

Form **990**

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2004

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the **2004** calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization CULLEN TRUST FOR HIGHER EDUCATION		D Employer identification number 74-1999641
		Number and street (or P O box if mail is not delivered to street address) Room/suite 601 JEFFERSON, SUITE 3600		E Telephone number 713-333-2200
		City or town, state or country, and ZIP + 4 HOUSTON, TX 77002		F Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates _____

H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number _____

G Website: **N/A**

J Organization type (check only one) 501(c) (3) (insert no) 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 **41,598,929.**

M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

Part 1 Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1 Contributions, gifts, grants, and similar amounts received				
	a Direct public support	1a			
	b Indirect public support	1b			
	c Government contributions (grants)	1c			
	d Total (add lines 1a through 1c) (cash \$ _____ noncash \$ _____)			1d	0.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)			2	
	3 Membership dues and assessments			3	
	4 Interest on savings and temporary cash investments			4	
	5 Dividends and interest from securities			5	2,624,847.
	6 a Gross rents	6a			
	b Less: rental expenses	6b			
	c Net rental income or (loss) (subtract line 6b from line 6a)			6c	
	7 Other investment income (describe INCOME FROM PARTNERSHIPS)			7	35,921.
	8 a Gross amount from sales of assets other than inventory	(A) Securities	(B) Other		
		38,827,407.	8a 110,754.		
	b Less: cost or other basis and sales expenses	26,458,688.	8b		
	c Gain or (loss) (attach schedule)	12,368,719.	8c 110,754.		
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	STMT 1	STMT 2	8d	12,479,473.
	9 Net income or (loss) from gaming activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>				
	a Gross revenue (not including \$ _____ of contributions reported on line 6a)	9a			
	b Less: direct expenses for than fundraising expenses	9b			
c Net income or (loss) from special events (subtract line 9b from line 9a)			9c		
10 Net sales of inventory less returns and allowances	10a				
d Less: cost of goods sold	10b				
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c		
11 Other revenue (from Part VII, line 103)			11		
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	15,140,241.	
13 Program services (from line 44, column (B))			13	3,699,999.	
14 Management and general (from line 44, column (C))			14	933,280.	
15 Fundraising (from line 44, column (D))			15		
16 Payments to affiliates (attach schedule)			16		
17 Total expenses (add lines 16 and 44, column (A))			17	4,633,279.	
18 Excess or (deficit) for the year (subtract line 17 from line 12)			18	10,506,962.	
19 Net assets or fund balances at beginning of year (from line 73, column (A))			19	65,300,244.	
20 Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 3			20	<24,561.>	
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	75,782,645.	

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Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others Page 2

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$3699999, noncash \$)	3,699,999.	3,699,999.	STATEMENT 6	
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc	0.	0.	0.	0.
26	Other salaries and wages				
27	Pension plan contributions				
28	Other employee benefits				
29	Payroll taxes				
30	Professional fundraising fees				
31	Accounting fees	63,236.		63,236.	
32	Legal fees	25,558.		25,558.	
33	Supplies				
34	Telephone				
35	Postage and shipping				
36	Occupancy				
37	Equipment rental and maintenance				
38	Printing and publications				
39	Travel				
40	Conferences, conventions, and meetings				
41	Interest	9.		9.	
42	Depreciation, depletion, etc (attach schedule)				
43	Other expenses not covered above (itemize)				
a					
b					
c					
d					
e	SEE STATEMENT 4	844,477.		844,477.	
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	4,633,279.	3,699,999.	933,280.	0.

Joint Costs. Check if you are following SOP 98-2
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____;
 (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? **SUPPORT FOR HIGHER EDUCATION INSTITUTIONS**

	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others)
a SEE STATEMENT 5	
(Grants and allocations \$ 3,699,999.)	3,699,999.
b	
(Grants and allocations \$)	
c	
(Grants and allocations \$)	
d	
(Grants and allocations \$)	
e Other program services (attach schedule)	(Grants and allocations \$)
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	3,699,999.

Part IV Balance Sheets

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	1,104,205.	45	1,265,657.
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable		47a	
	b Less: allowance for doubtful accounts		47b	47c
	48 a Pledges receivable		48a	
	b Less: allowance for doubtful accounts		48b	48c
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees		50	
	51 a Other notes and loans receivable		51a	
	b Less: allowance for doubtful accounts		51b	51c
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges		53	
	54 Investments - securities STMT 7 <input checked="" type="checkbox"/> Cost <input type="checkbox"/> FMV	60,446,039.	54	66,761,108.
	55 a Investments - land, buildings, and equipment basis		55a	
	b Less: accumulated depreciation		55b	55c
56 Investments - other SEE STATEMENT 8	3,750,000.	56	7,755,880.	
57 a Land, buildings, and equipment: basis		57a		
b Less: accumulated depreciation		57b	57c	
58 Other assets (describe <input type="checkbox"/>)		58		
59 Total assets (add lines 45 through 58) (must equal line 74)	65,300,244.	59	75,782,645.	
Liabilities	60 Accounts payable and accrued expenses		60	
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable		64b	
	65 Other liabilities (describe <input type="checkbox"/>)		65	
66 Total liabilities (add lines 60 through 65)	0.	66	0.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	65,300,244.	67	75,782,645.
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19; column (B) must equal line 21)	65,300,244.	73	75,782,645.	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)	65,300,244.	74	75,782,645.	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return		Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return	
a Total revenue, gains, and other support per audited financial statements	▶ a	14,993,566.	
b Amounts included on line a but not on line 12, Form 990			
(1) Net unrealized gains on investments \$			
(2) Donated services and use of facilities \$			
(3) Recoveries of prior year grants \$			
(4) Other (specify) \$			
Add amounts on lines (1) through (4)	▶ b	0.	
c Line a minus line b	▶ c	14,993,566.	
d Amounts included on line 12, Form 990 but not on line a:			
(1) Investment expenses not included on line 6b, Form 990 \$			
(2) Other (specify): STMT 9 \$ 146,675.			
Add amounts on lines (1) and (2)	▶ d	146,675.	
e Total revenue per line 12, Form 990 (line c plus line d)	▶ e	15,140,241.	
a Total expenses and losses per audited financial statements	▶ a	4,511,165.	
b Amounts included on line a but not on line 17, Form 990			
(1) Donated services and use of facilities \$			
(2) Prior year adjustments reported on line 20, Form 990 \$			
(3) Losses reported on line 20, Form 990 \$			
(4) Other (specify) \$			
Add amounts on lines (1) through (4)	▶ b	0.	
c Line a minus line b	▶ c	4,511,165.	
d Amounts included on line 17, Form 990 but not on line a:			
(1) Investment expenses not included on line 6b, Form 990 \$			
(2) Other (specify): STMT 10 \$ 122,114.			
Add amounts on lines (1) and (2)	▶ d	122,114.	
e Total expenses per line 17, Form 990 (line c plus line d)	▶ e	4,633,279.	

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated)				
(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 & deferred compensation	(E) Expense account and other allowances
ROBERT ARNOLD 600 TRAVIS, SUITE 3700 HOUSTON, TX 77002	TRUSTEE	0.	0.	0.
J. BRUCE BELIN, JR. 2438 WINDMILL DRIVE RICHMOND, TX 77469	TRUSTEE	0.	0.	0.
ROY WALTER CULLEN 601 JEFFERSON, SUITE 4000 HOUSTON, TX 77002	TRUSTEE	0.	0.	0.
PATRICK J. MORAN 2803 SACKETT STREET HOUSTON, TX 77098	TRUSTEE	0.	0.	0.
HUGH ROY MARSHALL 146 SOUTH D STREET P.O. BOX 890 VIRGINIA CITY, NEVADA 89440	TRUSTEE	0.	0.	0.
ROBERT K. MOSES, JR. P.O. BOX 27888 HOUSTON, TX 77227	TRUSTEE	0.	0.	0.
CORBIN J. ROBERTSON, JR. 601 JEFFERSON, SUITE 3600 HOUSTON, TX 77002	CHAIRMAN	0.	0.	0.
JAMES V. WALZEL 2929 BRIARPARK, SUITE 220 HOUSTON, TX 77042	TRUSTEE	0.	0.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule Yes No

Part VI Other Information

Table with columns for question number, question text, and Yes/No columns. Includes questions 76 through 92 regarding organizational activities, financials, and compliance.

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	2,624,847.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income			14	35,921.	
100 Gain or (loss) from sales of assets other than inventory			18	12,479,473.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		15,140,241.	0.
105 Total (add line 104, columns (B), (D), and (E))					15,140,241.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
N/A	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

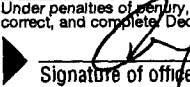
Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions)

- (a) Did the organization, during the year, receive any funds, directly or indirectly,
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on


Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Please 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 officer) is based on all information furnished to preparer.

Signature of officer:  Date: 11-11-05

Paid Preparer's Use Only

Preparer's signature: 

Firm's name (or yours if self-employed), address, and ZIP + 4: HARPER & PEARSON COMPANY
ONE RIVERWAY, SUITE 100
HOUSTON, TX 77056

423161 01-19-05

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

2004

Department of the Treasury
Internal Revenue Service

Supplementary Information--(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization: **CULLEN TRUST FOR HIGHER EDUCATION** Employer identification number: **74 1999641**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are 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 & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000 ▶	0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms) If there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ▶	0	

Part III Statements About Activities (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e Transfer of any part of its income or assets?		X
3 a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)		X
b Do you have a section 403(b) annuity plan for your employees?		X
4 a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only ONE applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i)
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii)
- 8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state **▶** _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above
SUPPORT FOR HIGHER EDUCATION INSTITUTIONS	6

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)

FORM 990 . GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES STATEMENT 1

<u>DESCRIPTION</u>	<u>GROSS SALES PRICE</u>	<u>COST OR OTHER BASIS</u>	<u>EXPENSE OF SALE</u>	<u>NET GAIN OR (LOSS)</u>
SEE STATEMENT #11	10,825,699.	10,332,127.	0.	493,572.
SEE STATEMENT #12	3,383,571.	3,780,429.	0.	<396,858.>
SEE STATEMENT #13	822,826.	591,511.	0.	231,315.
SEE STATEMENT #14	16,822,700.	5,765,004.	0.	11,057,696.
SEE STATEMENT #15	6,972,611.	5,989,617.	0.	982,994.
TO FORM 990, PART I, LINE 8	<u>38,827,407.</u>	<u>26,458,688.</u>	<u>0.</u>	<u>12,368,719.</u>

FORM 990 . GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 2

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED		
			PURCHASED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
FROM PARTNERSHIP SCHEDULE K-1	110,754.	0.	0.	0.	110,754.
TO FM 990, PART I, LN 8	110,754.	0.	0.	0.	110,754.

