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# Return of Private Foundation

## or Section 4947(a)(1) Nonexempt Charitable Trust

### Treated as a Private Foundation

2009

Department of the Treasury  
Internal Revenue Service

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

For calendar year 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 <b>THE STEPHEN B. HARD FOUNDATION</b>		A Employer identification number <b>84-1544501</b>
	Number and street (or P O box number if mail is not delivered to street address) Room/suite <b>280 OLIVE STREET</b>		B Telephone number <b>(303) 340-0965</b>
	City or town, state, and ZIP code <b>DENVER, CO 80220</b>		C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <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		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"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ <b>920910.</b> (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) _____	

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	0.		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	48276.	48276.		Statement 1
4	Dividends and interest from securities	3851.	3851.		Statement 2
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	33005.			
b	Gross sales price for all assets on line 6a	205839.			
7	Capital gain net income (from Part IV, line 2)		33005.		
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	1514.	1514.		Statement 3
12	Total. Add lines 1 through 11	86646.	86646.		
13	Compensation of officers, directors, trustees, etc	48750.	22942.		25808.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees	1565.	0.		0.
c	Other professional fees				
17	Interest				
18	Taxes				
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings	10789.	0.		0.
22	Printing and publications				
23	Other expenses	2914.	0.		0.
24	Total operating and administrative expenses. Add lines 13 through 23	64018.	22942.		25808.
25	Contributions, gifts, grants paid	16000.			16000.
26	Total expenses and disbursements. Add lines 24 and 25	80018.	22942.		41808.
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	6628.			
b	Net investment income (if negative, enter -0-)		63704.		
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	
<b>Assets</b>	1 Cash - non-interest-bearing	84347.	22626.	22626.	
	2 Savings and temporary cash investments				
	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				
	b Investments - corporate stock Stmt 6	88063.	66010.	93015.	
	c Investments - corporate bonds Stmt 7	79570.	82738.	101777.	
	11 Investments - land, buildings, and equipment basis				
	Less: accumulated depreciation				
	12 Investments - mortgage loans Stmt 8	500557.	498609.	498609.	
	13 Investments - other Stmt 9	78220.	116912.	153355.	
	14 Land, buildings, and equipment basis 45797.				
	Less: accumulated depreciation		45797.	45797.	
	15 Other assets (describe ▶ Statement 10)	1038.	5731.	5731.	
	16 Total assets (to be completed by all filers)	831795.	838423.	920910.	
	<b>Liabilities</b>	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.		
<b>Net Assets or Fund Balances</b>	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>				
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>				
	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	831795.	838423.		
30 Total net assets or fund balances	831795.	838423.			
31 Total liabilities and net assets/fund balances	831795.	838423.			

**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	831795.
2 Enter amount from Part I, line 27a	2	6628.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	838423.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	838423.



**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				
b	See Attached Statement			
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e	205839.	172834.	33005.

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

(i) FMV. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			33005.

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	33005.
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	69035.	921774.	.074894
2007	55640.	991288.	.056129
2006	97811.	1124447.	.086986
2005	80981.	1140676.	.070994
2004	113244.	1243254.	.091087

2	Total of line 1, column (d)	2	.380090
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	.076018
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	795795.
5	Multiply line 4 by line 3	5	60495.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	637.
7	Add lines 5 and 6	7	61132.
8	Enter qualifying distributions from Part XII, line 4	8	41808.

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	1274.
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			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0.
3 Add lines 1 and 2		3	1274.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	1274.
6 Credits/Payments.			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	682.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	682.	
8 Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	592.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		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. <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 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?	N/A	
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) <input type="checkbox"/> CO		
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



**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?	13	X	

Website address ► N/A

14 The books are in care of ► RICHARD B. HAYES Telephone no. ► (303) 340-0965  
 Located at ► 280 OLIVE STREET, DENVER, CO ZIP+4 ► 80220

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 <input type="checkbox"/> N/A	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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

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**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)? ☐ Yes ☒ NoOrganizations relying on a current notice regarding disaster assistance check here ☒**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No

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

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

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

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation.

(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 11		48750.	0.	0.

**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."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services

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	
<b>Total.</b> 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.)

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	59833.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	51691.
<b>c</b>	Fair market value of all other assets	<b>1c</b>	696390.
<b>d</b>	Total (add lines 1a, b, and c)	<b>1d</b>	807914.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0.
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	807914.
<b>4</b>	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	12119.
<b>5</b>	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	795795.
<b>6</b>	Minimum investment return. Enter 5% of line 5	<b>6</b>	39790.

**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)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	39790.
<b>2a</b>	Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	1274.
<b>b</b>	Income tax for 2009 (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	1274.
<b>3</b>	Distributable amount before adjustments Subtract line 2c from line 1	<b>3</b>	38516.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	0.
<b>5</b>	Add lines 3 and 4	<b>5</b>	38516.
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	0.
<b>7</b>	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	<b>7</b>	38516.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes.		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	41808.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	0.
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	41808.
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	<b>5</b>	0.
<b>6</b>	Adjusted qualifying distributions. Subtract line 5 from line 4	<b>6</b>	41808.

