELLANEOUS EXPENSES | 58,611. | 58,611. |
| TOTALS | <u>67,988.</u> | <u>67,988.</u> |

ATTACHMENT 8

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

| <u>DESCRIPTION</u> | <u>ENDING BOOK VALUE</u> | <u>ENDING FMV</u> |
|--------------------|------------------------------|-----------------------|
| PREPAID INSURANCE | 4,465. | 4,465. |
| FEDERAL EXCISE TAX | 4,406. | 4,406. |
| TOTALS | <u>8,871.</u> | <u>8,871.</u> |

THE SUSAN VAUGHAN FOUNDATION, INC.

76-0285765

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

ATTACHMENT 9

| <u>DESCRIPTION</u> | <u>ENDING BOOK VALUE</u> | <u>ENDING FMV</u> |
|----------------------|------------------------------|-----------------------|
| SEE STATEMENT 9-1 | 3,065,380. | 3,160,768. |
| US OBLIGATIONS TOTAL | <u>3,065,380.</u> | <u>3,160,768.</u> |

PRINCIPAL PORTFOLIO

50-8040-05 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 2

FIXED INCOME PORTFOLIO, LEGACY TRUST COMPANY, AGENT

PAR VALUE/
SHARES DESCRIPTION MARKET COST EST. ANNUAL INCOME YLD AT MKT

FIXED INCOME - TAXABLE

U. S. GOVERNMENT BONDS & NOTES

| | | | | | |
|--------|--|------------|------------|-----------|------|
| 845000 | UNITED STATES TREASURY NOTES DTD 02/29/2008 2.750% 02/28/2013 | 883,219.35 | 863,044.12 | 23,237.50 | 2.63 |
| 425000 | UNITED STATES TREASURY NOTES DTD 02/15/2008 3.500% 02/15/2018 | 447,078.75 | 427,525.85 | 14,875.00 | 3.33 |

TOTAL

1,330,298.10 1,290,569.97 38,112.50 2.86

PRINCIPAL PORTFOLIO

| 50-8040-05 | THE SUSAN VAUGHAN FOUNDATION, INC FIXED INCOME PORTFOLIO, LEGACY TRUST COMPANY, AGENT | AS OF 12/31/10 | 3 | | |
|----------------------|---|----------------|------------|--------------------------|------------------|
| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
| | FEDERAL AGENCIES | | | | |
| 100000 | FEDERAL FARM CREDIT BANK DTD 01/09/2007 4.875% 01/17/2017 NON CALLABLE | 112,033.00 | 98,677.37 | 4,875.00 | 4.35 |
| 50000 | FEDERAL HOME LOAN BANK DTD 05/27/2004 5.250% 06/18/2014 NON CALLABLE | 56,753.00 | 51,732.33 | 2,625.00 | 4.63 |
| 205000 | FEDERAL HOME LOAN MORTGAGE CORP DTD 03/15/2001 5.625% 03/15/2011 NON CALLABLE | 207,203.75 | 217,737.05 | 11,531.25 | 5.57 |
| 60000 | FEDERAL NATIONAL MORTGAGE ASSN DTD 09/23/2002 4.375% 09/15/2012 NON CALLABLE | 63,811.20 | 60,458.85 | 2,625.00 | 4.11 |
| 100000 | FEDERAL NATIONAL MORTGAGE ASSN DTD 04/16/2007 5.000% 05/11/2017 NON CALLABLE | 112,135.00 | 99,595.46 | 5,000.00 | 4.46 |
| 185000 | FEDERAL NATIONAL MORTGAGE ASSN DTD 05/25/2001 6.000% 05/15/2011 NON CALLABLE | 188,914.60 | 188,894.56 | 11,100.00 | 5.88 |
| 100000 | FEDERAL NATIONAL MORTGAGE ASSN DTD 02/15/2007 5.000% 02/16/2012 | 105,032.00 | 100,243.89 | 5,000.00 | 4.76 |

PRINCIPAL PORTFOLIO

| 50-8040-05 | THE SUSAN VAUGHAN FOUNDATION, INC FIXED INCOME PORTFOLIO, LEGACY TRUST COMPANY, AGENT | AS OF 12/31/10 | 4 |
|----------------------|---|----------------|--------------|
| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST |
| | NON CALLABLE | | |
| 150000 | FEDERAL NATIONAL MORTGAGE ASSN DTD 06/08/2007 5.375% 06/12/2017 NON CALLABLE | 172,707.00 | 150,055.46 |
| | | | 8,062.50 |
| | | | 4.67 |
| 100000 | TENNESSEE VALLEY AUTHORITY DTD 05/02/2002 6.790% 05/23/2012 NON CALLABLE | 108,537.00 | 108,893.56 |
| | | | 6,790.00 |
| | | | 6.26 |
| | TOTAL | 1,127,126.55 | 1,076,288.53 |
| | | | 57,608.75 |
| | | | 5.11 |

PRINCIPAL PORTFOLIO

50-8040-05 AS OF 12/31/10 8

THE SUSAN VAUGHAN FOUNDATION, INC
FIXED INCOME PORTFOLIO, LEGACY TRUST
COMPANY, AGENT

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|------------------------------------|--|-----------|-----------|--------------------------|------------------|
| GOVERNMENT CMO'S AND REMICS | | | | | |
| 35007.76 | FEDERAL HOME LOAN MORTGAGE CORP CMO SERIES 3204 CLASS C DTD 08/01/2006 5.500% 04/15/2029 NON CALLABLE | 35,685.16 | 34,902.76 | 1,925.43 | 5.40 |
| 23910.11 | FEDERAL HOME LOAN MORTGAGE CORP CMO SER 3378 CL ME DTD 10/01/2007 5.500% 01/15/2023 NON CALLABLE | 25,448.49 | 23,976.77 | 1,315.06 | 5.17 |
| 32643.38 | FEDERAL NATIONAL MORTGAGE ASSN CMO SER 2006-43 CL G DTD 05/01/2006 6.500% 09/25/2033 NON CALLABLE | 33,481.99 | 34,224.80 | 2,121.82 | 6.34 |
| 11930.96 | FEDERAL NATIONAL MORTGAGE ASSN CMO SER 2006-63 CL AB DTD 06/01/2006 6.500% 10/25/2033 NON CALLABLE | 12,131.16 | 12,567.67 | 775.51 | 6.39 |
| 11930.96 | FEDERAL NATIONAL MORTGAGE ASSN CMO SER 2006-63 CL AE DTD 06/01/2006 6.500% 10/25/2033 NON CALLABLE | 12,131.16 | 12,567.67 | 775.51 | 6.39 |
| 18410.48 | FEDERAL NATIONAL MORTGAGE ASSN | 18,892.10 | 19,455.94 | 1,196.68 | 6.33 |