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 3

DESCRIPTION	AMOUNT
TAX NET INCOME IN EXCESS OF BOOKS ON PARTNERSHIPS	<24,561.>
TOTAL TO FORM 990, PART I, LINE 20	<24,561.>

FORM 990 OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
INVESTMENT MANAGEMENT FEES	664,066.		664,066.	
SECURITY CUSTODIAL FEES	19,080.		19,080.	
OTHER PROFESSIONAL FEES	16,314.		16,314.	
FOREIGN INCOME TAX EXPENSES FROM PARTNERSHIPS	22,903.		22,903.	
TOTAL TO FM 990, LN 43	844,477.		844,477.	

FORM 990 . STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 5

DESCRIPTION OF PROGRAM SERVICE ONE

THE TRUST WAS CREATED FOR CHARITABLE, SCIENTIFIC, LITERARY AND EDUCATIONAL PURPOSES AND IS ADMINISTERED SOLELY FOR BENEFIT OF INSTITUTIONS OF HIGHER EDUCATION WITHIN THE STATE OF TEXAS, PRIMARILY THOSE LOCATED WITHIN THE GREATER HOUSTON METROPOLITAN AND SURROUNDING AREAS.

THE TRUSTEES OF THE TRUST HAVE THE DISCRETION TO PROVIDE FINANCIAL ASSISTANCE TO ANY OR ALL OF THE BENEFICIARIES OF THE CLASS.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A	3,699,999.	3,699,999.

FORM 990 CASH GRANTS AND ALLOCATIONS STATEMENT 6

CLASSIFICATION	DONEE'S NAME	DONEE'S ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
EXEMPT	DENTON A COOLEY CENTER	HOUSTON, TX	NONE	133,333.
EXEMPT	UTMB GRANT	GALVESTON, TX	NONE	133,333.
EXEMPT	UTMSB GRANT	GALVESTON, TX	NONE	250,000.
EXEMPT	TEXAS A&M DEV. FOUNDATION	COLLEGE STATION, TX	NONE	60,000.
EXEMPT	BAYLOR COLLEGE OF MED GRANT	HOUSTON, TX	NONE	500,000.
EXEMPT	SOUTHWESTERN UNIV. GRANT	GEORGETOWN, TX	NONE	1000000.
EXEMPT	UNIV. OF TEXAS AUSTIN GRANT	AUSTIN, TX	NONE	40,000.
EXEMPT	HBU GRANT	HOUSTON, TX	NONE	666,667.
EXEMPT	COLLEGE OF BIBLICAL STUDIES	HOUSTON, TX	NONE	250,000.

EXEMPT	UNIV OF TEXAS HEALTH SCIENCE CENTER	HOUSTON, TX	NONE	666,666.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22				<u>3699999.</u>

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 7

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
MARKETABLE SECURITIES	COST			55,207,916.	55,207,916.
MARKETABLE SECURITIES	COST		11,553,192.		11,553,192.
TO FORM 990, LINE 54, COL B			<u>11,553,192.</u>	<u>55,207,916.</u>	<u>66,761,108.</u>

FORM 990 OTHER INVESTMENTS STATEMENT 8

DESCRIPTION	VALUATION METHOD	AMOUNT
INVESTMENT IN LEGACY TECH CHARITABLE LIVING LP	COST	3,000,000.
INVESTMENT IN MATLINPATTERSON GLOBAL OPPORTUNITIES II	COST	1,005,880.
AUSTIN CAPITAL MULTI STRATEGY OFFSHORE FUND LTD.	COST	2,000,000.
SPRING STREET PARTNERS	COST	1,750,000.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		<u>7,755,880.</u>

FORM 990 -	OTHER REVENUE INCLUDED ON FORM 990	STATEMENT	9
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<u>DESCRIPTION</u>	<u>AMOUNT</u>
INVESTMENT INCOME FROM PARTNERSHIPS	35,921.
CAPITAL GAIN INCOME FROM PARTNERSHIPS	110,754.
TOTAL TO FORM 990, PART IV-A	146,675.

FORM 990	OTHER EXPENSES INCLUDED ON FORM 990	STATEMENT	10
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<u>DESCRIPTION</u>	<u>AMOUNT</u>
EXPENSES FROM PARTNERSHIPS	122,114.
TOTAL TO FORM 990, PART IV-B	122,114.



Account Number: HM 00443 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075243-X8
 - 000002

2004 Realized gains and losses

Estimated 2004 gains and losses for transactions with trade dates through 12/31/04 have been incorporated into this statement. The oldest security lot is liquidated first to calculate gains/losses (first-in, first-out or FIFO accounting method) unless you specified which lot to close when you placed your order (a versus purchase or VSP order). An asterisk (*) indicates a UBS Financial Services adjustment to cost basis. The number "1" indicates cost basis information has been provided by a source other than UBS Financial Services. See the back of the first page for additional information. This information is provided for informational purposes only and should not be relied upon for tax-filing purposes. Rely only on year-end tax forms when preparing your tax return. Gains/losses may not be adjusted for all capital changes. Cost basis for tax-exempt and AMT eligible coupon municipal securities has been adjusted automatically for estimated amortization of bond premiums. Estimates in the "Unclassified" section can not be classified as short-term or long-term due to missing information or the product is one for which a gain/loss calculation is not provided.

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
Short-term capital gains and losses:									
GILENT TECH INC CONV	FIFO	80,000.000	09/04/03	09/01/04	\$ 80,525.00	\$ 62,415.60	\$ -1,890.60		
3.000% 120121 DTD112701	FIFO	100,000.000	09/05/03	09/01/04	100,875.00	104,884.80	-4,009.80		
C080102 B/E	FIFO	170,000.000	11/17/03	09/01/04	171,487.50	181,418.73	-9,931.23		
POGENT TECHNOLOGIES INC	FIFO	350,000.000	02/17/04	10/06/04	386,312.50	373,331.00		12,981.50	
2.250% 101521 DTD080304									
C101504 SR DEB CONV B/E									
AVNET INC NTS CONV	FIFO	140,000.000	03/02/04	09/20/04	132,825.00	140,962.50	-8,137.50		
2.000% 031534 DTD030504	FIFO	90,000.000	03/22/04	09/20/04	85,387.50	92,115.54	-6,728.04		
C091504									
BARNES & NOBLE INC NTS	FIFO	330,000.000	12/22/03	06/28/04	339,900.00	357,564.90	-17,664.90		
5.250% 031509 DTD031401									
C091501									
ENDANT CORP CONV B/E	FIFO	85,000.000	02/12/04	11/16/04	85,076.50	92,177.66	-7,101.16		
3.875% 112711 DTD112701	FIFO	280,000.000	04/12/04	11/16/04	280,234.00	289,250.00	-29,016.00		
C053002 REG.D									
OMVERSE TECHNOLOGY INC	FIFO	300,000.000	09/02/03	02/05/04	346,407.00	337,953.90		8,453.10	
0.000% 051523 DTD081903									
C051523 CONV ZERO CPN									
MORNING INC SENIOR NTS	FIFO	58,000.000	09/08/03	02/04/04	77,720.00	66,759.91		10,960.09	
3.500% 110108 DTD111401									
C050102 CONV									
ELECTRONIC DATA SYSTEMS	FIFO	350,000.000	01/28/04	07/26/04	325,219.30	372,093.75	-46,874.45		
3.875% 071523 DTD063003									
C811504 NEW NTS CONV									
OUR SEASONS HOTELS INC	FIFO	250,000.000	10/28/03	03/17/04	83,088.25	86,837.50	-3,769.25		
0.000% 092329 DTD092399									
C000000 NTS CONV B/E									

PAGE 1 OF 5
STATEMENT 11

Account Number: HM 00443 C1
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 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075244-X6
 - 000003

004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
EAENE INC 2.000% 061513 DTD061503 C121503	FIFO	170,000.000	12/18/03	02/25/04	180,329.20	177,821.70		2,507.50	
TMICROELECTRONICS NV 0.000% 070513 DTD080503 C070513 NTS CONV ZERO	FIFO	160,000.000	10/22/03	09/10/04	152,200.00	174,000.00	-21,800.00		
ERADYNE INC NTS 3.750% 101508 DTD102401 C041502	FIFO	160,000.000	11/24/03	09/10/04	152,200.00	174,000.00	-21,800.00		
ERADYNE INC NTS 3.750% 101508 DTD102401 C041502	FIFO	75,000.000	01/07/04	08/19/04	74,250.00	89,019.75	-14,769.75		
ERADYNE INC NTS 3.750% 101508 DTD102401 C041502	FIFO	20,000.000	01/08/04	08/19/04	19,800.00	24,253.80	-4,453.80		
ERADYNE INC NTS 3.750% 101508 DTD102401 C041502	FIFO	30,000.000	01/09/04	08/19/04	29,700.00	36,834.90	-7,134.90		
ERADYNE INC NTS 3.750% 101508 DTD102401 C041502	FIFO	35,000.000	01/12/04	08/19/04	34,650.00	42,582.75	-7,932.75		
EVA PHARM FIN CONV 0.375% 111522 DTD111802 C051503	FIFO	250,000.000	04/10/03	01/22/04	359,586.75	289,780.00		59,806.75	
YCO INTL GROUP SA CONV 2.750% 011518 DTD011303 C071503	FIFO	40,000.000	08/18/03	06/25/04	59,193.40	42,221.20		16,972.20	
3 COMMUNICATIONS HOLDINGS CORP	Adjustment	2,973.000	03/31/04	11/18/04	210,438.89	186,036.88		24,402.01	
3 COMMUNICATIONS HOLDINGS CORP	Adjustment	.280	03/31/04	10/20/04	17.52	17.57	-0.05		
3 COMMUNICATIONS HOLDINGS CORP	FIFO	6,625.000	05/27/03	01/13/04	329,645.23	317,765.70		11,879.53	
ENNEY J C CO INC (HLDG CO)	Adjustment	5,087.000	05/21/04	11/18/04	205,846.23	183,924.59		21,921.64	
ENNEY J C CO INC (HLDG CO)	Adjustment	1.000	06/30/04	11/18/04	40.46	38.55		1.91	
ENNEY J C CO INC (HLDG CO)	Adjustment	4,560.000	06/30/04	11/18/04	184,521.13	175,790.97		8,730.16	
ENNEY J C CO INC (HLDG CO)	Adjustment	.925	06/30/04	11/15/04	36.88	4.44		32.44	
ALLTEL CORP DUE 05/17/2005 PRIDES CONV 1.75%	FIFO	3,100.000	02/03/03	01/08/04	159,797.52	148,645.00		11,152.52	
ALLTEL CORP DUE 05/17/2005 PRIDES CONV 1.75%	FIFO	1,900.000	02/27/03	01/08/04	97,940.41	86,260.00		11,680.41	
ALLTEL CORP DUE 05/17/2005 PRIDES CONV 1.75%	FIFO	1,400.000	04/29/03	01/08/04	72,166.62	67,367.86		4,798.76	
ALPINE CAPITAL TRUST II CALLED 10/20/04@50.00) CONV 5.50% PREFERRED	FIFO	7,600.000	12/19/03	03/12/04	367,635.66	360,050.00		7,585.66	
CENTURYTEL INC ACES DUE 03/15/05 CONV 6.875% PREFERRED	FIFO	6,000.000	04/29/03	03/17/04	147,474.24	152,583.00	-5,108.76		

