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

2009

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

For calendar year 2009, or tax year beginning , and ending

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation WILLIAM H. KEARNS FOUNDATION		A Employer identification number 13-6199107
	C/O MICHAEL BEKAS CPA		B Telephone number 212-503-8909
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	
	MARKS PANETH & SHRON LLP 622 THIRD AVE. 7TH FL		
	City or town, state, and ZIP code NEW YORK, NY 10017		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 8,840,101. (Part I, column (d) must be on cash basis.)	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> If the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		34,374.	34,374.		
4 Dividends and interest from securities		147,257.	147,257.		
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<82,274.>			
b Gross sales price for all assets on line 6a		968,619.			
7 Capital gain net income (from Part IV, line 2)			0.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		<28,372.>	<29,363.>		STATEMENT 1
12 Total Add lines through 11		70,985.	152,268.		
13 Compensation of officers, directors, trustees, etc.		144,000.	72,000.		72,000.
14 Other employee salaries and wages					
15 Pension plans, employee benefits		56,919.	24,356.		32,563.
16a Legal fees					
b Accounting fees STMT 2		31,500.	15,750.		15,750.
c Other professional fees STMT 3		48,588.	48,588.		0.
17 Interest					
18 Taxes STMT 4		40,123.	9,889.		6,234.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 5		14,724.	2,145.		12,579.
24 Total operating and administrative expenses. Add lines 13 through 23		335,854.	172,728.		139,126.
25 Contributions, gifts, grants paid		174,000.			174,000.
26 Total expenses and disbursements. Add lines 24 and 25		509,854.	172,728.		313,126.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<438,869.>			
b Net investment income (if negative, enter -0-)			0.		
c Adjusted net income (if negative, enter -0-)				N/A	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments		711,258.	240,939.	240,939.
	3	Accounts receivable ▶				
		Less: allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations STMT 6		961,531.	713,611.	746,530.
	b	Investments - corporate stock STMT 7		3,980,684.	4,032,055.	4,989,601.
	c	Investments - corporate bonds STMT 8		50,233.	50,233.	53,952.
11	Investments - land, buildings, and equipment basis ▶					
	Less: accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other STMT 9		2,513,747.	2,703,387.	2,679,620.	
14	Land, buildings, and equipment: basis ▶ 18,712.					
	Less: accumulated depreciation STMT 10 ▶ 18,712.					
15	Other assets (describe ▶ STATEMENT 11)		129,904.	129,459.	129,459.	
16	Total assets (to be completed by all filers)		8,347,357.	7,869,684.	8,840,101.	
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)		0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>					
	and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>					
	and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds		0.	0.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
29	Retained earnings, accumulated income, endowment, or other funds		8,347,357.	7,869,684.		
30	Total net assets or fund balances		8,347,357.	7,869,684.		
31	Total liabilities and net assets/fund balances		8,347,357.	7,869,684.		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	8,347,357.
2	Enter amount from Part I, line 27a	2	<438,869.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	7,908,488.
5	Decreases not included in line 2 (itemize) ▶ UNREALIZED GAIN ON PARTNERSHIP K-1S	5	38,804.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	7,869,684.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE ATTACHED STATEMENT D-1	P	VARIOUS	VARIOUS
b SEE ATTACHED STATEMENT D-1	P	VARIOUS	VARIOUS
c S/T CAPITAL GAIN THRU P/S K-1S	P	VARIOUS	VARIOUS
d L/T CAPITAL GAIN THRU P/S K-1S	P	VARIOUS	VARIOUS
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 271,884.		356,175.	<84,291.>
b 609,429.		684,836.	<75,407.>
c 87,306.			87,306.
d		9,882.	<9,882.>
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			<84,291.>
b			<75,407.>
c			87,306.
d			<9,882.>
e			

2 Capital gain net income or (net capital loss)	<div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div>	2	<82,274.>
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	382,171.	9,028,650.	.042329
2007	408,218.	11,106,761.	.036754
2006	488,795.	9,599,250.	.050920
2005	434,612.	8,667,162.	.050145
2004	507,389.	9,488,366.	.053475