PRINCIPAL PORTFOLIO

50-8040-05 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 9
 FIXED INCOME PORTFOLIO, LEGACY TRUST
 COMPANY, AGENT

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|--|---------------------|---------------------|--------------------------|------------------|
| | CMO SER 2006-59 CL DA DTD 06/01/2006 6.500% 12/25/2033 NON CALLABLE | | | | |
| 42209.2 | UNITED STATES TREASURY NOTES TREASURY INFLATION INDEX DTD 07/15/2007 2.625% 07/15/2017 | 48,036.18 | 44,895.80 | 1,107.99 | 2.31 |
| 43379.6 | UNITED STATES TREASURY NOTES TREASURY INFLATION INDEX DTD 01/16/2007 2.375% 01/15/2017 | 48,341.36 | 40,930.39 | 1,030.27 | 2.13 |
| | TOTAL | 234,147.60 | 223,521.80 | 10,248.27 | 4.38 |
| | U.S. INCOME MUTUAL FUNDS-TAX | | | | |
| 44558.001 | FROST LOW DURATION BOND FUND | 469,195.75 | 475,000.00 | 13,991.21 | 2.98 |
| | TOTAL | 469,195.75 | 475,000.00 | 13,991.21 | 2.98 |
| | | <u>3,160,768.00</u> | <u>3,065,380.30</u> | | |

THE SUSAN VAUGHAN FOUNDATION, INC.

76-0285765

ATTACHMENT 10

FORM 990PF, PART II - CORPORATE STOCK

| <u>DESCRIPTION</u> | <u>ENDING BOOK VALUE</u> | <u>ENDING FMV</u> |
|--------------------|------------------------------|-----------------------|
| SEE STATEMENT 10-1 | 14,672,603. | 17,630,620. |
| TOTALS | <u>14,672,603.</u> | <u>17,630,620.</u> |

Portfolio Value - As of 12/31/2010

As of 12/31/2010

| Security | Shares | Cost Basis | FMV |
|---------------------------------|------------|---------------------|---------------------|
| Adecco SA | 3,183.00 | 174,383.70 | 208,393.36 |
| Adidas AG NPV | 2,392.00 | 127,986.61 | 157,800.26 |
| Carnival Plc Ord | 2,669.00 | 109,237.05 | 124,259.23 |
| Centrica Plc Ord | 51,054.00 | 236,400.25 | 264,311.92 |
| Credit Agricole SA | 13,691.00 | 318,874.41 | 174,152.34 |
| Deutsche Telekom AG | 16,189.00 | 351,161.21 | 208,505.84 |
| EADS (Euro Aero Def) | 6,671.00 | 136,267.21 | 155,713.09 |
| Ericson Telefon Series B | 17,456.00 | 188,716.12 | 203,151.09 |
| Groupe Eurotunnel | 17,928.00 | 133,731.36 | 157,886.66 |
| Hamburger Hafen und Logistik AG | 3,294.00 | 140,255.43 | 153,511.20 |
| HSBC Holdings | 7,987.00 | 40,215.35 | 81,190.24 |
| Lloyds Banking Group | 111,183.00 | 137,118.07 | 114,044.99 |
| L'Oreal | 1,091.00 | 109,281.41 | 121,313.45 |
| LVMH Moet Hennessy | 688.00 | 44,121.60 | 113,353.31 |
| Metro AG | 2,084.00 | 114,266.80 | 150,339.88 |
| Novartis AG CHF | 3,623.00 | 188,258.90 | 212,802.73 |
| Prosiebensat | 4,690.00 | 132,638.35 | 141,611.87 |
| Renault SA | 4,097.00 | 179,467.43 | 238,529.96 |
| Royal Dutch Shell Plc | 4,462.00 | 138,054.83 | 147,337.19 |
| Ryanair Holdings | 27,396.00 | 159,317.82 | 208,974.22 |
| Siemens AG NPV Regd | 2,078.00 | 201,238.47 | 259,125.02 |
| Tesco Plc Ord 5p | 15,710.00 | 156,221.77 | 104,240.76 |
| UBS AG CH | 8,649.00 | 148,363.65 | 141,910.79 |
| Vivendi SA | 3,517.00 | 99,470.55 | 95,084.88 |
| Vodafone Group PLC SPONS ADR | 117,760.00 | 281,465.59 | 304,827.94 |
| WPP Plc Ord | 12,076.00 | 98,481.25 | 148,849.61 |
| | | 4,144,995.19 | 4,391,221.83 |

PRINCIPAL PORTFOLIO

2

AS OF 12/31/10

THE SUSAN VAUGHAN FOUNDATION, INC
 SOUTH TEXAS MONEY MANAGEMENT,
 INVESTMENT MANAGER, LEGACY TRUST
 COMPANY, CUSTODIAN

50-8040-03

YLD
AT
MKT

EST.
ANNUAL
INCOME

PAR VALUE/
SHARES

DESCRIPTION

MARKET

COST

U.S. COMMON STOCK

| | | | | | |
|-----|------------------------------|-----------|-----------|----------|------|
| 916 | AMERICAN FINL GROUP INC OHIO | 29,577.64 | 18,752.08 | 595.40 | 2.01 |
| 393 | AMGEN INC | 21,575.70 | 22,068.30 | 0.00 | 0.00 |
| 941 | ARCHER DANIELS MIDLAND CO | 28,305.28 | 31,372.00 | 564.60 | 1.99 |
| 786 | AT & T INC | 23,092.68 | 32,560.42 | 1,351.92 | 5.85 |

PRINCIPAL PORTFOLIO

50-8040-03 AS OF 12/31/10 3

THE SUSAN VAUGHAN FOUNDATION, INC
SOUTH TEXAS MONEY MANAGEMENT,
INVESTMENT MANAGER, LEGACY TRUST
COMPANY, CUSTODIAN

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|------------------------------|-----------|-----------|--------------------------|------------------|
| 729 | BAKER HUGHES INC | 41,676.93 | 37,127.17 | 437.40 | 1.05 |
| 1562 | BANK OF NEW YORK MELLON CORP | 47,172.40 | 59,476.38 | 562.32 | 1.19 |
| 491 | CHEVRON CORPORATION | 44,803.75 | 30,709.79 | 1,414.08 | 3.16 |
| 488 | CHUBB CORP | 29,104.32 | 19,568.80 | 722.24 | 2.48 |
| 530 | COINSTAR INC COM | 29,913.20 | 25,517.01 | 0.00 | 0.00 |
| 1718 | COMCAST CORP-CL A | 37,744.46 | 25,646.07 | 649.40 | 1.72 |
| 573 | COMERICA INC COM | 24,203.52 | 21,860.64 | 229.20 | 0.95 |
| 2513 | DENBURY RESOURCES INC | 47,973.17 | 37,288.60 | 0.00 | 0.00 |
| 346 | DEVON ENERGY CORPORATION NEW | 27,164.46 | 28,095.47 | 221.44 | 0.82 |
| 508 | DIAMOND FOODS INC | 27,015.44 | 21,052.94 | 91.44 | 0.34 |
| 1376 | DR REDDYS LABS LTD ADR | 50,856.96 | 36,778.28 | 304.10 | 0.60 |
| 670 | DU PONT E I DE NEMOURS & CO | 33,419.60 | 31,079.36 | 1,098.80 | 3.29 |
| 1885 | E M C CORP MASS | 43,166.50 | 28,046.54 | 0.00 | 0.00 |