PAGE 2
PAGE 11
STATEMENT



Account Number: HM 00443 C1
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 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075245-X6
 - 000004

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
ENTERPUBLIC GROUP OF COS NC MAND CONV SER A PFD DUE 12/15/2006	FIFO	1,600.000	02/25/04	11/09/04	72,718.29	97,067.20	-24,348.91		
PEROX CORP MANDATORY DUE 1/1/2006 CONV SER C REFERRED	FIFO	1,650.000	08/23/03	03/17/04	214,491.63	168,998.94		45,492.69	
Total					\$ 5,579,717.61	\$ 5,562,830.59	\$ -242,471.85	\$ 259,358.87	\$ 16,887.02

Long-term capital gains and losses:

ISSYS GROUP INC B/E 4.000% 031508 DTD031301 C091501	FIFO	150,000.000	06/22/01	01/05/04	\$ 148,125.00	\$ 162,330.00	\$ -14,205.00		
FIRST DATA CORP 2.000% 030108 DTD022801 C090101 DEBS	FIFO	60,000.000	06/22/01	02/12/04	60,192.00	63,375.00	-3,183.00		
GENL MILLS INC DEBS CONV 0.000% 102822 DTD080103 C102822 ZERO CPN	FIFO	75,000.000	07/12/01	02/12/04	75,240.00	80,062.50	-4,822.50		
GENL MILLS INC DEBS CONV 0.000% 102822 DTD080103 C102822 ZERO CPN	FIFO	240,000.000	08/05/03	10/19/04	167,400.00	167,902.08	-502.08		
IASBRO INC CONV 2.750% 120121 DTD113001 C080102	FIFO	300,000.000	07/18/03	09/20/04	322,363.20	324,562.50	-2,199.30		
LIBERTY MEDIA CORP 3.250% 031531 DTD030801 C091501 CONV	FIFO	155,000.000	01/21/03	07/01/04	138,725.00	149,126.12	-10,401.12		
INTELECOMMUNICATIONS 5.250% 011510 DTD012800 C071500 NTS CONV BE	FIFO	230,000.000	07/05/00	03/22/04	231,150.00	237,774.00	-6,624.00		
INTELECOMMUNICATIONS 5.250% 011510 DTD012800 C071500 NTS CONV BE	FIFO	55,000.000	07/13/00	03/22/04	55,275.00	63,112.50	-7,837.50		
SUNRISE ASSISTED LIVING 5.250% 020109 DTD013002 C080102 CONV SUB NT 144A	FIFO	75,000.000	10/17/02	03/16/04	89,718.75	62,690.63		27,028.12	
SUNRISE ASSISTED LIVING 5.250% 020109 DTD013002 C080102 CONV SUB NT 144A	FIFO	100,000.000	10/23/02	03/16/04	119,625.00	85,250.00		34,375.00	
VATSON PHARMACEUTICAL 11.750% 031523 DTD030703 C091503 CONV	FIFO	160,000.000	10/28/02	03/16/04	191,400.00	140,640.00		50,760.00	
VATSON PHARMACEUTICAL 11.750% 031523 DTD030703 C091503 CONV	FIFO	280,000.000	08/28/03	09/10/04	272,658.96	330,050.00	-57,391.04		

STATEMENT 11 PAGE 3 OF 5

Account Number: HM 00443 C1
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 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075246-X6
 - 000005

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
BRIGGS & STRATTON CORP	FIFO	3,229.000	06/24/02	05/19/04	229,449.95	161,445.20		68,004.75	
	LIFO	.440	06/24/02	05/11/04	30.82	22.00		8.82	
DEVON ENERGY CORP NEW	FIFO	1,355.000	09/20/02	08/31/04	86,860.34	69,808.00		17,052.34	
	FIFO	1,526.000	02/19/03	08/31/04	97,822.05	77,068.42		20,753.63	
	LIFO	.364	02/19/03	08/02/04	25.33	18.38		6.95	
MOTOROLA INC	FIFO	2,312.000	10/26/01	11/18/04	42,308.61	40,052.00		2,256.61	
	FIFO	10,404.000	11/06/01	11/18/04	190,388.74	180,000.00		10,388.74	
	FIFO	4,336.000	09/24/02	11/18/04	79,346.94	53,631.78		25,715.16	
	LIFO	.180	09/24/02	11/16/04	3.23	2.22		1.01	
STATE STREET CORP UNTS	FIFO	200.000	01/28/03	07/01/04	45,344.54	41,166.20		4,178.34	
	FIFO	165.000	01/29/03	07/01/04	37,409.24	33,651.75		3,757.49	
	FIFO	365.000	02/04/03	07/01/04	82,753.78	73,012.59		9,741.19	
SYMANTEC CORP	LIFO	.840	08/14/02	11/02/04	48.57	17.44		31.13	
DENDANT CORP *FINAL	FIFO	3,500.000	08/26/02	04/12/04	181,120.75	141,676.50		39,444.25	
SETTLEMENT EFF 8/04*	FIFO	2,100.000	09/30/02	04/12/04	108,672.45	69,909.00		38,763.45	
CONV 7.75% PREFERRED									
CENTERPOINT ENERGY INC	FIFO	1,100.000	07/09/02	01/21/04	38,091.22	27,610.00		10,481.22	
QUARTLY VAR RATE CPN DUE	FIFO	4,600.000	08/26/02	01/21/04	159,290.54	81,374.00		77,916.54	
09/15/2029 PREFERRED	FIFO	1,800.000	11/12/02	01/21/04	62,331.08	42,180.12		20,150.96	
	FIFO	4,100.000	12/09/02	01/21/04	141,976.36	87,519.83		54,456.53	
NTL PAPER CAPITAL TRUST	FIFO	6,100.000	02/03/00	02/02/04	307,273.11	297,375.00		9,898.11	
CONV INTO COM INTL PAPER									
SO CUMUL 5.25% PREF CLBL									
MCKESSON FIN TR CONV	FIFO	6,000.000	07/20/01	01/27/04	300,606.93	321,750.00	-21,143.07		
5.00% PREFERRED									
NATL AUSTRALIA BANK LTD	FIFO	3,000.000	12/28/99	05/14/04	100,068.66	81,750.00		18,318.66	
CAPITAL UNIT EXCH CONV	FIFO	7,000.000	01/07/00	05/14/04	233,493.53	184,625.00		48,868.53	
7.875% PREFERRED CLBL									
NORTHROP GRUMMAN CP EQ	FIFO	400.000	11/21/01	10/19/04	40,613.05	40,000.00		613.05	
SEC UNTS1 SR NT& 1PUR	FIFO	500.000	11/16/01	10/19/04	50,766.31	50,906.25	-139.94		
CONTR11/	FIFO	500.000	11/26/01	10/19/04	50,766.31	52,525.00	-1,758.69		
	FIFO	700.000	12/04/02	10/19/04	71,072.84	74,046.00	-2,973.16		

STATEMENT 11 - PAGE 4 OF 5



Account Number: HM 00443 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075247-X6
 - 000006

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
NY CMNTY CAP TRUST V	FIFO	1,200.000	11/04/02	08/07/04	71,998.31	60,000.00		11,998.31	
UNIT) CONV 6.00%	FIFO	300.000	10/29/02	08/07/04	17,999.58	15,000.00		2,999.58	
*REFERRED									
*PRUDENTIAL FINANCIAL INC	FIFO	1,700.000	12/14/01	05/24/04	109,883.13	90,406.00		19,277.13	
3.75% CV EQ SEC UNITS									
NORMAL *EXCHANGE AS OF									
TOYS R US CONV 6.25%	FIFO	2,000.000	10/30/02	01/14/04	85,145.01	66,340.00		18,805.01	
*REFERRED	FIFO	1,700.000	12/04/02	01/14/04	72,373.28	70,227.00		2,146.28	
TRAVELERS PPTY CASUALTY	FIFO	1,500.000	03/27/02	10/20/04	32,189.25	37,500.00	-5,310.75		
CORP CONV 4.50%	FIFO	3,400.000	03/22/02	10/20/04	72,962.29	86,892.44	-13,930.15		
*REFERRED CLBL	FIFO	1,300.000	03/22/02	10/20/04	27,897.35	34,287.50	-6,390.15		
	FIFO	3,100.000	04/30/02	10/20/04	66,524.44	78,002.82	-11,478.38		
	FIFO	3,700.000	10/28/02	10/20/04	79,400.14	80,623.00	-1,222.86		
Total					\$ 5,245,980.95	\$ 4,769,296.77	\$ -171,512.69	\$ 648,186.87	\$ 476,684.18
Net capital gains/losses:		TOTALS			10,825,699.	10,332,127			\$ 493,571.20

STATEMENT 11 PAGE 5

2004 Realized capital gain/loss summary

Short-term gains/losses:	\$ 16,887.02
Long-term gains/losses:	\$ 476,684.18
Net year-to-date capital gains/losses:	\$ 493,571.20



Account Number: HM 00444 C1
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 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075264-X8
 - 000002

2004 Realized gains and losses

Estimated 2004 gains and losses for transactions with trade dates through 12/31/04 have been incorporated into this statement. The oldest security lot is liquidated first to calculate gains/losses (first-in, first-out or FIFO accounting method) unless you specified which lot to close when you placed your order (a versus purchase or VSP order). An asterisk (*) indicates a UBS Financial Services adjustment to cost basis. The number "1" indicates cost basis information has been provided by a source other than UBS Financial Services. See the back of the first page for additional information. This information is provided for informational purposes only and should not be relied upon for tax-filing purposes. Rely only on year-end tax forms when preparing your tax return. Gains/losses may not be adjusted for all capital changes. Cost basis for tax-exempt and AMT eligible coupon municipal securities has been adjusted automatically for estimated amortization of bond premiums. Estimates in the "Unclassified" section can not be classified as short-term or long-term due to missing information or the product is one for which a gain/loss calculation is not provided.