2 Total of line 1, column (d)	2	.233623
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.046725
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	7,910,053.
5 Multiply line 4 by line 3	5	369,597.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	0.
7 Add lines 5 and 6	7	369,597.
8 Enter qualifying distributions from Part XII, line 4	8	313,126.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		1	0.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		2	0.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		3	0.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
3 Add lines 1 and 2		5	0.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a 20,466.	7	20,466.
b Exempt foreign organizations - tax withheld at source	6b	8	
c Tax paid with application for extension of time to file (Form 8868)	6c	9	
d Backup withholding erroneously withheld	6d	10	20,466.
7 Total credits and payments. Add lines 6a through 6d		11	15,466.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached			
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed			
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	5,000.		
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax	Refunded		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>NY</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► MILTON WARSHAW Telephone no. ► 917-509-1235 Located at ► C/O MARKS PANETH & SHRON 622 3RD. AVE., NY, NY ZIP+4 ► 10017			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15		N/A

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here N/A <input type="checkbox"/>	1b	
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► _____, _____, _____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) N/A	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.) N/A	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b	X

Form 990-PF (2009)

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☒ No

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

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **N/A** ☐ **5b**

Organizations relying on a current notice regarding disaster assistance check here ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A** ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** ☐ Yes ☒ No **X**

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A** **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 12		144,000.	0.	56,919.

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

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

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

Part VIII

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

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

[illegible]**Total number of others receiving over \$50,000 for professional services**

0

Part IX-A

Summary of Direct Charitable Activities

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

Expenses

1	N/A	
2		
3		
4		

Part IX-B

Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

Amount

1	N/A	
2		
	All other program-related investments. See instructions.	
3		

Total. Add lines 1 through 3

0.

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	5,541,696.
b Average of monthly cash balances	1b	335,572.
c Fair market value of all other assets	1c	2,153,243.
d Total (add lines 1a, b, and c)	1d	8,030,511.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	8,030,511.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	120,458.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	7,910,053.
6 Minimum investment return. Enter 5% of line 5	6	395,503.

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

1 Minimum investment return from Part X, line 6	1	395,503.
2a Tax on investment income for 2009 from Part VI, line 5	2a	
b Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	0.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	395,503.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	395,503.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	395,503.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	313,126.
b Program-related investments - total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	313,126.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	313,126.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				395,503.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004	32,971.			
b From 2005	1,458.			
c From 2006	24,989.			
d From 2007	408,218.			
e From 2008				
f Total of lines 3a through e	467,636.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$	313,126.			
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				313,126.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	82,377.			82,377.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	385,259.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	385,259.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007	385,259.			
d Excess from 2008				
e Excess from 2009				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2009	(b) 2008	(c) 2007	(d) 2006	
b 85% of line 2a				
c Qualifying distributions from Part XII, line 4 for each year listed				
d Amounts included in line 2c not used directly for active conduct of exempt activities				
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c				
3 Complete 3a, b, or c for the alternative test relied upon:				
a "Assets" alternative test - enter:				
(1) Value of all assets				
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				
c "Support" alternative test - enter:				
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				
(3) Largest amount of support from an exempt organization				
(4) Gross investment income				

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

1 Information Regarding Foundation Managers:

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

NONE

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

NONE

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

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

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

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

c Any submission deadlines:

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

WILLIAM H. KEARNS FOUNDATION
C/O MICHAEL BEKAS CPA

Part XV **Supplementary Information** (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
SEE STATEMENT 13				
Total			▶ 3a	174,000.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	COMPUTER	03/26/97	SL	5.00	16	8,053.			8,053.	8,053.		0.
2	OFFICE EQUIPMENT	VARIES	SL	5.00	16	1,634.			1,634.	1,634.		0.
3	OFFICE EQUIPMENT	07/01/98	SL	5.00	16	1,725.			1,725.	1,725.		0.
4	FURNITURE & FIXTURES	04/13/00	SL	7.00	16	7,300.			7,300.	7,300.		0.
* TOTAL 990-PF PG 1 DEPR						18,712.		0.	18,712.	18,712.	0.	0.

