Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
FAYEZ SAROFIM & CO. PROFIT SHARING PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 03/13/1963

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
FAYEZ SAROFIM & CO.

P.O. BOX 52830
HOUSTON, TX 77052-2830

P.O. BOX 52830
HOUSTON, TX 77052-2830

2b Employer Identification Number (EIN)
74-1312679

2c Sponsor's telephone number
713-654-4484

2d Business code (see instructions)
523900

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2010	JOHN M RATCLIFF
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2010	JOHN M RATCLIFF
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
ADMINISTRATIVE COMMITTEE- FAYEZ SAROFIM & CO.

P.O. BOX 52830
HOUSTON, TX 77052-2830

3b Administrator's EIN
74-1901040

3c Administrator's telephone number
713-654-4484

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	160
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	152
b	Retired or separated participants receiving benefits	**6b**	
c	Other retired or separated participants entitled to future benefits	**6c**	
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	152
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	
f	Total. Add lines **6d** and **6e**	**6f**	152
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	6
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)		**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)		**C** (Service Provider Information)
(5)		**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
FAYEZ SAROFIM & CO. PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
FAYEZ SAROFIM & CO.

D Employer Identification Number (EIN)
74-1312679

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	140367	0
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	48128	97007
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	325809	490103
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	104620552	127429128
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	105134856	128016238
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j	137071	2635766
k	Total liabilities (add all amounts in lines 1g through1j)	1k	137071	2635766
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	104997785	125380472

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	3341234	
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		3341234
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	10701	
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		10701
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)	3781645	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		3781645
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	1138793	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	864913	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		273880

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	13514875	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		13514875
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		20922335
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	539648	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		539648
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		539648
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		20382687
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unqualified (2) [ ] Qualified (3) [ ] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PANNELL KERR FORSTER OF TEXAS, PC (2) EIN: 76-0356844

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		2000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

Fayez Sarofim & Co.
Profit-Sharing Plan

Financial Statements and Supplemental Schedule

Modified Cash Basis

December 31, 2009

Fayez Sarofim & Co. Profit-Sharing Plan

December 31, 2009

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Supplemental Schedule

Schedule H, line 4i – Schedule of Assets Held at End of Year – Modified Cash Basis 10

Schedules not filed herein are omitted because of the absence of conditions under which they are required.

PANNELL KERR FORSTER OF TEXAS, P.C.

CPAs & Professional Advisors
5847 San Felipe, Suite 2400
Houston, Texas 77057-3092
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Fax: (713) 355-3909
www.pkftexas.com

INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
Fayez Sarofim & Co. Profit-Sharing Plan

We have audited the accompanying statements of net assets available for benefits-modified cash basis of Fayez Sarofim & Co. Profit-Sharing Plan (the "Plan") as of December 31, 2009 and 2008, the related statements of changes in net assets available for benefits-modified cash basis for the years then ended, and supplemental schedule of assets held-modified cash basis as of December 31, 2009. These financial statements and supplemental schedule are the responsibility of the Plan's administrator. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the administrator as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note A, the Plan's accounting policy is to prepare its financial statements and supplemental schedule on the modified cash basis of accounting which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2009 and 2008 and the changes in its net assets available for benefits for the years then ended on the basis of accounting described in Note A.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule of assets held at end of year-modified cash basis as of December 31, 2009, is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's administrator. The supplemental schedule has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Pannell Kerr Forster of Texas, P.C.

September 13, 2010

Fayez Sarofim & Co. Profit-Sharing Plan

Statements of Net Assets Available for Benefits – Modified Cash Basis

	December 31,	
	2009	2008
Investments at fair value		
Common stock	$ 127,429,128	$ 104,620,552
Total investments at fair value	127,429,128	104,620,552
Receivables		
Contribution due from employers	-	140,367
Other	97,007	48,128
Total receivables	97,007	188,495
Cash and cash equivalents	490,103	325,809
Total assets	128,016,238	105,134,856
Payables		
Due to employers	2,635,766	137,071
Total liabilities	2,635,766	137,071
Net assets available for benefits	$ 125,380,472	$ 104,997,785

See notes to financial statements.