**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
<b>1</b> Distributable amount for 2009 from Part XI, line 7				38516.
<b>2</b> Undistributed income, if any, as of the end of 2009				
<b>a</b> Enter amount for 2008 only			0.	
<b>b</b> Total for prior years		0.		
<b>3</b> Excess distributions carryover, if any, to 2009:				
<b>a</b> From 2004	52593.			
<b>b</b> From 2005	25985.			
<b>c</b> From 2006	42779.			
<b>d</b> From 2007	7194.			
<b>e</b> From 2008	23384.			
<b>f</b> Total of lines 3a through e	151935.			
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4. ► \$	41808.			
<b>a</b> Applied to 2008, but not more than line 2a			0.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 2009 distributable amount				38516.
<b>e</b> Remaining amount distributed out of corpus	3292.			
<b>5</b> Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5	155227.			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b		0.		
<b>c</b> 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.		
<b>d</b> Subtract line 6c from line 6b Taxable amount - see instructions		0.		
<b>e</b> Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr			0.	
<b>f</b> Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				0.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7	52593.			
<b>9</b> Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	102634.			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2005	25985.			
<b>b</b> Excess from 2006	42779.			
<b>c</b> Excess from 2007	7194.			
<b>d</b> Excess from 2008	23384.			
<b>e</b> Excess from 2009	3292.			



N/A

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

**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.)**

**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).)

**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.

**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:**

See Statement 12

**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:



**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)				
<b>a</b> Paid during the year				
See Statement 13				
<b>Total</b>			<b>3a</b>	16000.
<b>b</b> Approved for future payment				
None				
<b>Total</b>			<b>3b</b>	0.



## Part XVI-A

## Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
<b>1</b> Program service revenue					
<b>a</b> _____					
<b>b</b> _____					
<b>c</b> _____					
<b>d</b> _____					
<b>e</b> _____					
<b>f</b> _____					
<b>g</b> Fees and contracts from government agencies					
<b>2</b> Membership dues and assessments					
<b>3</b> Interest on savings and temporary cash investments			14	48276.	
<b>4</b> Dividends and interest from securities			14	3851.	
<b>5</b> Net rental income or (loss) from real estate.					
<b>a</b> Debt-financed property					
<b>b</b> Not debt-financed property					
<b>6</b> Net rental income or (loss) from personal property					
<b>7</b> Other investment income			14	1514.	
<b>8</b> Gain or (loss) from sales of assets other than inventory					33005.
<b>9</b> Net income or (loss) from special events					
<b>10</b> Gross profit or (loss) from sales of inventory					
<b>11</b> Other revenue					
<b>a</b> _____					
<b>b</b> _____					
<b>c</b> _____					
<b>d</b> _____					
<b>e</b> _____					
<b>12</b> Subtotal. Add columns (b), (d), and (e)		0.		53641.	33005.
<b>13</b> Total. Add line 12, columns (b), (d), and (e)				13	86646.

(See worksheet in line 13 instructions to verify calculations )

**Part XVI-B**

### Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]







**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	BANK OF AMERICA	P	04/02/09	10/30/09
b	BERKSHIRE HATHAWAY	P	08/08/96	01/20/09
c	COCA COLA	P	08/20/07	02/10/09
d	DUPONT	P	08/24/93	01/27/09
e	GOLDMAN SACHS	P	11/20/07	01/15/09
f	HEWLITT PACKARD	P	09/29/06	02/19/09
g	JOHNSON & JOHNSON	P	05/11/07	02/26/09
h	MICROSOFT	P	08/20/07	01/22/09
i	DHHPP	P	Various	Various
j	DHHPP	P	Various	Various
k				
l				
m				
n				
o				

(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	25499.		13260.	12239.
b	57800.		27061.	30739.
c	4076.		5543.	-1467.
d	22795.		22529.	266.
e	50000.		49607.	393.
f	32669.		37424.	-4755.
g	9338.		11137.	-1799.
h	3502.		6040.	-2538.
i	160.			160.
j			233.	-233.
k				
l				
m				
n				
o				

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			12239.
b			30739.
c			-1467.
d			266.
e			393.
f			-4755.
g			-1799.
h			-2538.
i			160.
j			-233.
k			
l			
m			
n			
o			

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 } ...	2	33005.
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



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Form 990-PF Interest on Savings and Temporary Cash Investments Statement 1

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Source	Amount
DHHPP	37994.
PROSPECTORS RUN	2963.
SOLOMON SMITH BARNEY	7319.
Total to Form 990-PF, Part I, line 3, Column A	48276.

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Form 990-PF Dividends and Interest from Securities Statement 2

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Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
DHHPP	2931.	0.	2931.
SOLOMON SMITH BARNEY	920.	0.	920.
Total to Fm 990-PF, Part I, ln 4	3851.	0.	3851.

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Form 990-PF Other Income Statement 3

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Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
SECTION 1256	1514.	1514.	
Total to Form 990-PF, Part I, line 11	1514.	1514.	