FORM 990-PF	OTHER INCOME	STATEMENT	1
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
TAX REFUND	991.	0.	
INCOME/LOSS FROM PARTNERHSIP K-1	<36,419.>	<36,419.>	
INTEREST & DIVIDENDS FROM P/S	7,056.	7,056.	
TOTAL TO FORM 990-PF, PART I, LINE 11	<28,372.>	<29,363.>	

FORM 990-PF	ACCOUNTING FEES	STATEMENT	2
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	31,500.	15,750.		15,750.
TO FORM 990-PF, PG 1, LN 16B	31,500.	15,750.		15,750.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY FEES	48,588.	48,588.		0.
TO FORM 990-PF, PG 1, LN 16C	48,588.	48,588.		0.

FORM 990-PF	TAXES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	24,000.	0.		0.
PAYROLL TAXES	11,968.	5,984.		5,984.
FOREIGN TAXES WITHHELD	3,905.	3,905.		0.
NYS CHARITIES CERTIFICATION FEE	250.	0.		250.
TO FORM 990-PF, PG 1, LN 18	40,123.	9,889.		6,234.

FORM 990-PF	OTHER EXPENSES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TELEPHONE	3,195.	0.		3,195.
COMPUTER EXPENSE	2,773.	0.		2,773.
OFFICE EXPENSE	4,144.	0.		4,144.
PAYROLL SERVICE FEES	300.	150.		150.
PAYROLL EXPENSES	1,341.	670.		671.
RETIREMENT PLAN FEES	2,650.	1,325.		1,325.
LICENSES & PERMITS	291.	0.		291.
BANK CHARGES	30.	0.		30.
TO FORM 990-PF, PG 1, LN 23	14,724.	2,145.		12,579.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	6
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
US TREASURY BONDS & NOTES-SEE STMT C	X		713,611.	746,530.
TOTAL U.S. GOVERNMENT OBLIGATIONS			713,611.	746,530.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			713,611.	746,530.

FORM 990-PF	CORPORATE STOCK	STATEMENT	7
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK-SEE STMT C	4,032,055.	4,989,601.
TOTAL TO FORM 990-PF, PART II, LINE 10B	4,032,055.	4,989,601.

FORM 990-PF	CORPORATE BONDS	STATEMENT	8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS-SEE STMT C	50,233.	53,952.
TOTAL TO FORM 990-PF, PART II, LINE 10C	50,233.	53,952.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	9
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INVESTMENTS IN PARTNERSHIPS-SEE STMT B	COST	2,329,380.	2,329,380.
ZYMEQUEST	COST	200,000.	200,000.
MUTUAL FUNDS-SEE STMT C	COST	174,007.	150,240.
TOTAL TO FORM 990-PF, PART II, LINE 13		2,703,387.	2,679,620.

FORM 990-PF	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT	10
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DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
COMPUTER	8,053.	8,053.	0.
OFFICE EQUIPMENT	1,634.	1,634.	0.
OFFICE EQUIPMENT	1,725.	1,725.	0.
FURNITURE & FIXTURES	7,300.	7,300.	0.
TOTAL TO FM 990-PF, PART II, LN 14	18,712.	18,712.	0.

FORM 990-PF	OTHER ASSETS	STATEMENT	11
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DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
PROMISSORY NOTE	120,000.	120,000.	120,000.
PREPAID PAYROLL	9,904.	9,459.	9,459.
TO FORM 990-PF, PART II, LINE 15	129,904.	129,459.	129,459.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS STATEMENT 12
 TRUSTEES AND FOUNDATION MANAGERS

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MILTON WARSHAW C/O MP&S 622 THIRD AVENUE NEW YORK, NY 10017	PRESIDENT/TREASURER 35.00	72,000.	0.	24,356.
JONATHAN MONDSCHIEIN C/O MP&S 622 THIRD AVENUE NEW YORK, NY 10017	ASST. SECY, 1.00	0.	0.	0.
MAXINE D. PRISYON C/O MP&S 622 THIRD AVENUE NEW YORK, NY 10017	VICE-PRES./SECY. 35.00	72,000.	0.	32,563.
JOSHUA MONDSCHIEIN C/O MP&S 622 THIRD AVENUE NEW YORK, NY 10017	ASST. SECY. 1.00	0.	0.	0.
LORNA GOLDBERG C/O MP&S 622 THIRD AVENUE NEW YORK, NY 10017	ASST. SECY. 1.00	0.	0.	0.
CARLA LORD C/O MP&S 622 THIRD AVENUE NEW YORK, NY 10017	ASST. SECY. 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		144,000.	0.	56,919.

