ORIGINAL

Form **990-PF**
Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052
2010

For calendar year 2010, or tax year beginning 08/01 **, 2010, and ending** 07/31, 20 11

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 MORRIS L. LICHTENSTEIN JR. MEDICAL RESEARCH FOUNDATION

A Employer identification number 74-2757309

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

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

City or town, state, and ZIP code: CORPUS CHRISTI, TX 78401

C If exemption application is pending, check here ▶ [ ]
D 1 Foreign organizations, check here ▶ [ ]
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]
E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]
F If the foundation is in a 60-month termination under section 507(b)(1)(B) check here ▶ [X]

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 10,243,954.

J Accounting method: [X] Cash [ ] Accrual
[ ] Other (specify) ____________
(Part I, column (d) must be on cash basis)

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))*

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)	72,313.			
	2 Check ▶ [X] if the foundation is **not** required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	274,166.	256,563.	0.	ATCH 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,199,424.			
	b Gross sales price for all assets on line 6a 4,098,367.				
	7 Capital gain net income (from Part IV, line 2)		1,199,424.		
	8 Net short-term capital gain			3,098.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	629,518.	44,472.	0.	ATCH 2
	12 **Total.** Add lines 1 through 11	2,175,421.	1,500,459.	3,098.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	52,800.	52,800.	0.	0.
	14 Other employee salaries and wages	85.	85.	0.	0.
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) ATCH 3	128,080.	110,370.	0.	17,710.
	b Accounting fees (attach schedule) ATCH 4	30,144.	15,072.	0.	15,072.
	c Other professional fees (attach schedule) *	30,268.	30,268.	0.	0.
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) **	145,292.	110.	0.	0.
	19 Depreciation (attach schedule) and depletion	148.	148.	0.	
	20 Occupancy	3,341.	3,341.	0.	0.
	21 Travel, conferences, and meetings	4,492.	4,492.	0.	0.
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 7	697,306.	47,169.	0.	646,222.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	1,091,956.	263,855.	0.	679,004.
	25 Contributions, gifts, grants paid	96,309.			96,309.
	26 **Total expenses and disbursements.** Add lines 24 and 25	1,188,265.	263,855.	0.	775,313.
	27 Subtract line 26 from line 12				
	a **Excess of revenue over expenses and disbursements**	987,156.			
	b **Net investment income** (if negative, enter -0-)		1,236,604.		
	c **Adjusted net income** (if negative, enter -0-)			3,098.	

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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	82,693.	37,577.	37,577.
2	Savings and temporary cash investments	118,242.	3,447,230.	3,447,230.
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	148,000.	152,738.	152,738.
10 a	Investments - U S and state government obligations (attach schedule)			
b	Investments - corporate stock (attach schedule) ATCH 9	9,325,556.	7,135,838.	5,590,198.
c	Investments - corporate bonds (attach schedule)			
11	Investments - land, buildings, and equipment basis ▶ 6,342.			ATCH 10
	Less accumulated depreciation (attach schedule) ▶ 2,021.	10,417.	4,321.	4,321.
12	Investments - mortgage loans	1,106,123.	1,000,227.	1,000,227.
13	Investments - other (attach schedule)			
14	Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶ ATCH 11)	13,283.	12,413.	11,663.
16	**Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	10,804,314.	11,790,344.	10,243,954.
Liabilities 17	Accounts payable and accrued expenses	4,778.	3,572.	
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 ▶ ATCH 12)	0.	80.	
23	**Total liabilities** (add lines 17 through 22)	4,778.	3,652.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**			
24	Unrestricted	10,799,536.	11,786,692.	
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ [ ]			
27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, bldg, and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds			
30	**Total net assets or fund balances** (see page 17 of the instructions)	10,799,536.	11,786,692.	
31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	10,804,314.	11,790,344.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	10,799,536.
2	Enter amount from Part I, line 27a	2	987,156.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	11,786,692.
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	11,786,692.