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
Short-term capital gains and losses:									
ALCON INC	FIFO	100.000	03/15/04	11/02/04	\$ 7,135.74	\$ 6,324.24		\$ 811.50	
COMCAST CORP NEW SPECIAL	FIFO	2,000.000	10/21/03	02/11/04	61,251.87	62,920.65	-1,668.78		
CL A									
DU PONT DE NEMOURS	FIFO	500.000	12/01/03	11/17/04	22,033.24	21,312.19		721.05	
	FIFO	400.000	12/01/03	11/03/04	17,364.35	17,049.75		314.60	
EMERSON ELECTRIC CO	FIFO	250.000	05/03/04	11/17/04	16,745.88	15,160.91		1,584.95	
ELEXTRONICS INTL LTD	FIFO	575.000	01/20/04	11/17/04	8,403.39	9,834.17	-1,430.78		
	FIFO	1,400.000	01/20/04	11/02/04	18,152.32	23,944.06	-5,791.74		
GENL DYNAMICS CORP	FIFO	300.000	04/28/04	11/02/04	30,534.71	28,354.24		2,180.47	
LATTICE SEMICONDUCTOR	FIFO	3,500.000	01/08/04	03/22/04	30,128.56	41,271.17	-11,142.61		
CORP	FIFO	500.000	01/08/04	01/27/04	5,509.49	5,895.88	-386.39		
MYLAN LABORATORIES INC	FIFO	1,100.000	11/05/03	11/02/04	18,556.11	26,867.25	-8,311.14		
	FIFO	300.000	11/11/03	11/02/04	5,060.76	6,475.24	-1,414.48		
	FIFO	1,600.000	04/26/04	11/02/04	26,990.70	39,269.25	-12,278.55		
VEENAH PAPER INC	FIFO	3.000	04/12/04	12/29/04	94.51	102.06	-7.55		
PIPER JAFFRAY COS	FIFO	20.000	11/20/03	03/22/04	980.32	776.41		203.91	
	FIFO	4.000	11/24/03	03/22/04	196.07	156.63		39.44	
RAYTHEON CO NEW	FIFO	500.000	10/21/03	04/26/04	15,945.75	14,110.24		1,835.51	
ROYAL DUTCH PETE CO N Y	FIFO	350.000	05/03/04	11/17/04	19,565.30	17,231.24		2,334.06	
REGISTRY SH PAR N 0.56									
EUROS ADR									
SOLETRON CORP DELA	FIFO	2,800.000	01/08/04	11/02/04	15,455.63	19,377.34	-3,921.71		
	FIFO	8,200.000	01/08/04	11/02/04	44,850.19	56,747.91	-11,897.72		
	FIFO	1,500.000	03/22/04	11/02/04	8,204.30	7,985.25		219.05	
JS BANCORP DEL (NEW)	Adjustment	2,000.000	11/20/03	01/08/04	56,232.98	53,628.84		2,604.14	
	Adjustment	400.000	11/24/03	01/08/04	11,246.60	10,818.61		427.99	

1 of 7
 PAGES 1 OF 7
 STATEMENT 12
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Account Number: HM 00444 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075265-X6
 - 000003

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
NATSON PHARMACEUTICAL NC	FIFO	500.000	04/26/04	11/02/04	13,748.36	21,590.24	-7,841.88		
NYETH	FIFO	250.000	11/03/03	04/26/04	9,831.86	10,930.24	-1,098.38		
	FIFO	200.000	11/11/03	04/26/04	7,865.49	7,771.24		94.25	
Total					\$ 472,084.46	\$ 525,905.25	\$ -67,191.71	\$ 13,370.92	\$ -53,820.79

Long-term capital gains and losses:

ALCON INC	FIFO	500.000	06/09/03	11/02/04	\$ 35,678.72	\$ 20,570.24		\$ 15,108.48	
	FIFO	200.000	06/23/03	11/02/04	14,271.49	8,853.24		5,418.25	
	FIFO	50.000	08/04/03	11/02/04	3,567.87	2,562.74		1,005.13	
AMER INTL GROUP INC	FIFO	501.000	04/17/00	11/17/04	31,627.16	22,955.07		8,672.09	
	FIFO	49.000	04/17/00	11/17/04	3,093.28	3,347.81	-254.53		
	FIFO	344.000	04/14/00	11/02/04	21,267.22	16,838.03		4,429.19	
	FIFO	656.000	04/17/00	11/02/04	40,556.08	30,056.92		10,499.16	
	FIFO	100.000	04/14/00	01/20/04	6,864.43	4,894.77		1,969.66	
AMGEN INC	FIFO	200.000	02/12/02	11/17/04	11,882.68	11,168.18		714.50	
APPLIED MATERIALS INC	FIFO	250.000	04/14/00	11/17/04	4,278.84	10,884.26	-6,605.42		
	FIFO	275.000	04/19/00	11/17/04	4,706.73	13,739.21	-9,032.48		
	FIFO	1,250.000	04/14/00	11/02/04	20,281.77	54,421.31	-34,139.54		
BANK OF N Y CO INC	FIFO	150.000	06/06/00	11/17/04	4,916.57	6,911.07	-1,994.50		
	FIFO	450.000	06/15/00	11/17/04	14,749.72	19,637.33	-4,887.61		
	FIFO	1,100.000	05/04/00	11/02/04	36,114.39	44,287.75	-8,173.36		
	FIFO	250.000	06/06/00	11/02/04	8,207.82	11,518.44	-3,310.62		
BERKSHIRE HATHAWAY INC	FIFO	10.000	05/11/00	11/17/04	28,544.09	17,740.90		10,803.19	
CL B	FIFO	19.000	05/11/00	11/02/04	53,466.50	33,707.71		19,758.79	
BURLINGTON RESOURCES INC	FIFO	150.000	05/09/00	11/17/04	6,231.18	3,158.18		3,073.00	
	FIFO	200.000	05/10/00	11/17/04	8,308.23	4,167.15		4,141.08	
	FIFO	250.000	05/09/00	11/02/04	10,169.52	5,263.63		4,905.89	
CHEVRONTEXACO CORP	FIFO	400.000	04/25/00	11/17/04	21,256.26	13,574.53		7,681.73	
	FIFO	1,000.000	04/25/00	11/02/04	52,443.52	33,936.36		18,507.16	
CISCO SYS INC	FIFO	250.000	10/23/00	11/17/04	4,853.32	14,014.17	-9,160.85		
	FIFO	475.000	01/31/01	11/17/04	9,221.32	18,233.83	-9,012.51		
	FIFO	1,200.000	05/10/00	11/02/04	23,287.85	70,588.50	-47,300.65		

17
 PAGE 2 OF 12
 STATEMENT



Account Number: HM 00444 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075288-X6
 - 000004

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
	FIFO	500.000	05/19/00	11/02/04	\$ 9,703.27	\$ 26,554.50	-16,851.23		
	FIFO	50.000	10/23/00	11/02/04	970.33	2,802.83	-1,832.50		
CITIGROUP INC	FIFO	98.000	05/11/00	11/17/04	4,498.87	4,007.24		491.63	
	FIFO	502.000	05/18/00	11/17/04	23,045.24	22,094.15		951.09	
	FIFO	700.000	04/17/00	11/02/04	31,368.01	28,842.04		2,525.97	
	FIFO	388.000	04/17/00	11/02/04	18,337.88	15,080.25		1,257.61	
	FIFO	1,088.000	05/04/00	11/02/04	47,585.12	44,109.56		3,475.56	
	FIFO	588.000	05/11/00	11/02/04	25,354.92	23,225.73		2,129.19	
COCA COLA CO COM	FIFO	400.000	05/04/00	11/02/04	18,344.35	19,406.14	-3,061.79		
	FIFO	800.000	05/09/00	11/02/04	32,688.70	40,710.50	-8,021.80		
	FIFO	300.000	08/07/02	11/02/04	12,258.28	16,303.24	-4,044.98		
	FIFO	200.000	04/14/00	09/16/04	8,041.71	9,327.10	-1,285.39		
	FIFO	300.000	05/04/00	09/16/04	12,082.58	14,554.61	-2,492.05		
	FIFO	400.000	04/14/00	04/26/04	20,200.28	18,654.20		1,546.08	
	FIFO	100.000	04/14/00	01/08/04	4,938.52	4,663.55		272.97	
DELL INC	FIFO	400.000	04/25/01	11/17/04	15,984.38	10,788.82		5,195.56	
	FIFO	900.000	04/25/01	11/02/04	32,189.89	24,274.84		7,895.05	
DIAGEO PLC NEW GB SPON ADR	FIFO	200.000	11/12/02	11/17/04	11,148.49	9,161.78		1,984.71	
EXXON MOBIL CORP	FIFO	450.000	04/20/00	11/17/04	22,381.23	17,566.76		4,814.47	
GENL DYNAMICS CORP	FIFO	200.000	04/18/02	11/02/04	20,358.47	18,716.83		1,639.64	
	FIFO	100.000	05/29/02	11/02/04	10,178.24	9,940.25		237.99	
	FIFO	300.000	09/05/02	11/02/04	30,534.71	22,525.24		8,009.47	
	FIFO	100.000	10/17/02	11/02/04	10,178.24	8,005.24		2,173.00	
GENL ELECTRIC CO	FIFO	1,100.000	07/23/01	11/17/04	39,703.81	50,799.65	-11,095.84		
HONEYWELL INTL INC	FIFO	100.000	08/20/00	11/17/04	3,558.64	3,713.66	-155.02		
	FIFO	350.000	07/05/00	11/17/04	12,455.24	12,100.81		354.43	
	FIFO	1,000.000	08/20/00	11/02/04	34,513.94	37,136.59	-2,622.65		
INTEL CORP	FIFO	425.000	04/20/00	11/17/04	10,259.49	25,024.25	-14,764.76		
	FIFO	125.000	03/28/01	11/17/04	3,017.50	3,386.35	-388.85		
	FIFO	1,000.000	04/19/00	11/02/04	22,575.85	61,960.75	-39,385.10		
	FIFO	375.000	04/20/00	11/02/04	8,485.87	22,080.23	-13,614.38		
INTL BUSINESS MACH	FIFO	50.000	04/14/00	12/29/04	4,884.77	5,535.00	-650.23		