Fayez Sarofim & Co. Profit-Sharing Plan

Statements of Changes in Net Assets Available for Benefits – Modified Cash Basis

	Year Ended December 31,	
	2009	2008
Additions to net assets		
Investment income		
Dividends	$ 3,781,645	$ 4,216,691
Interest	10,701	19,572
Net appreciation in fair value of investments	13,788,755	-
Total investment income	17,581,101	4,236,263
Contributions		
Employers contributions	3,341,234	4,369,297
Total contributions	3,341,234	4,369,297
Total additions	20,922,335	8,605,560
Deductions from net assets		
Vested interest distributions	539,648	17,275,687
Net depreciation in fair value of investments	-	47,713,841
Total deductions	539,648	64,989,528
Net increase (decrease) in net assets available for benefits	20,382,687	(56,383,968)
Net assets available for benefits - beginning of year	104,997,785	161,381,753
Net assets available for benefits - end of year	$125,380,472	$104,997,785

See notes to financial statements.

Note A – Significant Accounting Policies

Basis of accounting

The books and records of the Fayez Sarofim & Co. Profit-Sharing Plan (the "Plan") are maintained on the modified cash basis of accounting and its financial statements and supplemental schedule are prepared on the same basis of accounting. Under this method, income is recorded when received rather than when earned and contributions to be made by the employing companies (sponsors) are accrued at year-end. Benefit payments are recorded when paid.

Recent accounting pronouncements

In May 2009, the Financial Accounting Standards Board ("FASB") issued new guidance which establishes general standards of accounting for and disclosure of events that occur after the balance sheet date, but before the financial statements are issued or are available to be issued. The guidance is effective for annual periods ending after June 15, 2009. The adoption of the guidance did not have a material impact on the Plan's financial statements.

In June 2009, the FASB issued authoritative guidance on the Accounting Standards Codification (the "Codification"). The Codification became the single source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with generally accepted accounting principles. The Codification is effective for annual periods ending after September 15, 2009. The guidance did not have a material impact on the Plan's financial statements.

The FASB issued new guidance in 2009 and 2010 to clarify certain existing fair value disclosures and requires a number of additional disclosures. The guidance issued in 2009 requires a reporting entity to show fair value measurements for each class within each category of assets and liabilities and is effective for periods ending after June 15, 2009. The guidance issued in 2010 requires the reporting entity to disclose information about inputs and valuation techniques for fair value measurements that fall in either level 2 or level 3, the disclosure of the amounts and reasons for any significant transfers between levels 1 and 2 fair value measurements, and the disclosure of information regarding the purchases, sales, issuances and settlements of level 3 assets and liabilities be presented on a gross basis. With the exception of the requirement to present changes in level 3 measurements on a gross basis, which is delayed until 2011, the guidance becomes effective for reporting periods beginning after December 15, 2009. Plan management is currently evaluating the effect that the guidance will have on the Plan's financial statements.

Determination of realized and unrealized gain or loss on investments

Unrealized appreciation or depreciation in the fair values of investments held at year-end is determined using the fair value at the beginning of the year or the purchase price if the investment is acquired during the year. The realized gain or loss on the sale of investments is determined using historical cost. Upon the sale of an investment, the current year unrealized appreciation or depreciation is adjusted for unrealized gain or losses recognized in prior years. Unrealized appreciation or depreciation and realized gains or losses are reported as net appreciation or depreciation in fair value of investments in the statements of changes in net assets available for benefits.

Note A – Significant Accounting Policies (Continued)

Valuation of plan assets

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note D for discussion of fair value measurements.

Use of estimates

The preparation of financial statements, in conformity with the modified cash basis of accounting, requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Note B – Description of the Plan

General

The description of the Plan noted below provides only general information. Employees should refer to the summary plan description pamphlet for a more complete description of the Plan's provisions. Copies of the pamphlet are available from the Plan administrator's office.

The Plan is a defined contribution plan covering all employees of Fayez Sarofim and Company (the "Company") and other entities owned and controlled. Employees automatically become participants on January 1st immediately following their date of employment. The Plan is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

Contributions

During the calendar year 2009, the Company contributed an amount which, when added to the forfeitures, was equal to 25% of compensation paid to all eligible participants for all entities of the Company except for Sarofim Realty Advisors Co. which was paid 3% of compensation. In 2008, the Company contributed an amount which, when added to the forfeitures, was equal to 25% of the compensation paid to all eligible participants. Compensation taken into account for purposes of the Plan cannot exceed an indexed dollar amount per individual per year ($245,000 in 2009 and $230,000 in 2008). Furthermore, the total amount of the Company contributions (and forfeitures) allocated in any year on behalf of a participant under this plan cannot exceed the lesser of $49,000 in 2009 and $46,000 in 2008 (as adjusted for cost-of living increases) or 25% of compensation. All contributions are placed in a trust fund to be invested for the exclusive benefit of the participants. Participants are not allowed to contribute to the Plan.