PRINCIPAL PORTFOLIO

50-8040-03 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 4

SOUTH TEXAS MONEY MANAGEMENT,
INVESTMENT MANAGER, LEGACY TRUST
COMPANY, CUSTODIAN

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|----------------------------|-----------|-----------|--------------------------|------------------|
| 617 | EATON CORP | 62,631.67 | 27,206.89 | 1,431.44 | 2.29 |
| 392 | EOG RESOURCES INC | 35,832.72 | 24,021.05 | 243.04 | 0.68 |
| 258 | EXXON MOBIL CORP | 18,864.96 | 17,737.50 | 454.08 | 2.41 |
| 534 | F M C CORP COM NEW | 42,661.26 | 24,517.78 | 267.00 | 0.63 |
| 417 | FEDEX CORP COM | 38,785.17 | 34,486.40 | 200.16 | 0.52 |
| 1664 | GAP INC | 36,840.96 | 35,747.38 | 665.60 | 1.81 |
| 371 | JOHNSON & JOHNSON | 22,946.35 | 23,799.24 | 801.36 | 3.49 |
| 2027 | LOWES COS INC | 50,837.16 | 44,714.29 | 891.88 | 1.75 |
| 887 | MARATHON OIL CORP COM | 32,845.61 | 27,674.40 | 887.00 | 2.70 |
| 397 | MEDCO HEALTH SOLUTIONS INC | 24,324.19 | 16,789.13 | 0.00 | 0.00 |
| 252 | NETFLIX INC COM | 44,276.40 | 35,316.29 | 0.00 | 0.00 |
| 1703 | ORACLE SYS CORP | 53,303.90 | 34,964.97 | 340.60 | 0.64 |
| 3481 | PATTERSON-UTI ENERGY INC | 75,015.55 | 56,407.29 | 696.20 | 0.93 |

PRINCIPAL PORTFOLIO

50-8040-03

THE SUSAN VAUGHAN FOUNDATION, INC
SOUTH TEXAS MONEY MANAGEMENT,
INVESTMENT MANAGER, LEGACY TRUST
COMPANY, CUSTODIAN

AS OF 12/31/10

5

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|------------------------------------|-----------|-----------|--------------------------|------------------|
| 1237 | PAYCHEX INC | 38,235.67 | 48,475.54 | 1,533.88 | 4.01 |
| 2062 | PERKINELMER INC | 53,240.84 | 45,878.06 | 577.36 | 1.08 |
| 632 | PROCTER & GAMBLE CO | 40,656.56 | 39,334.36 | 1,217.86 | 3.00 |
| 540 | QUALCOMM INC | 26,724.60 | 28,505.95 | 410.40 | 1.54 |
| 1412 | RAYMOND JAMES FINL INC COM | 46,172.40 | 22,466.30 | 734.24 | 1.59 |
| 476 | REINSURANCE GROUP AMER INC COM NEW | 25,565.96 | 24,644.19 | 228.48 | 0.89 |
| 468 | ROCK-TENN CO CL A | 25,248.60 | 25,186.78 | 374.40 | 1.48 |
| 1878 | SAN JUAN BASIN ROYALTY TRUST | 44,194.22 | 67,002.82 | 2,450.79 | 5.55 |
| 4322 | SOUTHWEST AIRLS CO | 56,099.56 | 41,223.85 | 77.80 | 0.14 |
| 1532 | STARBUCKS CORP | 49,223.16 | 24,433.56 | 796.64 | 1.62 |
| 1279 | SYSCO CORP | 37,602.60 | 36,800.93 | 1,330.16 | 3.54 |
| 1736 | TEXAS INSTRS INC | 56,420.00 | 44,210.89 | 902.72 | 1.60 |
| 1088 | TIME WARNER INC | 35,000.96 | 33,623.23 | 924.80 | 2.64 |

PRINCIPAL PORTFOLIO

50-8040-03 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 6

SOUTH TEXAS MONEY MANAGEMENT,
INVESTMENT MANAGER, LEGACY TRUST
COMPANY, CUSTODIAN

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|-------------------------------------|---------------------|---------------------|--------------------------|------------------|
| 818 | TORCHMARK CORP COM | 48,867.32 | 35,706.76 | 523.52 | 1.07 |
| 1115 | TREEHOUSE FOODS | 56,965.35 | 30,465.34 | 0.00 | 0.00 |
| 1429 | TYSON FOODS INC CL A | 24,607.38 | 24,859.46 | 228.64 | 0.93 |
| 1944 | UNITED CONTINENTAL HOLDINGS INC COM | 46,306.08 | 24,464.78 | 0.00 | 0.00 |
| 1083 | VERIZON COMMUNICATIONS | 38,749.74 | 39,331.97 | 2,111.85 | 5.45 |
| 672 | WAL MART STORES INC | 36,240.96 | 37,813.77 | 813.12 | 2.24 |
| 597 | WELLPOINT INC | 33,945.42 | 32,876.25 | 0.00 | 0.00 |
| 1492 | WR BERKLEY CORP | 40,850.96 | 35,375.56 | 417.76 | 1.02 |
| 578 | 3M CO | 49,881.40 | 37,275.59 | 1,213.80 | 2.43 |
| | TOTAL | 2,036,731.65 | 1,690,338.40 | 31,988.92 | 1.57 |

PRINCIPAL PORTFOLIO

50-8040-03 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 7
 SOUTH TEXAS MONEY MANAGEMENT,
 INVESTMENT MANAGER, LEGACY TRUST
 COMPANY, CUSTODIAN

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|---|---------------------|---------------------|--------------------------|------------------|
| | CLOSED END MUTUAL FUNDS | | | | |
| 3787 | ISHARES S&P SMALLCAP 600 INDEX FUND | 259,295.89 | 227,180.08 | 2,791.02 | 1.08 |
| 694 | SECTOR SPDR TR SHS BEN INT-UTILITIES | 21,749.96 | 22,006.74 | 882.07 | 4.06 |
| | TOTAL | 281,045.85 | 249,186.82 | 3,673.09 | 1.31 |
| | TOTAL U. S. EQUITIES | 2,317,777.50 | 1,939,525.22 | 35,662.01 | 1.54 |