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 13

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
AMERICAN FOR PEACE NOW 1101 14TH STREET NW, 6TH FL WASHINGTON, DC 20005	NONE CHARITABLE	501(C)(3)	250.
AMERICAN MUSEUM OF NATURAL HISTORY CENTRAL PARK WEST 79TH ST. NEW YORK, NY 10024	NONE CHARITABLE	501(C)(3)	15,000.
CAMA 2060 ALAMEDA PADRE SERRA, SUITE 201 SANTA BARBARA, CA 93103	NONE CHARITABLE	501(C)(3)	1,500.
CITY CENTRAL 55TH ST MONTE FOUNDATION CAMP SUNSHINE PO BOX 8280 NEW YORK, NY 10150	NONE CHARITABLE	501(C)(3)	7,500.
FOOD FOR NEEDY 114 W 26TH STREET, 10TH FL NEW YORK, NY 10001	NONE CHARITABLE	501(C)(3)	10,000.
KUSC 11726 SAN VICENTE BLVD., STE 370 LOS ANGELES, CA 90049	NONE CHARITABLE	501(C)(3)	250.
MUSIC ACADEMY OF THE WEST 1070 FAIRWAY ROAD SANTA BARBARA, CA 93108	NONE CHARITABLE	501(C)(3)	1,000.
RECORDING FOR THE BLIND & DYSLEXIC 545 5TH AVE, STE 1005 NEW YORK, NY 10017	NONE CHARITABLE	501(C)(3)	500.

SANTA BARBARA COTTAGE HOSPITAL FOUNDATION PO BOX 689 SANTA BARBARA, CA 93102	NONE CHARITABLE	501(C)(3)	35,000.
SANTA BARBARA DANCE ALLIANCE 1330 STATE STREET, STE 201 SANTA BARBARA, CA 93101	NONE CHARITABLE	501(C)(3)	1,000.
SANTA BARBARA SYMPHONY ASSOCIATION 1330 STATE STREET, STE 102 SANTA BARBARA, CA 93101	NONE CHARITABLE	501(C)(3)	2,500.
SOCIAL VENTURE PARTNERS 15 EAST CARRILLO SANTA BARBARA, CA 93101	NONE CHARITABLE	501(C)(3)	6,000.
THE METROPOLITAN MUSEUM OF ART 1000 FIFTH AVENUE NEW YORK, NY 10028	NONE CHARITABLE	501(C)(3)	50,000.
TRICKLE UP PROGRAM 104 W 27TH STREET, 12TH FL NEW YORK, NY 10001	NONE CHARITABLE	501(C)(3)	1,000.
UC REGENTS 1111 FRANKLIN ST., 12TH FL OAKLAND, CA 94607	NONE CHARITABLE	501(C)(3)	7,500.
WEILL CORNELL MEDICAL COLLEGE 425 EAST 61ST STREET NEW YORK, NY 10021	NONE CHARITABLE	501(C)(3)	35,000.

TOTAL TO FORM 990-PF, PART XV, LINE 3A

174,000.

WILLIAM H. KEARNS FOUNDATION

EIN# 13-6199107

12/31/09

PARTNERSHIP

TRAUTMAN WASSEMAN MARKET 8701 OPP FUND

SPECIAL SITUATION TECHNOLOGIES FUND II

SPECIAL SITUATION LIFE SCIENCE FUND, LP

FIRST LIGHT CAPITAL, L.P.

FIRST LIGHT CAPITAL BLUE, L.P.

TOTAL PARTNERSHIP

BOOK VALUE		FMV @ 12/31/2009
Beginning	Ending	
700,000	376,755	376,755
500,000	753,189	753,189
250,000	292,682	292,682
439,740	446,892	446,892
<u>450,000</u>	<u>459,862</u>	<u>459,862</u>
2,339,740	2,329,380	2,329,380