Participant accounts

Each participant's account is credited with an allocation of the Company's contributions, Plan earnings/losses, and forfeitures of non-vested accounts of terminated participants. Allocations of Company contributions and participant forfeitures are determined by dividing the total compensation each participant received during the Plan year by the total compensation received by all Plan participants during the Plan year. Allocations of investment income/loss and investment appreciation/depreciation are determined by dividing the participant's account value on the preceding valuation date by the total participants' account values on the preceding valuation date. All investments held in the Plan are non-participant directed.

Note B – Description of the Plan (Continued)

Vesting and benefit payments

Participants are vested in their accounts based on years of vesting service. One year of vesting service requires completion of 1,000 hours of service. A participant is fully vested after 6 years of vesting service.

Upon termination of service, a participant may elect to receive a lump-sum amount equal to the value of the account, annual installment payments over a 20-year period, or a commercial life annuity. Upon attaining the age of 59 ½ years, a participant who has participated in the Plan for at least 60 cumulative months may withdraw from his or her profit sharing account an amount not to exceed the value of such account. Amounts accumulated in the Pension Plan (which was merged into the Profit Sharing Plan in 2003) may not be distributed until termination of service. Annual required minimum distributions are necessary for 5% owners who have reached age 70 ½.

If a participant terminates employment before having a fully vested interest in his account and is either 0% vested or received a distribution, the non-vested balance of the account will be forfeited. Forfeitures are retained in the Plan and are used to first restore the forfeited amount of a terminated participant if he is reemployed prior to incurring a five consecutive year break in service assuming the participant repays the amount so distributed to him from the Plan within five years from the date the participant is reemployed. A reemployed participant, who had a 0% vested interest on their date of termination of employment, shall be considered to have repaid a distribution of zero dollars on the date of their reemployment. Any remaining forfeitures are used to offset the Company's contribution. Forfeitures applied to restore participants' accounts and to reduce the Company contribution amount to $0 and $177,726 during 2009 and $0 and $131,149 during 2008, respectively. At December 31, 2009 and 2008, there were no forfeitures that remained at year-end.

Trustee

The Plan is administered by a committee of at least three members appointed by the directors of the sponsoring companies. A trust has been established to hold and invest employers' contributions and income thereon. Generally, the trust holds, manages, controls, invests, and disposes of the trust fund assets, subject to certain investment limitations in "qualifying securities," as defined in the Plan. Fayez Sarofim (the majority stockholder of the parent holding company of Fayez Sarofim & Co., a sponsor of the Plan) is the current trustee and investment advisor.

Termination

Although it has not expressed an intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants become 100% vested in their accounts.

Note C – Investments

During 2009 and 2008, the fair values of the Plan's investments (including investments bought and sold, as well as held during the year) appreciated/(depreciated) in value by $13,788,755 and $(47,713,841), respectively.

Note C – Investments (Continued)

The following represents the fair values of individual investments that comprise 5% or more of the Plan's net assets available for benefits at December 31:

Common stock:	2009	2008
Coca-Cola Company 244,500/244,500	$ 13,936,500	$ 11,068,515
Exxon Mobil Corp. 179,814/179,814	12,261,517	14,354,552
Johnson & Johnson (a) / 92,200	(a)	5,516,326
Nestle sponsored ADR 131,000/ (a)	6,361,688	(a)
Phillip Morris International Inc. 223,100/223,100	10,751,189	9,707,081
Proctor & Gamble Co. 151,812/151,812	9,204,362	9,385,018

(a) Investment does not represent 5% or more of the Plan's net assets available for benefits at December 31, 2009 and 2008, respectively.

Note D – Fair Value Measurements

The Plan uses a three-level hierarchy for grouping assets and liabilities, based on the significance of inputs. The hierarchy of fair value measurements is described below:

- Level 1 - quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of these assets or liabilities; or
- Level 3 - unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Note D – Fair Value Measurements (Continued)

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the valuation method is considered appropriate and consistent with other market participants, the use of a different methodology or assumption to determine the fair value of the financial instruments could result in a different fair value measurement at the reporting date.

The common stock that are traded on the New York or NASDAQ Stock Exchanges are valued at the closing market price, while those traded over-the-counter, if any, are valued at the closing bid price.

The Plan's assets measured at fair value are as follows at December 31, 2009:

	Level 1
Common stock	
Information technology	$ 7,721,640
Healthcare	12,787,059
Consumer discretionary	8,747,831
Consumer staples	59,732,155
Financial	8,706,520
Energy	25,177,164
Capital goods	3,753,659
Materials	803,100
Total investments at fair value	$ 127,429,128

The Plan's investments at December 31, 2008, measured at fair value, consist of $104,620,552 in common stock and are considered a Level 1 investment.