FOREIGN EQUITIES

FOREIGN COMMON STOCK

| | | | | | |
|------|--|-----------|-----------|----------|------|
| 735 | CANADIAN NATIONAL RAILWAY CO COMMON STOCK ISIN CA1363751027 | 48,855.45 | 44,387.13 | 775.43 | 1.59 |
| 1188 | NOVARTIS AG SPONSORED ADR | 70,032.60 | 66,267.97 | 1,963.76 | 2.80 |
| 1440 | NTT DOCOMO INC SPONSORED AMERICAN DEPOSITORY RECEIPT | 25,084.80 | 22,779.94 | 786.24 | 3.13 |

PRINCIPAL PORTFOLIO

50-8040-03 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 8

SOUTH TEXAS MONEY MANAGEMENT,
INVESTMENT MANAGER, LEGACY TRUST
COMPANY, CUSTODIAN

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|------------------------------|------------|------------|--------------------------|------------------|
| 1021 | SONY CORP ADR NEW | 36,459.91 | 34,748.61 | 265.46 | 0.73 |
| | TOTAL | 180,432.76 | 168,183.65 | 3,790.89 | 2.10 |
| | FOREIGN MUTUAL FUNDS | | | | |
| 2052 | SK TELECOM LTD SPONSORED ADR | 38,228.76 | 34,582.36 | 1,440.50 | 3.77 |
| | TOTAL | 38,228.76 | 34,582.36 | 1,440.50 | 3.77 |
| | TOTAL FOREIGN EQUITIES | 218,661.52 | 202,766.01 | 5,231.39 | 2.39 |

PRINCIPAL PORTFOLIO

2

AS OF 12/31/10

THE SUSAN VAUGHAN FOUNDATION, INC
 CYPRESS ASSET MANAGEMENT, INVESTMENT
 MANAGER, LEGACY TRUST COMPANY,
 CUSTODIAN

50-8040-04

EST.
 ANNUAL
 INCOME

YLD
 AT
 MKT

COST

MARKET

DESCRIPTION

PAR VALUE/
 SHARES

U.S. COMMON STOCK

| | | | | |
|------|-----------------------|------------|-----------|------|
| 700 | AMAZON COM INC COM | 126,000.00 | 65,589.51 | 0.00 |
| 3600 | ANALOG DEVICES INC | 135,612.00 | 55,539.48 | 2.34 |
| 650 | APACHE CORP | 77,499.50 | 55,279.43 | 0.50 |

PRINCIPAL PORTFOLIO

AS OF 12/31/10 3

THE SUSAN VAUGHAN FOUNDATION, INC
 CYPRESS ASSET MANAGEMENT, INVESTMENT
 MANAGER, LEGACY TRUST COMPANY,
 CUSTODIAN

50-8040-04

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|--------------------------------|------------|------------|--------------------------|------------------|
| 450 | APPLE INC | 145,152.00 | 91,574.69 | 0.00 | 0.00 |
| 2000 | BERKSHIRE HATHAWAY INC-CL B | 160,220.00 | 86,324.44 | 0.00 | 0.00 |
| 3000 | BRISTOL MYERS SQUIBB CO | 79,440.00 | 66,662.60 | 3,960.00 | 4.98 |
| 1100 | CANADIAN PAC RY LTD COM | 71,291.00 | 71,887.83 | 1,180.30 | 1.66 |
| 1250 | CATERPILLAR INC | 117,075.00 | 89,510.41 | 2,200.00 | 1.88 |
| 3000 | CHEVRON CORPORATION | 273,750.00 | 126,162.96 | 8,640.00 | 3.16 |
| 4000 | CISCO SYSTEMS INC | 80,920.00 | 79,693.30 | 0.00 | 0.00 |
| 1800 | DEERE & CO | 149,490.00 | 139,361.30 | 2,520.00 | 1.69 |
| 2000 | DEVON ENERGY CORPORATION NEW | 157,020.00 | 74,538.35 | 1,280.00 | 0.82 |
| 700 | DU PONT E I DE NEMOURS & CO | 34,916.00 | 27,398.00 | 1,148.00 | 3.29 |
| 4000 | EMERSON ELEC CO | 228,680.00 | 130,588.00 | 5,520.00 | 2.41 |
| 900 | EOG RESOURCES INC | 82,269.00 | 90,161.90 | 558.00 | 0.68 |
| 3000 | EXXON MOBIL CORP | 219,360.00 | 121,791.20 | 5,280.00 | 2.41 |
| 1000 | FOREST OIL CORP COM PAR \$0.01 | 37,970.00 | 26,776.50 | 0.00 | 0.00 |

PRINCIPAL PORTFOLIO

50-8040-04 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 4

CYPRESS ASSET MANAGEMENT, INVESTMENT
MANAGER, LEGACY TRUST COMPANY,
CUSTODIAN

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|-------------------------------------|------------|------------|--------------------------|------------------|
| 1000 | FREEMPORTMCMORAN COPPERAND GOLD INC | 120,090.00 | 86,079.54 | 2,000.00 | 1.67 |
| 11000 | GENERAL ELEC CO | 201,190.00 | 270,859.85 | 6,160.00 | 3.06 |
| 400 | GOLDMAN SACHS GROUP INC COM | 67,264.00 | 44,336.50 | 560.00 | 0.83 |
| 700 | HESS CORP COM | 53,578.00 | 37,568.02 | 280.00 | 0.52 |
| 4600 | HONEYWELL INTL INC | 244,536.00 | 191,953.00 | 5,566.00 | 2.28 |
| 5700 | INTEL CORP | 119,871.00 | 151,110.87 | 3,591.00 | 3.00 |
| 3600 | J.P. MORGAN CHASE & CO | 152,712.00 | 139,004.00 | 720.00 | 0.47 |
| 3700 | JOHNSON & JOHNSON | 228,845.00 | 91,843.82 | 7,992.00 | 3.49 |
| 2000 | MARATHON OIL CORP COM | 74,060.00 | 58,505.40 | 2,000.00 | 2.70 |
| 1500 | MCDONALDS CORP | 115,140.00 | 86,015.40 | 3,660.00 | 3.18 |
| 3000 | MERCK & CO INC | 108,120.00 | 104,473.01 | 4,560.00 | 4.22 |
| 750 | NEWMONT MNG CORP | 46,072.50 | 29,610.00 | 450.00 | 0.98 |