STATEMENT B

WILLIAM H KEARNS FOUNDATION
 PORTFOLIO APPRAISAL
 12/31/2009
 EIN: 13-6199107

Quantity	Security	Total Cost	Market Value
COMMON STOCKS			
2,500	ACE LIMITED SHS	37,966 67	126,000 00
3,000	AFLAC INC	80,268 25	138,750 00
151	AOL TIME WARNER INC	4,723 89	3,515 28
2,500	BB & T CORP COM	85,114 95	63,425 00
2,000	BECTON DICKINSON & CO COM	60,245 00	157,720 00
3	BERKSHIRE HATHAWAY INC COM CL A	413,108 95	297,600 00
1,000	BURLINGTON NRTHN SANTA COM	29,113 00	98,620.00
3,000	CANADIAN NATL RY CO	50,630 00	163,080 00
4,000	CENOVUS ENERGY INC COM	28,045 65	100,800 00
4,000	CISCO SYSTEMS, INC CMN	86,440 95	95,760 00
237,500	CONNOTATE TECH, INC	150,000 00	150,000.00
2,000	CROSSTEX ENERGY INC	60,177 95	12,100 00
1,000	CROSSTEX ENERGY INC	29,303 15	6,050 00
3,000	CROSSTEX ENERGY INC LP SUB UNITS	9,244.75	18,150 00
3,120	DUKE ENERGY CORP NEW COM	45,252.73	53,695 20
3,000	DUKE ENERGY CORP NEW COM	42,638 95	51,630 00
4,000	ENCANA CORP COM	30,394 35	129,560 00
2,500	EXELON CORP CMN	79,995 62	122,175 00
3,000	EXXON MOBIL CORPORATION CMN	123,735 60	204,570 00
6,000	FOREST LABORATORIES INC	33,086 25	192,660 00
1,500	FPL GROUP INC	75,806 65	79,230 00
2,000	GATX CORP COM	80,001 80	57,500 00
1,000	GATX CORP COM	33,219 95	28,750 00
3,000	GENERAL ELECTRIC CO COM	82,086 60	45,390 00
2,000	GENERAL ELECTRIC CO COM	51,920 00	30,260 00
4,750	INTEGRATED FUNDRAISING MARKETING SOLUTIONS	71,250 00	71,250 00
1,000	INTL BUSINESS MACHINES CORP CMN	95,217.45	130,900 00
1,000	INTL BUSINESS MACHINES CORP CMN	77,889 95	130,900 00
1,000	ISHARES MSCI BRAZIL INDX	49,194 05	74,610 00
1,500	KIMBERLY CLARK CORP COM	77,263 60	95,565 00
2,141	KINDER MORGAN MGMT LLC	85,533 95	116,969 41
3,000	MCCORMICK & CO INC	94,651 85	108,390 00
7,000	MICRON TECHNOLOGY INC	43,496.45	73,920 00
3,000	MICROSOFT CORP	71,326.65	91,440 00
2,000	MICROSOFT CORP	46,829 95	60,960 00
2,000	NOVARTIS AG	77,210 00	108,860 00
22,727	PANDORA NETWORKS INC	100,000 00	100,000 00
129,898	PANDORA NETWORKS INC	75,000 00	75,000 00
3,000	PRECISION DRILLING CORP CAD NPV	94,636 25	21,750 00
1,000	PRECISION DRILLING CORP CAD NPV	29,393.05	7,250 00
4,000	PRECISION DRILLING CORP CAD NPV	35,949.75	29,000 00
1,142	PRECISION DRILLING CORP CAD NPV	3,148 15	8,279 50
2,000	PRINCIPAL FINANCIAL GROUP INC	43,760 00	48,080 00
2,000	PRINCIPAL FINANCIAL GROUP INC	18,661 95	48,080.00
1,950	PROCTER & GAMBLE COMPANY (THE) CMN	66,685 00	118,228 50
1,000	PROCTER & GAMBLE COMPANY (THE) CMN	45,860 00	60,630 00
600	RIO TINTO PLC SPONSR ADR	50,902.35	129,234.00
400	RIO TINTO PLC SPONSR ADR	38,596 47	86,156 00
2,000	ROCHE HLDG AG ADR B (NOM CHF100)VAL 224 18	87,509 95	85,030 20
4,000	SANOFI AVENTIS ADR	141,019.95	157,080 00

STATEMENT C

1,560	SPECTRA ENERGY CORP	33,736 02	31,995 60
4,000	SPECTRA ENERGY CORP	61,432 15	82,040 00
418	TIME WARNER CABLE INC COM CL A	22,895 32	17,301 02
1,666	TIME WARNER INC CMN	64,780 46	48,547 24
41,667	VIZACOM INC	50,000 00	4 17