Note E – Plan Administration Cost

The Company has elected to pay expenses related to the administration of the Plan.

Note F – Other Employing Companies

Corporations, associations or partnerships owned or controlled completely by Fayez Sarofim & Co. are part of the Plan. For purposes of the Internal Revenue Code ("IRC"), the Plan, as adopted by all employing companies, is a single plan. All assets in the Plan are available to pay benefits to all participants and their beneficiaries.

Note G – Income Tax Status

The Internal Revenue Service, in a determination letter dated June 4, 2003, has ruled that the Plan qualifies under Section 401(a) of the IRC and, therefore, not subject to tax under present income tax law. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualifications. The Administrative Committee of the Plan is not aware of any action or event that has occurred that might affect the Plan's qualified status. The Plan was amended and restated in its entirety effective January 1, 2009.

Note G – Income Tax Status (Continued)

The Company has submitted a request to the Internal Revenue Service for a new determination letter covering the amended Plan. The Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

Note H – Top Heavy Status

The Plan is considered to be a top-heavy plan, as defined in the IRC, and therefore has stringent vesting requirements and must provide minimum contributions for all participants.

Note I – Financial Instruments and Credit Risk

Financial instruments, which potentially subject the Plan to credit risk, include investments in common stock. Investment securities are exposed to various risks, such as interest rate, market, concentration and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits. Plan participants bear the risk of any Plan investment losses.

Note J – Subsequent Events

Management has evaluated subsequent events as of September 13, 2010, which was the date the financial statements were available to be issued, and has determined that there are no subsequent events to be disclosed.

Supplemental Schedule

Fayez Sarofim & Co. Profit-Sharing Plan
EIN 74-1312679/001

Schedule H, line 4i - Schedule of Assets Held at End of Year-Modified Cash Basis
December 31, 2009

Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity date	Cost	Current value
AOL Inc.	Common Stock	$ 7,519	$ 19,602
Abbott Laboratories	Common Stock	1,496,581	1,819,463
Altria Group Inc.	Common Stock	151,299	4,379,453
American Ecology Corp.	Common Stock	397	19,272
American Express	Common Stock	844,932	810,400
Argo Group International Holdings Ltc	Common Stock	410,880	299,326
Automatic Data Processing	Common Stock	1,327,127	1,284,600
BP Amoco PIC ADR	Common Stock	178,784	293,560
Bank America Corp.	Common Stock	2,270,854	872,817
Becton Dickinson	Common Stock	711,901	788,600
Broadridge Financial Solutions	Common Stock	142,072	169,200
Chevron Corp.	Common Stock	830,052	4,705,013
Citigroup Inc.	Common Stock	839,445	420,701
Coach Inc.	Common Stock	115,303	2,133,352
Coca-Cola Company	Common Stock	914,226	13,936,500
ConocoPhillips	Common Stock	1,513,255	2,042,800
Exxon Mobil Corp.	Common Stock	3,027,386	12,261,517
General Electric Co.	Common Stock	650,202	3,734,387
HSBC Holdings plc Ltd. ADR	Common Stock	2,378,061	2,021,899
Hanesbrands, Inc.	Common Stock	27,635	44,411
Intel Corporation	Common Stock	1,747,621	4,439,040
J P Morgan Chase & Co.	Common Stock	1,669,030	3,116,916
Johnson & Johnson	Common Stock	1,238,931	5,938,602
Kellogg Co.	Common Stock	469,663	2,069,480
Kraft Foods Inc.	Common Stock	85,642	2,314,404
McDonalds	Common Stock	2,795,846	3,122,000
McGraw-Hill Inc.	Common Stock	545,571	2,091,024
Merck & Co., Inc.	Common Stock	813,203	2,963,394
Microsoft Corp.	Common Stock	1,684,818	1,828,800
Nestle Sponsored ADR	Common Stock	851,675	6,361,688
News Corp. Class A (Limited Voting)	Common Stock	193,111	292,966
News Corp. Class B	Common Stock	441,998	678,192
Novo-Nordisk A S ADR	Common Stock	1,099,594	1,277,000
Occidental Petroleum Corp.	Common Stock	2,010,565	2,033,750
PepsiCo, Inc.	Common Stock	241,357	3,891,200
Philip Morris International Inc.	Common Stock	344,764	10,751,189
Praxair Inc.	Common Stock	824,939	803,100
Procter & Gamble Co.	Common Stock	1,124,667	9,204,362
Royal Dutch Petroleum Co. ADR	Common Stock	454,201	2,559,724
Sara Lee Corp.	Common Stock	156,608	179,497
Sysco	Common Stock	542,810	419,100
Time Warner Cable Inc.	Common Stock	36,365	96,273
Time Warner Inc.	Common Stock	102,842	270,011
Total SA ADR	Common Stock	1,071,306	1,280,800
Unitrin, Inc.	Common Stock	39,810	1,164,461
Wal-Mart Stores, Inc.	Common Stock	1,030,006	2,790,090
Walgreen Co.	Common Stock	418,133	2,886,192
Whole Foods Market Inc.	Common Stock	948,066	549,000
Total All Investments		**$ 40,821,053**	**$ 127,429,128**