PRINCIPAL PORTFOLIO

50-8040-04

THE SUSAN VAUGHAN FOUNDATION, INC
 CYPRESS ASSET MANAGEMENT, INVESTMENT
 MANAGER, LEGACY TRUST COMPANY,
 CUSTODIAN

AS OF 12/31/10

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| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|------------------------------|---------------------|---------------------|--------------------------|------------------|
| 1200 | NORFOLK SOUTHERN CORP COM | 75,384.00 | 65,372.80 | 1,728.00 | 2.29 |
| 1200 | OCCIDENTAL PETE CORP | 117,720.00 | 87,922.40 | 1,824.00 | 1.55 |
| 3400 | PEPSICO INC | 222,122.00 | 145,964.50 | 6,528.00 | 2.94 |
| 2200 | PHILIP MORRIS INTERNATIONAL | 128,766.00 | 60,883.57 | 5,632.00 | 4.37 |
| 1700 | PNC FINANCIAL SERVICES GROUP | 103,224.00 | 73,921.50 | 680.00 | 0.66 |
| 2700 | PROCTER & GAMBLE CO | 173,691.00 | 81,155.49 | 5,202.90 | 3.00 |
| 2400 | QUALCOMM INC | 118,776.00 | 53,396.60 | 1,824.00 | 1.54 |
| 1500 | SPECTRA ENERGY CORP WI | 37,485.00 | 38,510.12 | 1,500.00 | 4.00 |
| 2000 | UNITED PARCEL SERVICE INC | 145,160.00 | 144,674.89 | 3,760.00 | 2.59 |
| 1100 | UNITED TECHNOLOGIES CORP | 86,592.00 | 83,593.94 | 1,870.00 | 2.16 |
| 2000 | XILINX INC | 57,960.00 | 53,028.40 | 1,280.00 | 2.21 |
| 1200 | YUM! BRANDS | 58,860.00 | 45,701.90 | 1,200.00 | 2.04 |
| | TOTAL | 5,033,883.00 | 3,624,325.42 | 106,412.20 | 2.11 |

PRINCIPAL PORTFOLIO

50-8040-04 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 6
 CYPRESS ASSET MANAGEMENT, INVESTMENT
 MANAGER, LEGACY TRUST COMPANY,
 CUSTODIAN

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|----------------------|--------------|--------------|--------------------------|------------------|
| | TOTAL U. S. EQUITIES | 5,033,883.00 | 3,624,325.42 | 106,412.20 | 2.11 |

FOREIGN EQUITIES

FOREIGN COMMON STOCK

| | | | | | |
|------|--|------------|------------|----------|------|
| 2000 | ABB LTD SPONSORED AMERICAN DEPOSITORY RECEIPT | 44,900.00 | 47,932.00 | 948.00 | 2.11 |
| 3750 | AUSTRALIA & NEW ZEALAND SPONSORED AMERICAN DEPOSITORY RECEIPT | 90,150.00 | 92,670.00 | 4,297.50 | 4.77 |
| 2000 | BANCO BRADESCO SPONSORED AMERICAN DEPOSITORY RECEIPT | 40,580.00 | 39,923.20 | 202.00 | 0.50 |
| 3000 | BARRICK GOLD CORP | 159,540.00 | 88,834.08 | 1,440.00 | 0.90 |
| 3000 | BHP BILLITON PLC SPONSORED ADR | 241,500.00 | 121,946.23 | 5,220.00 | 2.16 |
| 2200 | CANADIAN NATIONAL RAILWAY CO COMMON STOCK ISIN CA1363751027 | 146,234.00 | 105,845.25 | 2,321.00 | 1.59 |
| 1000 | CHINA MOBILE LIMITED SPONSORED | 49,620.00 | 49,410.00 | 1,663.00 | 3.35 |

PRINCIPAL PORTFOLIO

50-8040-04

THE SUSAN VAUGHAN FOUNDATION, INC
 CYPRESS ASSET MANAGEMENT, INVESTMENT
 MANAGER, LEGACY TRUST COMPANY,
 CUSTODIAN

AS OF 12/31/10

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| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|---|------------|------------|--------------------------|------------------|
| | AMERICAN DEPOSITORY RECEIPT | | | | |
| 1400 | CIA SANEAMENTO BASICO DE SPONSORED AMERICAN DEPOSITORY RECEIPT | 74,032.00 | 56,996.50 | 0.00 | 0.00 |
| 350 | CNOOC LTD SPONSORED ADR | 83,429.50 | 49,619.46 | 1,660.40 | 1.99 |
| 1400 | CPFL ENERGIA SPONSORED AMERICAN DEPOSITORY RECEIPT | 107,534.00 | 89,397.00 | 7,163.80 | 6.66 |
| 2400 | DIAGEO PLC AMERICAN DEPOSITORY RECEIPT | 178,392.00 | 124,322.00 | 5,672.81 | 3.18 |
| 1500 | MARVELL TECHNOLOGY GROUP LTD ORD | 27,825.00 | 33,100.50 | 0.00 | 0.00 |
| 2500 | NESTLE S A SPONSORED ADR REPSTG REG SH | 147,050.00 | 95,142.90 | 2,242.50 | 1.52 |
| 2000 | NOVARTIS AG SPONSORED ADR | 117,900.00 | 95,853.00 | 3,306.00 | 2.80 |
| 700 | PETROCHINA CO LTD SPONSORED ADR | 92,043.00 | 79,023.00 | 2,662.80 | 2.89 |
| 3500 | PETROLEO BRASILEIRO SPONSORED AMERICAN DEPOSITORY RECEIPT | 119,595.00 | 105,219.48 | 525.00 | 0.44 |

PRINCIPAL PORTFOLIO

50-8040-04 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 8
 CYPRESS ASSET MANAGEMENT, INVESTMENT
 MANAGER, LEGACY TRUST COMPANY,
 CUSTODIAN

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|---|--------------|--------------|--------------------------|------------------|
| 2000 | RIO TINTO PLC SPONSORED AMERICAN DEPOSITORY RECEIPT | 143,320.00 | 80,639.30 | 1,768.00 | 1.23 |
| 2400 | SCHLUMBERGER LTD | 200,400.00 | 92,607.40 | 2,016.00 | 1.01 |
| 500 | SIEMENS A G SPONSORED ADR | 62,125.00 | 55,683.24 | 1,358.00 | 2.19 |
| 1000 | TEVA PHARMACEUTICAL INDS LTD AMERICAN DEPOSITORY RECEIPT | 52,130.00 | 52,100.00 | 667.00 | 1.28 |
| 3000 | THOMPSON CREEK METALS CO INC | 44,160.00 | 63,012.63 | 0.00 | 0.00 |
| 5500 | VALE S.A. AMERICAN DEPOSITORY RECEIPT | 166,210.00 | 108,565.40 | 1,050.50 | 0.63 |
| 350 | WESTPAC BKG CORP SPONSORED ADR | 40,061.00 | 40,085.96 | 2,242.80 | 5.60 |
| | TOTAL | 2,428,730.50 | 1,767,928.53 | 48,427.11 | 1.99 |
| | TOTAL FOREIGN EQUITIES | 2,428,730.50 | 1,767,928.53 | 48,427.11 | 1.99 |