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	1,199,424.
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	3,098.

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	621,519.	9,571,395.	0.064935
2008	436,923.	9,350,430.	0.046728
2007	428,821.	9,132,321.	0.046956
2006	378,539.	10,402,385.	0.036390
2005	356,165.	10,481,231.	0.033981

2	**Total** of line 1, column (d)	2	0.228990
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.045798
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	9,149,151.
5	Multiply line 4 by line 3	5	419,013.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	12,366.
7	Add lines 5 and 6	7	431,379.
8	Enter qualifying distributions from Part XII, line 4	8	775,313.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ____________ (attach copy of ruling letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b	1	0.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	0.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	0.
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010 — 6a		
b	Exempt foreign organizations-tax withheld at source — 6b 0.		
c	Tax paid with application for extension of time to file (Form 8868) — 6c 0.		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments Add lines 6a through 6d	7	0.
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	0.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be **Credited to 2011 estimated tax** ▶ **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶$ ________ (2) On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		X
	If "Yes," attach a detailed description of the activities			
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a	X	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		X
	If "Yes," attach the statement required by General Instruction T			
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ TX,			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses* ATTACHMENT 13	10		X

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions) ATCH. 14	11	X	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

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

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

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

			Yes	No
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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

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

					Yes	No
1a	During the year did the foundation (either directly or indirectly)					
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes	☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes	☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes	☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes	☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes	☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes	☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?			1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐					
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?			1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))					
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010?	☐ Yes	☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____					
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see page 22 of the instructions)			2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ____, ____, ____, ____					
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☒ Yes	☐ No			
b	If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.)*			3b	X	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?			4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?			4b		X

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

		Yes	No
5a	During the year did the foundation pay or incur any amount to		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No		
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No		
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No		
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **5b**		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☒		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No		
	If "Yes," attach the statement required by Regulations section 53 4945-5(d)		
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b**		X
	If "Yes" to 6b, file Form 8870		
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No		
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **7b**		

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 15		74,497.	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 ▶

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
ATTACHMENT 16		365,933.
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 ZIMBA/TAMUCC STUDY -- FULL DESCRIPTION ON SCHEDULE B	220,131.
2 SPOHN NURSE TRAINING COURSE TRIAL -- FULL DESCRIPTION ON SCHEDULE B	134,720.
3 THOMAS STUDY -- FULL DESCRIPTION ON SCHEDULE B	38,138.
4 SPOHN KIOSK TRIAL -- FULL DESCRIPTION ON SCHEDULE B	225,889.

Part IX-B **Summary of Program-Related Investments** (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions	
3 NONE	
Total. Add lines 1 through 3 ▶	

Part X **Minimum Investment Return** (All domestic foundations must complete this part Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes		
a	Average monthly fair market value of securities	1a	4,913,303.
b	Average of monthly cash balances	1b	245,024.
c	Fair market value of all other assets (see page 25 of the instructions)	1c	4,130,151.
d	**Total** (add lines 1a, b, and c)	1d	9,288,478.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	9,288,478.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	139,327.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	9,149,151.
6	**Minimum investment return.** Enter 5% of line 5	6	457,458.

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	457,458.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	0.		
b	Income tax for 2010 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	0.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	457,458.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	457,458.
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	457,458.

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	775,313.
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	775,313.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	775,313.

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				457,458.
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 . . . . . . 56,881.				
b	From 2006 . . . . . . 80,678.				
c	From 2007				
d	From 2008				
e	From 2009 . . . . . . 142,949.				
f	Total of lines 3a through e	280,508.			
4	Qualifying distributions for 2010 from Part XII, line 4 ▶ $ 775,313.				
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				457,458.
e	Remaining amount distributed out of corpus	317,855.			
5	Excess distributions carryover applied to 2010 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5	598,363.			
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)	56,881.			
9	**Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a	541,482.			
10	Analysis of line 9				
a	Excess from 2006 . . . 80,678.				
b	Excess from 2007 . . .				
c	Excess from 2008 . . .				
d	Excess from 2009 . . . 142,949.				
e	Excess from 2010 . . . 317,855.				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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			
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test- enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942 (j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year - see page 28 of the instructions.)