STATEMENT 12 PAGE 3 OF 7

Account Number: HM 00444 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075267-X6
 - 000005

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
	FIFO	50.000	05/04/00	12/29/04	\$ 4,884.77	\$ 5,401.42	-516.65		
	FIFO	200.000	04/14/00	11/17/04	19,016.31	22,140.00	-3,123.69		
	FIFO	450.000	04/14/00	11/02/04	40,880.30	49,815.00	-8,934.70		
JOHNSON & JOHNSON COM	FIFO	300.000	05/26/00	11/17/04	18,193.33	13,326.45		4,866.88	
	FIFO	700.000	04/14/00	11/02/04	40,991.79	26,254.21		14,737.58	
	FIFO	200.000	04/14/00	05/11/04	10,934.50	7,501.20		3,433.30	
	FIFO	100.000	04/14/00	01/20/04	5,126.51	3,750.60		1,375.91	
	FIFO	100.000	04/14/00	01/08/04	5,130.51	3,750.60		1,379.91	
KERR MCGEE CORP	FIFO	250.000	07/25/03	11/17/04	14,694.41	10,905.66		3,788.75	
KIMBERLY CLARK CORP	FIFO	150.000	11/03/03	11/17/04	9,349.53	8,004.66		1,344.87	
LOCKHEED MARTIN CORP	FIFO	275.000	11/14/01	11/17/04	15,905.38	12,114.58		3,790.80	
	FIFO	1,000.000	11/14/01	11/02/04	55,667.44	44,053.00		11,614.44	
MARSH & MCLENNAN COS INC	FIFO	900.000	10/29/01	05/03/04	40,140.48	45,224.04	-5,083.56		
	FIFO	800.000	10/30/01	05/03/04	35,680.43	39,290.50	-3,610.07		
	FIFO	300.000	01/03/02	05/03/04	13,380.16	15,762.49	-2,382.33		
	FIFO	300.000	01/07/02	05/03/04	13,380.16	15,391.99	-2,011.83		
	FIFO	200.000	01/15/02	05/03/04	8,920.11	10,493.50	-1,573.39		
	FIFO	400.000	02/06/02	05/03/04	17,840.21	20,214.50	-2,374.29		
	FIFO	100.000	02/28/02	05/03/04	4,460.05	5,400.25	-940.20		
	FIFO	400.000	10/29/01	04/26/04	18,111.33	20,099.57	-1,988.24		
MEDTRONIC INC	FIFO	300.000	04/14/00	11/17/04	15,613.39	14,890.71		722.68	
MELLON FINANCIAL CORP	FIFO	225.000	08/10/01	12/29/04	6,964.59	8,798.96	-1,834.37		
	FIFO	525.000	08/10/01	11/17/04	15,683.89	20,530.93	-4,847.04		
	FIFO	1,250.000	08/10/01	11/02/04	36,256.39	48,883.18	-12,626.79		
MICROSOFT CORP	FIFO	150.000	05/11/00	12/29/04	3,990.31	5,039.93	-1,049.62		
	FIFO	850.000	05/11/00	11/17/04	22,979.06	28,559.61	-5,580.55		
MOLEX INC CL A COM	FIFO	3,500.000	05/04/00	11/02/04	91,566.38	125,161.10	-33,594.72		
	FIFO	500.000	05/09/00	11/02/04	13,080.91	17,992.00	-4,911.09		
MORGAN STANLEY	FIFO	225.000	05/10/00	11/17/04	11,911.22	15,197.96	-3,286.74		
	FIFO	100.000	09/25/00	11/17/04	5,293.88	9,327.25	-4,033.37		
	FIFO	500.000	05/04/00	11/02/04	26,141.00	35,601.43	-9,460.43		
	FIFO	275.000	05/10/00	11/02/04	14,377.55	18,575.27	-4,197.72		
NEENAH PAPER INC	FIFO	31.000	11/03/03	12/29/04	976.64	874.78		101.86	*

STATEMENT 12 PAGE 4 OF 7

Account Number: HM 00444 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075268-X6
 - 000007

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
	FIFO	1,000.000	04/17/00	11/02/04	\$ 50,923.55	\$ 33,228.89		17,696.66	
	FIFO	100.000	04/17/00	01/20/04	9,861.29	6,645.37		3,215.92	
	FIFO	300.000	04/17/00	01/08/04	29,658.36	19,936.14		9,722.22	
QUALCOMM INC	FIFO	250.000	02/13/02	11/17/04	10,082.40	5,167.38		4,915.02	
	FIFO	300.000	02/13/02	11/17/04	12,098.88	6,198.00		5,900.88	
	FIFO	1,500.000	02/13/02	11/02/04	61,013.31	30,990.00		30,023.31	
RAYTHEON CO NEW	FIFO	200.000	02/13/02	03/15/04	12,570.46	8,264.00		4,306.46	
	FIFO	2,100.000	10/18/01	04/26/04	66,972.15	72,620.52	-5,648.37		
TARGET CORP	FIFO	400.000	10/22/01	04/26/04	12,756.80	13,094.50	-337.90		
	FIFO	200.000	06/06/00	11/17/04	10,183.57	5,919.88		4,263.69	
	FIFO	50.000	06/20/00	11/17/04	2,545.89	1,376.84		1,169.05	
	FIFO	750.000	05/04/00	11/02/04	38,318.85	23,957.35		14,361.50	
	FIFO	350.000	05/04/00	11/02/04	17,951.08	11,180.10		6,770.98	
	FIFO	600.000	06/06/00	11/02/04	30,773.27	17,759.63		13,013.64	
	FIFO	200.000	05/04/00	03/22/04	8,774.41	6,388.63		2,385.78	
TEXAS INSTRUMENTS	FIFO	200.000	05/04/00	01/08/04	7,563.40	6,388.63		1,174.77	
	FIFO	200.000	07/21/00	11/17/04	4,993.47	12,312.05	-7,318.58		
	FIFO	400.000	05/11/00	11/17/04	9,986.93	27,742.00	-17,755.07		
	FIFO	400.000	04/14/00	11/02/04	9,760.52	27,727.40	-17,966.88		
	FIFO	1,600.000	04/14/00	11/02/04	39,487.07	110,909.60	-71,422.53		
VIACOM INC B NON VTG	FIFO	461.000	04/14/00	11/17/04	16,431.86	23,139.47	-6,707.61		
	FIFO	64.000	04/17/00	11/17/04	2,281.21	2,904.32	-623.11		
	FIFO	1,300.000	04/14/00	11/02/04	47,283.64	65,252.30	-17,968.66		
WAL MART STORES INC	FIFO	200.000	04/19/00	11/17/04	11,184.49	11,002.25		182.24	
	FIFO	600.000	04/19/00	11/02/04	32,733.99	33,006.75	-272.76		
	FIFO	100.000	04/19/00	01/08/04	5,310.50	5,501.13	-190.63		
WALT DISNEY CO (HOLDING CO) DISNEY COM	FIFO	250.000	05/04/00	12/29/04	6,929.59	10,022.71	-3,093.12		
	FIFO	700.000	04/18/00	11/17/04	18,530.66	26,912.71	-8,382.05		
	FIFO	50.000	05/04/00	11/17/04	1,323.62	2,004.54	-680.92		
	FIFO	1,900.000	04/18/00	11/02/04	48,386.61	73,048.79	-24,662.18		
WATSON PHARMACEUTICAL INC	FIFO	700.000	09/15/03	11/02/04	19,247.71	30,606.24	-11,358.53		
	FIFO	100.000	09/22/03	11/02/04	2,749.67	4,355.24	-1,605.57		
	FIFO	200.000	09/29/03	11/02/04	5,499.35	8,469.24	-2,969.89		

2 of 7
 6 of 7
 12 of 15



Account Number: HM 00444 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075270-X6
 - 000008

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
	FIFO	100.000	10/13/03	11/02/04	\$ 2,749.87	\$ 4,155.24	-1,405.57		
	FIFO	300.000	10/22/03	11/02/04	8,249.02	12,115.24	-3,866.22		
	FIFO	100.000	10/27/03	11/02/04	2,749.87	4,076.24	-1,326.57		
NELLS FARGO & CO NEW	FIFO	275.000	05/26/00	11/17/04	17,046.60	12,309.13		4,737.47	
	FIFO	600.000	05/26/00	11/02/04	36,033.91	26,856.30		9,177.61	
	FIFO	200.000	05/26/00	04/12/04	11,386.49	8,952.10		2,434.39	
WYETH	FIFO	150.000	04/14/00	04/28/04	5,899.12	8,729.73	-2,830.61		
	FIFO	800.000	04/18/00	04/28/04	31,461.95	44,710.50	-13,248.55		
	FIFO	300.000	05/11/00	04/26/04	11,798.23	16,985.75	-5,187.52		
	FIFO	500.000	05/26/00	04/28/04	19,663.72	27,398.25	-7,734.53		
	FIFO	500.000	06/15/00	04/28/04	19,663.72	28,023.25	-8,359.53		
	FIFO	200.000	02/26/01	04/28/04	7,865.49	12,164.50	-4,299.01		
	FIFO	300.000	09/07/01	04/28/04	11,798.23	17,364.50	-5,566.27		
Total					\$ 2,911,486.11	\$ 3,254,523.53	\$ -739,356.27	\$ 396,316.85	\$ -343,037.42
Net capital gains/losses:					3383,571.	3780,429.			\$ -396,858.21

STATEMENT 12 PAGE 7 of 8

2004 Realized capital gain/loss summary

Short-term gains/losses:	\$ -53,820.79
Long-term gains/losses:	\$ -343,037.42
Net year-to-date capital gains/losses:	\$ -396,858.21



Account Number: HM 00631 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2A042590-X6

- 000002

2004 Realized gains and losses

Estimated 2004 gains and losses for transactions with trade dates through 12/31/04 have been incorporated into this statement. The oldest security lot is liquidated first to calculate gains/losses (first-in, first-out or FIFO accounting method) unless you specified which lot to close when you placed your order (a versus purchase or VSP order). An asterisk (*) indicates a UBS Financial Services adjustment to cost basis. The number "1" indicates cost basis information has been provided by a source other than UBS Financial Services. See the back of the first page for additional information. This information is provided for informational purposes only and should not be relied upon for tax-filing purposes. Rely only on year-end tax forms when preparing your tax return. Gains/losses may not be adjusted for all capital changes. Cost basis for tax-exempt and AMT eligible coupon municipal securities has been adjusted automatically for estimated amortization of bond premiums. Estimates in the "Unclassified" section can not be classified as short-term or long-term due to missing information or the product is one for which a gain/loss calculation is not provided.