PRINCIPAL PORTFOLIO

50-8040-04 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 9
 CYPRESS ASSET MANAGEMENT, INVESTMENT
 MANAGER, LEGACY TRUST COMPANY,
 CUSTODIAN

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|--|--|-------------------|-------------------|--------------------------|------------------|
| EQUITY INVESTMENTS--PARTNERSHIP | | | | | |
| U.S. STOCK--PARTNERSHIPS | | | | | |
| 8000 | ENTERPRISE PRODS PARTNERS LP COM UNIT | 332,880.00 | 89,795.00 | 18,640.00 | 5.60 |
| 2200 | KINDER MORGAN ENERGY PARTNERS L P UNIT LTD PARTNERSHIP INT ? | 154,572.00 | 16,111.00 | 9,768.00 | 6.32 |
| 2800 | PLAINS ALL AMERICAN PIPELINE LP EXCHANGE TRADED PARTNERSHIP | 175,812.00 | 98,718.00 | 10,640.00 | 6.05 |
| | TOTAL | 663,264.00 | 204,624.00 | 39,048.00 | 5.89 |
| | TOTAL EQUITY INVESTMENTS--PARTNERSHIP | 663,264.00 | 204,624.00 | 39,048.00 | 5.89 |
| | Tai Chi Fund LP | 2,577,085 | 2,788,439 | | |
| | Total Corporate Stock | 17,630,620 | 14,672,603 | | |

ATTACHMENT 11

FORM 990PF, PART II - CORPORATE BONDS

| <u>DESCRIPTION</u> | <u>ENDING BOOK VALUE</u> | <u>ENDING FMV</u> |
|--------------------|------------------------------|-----------------------|
| SEE STATEMENT 11-1 | 2,459,296. | 2,514,639. |
| TOTALS | <u>2,459,296.</u> | <u>2,514,639.</u> |

PRINCIPAL PORTFOLIO

50-8040-05 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 4

FIXED INCOME PORTFOLIO, LEGACY TRUST COMPANY, AGENT

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|------------------------|--|-----------|-----------|--------------------------|------------------|
| CORPORATE BONDS | | | | | |
| 25000 | ABBOTT LABORATORIES DTD 11/09/2007 5.600% 11/30/2017 NON CALLABLE | 28,582.75 | 24,930.89 | 1,400.00 | 4.90 |
| 50000 | ALLSTATE CORPORATION DTD 08/16/2004 5.000% 08/15/2014 NON CALLABLE | 54,598.00 | 49,392.33 | 2,500.00 | 4.58 |
| 50000 | AMERICAN EXPRESS DTD 09/12/2006 5.250% 09/12/2011 NON CALLABLE | 51,556.00 | 50,404.92 | 2,625.00 | 5.09 |
| 35000 | BANK OF AMERICA CORP | 35,978.60 | 35,407.47 | 1,881.25 | 5.23 |

PRINCIPAL PORTFOLIO

50-8040-05 THE SUSAN VAUGHAN FOUNDATION, INC AS OF 12/31/10 5

FIXED INCOME PORTFOLIO, LEGACY TRUST
COMPANY, AGENT

| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
|----------------------|--|------------|------------|--------------------------|------------------|
| | DTD 08/14/2006 5.375% 08/15/2011 NON CALLABLE | | | | |
| 25000 | BANK OF AMERICA CORPORATION DTD 09/25/2002 4.875% 09/15/2012 NON CALLABLE | 26,103.50 | 32,149.53 | 1,218.75 | 4.67 |
| 25000 | COCA-COLA CO DTD 11/01/2007 5.350% 11/15/2017 NON CALLABLE | 28,285.50 | 24,965.80 | 1,337.50 | 4.73 |
| 400000 | GENERAL ELEC CAP CORP MTN BE 4.8750% 3/4/2015 | 426,836.00 | 425,260.00 | 19,500.00 | 4.57 |
| 75000 | GENERAL ELECTRIC CAPITAL CORP MEDIUM TERM NOTE DTD 01/29/2007 5.200% 02/01/2011 NON CALLABLE | 75,251.25 | 74,968.57 | 3,900.00 | 5.18 |
| 40000 | GENERAL ELECTRIC CAPITAL CORPORATION MEDIUM TERM NOTE DTD 12/06/2002 5.450% 01/15/2013 NON CALLABLE | 43,016.00 | 45,867.55 | 2,180.00 | 5.07 |
| 50000 | GLAXOSMITHKLINE CAP INC DTD 05/13/2008 4.850% 05/15/2013 NON CALLABLE | 54,290.00 | 49,901.50 | 2,425.00 | 4.47 |

PRINCIPAL PORTFOLIO

| 50-8040-05 | THE SUSAN VAUGHAN FOUNDATION, INC FIXED INCOME PORTFOLIO, LEGACY TRUST COMPANY, AGENT | AS OF 12/31/10 | 6 | | |
|----------------------|--|----------------|------------|--------------------------|------------------|
| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | EST. ANNUAL INCOME | YLD AT MKT |
| 35000 | HEWLETT-PACKARD CO DTD 03/03/2008 4.500% 03/01/2013 NON CALLABLE | 37,462.60 | 34,975.11 | 1,575.00 | 4.20 |
| 450000 | INTL BANK RECON & DEVELOP DTD 04/27/2010 1.750% 07/15/2013 NON CALLABLE | 459,918.00 | 448,470.00 | 7,875.00 | 1.71 |
| 50000 | LOWES COS INC DTD 10/06/2005 5.000% 10/15/2015 NON CALLABLE | 55,486.50 | 49,964.92 | 2,500.00 | 4.51 |
| 30000 | METLIFE INC DTD 06/23/2005 5.000% 06/15/2015 NON CALLABLE | 32,490.30 | 29,337.57 | 1,500.00 | 4.62 |
| 10000 | NATIONAL RURAL UTILITIES MEDIUM TERM NOTE DTD 03/07/2002 7.250% 03/01/2012 NON CALLABLE | 10,720.00 | 10,002.14 | 725.00 | 6.76 |
| 25000 | ORACLE CORP DTD 04/09/2008 5.750% 04/15/2018 NON CALLABLE | 28,598.75 | 24,988.74 | 1,437.50 | 5.03 |
| 760000 | PRIVATE EXPT FDG CORP 3.5500% 4/15/2013 | 805,273.20 | 801,496.00 | 26,980.00 | 3.35 |