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000). (See section 507(d)(2))

NONE

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

NONE

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

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

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

ATTACHMENT 17

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

ATTACHMENT 18

c Any submission deadlines

NONE

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

ATTACHMENT 19

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year* ATTACHMENT 20				
Total . . . . ▶ **3a**				96,309.
b *Approved for future payment*				
Total . . . . ▶ **3b**				

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Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income (See page 28 of the instructions)
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities	713940	17,603.	14	256,563.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income	713940	585,046.	15	44,472.	
8 Gain or (loss) from sales of assets other than inventory			18	1,199,424.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		602,649.		1,500,459.	

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 2,103,108.

(See worksheet in line 13 instructions on page 29 to verify calculations)

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

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions)

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions.			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

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

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

Signature of officer or trustee: [signature] Date: 11/23/11 Title: PRESIDENT

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Chester A. Swank	[signature]	11-23-11		P00058838

Firm's name ▶ SWANK & SALCH, P.C. Firm's EIN ▶ 74-2727608

Firm's address ▶ 802 N. CARANCAHUA, SUITE 310 CORPUS CHRISTI, TX 78401 Phone no 361-883-8151

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		SEE ATTACHED SCHEDULE 1 FOR DETAILS PROPERTY TYPE: SECURITIES				P	VAR	VAR
4,080,403.		2,899,166.					1,181,237.	
		SEE ATTACHED SCHEDULE 1 FOR DETAILS PROPERTY TYPE: SECURITIES				P	VAR	VAR
17,964.		14,866.					3,098.	
		CAPITAL GAIN DISTRUBTIONS PROPERTY TYPE: SECURITIES				P	VAR	VAR
15,089.							15,089.	
TOTAL GAIN(LOSS)							1,199,424.	

THE MORRIS L. LICHTENSTEIN JR. MEDICAL RESEARCH FOUNDATION
EIN 74-2757309
FORM 990-PF
FISCAL YEAR ENDED JULY 31, 2011

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

	TOTAL	GENERAL	DCH GLUCOMON STUDY	SPOHN NURSE TRAINING	SPOHN NTD	SPOHN KIOSK	ZIMBA	THOMAS	COX
WAGES	163,854	7,222	2,481	7,769	2,065	102,550	32,473	8,244	1,050
PAYROLL TAXES	12,936	530	190	607	166	8,106	2,579	678	80
CONTRACT LABOR	109,979			107,729	2,250				
DEPRECIATION	1,079					1,079			
REPAIRS/MAINTENANCE	43					43			
SUPPLIES	2,305					2,305			
TRAVEL	4,309					4,309			
OTHER PROFESSIONAL FEES	22,213					22,213			
INSURANCE	5,609					5,609			
LEGAL	118,633	2,160	3,520	11,989	1,550	23,950	47,918	26,016	1,530
SUPERVISION COSTS	17,400		400	5,600	600	4,800	2,800	3,200	
MISCELLANEOUS EXPENSE	1,550				1,550				
SOFTWARE DEVELOPMENT	51,951			1,026		50,925			
DEVELOPMENT AND TESTING	134,361						134,361		
	646,222	9,912	6,591	134,720	8,181	225,889	220,131	38,138	2,660

SCHEDULE A

Foundation Research Projects

In 2010 the Foundation's four primary medical research projects were:

1. In collaboration with Medical University of South Carolina Hospital, Foundation Medical Director M. Wilson, M.D. and Principal Investigator, Paul Zimba, Ph.D., are investigating the potential utility of Euglenophycin, a naturally occurring toxin, in combating certain cancers.
2. In collaboration with Christus Spohn Memorial Hospital, Foundation Medical Director, M. Wilson, M.D., and Principal Investigator, P.L. Wakefield, M.D., conducted a prospective, randomized, controlled trial on the effectiveness of a proprietary computer-based audio/visual training program in educating hospital nurses in the proper care of hospital patients who have diabetes.
3. In collaboration with Christus Spohn Hospital, Foundation Medical Director M. Wilson, M.D. and Principal Investigator, Peter Thomas, Ph.D., are investigating the influence of a recently discovered cellular hormone receptor (mPRa) on the human vascular system.
4. In collaboration with Christus Spohn Memorial Hospital, Foundation Medical Director, M. Wilson, M.D. and Principal Investigators Marcia Ory, Ph.D., and Jane Bolin, R.N., Ph.D., investigated the effectiveness of an interactive computer-based, dual-lingual diabetes education program for medically under-served, low literacy populations.

The Morris L Lichtenstein Medical Research Foundation
Gain Loss
7/31/2011

Date of Sale	Purchase Date	Fund	Quantity	Purchase Price	Sales Price	Gain or Loss	Term
2/22/2011	5/6/2009	ISHARES TR RUSSELL 1000 RUSSELL INDEX FUND	4,450 0000	212,966 74	331,509 68	118,542 94	LT
2/22/2011	5/6/2009	ISHARES TR RUSSELL 2000 RUSSELL INDEX FUND	2,440 0000	118,609 95	201,921 57	83,311 62	LT
3/9/2011	5/6/2009	ISHARES TR RUSSELL 1000 RUSSELL INDEX FUND	409 0000	19,573 80	29,996 35	10,422 55	LT
3/9/2011	5/6/2009	ISHARES TR RUSSELL 2000 RUSSELL INDEX FUND	390 0000	18,958 15	31,975 12	13,016 97	LT
3/9/2011	5/6/2009	ISHARES TR MSCI EAFE FD	213 0000	9,001 62	12,973 58	3,971 96	LT
3/7/2011	11/3/2009	PIMCO TOTAL RETURN FUND	3,397 6120	37,137 72	36,955 65	(182 07)	LT
3/7/2011	4/16/2010	PIMCO COMMODITY REAL RETURN STRAT	1,823 7080	14,865 65	17,964 00	3,098 35	ST
7/29/2011	5/6/2009	ISHARES TR MSCI EAFE FD	7,587.0000	320,635 33	456,494 81	135,859 48	LT
7/29/2011	6/5/2009	ISHARES TR MSCI EAFE FD	940.0000	45,965 55	56,557 94	10,592 39	LT
7/29/2011	9/28/2009	ISHARES TR MSCI EAFE FD	2,400 0000	134,840 13	144,403 26	9,563 13	LT
7/29/2011	5/6/2009	ISHARES TR RUSSELL 1000 RUSSELL INDEX FUND	3,686 0000	176,403 46	274,417 92	98,014 46	LT
7/29/2011	6/5/2009	ISHARES TR RUSSELL 1000 RUSSELL INDEX FUND	2,250 0000	116,963 95	167,510 16	50,546 21	LT
7/29/2011	9/28/2009	ISHARES TR RUSSELL 1000 RUSSELL INDEX FUND	8,750 0000	518,971 45	651,423 01	132,451 56	LT
7/29/2011	5/6/2009	ISHARES TR RUSSELL 2000 RUSSELL INDEX FUND	7,535 0000	366,281 14	624,413 75	258,132 62	LT
7/29/2011	6/5/2009	ISHARES TR RUSSELL 2000 RUSSELL INDEX FUND	875 0000	46,015 58	72,509 20	26,493 62	LT
7/29/2011	9/28/2009	ISHARES TR RUSSELL 2000 RUSSELL INDEX FUND	3,500 0000	218,127 01	290,037 05	71,910 04	LT
7/29/2011	11/2/2009	VANGUARD EMERGING MARKETS	14,269 0000	538,714 35	697,303 69	158,589 34	LT
				2,914,031 57	4,098,366 75	1,184,335 18	
					LT GAIN DIST	15,088 99	
						1,199,424 17	