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
Long-term capital gains and losses:									
ABBEY NATL PLC-SPONS	FIFO	3,415.000	07/01/03	10/13/04	\$ 71,593.45	\$ 54,678.59	\$	16,914.86	
ADR*SCHEME ARRANGEMENT	FIFO	3,375.000	07/01/03	10/12/04	69,880.44	54,038.14		15,842.30	
EFF11/04* ADR									
AMCOR LTD ADR NEW AU ADR	FIFO	3,613.000	10/15/02	06/30/04	69,143.61	67,725.32		1,418.29	
BANCO SANTANDER CENTL	FIFO	1,200.000	10/15/02	12/01/04	14,461.34	6,958.68		7,502.66	
HISPANO S.A SPON ADR									
EISAI LTD SPON ADR	FIFO	715.000	10/15/02	11/17/04	21,330.95	16,230.50		5,100.45	
	FIFO	1,455.000	10/15/02	11/16/04	43,106.13	33,028.50		10,077.63	
	FIFO	3,340.000	10/15/02	11/15/04	97,757.84	75,818.00		21,939.84	
	FIFO	1,275.000	10/15/02	11/12/04	37,290.83	28,942.50		8,348.33	
	FIFO	2,165.000	10/15/02	11/10/04	64,523.93	49,145.50		15,378.43	
	FIFO	385.000	10/15/02	11/11/04	11,414.17	8,739.50		2,674.67	
JARDINE MATHESON HLDGS	FIFO	23,770.000	10/16/02	03/26/04	237,690.72	140,243.00		97,447.72	
LTD SPONSORED ADR									
BERMUDA									
TELECOM CORP NEW ZEALAND	FIFO	730.000	10/15/02	07/20/04	22,624.36	14,909.81		7,714.55	
LTD SPONSORED ADR NEW	FIFO	930.000	10/15/02	07/19/04	28,679.59	18,994.69		9,684.90	
ZEALAND ADR	FIFO	85.000	10/15/02	07/19/04	2,620.48	1,736.07		884.41	
	FIFO	995.000	10/15/02	07/16/04	30,708.46	20,322.28		10,386.18	
Total					\$ 822,826.30	\$ 591,511.08	\$	231,315.22	\$ 231,315.22
Net capital gains/losses:								\$ 231,315.22	

STATEMENT 13

2004 Realized capital gain/loss summary

Long-term gains/losses:	\$ 231,315.22
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Account Number: HM 00632 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075267-X8
 - 000002

2004 Realized gains and losses

Estimated 2004 gains and losses for transactions with trade dates through 12/31/04 have been incorporated into this statement. The oldest security lot is liquidated first to calculate gains/losses (first-in, first-out or FIFO accounting method) unless you specified which lot to close when you placed your order (a versus purchase or VSP order). An asterisk (*) indicates a UBS Financial Services adjustment to cost basis. The number "1" indicates cost basis information has been provided by a source other than UBS Financial Services. See the back of the first page for additional information. This information is provided for informational purposes only and should not be relied upon for tax-filing purposes. Rely only on year-end tax forms when preparing your tax return. Gains/losses may not be adjusted for all capital changes. Cost basis for tax-exempt and AMT eligible coupon municipal securities has been adjusted automatically for estimated amortization of bond premiums. Estimates in the "Unclassified" section can not be classified as short-term or long-term due to missing information or the product is one for which a gain/loss calculation is not provided.

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
Short-term capital gains and losses:									
BANK OF AMER CORP	FIFO	200.000	11/07/03	08/05/04	\$ 16,942.35	\$ 15,420.13		\$ 1,522.22	
	FIFO	300.000	11/07/03	08/14/04	24,904.16	23,130.20		1,773.96	
CONOCOPHILLIPS	FIFO	1,600.000	06/07/04	12/08/04	138,279.50	119,439.00		18,840.50	
	FIFO	200.000	06/07/04	08/14/04	14,820.40	14,929.87	-109.47		
HSBC HOLDINGS PLC NEW GB SPON ADR	FIFO	1,100.000	09/28/04	12/08/04	94,518.50	86,963.59		7,554.91	
Total					\$ 289,464.91	\$ 259,892.79	\$ -109.47	\$ 29,691.59	\$ 29,582.12

Long-term capital gains and losses:

ABBOTT LABS									
	FIFO	1,000.000	11/24/97	12/15/04	\$ 44,043.71	\$ 7,642.43		\$ 36,401.28	
	FIFO	4,800.000	11/24/97	12/08/04	205,189.93	36,683.64		168,506.29	
	FIFO	600.000	11/24/97	08/05/04	23,160.20	4,585.46		18,574.74	
	FIFO	700.000	11/24/97	08/14/04	29,737.05	5,349.70		24,387.35	
ALTRIA GROUP INC									
	FIFO	2,000.000	11/24/97	12/09/04	117,099.00	4,896.00		112,203.00	
	FIFO	18,400.000	11/24/97	12/08/04	948,757.48	40,147.20		908,610.28	
	FIFO	1,900.000	11/24/97	08/05/04	89,406.65	4,651.20		84,755.45	
	FIFO	2,300.000	11/24/97	08/14/04	109,146.27	5,630.40		103,515.87	
AMER EXPRESS CO									
	FIFO	2,500.000	06/02/99	12/08/04	139,880.46	96,532.32		43,348.14	
	FIFO	300.000	06/02/99	08/05/04	14,920.39	11,583.88		3,336.51	
	FIFO	400.000	06/02/99	08/14/04	20,354.27	15,445.17		4,909.10	
AMER INTL GROUP INC									
	FIFO	3,300.000	11/24/97	12/08/04	214,098.67	32,761.99		181,336.68	
	FIFO	400.000	11/24/97	08/05/04	27,898.09	3,971.15		23,926.94	
	FIFO	500.000	11/24/97	08/14/04	36,213.90	4,963.94		31,249.96	
ANHEUSER BUSCH COS INC									
	FIFO	4,400.000	11/24/97	12/08/04	221,667.70	11,930.91		209,736.79	
	FIFO	3,000.000	11/24/97	11/17/04	152,163.17	8,134.71		144,028.46	
	FIFO	600.000	11/24/97	08/05/04	31,302.01	1,626.94		29,675.07	
	FIFO	700.000	11/24/97	08/14/04	37,681.86	1,898.10		35,783.76	

PAGE 1 OF 5
STATEMENT 14

Account Number: HM 00832 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075288-X6
 - 000003

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
BANK OF AMER CORP	FIFO	4,000.000	11/07/03	12/06/04	184,031.22	154,201.31		29,829.91	
3P PLC SPON ADR	FIFO	400.000	10/19/00	12/06/04	23,878.99	21,235.90		2,643.09	
	FIFO	4,300.000	06/22/01	12/06/04	256,699.17	223,245.52		33,453.65	
	FIFO	500.000	10/19/00	08/05/04	27,894.09	26,544.88		1,349.21	
	FIFO	700.000	10/19/00	06/14/04	36,309.89	37,162.83	-852.94		
CHEVRONTEXACO CORP	FIFO	5,200.000	11/24/97	12/06/04	272,511.51	49,317.12		223,194.39	
	FIFO	300.000	11/24/97	08/05/04	28,699.07	5,690.44		23,008.63	
	FIFO	400.000	11/24/97	06/14/04	35,899.90	7,587.25		28,312.65	
CITIGROUP INC	FIFO	10,100.000	11/24/97	12/06/04	458,931.97	72,924.46		386,007.51	
	FIFO	1,100.000	11/24/97	08/05/04	48,382.61	7,942.27		40,440.34	
	FIFO	1,400.000	11/24/97	06/14/04	65,150.20	10,108.34		55,041.86	
COCA COLA CO COM	FIFO	4,000.000	11/24/97	12/15/04	165,190.87	11,500.00		153,690.87	
	FIFO	12,600.000	11/24/97	12/06/04	509,674.77	36,225.00		473,449.77	
	FIFO	1,400.000	11/24/97	08/05/04	61,705.30	4,025.00		57,680.30	
	FIFO	1,800.000	11/24/97	06/14/04	91,757.67	5,175.00		86,582.67	
EMERSON ELECTRIC CO	FIFO	2,200.000	11/24/97	12/06/04	149,019.25	64,628.30		84,390.95	
	FIFO	300.000	11/24/97	08/05/04	18,610.31	8,812.95		9,797.36	
	FIFO	300.000	11/24/97	06/14/04	18,172.32	8,812.95		9,359.37	
EXXON MOBIL CORP	FIFO	3,000.000	11/24/97	12/09/04	150,111.22	48,952.50		101,158.72	
	FIFO	16,100.000	11/24/97	12/06/04	805,965.82	262,711.75		543,254.07	
	FIFO	1,800.000	11/24/97	08/05/04	82,162.82	29,371.50		52,791.32	
	FIFO	2,300.000	11/24/97	06/14/04	100,659.47	37,530.25		63,129.22	
FANNIE MAE	FIFO	1,000.000	11/24/97	12/09/04	69,464.12	20,119.17		49,344.95	
	FIFO	3,600.000	11/24/97	12/06/04	256,452.73	72,429.00		184,023.73	
	FIFO	3,000.000	11/24/97	08/27/04	220,225.58	60,357.50		159,868.08	
	FIFO	500.000	11/24/97	08/05/04	35,058.92	10,059.58		24,999.34	
	FIFO	600.000	11/24/97	06/14/04	41,471.77	12,071.50		29,400.27	
FREDDIE MAC	FIFO	5,000.000	12/18/02	03/11/04	304,142.85	305,725.25	-1,582.40		
GENL ELECTRIC CO	FIFO	19,700.000	11/24/97	12/06/04	699,401.30	51,906.42		647,494.88	
	FIFO	2,200.000	11/24/97	08/05/04	70,833.08	5,796.66		65,036.42	
	FIFO	2,800.000	11/24/97	06/14/04	87,444.81	7,377.56		80,067.25	
HOSPIRA INC	FIFO	1,730.000	11/24/97	08/27/04	48,606.60	8,770.65		39,835.95	
	FIFO	100.000	11/24/97	08/05/04	2,445.69	506.97		1,938.72	

STATEMENT 14 - PAGE 2 of 5



Account Number: HM 00632 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075288-X6
 - 000004