3,656,352.38	4,644,441 12
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UNITED STATES TREASURY NOTES & BONDS

100,000	UNITED STATES TREAS NTS 2.125% Due 01-31-10	99,664 00	100,144 51
200,000	UNITED STATES TREASURY NOTES TIPS INFALION P 1 625% Due 01-15-15	198,513.20	235,549 80
100,000	UNITED STATES TREAS NTS 4 250% Due 11-15-17	104,676 72	104,812 51
200,000	UNITED STATES TREAS NOTE 1 000% Due 10-31-11	200,406 00	199,820 03
100,000	UNITED STATES TREAS BDS 5 000% Due 05-15-37	110,351 56	106,203 11

713,611 48	746,529 96
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MUTUAL FUNDS

2,000	KAYNE ANDERSON MLP INVESTMENT	55,365 75	50,080.00
1,500	KAYNE ANDERSON MLP INVESTMENT	51,635 75	37,560 00
2,500	KAYNE ANDERSON MLP INVESTMENT	67,005 95	62,600 00

174,007 45	150,240 00
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CORPORATE BONDS

50,000	RIO TINTO FIN 5 875% Due 07-15-13	50,232 64	53,951 85
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50,232 64	53,951 85
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PREFERRED STOCK

1,000	ABN AMRO CAP FD TR VII PFD GTD 6 08%	23,789 95	10,000.00
1,000	ABN AMRO CAP FD TR VII PFD GTD 6 08%	23,439 95	10,000 00
29,940	CONNOTATE TECH, INC	87,500 00	87,500 00
1,000	FANNIE MAE PFD 8.25%	25,559 95	1,100.00
100	HSBC FINANCE CORP PFD B DEP 1/40	2,526.99	2,064 00
900	HSBC FINANCE CORP PFD B DEP 1/40	22,724 96	18,576 00
1,000	HSBC FINANCE CORP PFD B DEP 1/40	25,059 95	20,640 00
2,000	HSBC FINANCE CORP PFD B DEP 1/40	16,646.15	41,280 00
50,000	JIA INC SER B CON PFD	50,000 00	50,000 00
1,000	PARTNERRE LTD PFD C 6.75%	24,559 95	23,500 00
100	PARTNERRE LTD PFD C 6.75%	2,439 99	2,350 00
900	PARTNERRE LTD PFD C 6 75%	21,869 96	21,150 00
191	PARTNERRE LTD PFD C 6 75%	3,744 92	4,488 50
400	PARTNERRE LTD PFD C 6 75%	8,065 90	9,400 00
1,000	PARTNERRE LTD PFD C 6 75%	19,606 89	23,500 00
8	PARTNERRE LTD PFD C 6 75%	156 86	188 00
64	PARTNERRE LTD PFD C 6 75%	1,270 71	1,504 00
100	PARTNERRE LTD PFD C 6.75%	1,960 68	2,350 00
237	PARTNERRE LTD PFD C 6 75%	4,779 05	5,569 50

365,702 81	335,160 00
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STATEMENT C

2/3

Warrants & Rights

3,750 SHARE ACQUISITION CO INC WT EXP 05/30/08

10,000 00

10,000 00

10,000 00

10,000 00

TOTAL PORTFOLIO

4,969,906 76

5,940,322 93

Marks Paneth & Shron LLP
REALIZED GAINS AND LOSSES
WILLIAM H KEARNS FOUNDATION
CONSOLIDATED REPORTING
From 01-01-09 Through 12-31-09