SCHEDULE 1

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME
MORTGAGE NOTE RECEIVABLES	56,734.	56,734.	0.
INVESTMENT INTEREST	3.	3.	0.
UNRELATED BUSINESS INCOME - INTEREST	17,603.	0.	0.
MONEY MARKET DIVIDENDS	199,826.	199,826.	0.
TOTAL	274,166.	256,563.	0.

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RENT AND ROYALTY INCOME

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

DESCRIPTION OF PROPERTY

VARIOUS MINERAL INTERESTS

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

ROYALTY HAVING NO DEPLETION		44,472.	
OTHER INCOME			
TOTAL GROSS INCOME			44,472.
OTHER EXPENSES:			
SEE ATTACHMENT			
DEPRECIATION (SHOWN BELOW)			
LESS: Beneficiary's Portion			
AMORTIZATION			
LESS: Beneficiary's Portion			
DEPLETION			
LESS: Beneficiary's Portion			
TOTAL EXPENSES			25,469.
TOTAL RENT OR ROYALTY INCOME (LOSS)			19,003.
Less Amount to			
Rent or Royalty			
Depreciation			
Depletion			
Investment Interest Expense			
Other Expenses			
Net Income (Loss) to Others			
Net Rent or Royalty Income (Loss)			19,003.
Deductible Rental Loss (if Applicable)			

SCHEDULE FOR DEPRECIATION CLAIMED

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

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SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER DEDUCTIONS

TAXES	757.
LOE AND OTHER EXPENSES	24,712.
	25,469.

RENT AND ROYALTY SUMMARY

PROPERTY	TOTAL INCOME	DEPLETION/ DEPRECIATION	OTHER EXPENSES	ALLOWABLE NET INCOME
VARIOUS MINERAL INTE	44,472.		25,469.	19,003.
TOTALS	44,472.		25,469.	19,003.

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME
ROYALTY INCOME	44,472.	44,472.	44,472.
CORPUS CHRISTI ATHLETIC CLUB, INC.	585,046.	0.	0.
TOTALS	629,518.	44,472.	44,472.

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
UPTON, MICKITS, & HEYMANN, LLP	5,586.	5,586.	0.	0.
GARY, THOMASSON, HALL & MARKS	122,494.	104,784.	0.	17,710.
TOTALS	128,080.	110,370.	0.	17,710.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
SWANK & SALCH, P.C.	30,144.	15,072.	0.	15,072.
TOTALS	30,144.	15,072.	0.	15,072.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
WELLS FARGO	4,550.	4,550.	0.	0.
TEXAS AGENT CORPORATION	35.	35.	0.	0.
LARRY THOMPSON & ASSOCIATES IN	25,683.	25,683.	0.	0.
TOTALS	30,268.	30,268.	0.	0.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
AD VALOREM TAXES	103.	103.	0.	0.
EXCISE TAX	145,182.	0.	0.	0.
PAYROLL TAXES	7.	7.	0.	0.
TOTALS	145,292.	110.	0.	0.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
RENT AND ROYALTY EXPENSES	25,469.			
RENT AND ROYALTY EXPENSES		25,470.	0.	0.
INSURANCE	7,795.	7,795.	0.	0.
CONTRACT LABOR	13,728.	13,728.	0.	0.
OFFICE SUPPLIES	176.	176.	0.	0.
UNRELATED BUSINESS INCOME	3,836.	0.	0.	0.
PENALTIES	80.	0.	0.	0.
MEDICAL RESEARCH ACTIVITES (DETAILS ON SCHEDULE A)	646,222.	0.	0.	646,222.
TOTALS	697,306.	47,169.	0.	646,222.