Form **5558**
(Rev. January 2008)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File Certain Employee Plan Returns

▶ For Privacy Act and Paperwork Reduction Act Notice, see instructions on page 3.

OMB No. 1545-0212

File With IRS Only

Part I Identification

A Name of filer, plan administrator, or plan sponsor (see instructions)
FAYEZ SAROFIM & CO.
Number, street, and room or suite no. (If a P.O. box, see instructions)
909 FANNIN, SUITE 2907
City or town, state, and ZIP code
HOUSTON, TX 77010

B Filer's identifying number (see instructions).
[X] Employer identification number (EIN). 74-1312679
[ ] Social security number (SSN)

C	Plan name	Plan number	Plan year ending - MM	DD	YYYY
1	FAYEZ SAROFIM & CO. PROFIT SHARING PLAN	001	12	31	2009
2					
3					

Part II Extension of Time to File Form 5500 or Form 5500-EZ *(see instructions)*

1 I request an extension of time until 10 / 15 / 10 to file Form 5500 or Form 5500-EZ.

The application **is automatically approved** to the date shown on line 1 (above) if: **(a)** the Form 5558 is filed on or before the normal due date of Form 5500 or 5500-EZ for which this extension is requested, and **(b)** the date on line 1 is no more than 2½ months after the normal due date.

You must attach a copy of this Form 5558 to each Form 5500 and 5500-EZ filed after the due date for the plans listed in C above.

Note. A signature is not required if you are requesting an extension to file Form 5500 or Form 5500-EZ.

Part III Extension of Time to File Form 5330 *(see instructions)*

2 I request an extension of time until ____ / ____ / ____ to file Form 5330.
You may be approved for up to a six (6) month extension to file Form 5330, after the normal due date of Form 5330.

a Enter the Code section(s) imposing the tax . . . . . ▶ a

b Enter the payment amount attached . . . . . ▶ b

c For excise taxes under section 4980 or 4980F of the Code, enter the reversion/amendment date . . . . . ▶ c

3 **State in detail why you need the extension**

Under penalties of perjury, I declare that to the best of my knowledge and belief, the statements made on this form are true, correct, and complete, and that I am authorized to prepare this application.

Signature ▶ **Date** ▶

KB 74 200912 201034 7644 A 2 159927 216

29077-213-41390-0 TE 741312679

Department of the Treasury
Internal Revenue Service
OGDEN, UT 84201-0073

Date of this notice: SEP. 6, 2010
Taxpayer Identifying Number:
74-1312679
Form: 5500/8955-SSA
Tax Period: DEC. 31, 2009
Plan Number: 001
For assistance you may call us at:
1-877-829-5500
Or you may write to us at the address shown at the left.

138902.767008.0341.007 1 AT 0.357 375

FAYEZ SAROFIM & CO
PO BOX 52830
HOUSTON TX 77052-2830303

138902

APPLICATION FOR EXTENSION OF TIME TO FILE AN EMPLOYEE PLAN RETURN - APPROVED

We received your Form 5558, Application for Extension of Time to File an Employee Plan Return, for the return (form), plan number, and tax period identified above. Your request was approved. The due date to file your return is extended to OCT. 15, 2010. This letter is notification of your approved extension and should be kept with your records.

If you have any questions, please call us at the number shown above, or you may write us at the address shown at the top left of this letter.

For general information, tax forms, and publications, visit www.irs.gov. Employee Plan information is on the "Retirement Plans Community" tab.

Fayez Sarofim & Co. Profit-Sharing Plan
EIN 74-1312679/001

Schedule H, line 4i - Schedule of Assets Held at End of Year-Modified Cash Basis
December 31, 2009

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