PRINCIPAL PORTFOLIO

| 50-8040-05 | THE SUSAN VAUGHAN FOUNDATION, INC FIXED INCOME PORTFOLIO, LEGACY TRUST COMPANY, AGENT | AS OF 12/31/10 | 7 | | |
|----------------------|---|--------------------------|---------------------|------------------|-------------|
| PAR VALUE/ SHARES | DESCRIPTION | MARKET | COST | | |
| | | EST. ANNUAL INCOME | YLD AT MKT | | |
| 40000 | SBC COMMUNICATIONS DTD 11/03/2004 5.100% 09/15/2014 NON CALLABLE | 43,764.00 | 40,321.52 | 2,040.00 | 4.66 |
| 50000 | TENNESSEE VALLEY AUTH PWR BD SER C DTD 03/15/1998 6.000% 03/15/2013 | 55,599.50 | 53,480.32 | 3,000.00 | 5.40 |
| 50000 | TENNESSEE VALLEY AUTH GLOBAL PWR BD 2001 SER A 5.625% 01/18/2011 | 50,097.50 | 52,029.72 | 2,812.50 | 5.61 |
| 25000 | UNITED PARCEL SERVICE DTD 01/15/2008 5.500% 01/15/2018 NON CALLABLE | 28,400.75 | 24,953.79 | 1,375.00 | 4.84 |
| 25000 | WAL-MART STORES, INC DTD 08/24/2007 5.800% 02/15/2018 NON CALLABLE | 28,726.00 | 26,075.04 | 1,450.00 | 5.05 |
| 50000 | WELLS FARGO COMPANY DTD 10/23/2007 5.250% 10/23/2012 NON CALLABLE | 53,604.00 | 49,952.62 | 2,625.00 | 4.90 |
| | TOTAL | 2,514,638.70 | 2,459,296.05 | 94,862.50 | 3.77 |

ATTACHMENT 12

FORM 990PF, PART II - OTHER ASSETS

| <u>DESCRIPTION</u> | <u>ENDING BOOK VALUE</u> | <u>ENDING FMV</u> |
|-------------------------------|------------------------------|-----------------------|
| PURCHASED INTEREST RECEIVABLE | 55,970. | 55,970. |
| TOTALS | <u>55,970.</u> | <u>55,970.</u> |

ATTACHMENT 13

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

| <u>DESCRIPTION</u> | <u>AMOUNT</u> |
|--------------------|---------------|
| BASIS ADJUSTMENT | 988. |
| TOTAL | <u>988.</u> |

THE SUSAN VAUGHAN FOUNDATION, INC.

76-0285765

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

ATTACHMENT 14

| NAME AND ADDRESS | TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION | COMPENSATION | CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS | EXPENSE ACCT AND OTHER ALLOWANCES |
|--|--|--------------|---|-----------------------------------|
| SUSAN CLAYTON GARWOOD LEGACY TRUST COMPANY C/O JENNIFER G 600 JEFFERSON STREET, SUITE 300 HOUSTON, TX 77002 | TRUSTEE 1.00 | 14,000. | 0. | 0. |
| DUNCAN E. OSBORNE LEGACY TRUST COMPANY C/O JENNIFER G 600 JEFFERSON STREET, SUITE 300 HOUSTON, TX 77002 | TRUSTEE 1.00 | 12,000. | 0. | 0. |
| ELIZABETH B. OSBORNE LEGACY TRUST COMPANY C/O JENNIFER G 600 JEFFERSON STREET, SUITE 300 HOUSTON, TX 77002 | TRUSTEE 1.00 | 12,000. | 0. | 0. |
| CHASE BANK OF TEXAS - HOUSTON CHASE BANK OF TEXAS C/O KEVIN BIEKE 707 TRAVIS, 11TH FLOOR HOUSTON, TX 77252 | SEC/TREAS 1.00 | 55,989. | 0. | 0. |
| GEORGE PETERKIN LEGACY TRUST COMPANY C/O JENNIFER G 600 JEFFERSON STREET, SUITE 300 HOUSTON, TX 77002 | TRUSTEE 1.00 | 12,000. | 0. | 0. |
| GRAND TOTALS | | 105,989. | 0. | 0. |

THE SUSAN VAUGHAN FOUNDATION, INC.

76-0285765

ATTACHMENT 15

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

LEGACY TRUST COMPANY
600 JEFFERSON STREET, SUITE 300
HOUSTON, TX 77002

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

ATTACHMENT 16

| RECIPIENT NAME AND ADDRESS | RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND | | PURPOSE OF GRANT OR CONTRIBUTION | AMOUNT |
|---|--|--|----------------------------------|---------|
| | FOUNDATION STATUS OF RECIPIENT | | | |
| PLANNED PARENTHOOD OF HOUSTON 3601 FANNIN HOUSTON, TX 77004 | NO RELATIONSHIP 501(C) (3) | | SOCIAL SERVICE | 75,000. |
| WRITERS IN THE SCHOOLS 1515 BRANARD HOUSTON, TX 77006 | NO RELATIONSHIP 501(C) (3) | | ARTS/EDUCATION | 10,000. |
| CONTEMPORARY ARTS MUSEUM OF HOUSTON 5216 MONTROSE HOUSTON, TX 77006 | NO RELATIONSHIP 501(C) (3) | | PROGRAM SUPPORT | 10,000. |
| ST. STEPHEN'S EPISCOPAL SCHOOL P.O. BOX 1868 AUSTIN, TX 78768 | NO RELATIONSHIP 501(C) (3) | | EDUCATION | 25,000. |
| THE CHINQUAPIN SCHOOL 2615 EAST WALLISVILLE HIGHLANDS, TX 77562 | NO RELATIONSHIP 501(C) (3) | | CHARITABLE | 10,000. |
| UNIVERSITY OF HOUSTON, COLLEGE OF ARCHITECTURE P.O. BOX 27405 HOUSTON, TX 77227 | NO RELATIONSHIP 501(C) (3) | | GENERAL SUPPORT | 25,000. |

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

ATTACHMENT 16 (CONT'D)

| <u>RECIPIENT NAME AND ADDRESS</u> | <u>RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT</u> | <u>PURPOSE OF GRANT OR CONTRIBUTION</u> | <u>AMOUNT</u> |
|---|---|---|---------------|
| CLAYTON LIBRARY FRIENDS, INC P.O. BOX 271078 HOUSTON, TX 77277 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 20,000. |
| COMMUNITIES IN SCHOOLS HOUSTON, INC. 2150 W 18TH ST STE 100 HOUSTON, TX 77008 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 10,000. |
| URBAN HARVEST P.O. BOX 980460 HOUSTON, TX 77098 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 10,000. |
| HOUSTON PARKS BOARD 2001 KIRBY, STE 814 HOUSTON, TX 77019 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 5,000. |
| RICE DESIGN ALLIANCE P.O. BOX 1892 HOUSTON, TX 77251 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 15,000. |
| ARTHOUSE AT THE JONES CENTER 700 CONGRESS AVENUE AUSTIN, TX 78701 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 50,000. |