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

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
PREPAID EXCISE TAX	152,738.	152,738.
TOTALS	152,738.	152,738.

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
CORPUS CHRISTI ATHLETIC CLUB	5,076,073.	3,670,998.
TENE, INC.	377,000.	190,204.
CHARLES SCHWAB INVESTMENTS	1,682,765.	1,728,996.
TOTALS	7,135,838.	5,590,198.

INVESTMENTS - LAND, BUILDINGS, EQUIPMENT

ATTACHMENT 10

		FIXED ASSET DETAIL				ACCUMULATED DEPRECIATION DETAIL			
ASSET DESCRIPTION	METHOD/ CLASS	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
COMPUTER & PRINTER	SL	1,691.		1,691.		761.	85.	846.	
CHAIRS	SL	1,035.			1,035.	173.	148.		321.
3 PRINTERS	SL	1,572.		1,572.		340.	79.	419.	
CHAIRS	SL	732.			732.	78.	105.		183.
MED RES COMPUTER	SL		1,082.		1,082.		198.		198.
PRINTER	SL		358.		358.		66.		66.
2 KIOSKS	SL	5,100.		5,100.		607.	182.	789.	
1 KIOSK	SL	2,550.			2,550.	304.	364.		668.
L&W CROSS TIMBERS	SLA	585			585.	585.			585.
TOTALS		13,265.			6,342.	2,848.			2,021.

ATTACHMENT 11

FORM 990PF, PART II - OTHER ASSETS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
WORKING INTEREST	5,685.	5,685.
ROYALTY INTEREST	5,978.	5,978.
COPYRIGHT EXPENSES	750.	0.
A/R TENE INC.	0.	0.
TOTALS	12,413.	11,663.

FORM 990PF, PART II - OTHER LIABILITIES

DESCRIPTION	ENDING BOOK VALUE
A/P TENE	80.
TOTALS	80.

FORM 990PF, PART VII-A, LINE 10 - NEW SUBSTANTIAL CONTRIBUTORS ATTACHMENT 13

NAME AND ADDRESS	DATE	DIRECT PUBLIC SUPPORT
GARY H. YORK CHARITABLE REMAINDER UNITRU P.O. BOX 41629 AUSTIN, TX 78704		72,313.
TOTAL CONTRIBUTION AMOUNTS		72,313.

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

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

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

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

ATTACHMENT 15

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
MARCIA MARKS 226 WILSHIRE PLACE CORPUS CHRISTI, TX 78411	VICE-PRESIDENT 5.00	12,400.	0.	0.
CHARLES W. THOMASSON 226 ROSEBUD AVE. CORPUS CHRISTI, TX 78404	PRES / SEC / TREAS 10.00	13,400.	0.	0.
SAMUEL BEECROFT P.O. BOX 2643 CORPUS CHRISTI, TX 78403	TRUSTEE 3.00	8,200.	0.	0.
ALLEN BORDEN 123 RAINBOW LANE CORPUS CHRISTI, TX 78411	TRUSTEE 3.00	9,000.	0.	0.
MELISSA MARKS GARNER 1500 JACKSON STREET DALLAS, TX 75201	TRUSTEE 3.00	7,970.	0.	0.
JON G. MARKS 10442 NW 60TH PLACE PARKLAND, FL 33076	TRUSTEE 3.00	10,395.	0.	0.

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

ATTACHMENT 15 (CONT'D)

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
CAMILLE THOMASSON 210 INDIANA AVE. CORPUS CHRISTI, TX 78404	TRUSTEE 3.00	13,132.	0.	0.
	GRAND TOTALS	74,497.	0.	0.