Reporting Currency: US Dollar

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Price Gain	FX Gain	Gain Or Loss	
								Short Term	Long Term
11-07-07	03-23-09	1,000	ROYAL BK SCOTLAND GRP ADR PREF T 7.25%	24,559.95	5,378.49	-19,181.46	0.00		-19,181.46
11-09-07	03-23-09	1,000	ROYAL BK SCOTLAND GRP ADR PREF T 7.25%	23,809.95	5,378.49	-18,431.46	0.00		-18,431.46
02-03-06	03-30-09	0	TIME WARNER CABLE INC COM CL A	18.94	9.58	-9.36	0.00		-9.36
02-03-06	04-03-09	1	TIME WARNER INC. CMN	27.12	14.44	-12.68	0.00		-12.68
02-16-07	05-08-09	2,000	000 ISHARES INC MSCI JAPAN INDEX FD	29,769.95	18,077.54	-11,692.41	0.00		-11,692.41
06-14-07	05-08-09	3,000	000 ISHARES INC MSCI JAPAN INDEX FD	43,659.95	27,116.32	-16,543.63	0.00		-16,543.63
07-18-06	05-08-09	4,000	000 ISHARES INC MSCI JAPAN INDEX FD	49,649.95	36,155.09	-13,494.86	0.00		-13,494.86
06-14-07	05-13-09	100,000	UNITED STATES TREAS NTS	99,617.69	102,428.52	2,810.83	0.00		2,810.83
06-14-07	05-31-09	250,000	4 875% Due 05-31-09 UNITED STATES TREAS NTS	249,044.22	250,000.00	955.78	0.00		955.78
01-22-08	07-08-09	3,000	0000 ATLAS ACQUISITIONS HLDGS UTS 1 SH&I WRT	30,000.00	29,379.24	-620.76	0.00		-620.76
10-01-08	07-08-09	2	BERKSHIRE HATHAWAY INC COM CL A	266,208.39	171,290.58	-94,917.81	0.00	-94,917.81	
02-15-08	07-08-09	2,000	0000 GHL ACQUISITION CORP UNIT	20,000.00	20,579.46	579.46	0.00		579.46
01-28-08	07-08-09	1,500	0000 OVERTURE ACQ C UTS 1 SH&I WT	15,000.00	14,679.61	-320.39	0.00		-320.39
04-20-09	10-16-09	500	WYETH CMN	21,408.95	25,126.14	3,717.19	0.00	3,717.19	
04-08-09	10-16-09	1,000	WYETH CMN	42,678.95	50,252.27	7,573.32	0.00	7,573.32	
10-16-09	10-16-09	0	PFIZER INC COM	8.76	8.93	0.17	0.00	0.17	
10-16-09	11-04-09	1,477	PFIZER INC COM	25,869.65	25,205.60	-664.05	0.00	-664.05	
02-03-06	12-10-09	0	AOL TIME WARNER INC	14.22	10.51	-3.71	0.00		-3.71

This report was compiled from information provided by various investment brokers and a pricing service without independent verification

Marks Paneth & Shron LLP
REALIZED GAINS AND LOSSES
WILLIAM H KEARNS FOUNDATION
CONSOLIDATED REPORTING
From 01-01-09 Through 12-31-09

Reporting Currency: US Dollar

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Price Gain	FX Gain	Gain Or Loss	
								Short Term	Long Term
01-29-08	12-21-09	100,000	UNITED STATES TREAS NTS	99,664.00	100,222.00	558.00	0.00		558.00
2 125% Due 01-31-10									
TOTAL GAINS								11,290.68	4,904.07
TOTAL LOSSES								-95,581.86	-80,310.72
TOTAL REALIZED GAIN/LOSS				1,041,010.64	881,312.81	-159,697.83	0.00	84,291.18	75,406.65

	<u>C/B</u>	<u>PROCEEDS</u>	<u>GAIN/(LOSS)</u>
TOTAL ST	356,174.72	271,883.52	(84,291.18)
TOTAL LT	684,835.92	609,429.23	(75,406.65)

This report was compiled from information provided by various investment brokers and a pricing service without independent verification.

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).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization WILLIAM H. KEARNS FOUNDATION C/O MICHAEL BEKAS CPA	Employer identification number 13-6199107
	Number, street, and room or suite no. If a P.O. box, see instructions MARKS PANETH & SHRON LLP 622 THIRD AVE., NO. 7TH FL	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. NEW YORK, NY 10017	

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

- | | | |
|-------------------------------------------------|-------------------------------------------------------------------|------------------------------------|
| <input 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 checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

MILTON WARSHAW

- The books are in the care of ► **C/O MARKS PANETH & SHRON 622 3RD. AVE. - NY, NY 10017**
Telephone No. ► **917-509-1235** 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 corporation required to file Form 990-T) extension of time until **AUGUST 15, 2010**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► ☒ calendar year **2009** 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.	3a	\$ 0.
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.	3b	\$ 20,466.
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.	3c	\$ 0.

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