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
INTEL CORP	FIFO	100.000	11/24/97	08/14/04	\$ 2,806.68	\$ 506.97		2,099.71	
	FIFO	2,000.000	11/24/97	12/15/04	48,193.68	19,318.14		26,875.52	
	FIFO	600.000	11/24/97	12/09/04	13,560.43	5,795.44		7,764.99	
	FIFO	18,400.000	11/24/97	12/08/04	438,084.48	177,726.93		258,337.55	
	FIFO	2,100.000	11/24/97	08/05/04	49,637.58	20,284.05		29,353.53	
INTL BUSINESS MACH	FIFO	2,800.000	11/24/97	08/14/04	72,507.04	25,113.59		47,393.45	
	FIFO	1,300.000	10/28/99	12/08/04	125,532.80	123,616.68		1,916.12	
	FIFO	2,000.000	10/28/99	11/17/04	190,578.28	190,179.50		398.78	
	FIFO	3,000.000	10/28/99	09/28/04	252,516.83	285,269.25	-32,752.42		
	FIFO	200.000	10/28/99	08/30/04	16,894.35	19,017.95	-2,123.60		
	FIFO	300.000	10/28/99	08/05/04	25,659.15	28,526.92	-2,867.77		
JOHNSON & JOHNSON COM	FIFO	400.000	10/28/99	06/14/04	35,897.90	38,035.90	-2,138.00		
	FIFO	1,000.000	11/24/97	12/09/04	81,053.31	12,044.56		49,008.75	
	FIFO	5,100.000	11/24/97	12/08/04	314,413.59	61,427.25		252,986.34	
	FIFO	4,000.000	11/24/97	11/17/04	242,829.05	48,178.24		194,650.81	
	FIFO	2,000.000	11/24/97	09/28/04	112,372.11	24,089.12		88,282.99	
	FIFO	1,000.000	11/24/97	08/30/04	57,605.39	12,044.56		45,560.83	
	FIFO	2,000.000	11/24/97	08/27/04	115,132.04	24,089.12		91,042.92	
	FIFO	800.000	11/24/97	08/05/04	44,201.71	9,635.85		34,566.06	
	FIFO	1,100.000	11/24/97	08/25/04	60,493.33	13,249.01		47,244.32	
	FIFO	1,100.000	11/24/97	08/14/04	62,572.28	13,249.01		49,323.27	
JPMORGAN CHASE & CO	FIFO	3,900.000	11/24/97	12/08/04	148,904.29	86,351.96		60,552.33	
	FIFO	400.000	11/24/97	08/05/04	14,618.40	8,856.61		5,761.79	
LILLY ELI & CO	FIFO	800.000	11/24/97	08/14/04	22,176.22	13,284.92		8,891.30	
	FIFO	2,500.000	05/15/01	12/08/04	134,716.58	212,901.73	-78,185.15		
	FIFO	300.000	05/15/01	08/05/04	18,739.31	25,548.21	-6,808.90		
MARSH & MCLENNAN COS INC	FIFO	400.000	05/15/01	08/14/04	29,382.06	34,064.28	-4,682.22		
	FIFO	500.000	05/15/01	12/15/04	15,558.76	25,398.06	-9,839.30		
	FIFO	2,500.000	06/22/01	12/15/04	77,793.79	136,036.16	-58,242.37		
	FIFO	1,000.000	05/15/01	12/09/04	30,304.03	50,796.13	-20,492.10		
	FIFO	1,400.000	01/19/01	12/08/04	40,415.16	69,932.10	-29,516.94		
	FIFO	2,500.000	05/15/01	12/08/04	72,169.94	126,990.31	-54,820.37		
	FIFO	400.000	01/19/01	08/05/04	17,310.34	19,980.60	-2,670.26		

STATEMENT 14 PAGE 3 OF 5

Account Number: HM 00632 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075290-X6
 - 000005

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
	FIFO	600.000	01/19/01	06/14/04	\$ 25,944.14	\$ 29,970.90	-4,026.76		
MCGRAW HILL COMPANIES INC	FIFO	2,400.000	11/24/97	12/06/04	207,117.81	42,012.00		165,105.81	
	FIFO	300.000	11/24/97	08/05/04	22,618.21	5,251.50		17,366.71	
	FIFO	300.000	11/24/97	06/14/04	22,829.20	5,251.50		17,577.70	
MEDCO HEALTH SOLUTIONS INC	FIFO	4,065.000	11/24/97	08/27/04	124,599.51	17,384.18		107,215.33	
	FIFO	100.000	11/24/97	08/05/04	3,025.67	427.66		2,598.01	
	FIFO	200.000	11/24/97	06/14/04	6,934.58	855.31		6,079.27	
MERCK & CO	FIFO	4,300.000	11/24/97	12/06/04	121,942.89	39,004.09		82,938.80	
	FIFO	4,000.000	11/24/97	11/17/04	108,872.18	36,282.87		72,589.31	
	FIFO	1,000.000	11/24/97	08/27/04	44,943.69	9,070.72		35,872.97	
	FIFO	600.000	11/24/97	08/05/04	26,778.12	5,442.43		21,335.69	
	FIFO	800.000	11/24/97	06/14/04	37,550.82	7,256.57		30,294.25	
	FIFO	2,000.000	11/24/97	05/25/04	91,992.59	18,141.44		73,851.15	
MICROSOFT CORP	FIFO	4,500.000	11/24/97	03/11/04	202,621.82	40,818.23		161,803.59	
	FIFO	5,800.000	09/21/99	12/06/04	156,997.05	278,809.45	-121,812.40		
	FIFO	700.000	09/21/99	08/05/04	19,475.29	33,649.42	-14,174.13		
	FIFO	800.000	09/21/99	06/14/04	21,250.24	38,456.48	-17,206.24		
NESTLE S A SPONSORED ADR REPSTG REG SHS SWITZ ADR	FIFO	2,400.000	11/24/97	12/06/04	155,511.10	35,419.95		120,091.15	
	FIFO	300.000	11/24/97	08/05/04	19,084.30	4,427.49		14,656.81	
	FIFO	300.000	11/24/97	06/14/04	19,489.29	4,427.49		15,061.80	
PEPSICO INC	FIFO	7,700.000	11/24/97	12/06/04	388,793.27	49,108.67		339,684.60	
	FIFO	900.000	11/24/97	08/05/04	46,397.66	5,739.97		40,657.69	
	FIFO	1,100.000	11/24/97	06/14/04	60,079.30	7,015.52		53,063.78	
PFIZER INC	FIFO	17,900.000	11/24/97	12/06/04	482,925.38	117,024.23		365,901.15	
	FIFO	6,000.000	11/24/97	11/17/04	166,970.82	39,226.00		127,744.82	
	FIFO	2,200.000	11/24/97	08/05/04	70,723.08	14,382.87		56,340.21	
	FIFO	2,800.000	11/24/97	06/14/04	98,020.44	18,305.47		79,714.97	
	FIFO	10,000.000	11/24/97	06/07/04	357,195.35	65,376.67		291,818.68	
PROCTER & GAMBLE CO	FIFO	2,000.000	11/24/97	12/09/04	112,192.11	6,985.94		105,206.17	
	FIFO	8,100.000	11/24/97	12/06/04	444,522.03	28,293.06		416,228.97	
	FIFO	2,400.000	11/24/97	11/17/04	129,960.82	8,383.13		121,577.69	
	FIFO	1,000.000	11/24/97	08/05/04	53,757.48	3,492.97		50,264.51	
	FIFO	600.000	11/24/97	06/14/04	66,215.19	4,191.56		62,023.63	

STATEMENT 14 PAGE 4 OF 5



Account Number: HM 00632 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2B075281-X8
 - 000008

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
ROYAL DUTCH PETE CO NY	FIFO	4,400.000	11/24/97	12/06/04	250,374.83	58,704.56		191,670.27	
REGISTRY SH PAR N 0.56	FIFO	500.000	11/24/97	08/05/04	24,854.16	6,670.97		18,183.19	
EUROS ADR	FIFO	600.000	11/24/97	06/14/04	29,904.04	8,005.17		21,898.87	
JNITRIN INC	FIFO	3,600.000	11/24/97	12/06/04	171,218.61	23,839.19		147,379.42	
	FIFO	400.000	11/24/97	08/05/04	16,646.35	2,648.80		13,997.55	
	FIFO	500.000	11/24/97	06/14/04	20,904.25	3,311.00		17,593.25	
WALMART STORES INC	FIFO	5,800.000	11/24/97	12/06/04	305,647.57	72,043.25		233,604.32	
	FIFO	700.000	11/24/97	08/05/04	36,540.89	8,694.88		27,846.01	
	FIFO	800.000	11/24/97	06/14/04	44,925.69	9,937.00		34,988.69	
WALGREEN CO	FIFO	3,000.000	11/24/97	12/09/04	116,062.02	16,428.75		99,633.27	
	FIFO	10,500.000	11/24/97	12/06/04	404,865.23	57,500.63		347,364.60	
	FIFO	1,200.000	11/24/97	08/05/04	43,217.73	6,571.50		36,646.23	
	FIFO	1,500.000	11/24/97	06/14/04	52,045.47	8,214.38		43,831.09	
FORD MOTOR CO CAP TR II	FIFO	4,700.000	02/27/02	06/07/04	250,598.97	253,866.04	-3,267.07		
DUE 01/15/2032 CONV									
1.50% PREFERRED									
Total					\$ 16,533,234.81	\$ 5,505,121.69	\$ -468,061.34	\$ 11,496,174.46	\$ 11,028,113.12
Net capital gains/losses:					16,822,700.-	5,765,041.-			\$ 11,057,695.24

STATEMENT 14 PAGE 5 OF 6

2004 Realized capital gain/loss summary

Short-term gains/losses:	\$ 29,582.12
Long-term gains/losses:	\$ 11,028,113.12
Net year-to-date capital gains/losses:	\$ 11,057,695.24



Account Number: HM 00633 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2A042600-X6
 - 000002

2004 Realized gains and losses

Estimated 2004 gains and losses for transactions with trade dates through 12/31/04 have been incorporated into this statement. The oldest security lot is liquidated first to calculate gains/losses (first-in, first-out or FIFO accounting method) unless you specified which lot to close when you placed your order (a versus purchase or VSP order). An asterisk (*) indicates a UBS Financial Services adjustment to cost basis. The number "1" indicates cost basis information has been provided by a source other than UBS Financial Services. See the back of the first page for additional information. This information is provided for informational purposes only and should not be relied upon for tax-filing purposes. Rely only on year-end tax forms when preparing your tax return. Gains/losses may not be adjusted for all capital changes. Cost basis for tax-exempt and AMT eligible coupon municipal securities has been adjusted automatically for estimated amortization of bond premiums. Estimates in the "Unclassified" section can not be classified as short-term or long-term due to missing information or the product is one for which a gain/loss calculation is not provided.