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

ATTACHMENT 16

NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
GARY, THOMASSON, HALL & MARKS P.O. BOX 2888 CORPUS CHRISTI, TX 78403	LEGAL & MGMT	207,279.
PEGGY L. WAKEFIELD, M.D., F.A.A.P. P.O. BOX 2685 CORPUS CHRISTI, TX 78403	MEDICAL RESEARCH	107,729.
TEXAS A&M UNIVERSITY HEALTH SCIENCE 4247 TAMU COLLEGE STATION, TX 77843	RESEARCH SUPPORT	50,925.
TOTAL COMPENSATION		365,933.

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

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

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

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

990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS

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

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

ATTACHMENT 20

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
CORPUS CHRISTI CHAMBER MUSIC SOCIETY P.O. BOX 60124 CORPUS CHRISTI, TX 78466	N/A PUBLIC CHARITY	GRANT FOR OPERATIONS	10,000.
CATHOLIC CHARITIES OF CORPUS CHRISTI 1322 COMANCHE CORPUS CHRISTI, TX 78401	N/A PUBLIC CHARITY	FUNDING FOR OPERATIONS	1,000.
TEXAS A&M UNIVERSITY- CORPUS CHRISTI 6300 OCEAN DRIVE UNIT 5741 CORPUS CHRISTI, TX 78412	N/A NON-TAXABLE	SCHOLARSHIPS FOR SCHOOL OF BUSINESS AND MUSIC DEPARTMANT	52,000.
WOMEN'S SHELTER OF SOUTH TEXAS P.O. BOX 3368 CORPUS CHRISTI, TX 78463-3368	N/A NON-TAXABLE	FUNDING FOR OPERATIONS	12,000.
COASTAL BEND COMMUNITY FOUNDATION 600 LEOPARD SUITE 1716 CORPUS CHRISTI, TX 78473	N/A NON-TAXABLE	FOUNDATION'S DAY OF GIVING	15,000.
CHRISTUS SPOHN FAMILY HEALTH CENTER- WESTSIDE 4617 GREENWOOD DRIVE CORPUS CHRISTI, TX 78416	N/A NOT FOR PROFIT	EQUIPMENT FOR OPERATIONS	845.

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

ATTACHMENT 20 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
ANTONIO E. GARCIA ARTS & EDUCATION CENTER 2021 AGNES CORPUS CHRISTI, TX 78405	N/A NON-TAXABLE	FOR PROGRAM OPERATIONS	2,539.
AMISTAD COMMUNITY HEALTH CENTER 1533 BROWNLEE CORPUS CHRISTI, TX 78404	N/A NON-TAXABLE	FOR PROGRAM OPERATIONS	385.
CATHOLIC CHARITIES OF CORPUS CHRISTI 1322 COMANCHE CORPUS CHRISTI, TX 78401	N/A NON-TAXABLE	FOR PROGRAM OPERATIONS	2,540.
		TOTAL CONTRIBUTIONS PAID	96,309.

SCHEDULE D (Form 1041)

Department of the Treasury Internal Revenue Service

Capital Gains and Losses

▶Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

2010

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

Employer identification number 74-2757309

Note: *Form 5227 filers need to complete only Parts I and II*

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	3,098.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2009 Capital Loss Carryover Worksheet	4	( )
5 **Net short-term gain or (loss).** Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ▶	5	3,098.

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

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	1,196,326.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2009 Capital Loss Carryover Worksheet	11	( )
12 **Net long-term gain or (loss).** Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ▶	12	1,196,326.

Part III Summary of Parts I and II

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

			(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
13	**Net short-term gain or (loss)**	13			3,098.
14	**Net long-term gain or (loss):**				
a	Total for year	14a			1,196,326.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b			
c	28% rate gain	14c			
15	**Total net gain or (loss).** Combine lines 13 and 14a ▶	15			1,199,424.