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

ATTACHMENT 16 (CONT'D)

| RECIPIENT NAME AND ADDRESS | RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT | PURPOSE OF GRANT OR CONTRIBUTION | AMOUNT |
|--|--|----------------------------------|---------|
| MEMORIAL PARK CONSERVANCY, INC P.O. BOX 131024 HOUSTON, TX 77098 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 25,000. |
| WILLIAM MARSH RICE UNIVERSITY 6100 MAIN STREET, MSC 70 HOUSTON, TX 77005 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 60,000. |
| INPRINT, INC 1524 SUL ROSS HOUSTON, TX 77006 | NO RELATIONSHIP 501(C) (3) | OPERATING EXPENSES | 5,000. |
| CHINATI FOUNDATION P.O. BOX 1135 MAREFA, TX 79843 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 25,000. |
| CHARLES MOORE FOUNDATION 2102 QUARRY RD AUSTIN, TX 78703 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 25,000. |
| JULIA IDESON LIBRARY PRESERVATION PARTNERS, INC. 2726 BISSONNET #240-203 HOUSTON, TX 77005 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 25,000. |

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

ATTACHMENT 16 (CONT'D)

| <u>RECIPIENT NAME AND ADDRESS</u> | <u>RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT</u> | <u>PURPOSE OF GRANT OR CONTRIBUTION</u> | <u>AMOUNT</u> |
|---|---|---|---------------|
| NEW HOPE HOUSING 1117 TEXAS AVE HOUSTON, TX 77002 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 15,000 |
| UNIVERSITY OF HOUSTON P.O. BOX 27405 HOUSTON, TX 77227 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 20,000. |
| BAYOU PRESERVATION ASSOCIATION P.O. BOX 131563 HOUSTON, TX 77219 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 10,000. |
| GREATER HOUSTON PRESERVATION ALLIANCE 712 MAIN ST STE 110 HOUSTON, TX 77002 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 20,000. |
| ART LEAGUE OF HOUSTON 1953 MONTROSE BOULEVARD SUITE A HOUSTON, TX 77006 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 5,000. |
| BREAKTHROUGH HOUSTON 2401 CLAREMONT LANE HOUSTON, TX 77019 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 5,000. |

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

ATTACHMENT 16 (CONT'D)

| <u>RECIPIENT NAME AND ADDRESS</u> | <u>RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT</u> | <u>PURPOSE OF GRANT OR CONTRIBUTION</u> | <u>AMOUNT</u> |
|--|---|---|---------------|
| DOCUMENTARY ALLIANCE INC 5310 BISSONNET ST BELLAIRE, TX 77401 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 5,000. |
| FOTOFEST INC 1113 VINE ST. STE. 101 HOUSTON, TX 77002 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 15,000. |
| GOODWILL INDUSTRIES OF HOUSTON 10795 HAMMERLY BLVD HOUSTON, TX 77043 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 25,000. |
| HERMANN PARK CONSERVANCY 6201 A GOLF COURSE DRIVE HOUSTON, TX 77030 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 50,000. |
| KHABELE SCHOOL 801 RIO GRANDE AUSTIN, TX 78701 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 10,000. |
| LADY BIRD JOHNSON WILDFLOWER CENTER 4801 LA CROSSE AVENUE AUSTIN, TX 78739 | NO RELATIONSHIP 501 (C) (3) | CHARITABLE | 6,000. |

THE SUSAN VAUGHAN FOUNDATION, INC.

76-0285765

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

ATTACHMENT 16 (CONT'D)

| <u>RECIPIENT NAME AND ADDRESS</u> | <u>RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT</u> | <u>PURPOSE OF GRANT OR CONTRIBUTION</u> | <u>AMOUNT</u> |
|--|---|---|---------------|
| MEMORIAL HERMANN FOUNDATION 9301 SOUTHWEST FWY STE 600 HOUSTON, TX 77074 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 5,000. |
| MUSEUM OF FINE ARTS HOUSTON PO BOX 6826 HOUSTON, TX 77265 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 34,750. |
| RICE UNIVERSITY ART GALLERY 6100 MAIN STREET HOUSTON, TX 77005 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 3,000 |
| SCENIC TEXAS, INC. 3015 RICHMOND AVE STE 220 HOUSTON, TX 77098 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 15,000. |
| SUSTAINABLE FOOD CENTER INC 1106 CLAYTON LN STE 480W AUSTIN, TX 78723 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 5,000. |
| TEXAS TRIBUNE INC 823 CONGRESS STE 210 & JOHN THORNTON AUSTIN, TX 78701 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 5,000. |

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

ATTACHMENT 16 (CONT'D)

| <u>RECIPIENT NAME AND ADDRESS</u> | <u>RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT</u> | <u>PURPOSE OF GRANT OR CONTRIBUTION</u> | <u>AMOUNT</u> |
|---|---|---|-----------------|
| THE MENNINGER CLINIC 2801 GESSNER DR HOUSTON, TX 77080 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 25,000. |
| TOWN LAKE TRAIL FOUNDATION PO BOX 5195 & DAN GARRISON AUSTIN, TX 78763 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 17,000. |
| UNIVERSITY OF HOUSTON SCHOOL OF ART ROOM 100, FINE ARTS BUILDING HOUSTON, TX 77204-4019 | NO RELATIONSHIP 501(C) (3) | CHARITABLE | 5,000. |
| <u>TOTAL CONTRIBUTIONS PAID</u> | | | <u>730,750.</u> |

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 SUSAN VAUGHAN FOUNDATION, INC. | Employer identification number 76-0285765 |
| 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. LEGACY TRUST COMPANY C/O JENNIFER GROS | |
| | 600 JEFFERSON STREET, SUITE 300 | |
| | City, town or post office, state, and ZIP code. For a foreign address, see instructions. HOUSTON, TX 77002 | |

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

| 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 ▶ LEGACY TRUST COMPANY

Telephone No. ▶ 713 216-3447 FAX No. ▶ _____

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension 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 | \$ 20,182. |
| 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 | \$ 20,182. |
| 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 | \$ 0. |

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 1-2011)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **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 SUSAN VAUGHAN FOUNDATION, INC. | Employer identification number 76-0285765 |
| | Number, street, and room or suite no. If a P.O. box, see instructions. LEGACY TRUST COMPANY C/O JENNIFER GROSVENOR | |
| | City, town or post office, state, and ZIP code. For a foreign address, see instructions. HOUSTON, TX 77002 | |
| | | |

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

| 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 **LEGACY TRUST COMPANY**
Telephone No. **713 216-3447** FAX No.
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension 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 ADDITIONAL TIME IS NECESSARY TO FILE 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 \$ | 15,776. |
| 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 \$ | 20,182. |
| 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 *[Handwritten Signature]* Title CPA Date 8/2/2011
PO BOX 6776
 Form 8868 (Rev. 1-2011)

7011 0110 0002 1141 9050