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
Short-term capital gains and losses:									
AVENTIS SPON ADR	FIFO	1,600.000	04/01/03	02/20/04	\$ 123,428.96	\$ 69,941.57	\$	53,487.39	
BANK OF AMER CORP	LIFO	.640	03/23/04	04/01/04	52.19	50.38		1.81	
CHEVRONTEXACO CORP	FIFO	3,900.000	12/22/03	12/03/04	205,519.92	162,301.34		43,218.58	
JOHNSON & JOHNSON COM	FIFO	3,600.000	10/15/03	04/06/04	184,274.42	182,093.25		2,181.17	
MANULIFE FINANCIAL CORP	FIFO	8,900.000	01/30/04	11/23/04	408,277.11	313,908.25		94,368.86	
SPRINT CORP (FON) COMMON	FIFO	1,300.000	07/09/03	06/15/04	23,022.11	15,669.43		7,352.68	
STOCK									
ST PAUL TRAVELERS COS	LIFO	.800	08/18/03	04/07/04	33.36	28.78		4.58	
INC									
WYETH	FIFO	3,100.000	11/03/03	09/22/04	117,269.02	136,016.06	-18,747.04		
Total					\$ 1,061,877.09	\$ 880,009.06	\$ -18,747.04	\$ 200,615.07	\$ 181,868.03

Long-term capital gains and losses:

AMER ELECTRIC POWER CO	FIFO	840.000	12/28/99	04/01/04	\$ 27,599.07	\$ 28,561.50	\$ -962.43		
	FIFO	2,900.000	11/24/99	04/01/04	95,282.50	93,239.50		2,043.00	
	FIFO	2,900.000	12/06/99	04/01/04	95,282.50	91,608.25		3,674.25	
BANK OF AMER CORP	FIFO	1,600.000	12/06/99	03/22/04	126,391.83	88,742.48		37,649.35	
	FIFO	1,000.000	01/12/01	03/22/04	78,994.89	49,025.94		29,968.95	
	FIFO	2,300.000	11/24/99	01/14/04	181,831.87	141,224.50		40,607.37	
	FIFO	1,300.000	12/06/99	01/14/04	102,774.53	72,103.27		30,671.26	
BURLINGTON NTHN SANTA FE	FIFO	4,600.000	01/05/00	04/22/04	150,556.11	98,441.52		52,114.59	
CORP									
CONOCOPHILLIPS	FIFO	3,000.000	09/21/00	11/29/04	269,388.43	160,136.09		109,252.34	
CROWN HOLDINGS INC	FIFO	7,200.000	02/07/00	03/12/04	64,105.32	144,634.50	-80,529.18		
DU PONT DE NEMOURS	FIFO	1,200.000	11/24/99	02/04/04	52,360.29	72,784.50	-20,424.21		
GEORGIA PACIFIC CORP	FIFO	2,900.000	11/17/00	07/23/04	99,596.21	73,120.75		26,475.46	
	FIFO	3,119.000	11/24/00	07/23/04	107,117.44	73,318.33		33,799.11	

STATEMENT 15 PAGE 1 OF 3

Account Number: HM 00633 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA[®]

Statement Period: 2004 Year-End Summary

PP2A042601-X6
 - 000003

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
GLAXO SMITHKLINE PLC ADR	FIFO	4,200.000	12/17/02	12/20/04	194,962.08	155,825.25		39,136.83	
	FIFO	300.000	01/27/03	12/20/04	13,925.86	10,316.26		3,609.60	
GOLDEN WEST FINANCIAL CP	FIFO	3,600.000	01/24/02	01/23/04	364,763.85	225,243.18		139,520.67	
LIZ CLAIBORNE INC	FIFO	3,100.000	12/20/01	11/26/04	129,012.79	76,365.84		52,646.95	
	FIFO	3,900.000	12/20/01	03/18/04	140,210.24	96,073.16		44,137.08	
LUBRIZOL CORP NEW	FIFO	2,500.000	12/15/99	05/06/04	78,042.91	69,754.50		8,288.41	
MAY DEPT STORES DEL	FIFO	4,400.000	01/24/00	10/27/04	112,412.10	144,213.96	-31,801.86		
	FIFO	5,000.000	12/06/99	03/11/04	167,779.42	164,192.00		3,587.42	
	FIFO	4,900.000	12/08/99	03/11/04	164,423.84	153,864.50		10,559.34	
	FIFO	600.000	01/24/00	03/11/04	20,133.53	19,665.54		467.99	
NORFOLK STHN CORP	FIFO	5,600.000	11/24/99	02/03/04	122,474.36	125,444.50	-2,970.14		
	FIFO	4,000.000	12/29/99	02/03/04	87,481.69	83,603.10		3,878.59	
NORTEL NTWKS CORP NEW (HOLDING CO)	FIFO	24,300.000	06/10/02	01/08/04	145,787.75	43,255.13		102,532.62	
OWENS ILLINOIS INC NEW	FIFO	2,200.000	11/24/99	03/29/04	29,367.34	53,684.50	-24,317.16		
	FIFO	2,300.000	12/06/99	03/29/04	30,702.22	56,699.50	-25,997.28		
	FIFO	4,500.000	01/07/00	03/29/04	60,069.56	106,929.45	-46,859.89		
PPL CORP	FIFO	6,500.000	10/08/02	09/01/04	312,312.41	200,270.90		112,041.51	
QWEST COMMUNICATIONS INTL INC.	FIFO	6,700.000	02/15/02	09/10/04	19,296.91	45,227.27	-25,930.36		
	FIFO	20,500.000	03/13/02	09/10/04	59,042.79	175,805.05	-116,762.26		
	FIFO	29,800.000	01/17/02	07/28/04	107,273.33	385,914.50	-278,641.17		
	FIFO	8,800.000	02/15/02	07/28/04	31,678.03	59,402.98	-27,724.95		
RENAISSANCERE HOLDINGS LTD	FIFO	3,500.000	05/05/03	10/08/04	176,074.91	163,607.85		12,467.06	
SEARS ROEBUCK	FIFO	3,000.000	02/27/03	03/17/04	135,439.44	64,225.93		71,213.51	
SEMPRA ENERGY	FIFO	10,800.000	10/03/02	03/02/04	347,983.03	216,545.25		131,437.78	
SPRINT CORP (FON) COMMON STOCK	FIFO	18,600.000	03/24/03	06/15/04	329,393.32	224,784.39		104,608.93	
THOMAS & BETTS CORP TENN	FIFO	600.000	11/29/99	02/12/04	13,167.63	25,182.00	-12,014.37		
	FIFO	1,200.000	12/06/99	02/12/04	26,335.25	51,334.50	-24,999.25		
VALERO ENERGY CORP NEW	FIFO	3,700.000	11/05/02	07/29/04	278,293.71	129,804.58		148,489.13	
VF CORP	FIFO	4,800.000	02/07/00	12/17/04	256,958.64	127,071.13		129,887.51	
WASH MUTUAL INC	FIFO	6,300.000	08/29/01	02/06/04	278,350.32	233,662.01		44,688.31	

STATEMENT IS PAGE 2 OF 3



Account Number: HM 00633 C1
 Your Financial Advisor
 RATHJEN, ROBERT C.
 713-957-7000

Business Services Account BSA®

Statement Period: 2004 Year-End Summary

PP2A042802-X6
 - 000004

2004 Realized gains and losses - continued

Security description	Method	Quantity/ Face value	Purchase date	Sale date	Sale amount	Purchase amount	Loss	Gain	Net gain/loss
WHIRLPOOL CORP	FIFO	1,600.000	01/07/00	07/22/04	101,056.10	98,681.94		2,374.16	
WYETH	FIFO	3,100.000	11/03/03	11/09/04	125,247.92	136,016.06	-10,768.14		
Total					\$ 5,910,734.27	\$ 5,109,607.84	\$ -730,702.65	\$ 1,531,829.08	\$ 801,126.43
Net capital gains/losses:					6,972,611.-	5,989,607.-			\$ 982,994.46

TOTALS

6,972,611.- *5,989,607.-*

2004 Realized capital gain/loss summary

Short-term gains/losses:	\$	181,868.03
Long-term gains/losses:	\$	801,126.43
Net year-to-date capital gains/losses:	\$	982,994.46

STATEMENT IS

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.**

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print	Name of Exempt Organization CULLEN TRUST FOR HIGHER EDUCATION	Employer identification number 74-1999641
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. 4550 POST OAK PLACE DRIVE, SUITE 100	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. HOUSTON, TX 77027	

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

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of ▶ **EDWIN C. PADAR**
 Telephone No. ▶ **713-333-2200** FAX No. ▶ _____
- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the **whole group**, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

- 1** I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until **AUGUST 15, 2005** to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year **2004** or
 ▶ tax year beginning _____, and ending _____
- 2** If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 3a** If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____
- b** If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ _____
- c Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ **N/A**

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

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box
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 - Must file Original and One Copy.

Name of Exempt Organization: CULLEN TRUST FOR HIGHER EDUCATION
Employer identification number: 74-1999641
Number, street, and room or suite no. if a P.O. box, see instructions: 4550 POST OAK PLACE DRIVE, SUITE 100
City, town or post office, state, and ZIP code: HOUSTON, TX 77027

Check type of return to be filed (File a separate application for each return):
[X] Form 990
Form 990-EZ
Form 990-T (sec. 401(a) or 408(a) trust)
Form 1041-A
Form 5227
Form 8870
Form 990-BL
Form 990-PF
Form 990-T (trust other than above)
Form 4720
Form 6069

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 EDWIN C. PADAR
Telephone No. 713-333-2200 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 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 NOVEMBER 15, 2005.
For calendar year 2004, or other tax year beginning and ending
If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
State in detail why you need the extension: SEE STATEMENT 1

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 \$
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 \$
Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ N/A

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, this is true, correct, and complete, and that I am authorized to prepare this form.
Signature Title Date 8/5/05

Notice to Applicant - To Be Completed by the IRS

We have approved this application. Please attach this form to the organization's return.
We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.
Other
EXTENSION APPROVED
AUG 23 2005

Director By: Date FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Name: HARPER & PEARSON COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
ONE RIVERWAY SUITE #1000
HOUSTON, TEXAS 77056
City or 1: HOUSTON, TX 77056
City or 1: OGDEN, UT