Note: *If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a) If lines 14a and 15, column (2), are net gains, go to Part V, and* **do not** *complete Part IV If line 15, column (3), is a net loss, complete Part IV and the* **Capital Loss Carryover Worksheet,** *as necessary*

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the **smaller** of

a The loss on line 15, column (3) **or** **b** $3,000 . . . 16 ( )

Note: *If the loss on line 15, column (3), is more than $3,000,* **or** *if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the* **Capital Loss Carryover Worksheet** *on page 7 of the instructions to figure your capital loss carryover*

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), **and** Form 1041, line 22, is more than zero

Caution: *Skip this part and complete the worksheet on page 8 of the instructions if*

- *Either line 14b, col (2) or line 14c, col (2) is more than zero, or*
- *Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero*

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, **and** Form 990-T, line 34, is more than zero Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)			17			
18	Enter the **smaller** of line 14a or 15 in column (2) but not less than zero	18					
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19					
20	Add lines 18 and 19	20					
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶	21					
22	Subtract line 21 from line 20 If zero or less, enter -0-			22			
23	Subtract line 22 from line 17 If zero or less, enter -0-			23			
24	Enter the **smaller** of the amount on line 17 or $2,300			24			
25	Is the amount on line 23 equal to or more than the amount on line 24? ☐ **Yes.** Skip lines 25 and 26, go to line 27 and check the "No" box ☐ **No.** Enter the amount from line 23			25			
26	Subtract line 25 from line 24			26			
27	Are the amounts on lines 22 and 26 the same? ☐ **Yes.** Skip lines 27 thru 30, go to line 31 ☐ **No.** Enter the **smaller** of line 17 or line 22			27			
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)			28			
29	Subtract line 28 from line 27			29			
30	Multiply line 29 by 15% (15)					30	
31	Figure the tax on the amount on line 23 Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)					31	
32	Add lines 30 and 31					32	
33	Figure the tax on the amount on line 17 Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)					33	
34	**Tax on all taxable income.** Enter the **smaller** of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)					34	

SCHEDULE D-1
(Form 1041)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

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

OMB No 1545-0092

2010

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

Employer identification number: 74-2757309

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a SEE ATTACHED SCHEDULE 1 FOR DETAILS			17,964.	14,866.	3,098.

1b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 1b . . . . 3,098.

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

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

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a SEE ATTACHED SCHEDULE 1 FOR DETAILS			4,080,403.	2,899,166.	1,181,237.
CAPITAL GAIN DISTRUBTIONS			15,089.		15,089.

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b	1,196,326.

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Description of Property

DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Me-thod	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
COMPUTER & PRINTER	05/08/2008	1,691.	100.000			1,691.	761.		SL		5.000				85. *
CHAIRS	05/19/2009	1,035.	100 000			1,035.	173.	321.	SL		7.000				148.
3 PRINTERS	07/02/2009	1,572.	100.000			1,572.	340.		SL		5.000				79 *
CHAIRS	10/19/2009	732.	100.000			732.	78.	183.	SL		7.000				105
MED RES COMPUTER	09/01/2010	1,082.	100.000			1,082.		198.	SL		5.000				198.
PRINTER	09/01/2010	358.	100.000			358.		66.	SL		5.000				66.
2 KIOSKS	09/29/2009	5,100.	100.000			5,100.	607.		SL		7.000				182. *
1 KIOSK	09/29/2009	2,550.	100 000			2,550.	304.	668.	SL		7.000				364
Less. Retired Assets		8,363.				8,363.	1,708.								
Subtotals		5,757.				5,757.	555.	1,436.							1,227
Listed Property															
Less Retired Assets															
Subtotals															
TOTALS		5,757.				5,757.	555.	1,436.							1,227

AMORTIZATION

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

*Assets Retired

JSA
0X9024 1 000

Description of Property

VARIOUS MINERAL INTERESTS

DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Me-thod	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
L&W CROSS TIMBERS	07/15/1995	585.	100.000			585.	585.	585.	SLA		7.000				
Less Retired Assets															
Subtotals		585.				585.	585.	585.							
Listed Property															
Less Retired Assets															
Subtotals															
TOTALS		585.				585.	585.	585							

AMORTIZATION

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

*Assets Retired

JSA

0X9024 1 000