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Form 990-PF Accounting Fees Statement 4

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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
LEGAL	1565.	0.		0.
To Form 990-PF, Pg 1, ln 16b	1565.	0.		0.

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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
SSB TRANSACTION FEES	2704.	0.		0.
FOREIGN TAXES	210.	0.		0.
To Form 990-PF, Pg 1, ln 23	2914.	0.		0.

Form 990-PF	Corporate Stock	Statement	6
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Description	Book Value	Fair Market Value
STOCKS AND SECURITIES	66010.	93015.
Total to Form 990-PF, Part II, line 10b	66010.	93015.

Form 990-PF	Corporate Bonds	Statement	7
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Description	Book Value	Fair Market Value
CORPORATE BONDS	82738.	101777.
Total to Form 990-PF, Part II, line 10c	82738.	101777.

Form 990-PF	Mortgage Loans	Statement	8
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Description	Book Value	Fair Market Value
MORTGAGE LOANS	498609.	498609.
Total to Form 990-PF, Part II, line 12	498609.	498609.



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Form 990-PF	Other Investments	Statement	9
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Description	Valuation Method	Book Value	Fair Market Value
GRANDVIEW CAPITAL	COST	116912.	153355.
Total to Form 990-PF, Part II, line 13		116912.	153355.

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Form 990-PF	Other Assets	Statement	10
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Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
FEDERAL TAX DEPOSITS	1038.	2238.	2238.
ACCRUED INTEREST	0.	2734.	2734.
OTHER	0.	759.	759.
To Form 990-PF, Part II, line 15	1038.	5731.	5731.

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Form 990-PF	Part VIII - List of Officers, Directors Trustees and Foundation Managers	Statement 11
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Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Contrib	Expense Account
SHARON C. PETTUS 47-383 Velez Road HONOKAA, HI 96727	PRESIDENT 2.00	6000.	0.	0.
SARA WELSFORD OZUNA 272 COUNTRY HAVEN ROAD ENCINITAS, CA 92024	SECRETARY 1.00	6000.	0.	0.
RICHARD B. HAYES 2265 MONACO PARKWAY DENVER, CO 80207	TREASURER 10.00	24750.	0.	0.
DAVID PETTUS 47-383 Velez Road HONOKAA, HI 96727	VICE PRESIDENT 1.00	6000.	0.	0.
ZACHARY PETTUS 43-383 Velez Road HONOKAA, HI 96727	TRUSTEE 1.00	6000.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		48750.	0.	0.



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Form 990-PF	Grant Application Submission Information Part XV, Lines 2a through 2d	Statement 12
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Name and Address of Person to Whom Applications Should be Submitted

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SHARON C. PETTUS, PO BOX 1405, HONOKAA, HAWAII 96727

Telephone Number

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Form and Content of Applications

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THE FORM SHOULD INCLUDE A DESCRIPTION OF THE PROJECT FOR WHICH THE FUNDS ARE REQUESTED, A DESCRIPTION OF THE ORGANIZATION AND ITS' MISSION AND THE TAX STATUS OF THE ORGANIZATION.

Any Submission Deadlines

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NONE

Restrictions and Limitations on Awards

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EVALUATED ON A CASE BY CASE BASIS.



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
KA HALE O NO KEIKE PRE-SCHOOL 46-3615 KAHANA DRIVE HONOKAA, HI 96727	NONE UNRESTRICTED	501 (C)(3) CHARITY	1000.
LYNN CAMPBELL MEMORIAL FUND 9012 CHIMINEAS DRIVE NORTHRIDGE, CA 91325	NONE UNRESTRICTED	501 (C)(3) CHARITY	2000.
THE HUNGER PROJECT 5 UNION SQUARE WEST NEW YORK, NY 10003	NONE UNRESTRICTED	501 (C)(3) CHARITY	500.
THE NETWORK FOR GRATEFULL LIVING 5710 PARADISE DRIVE, SUITE 5 CORTE MADERA, CA 94925	NONE UNRESTRICTED	501 (C)(3) CHARITY	2500.
THE OJAI FOUNDATION 9739 OJAI-SANTA PAULA ROAD OJAI, CA 93023	NONE UNRESTRICTED	501 (C)(3) CHARITY	1000.
THE PRIVATE SECTOR 59-495 ALAPIO ROAD HALEIWA, HI 96712	NONE UNRESTRICTED	501 (C)(3) CHARITY	1250.
THE PRIVATE SECTOR 1500 PURSON LANE LAFAYETTE, CA 94549	NONE UNRESTRICTED	501 (C)(3) CHARITY	1250.
TURN ON AMERICA 80 HAMILTON PLACE OAKLAND, CA 94612	NONE UNRESTRICTED	501 (C)(3) CHARITY	1000.



THE STEPHEN B. HARD FOUNDATION

84-1544501

WINNER'S CAMP FOUNDATION PO BOX 241018 HONOLULU, HI 96712	NONE UNRESTRICTED	501 (C)(3) CHARITY	1000.
WOMEN'S FUND OF HAWAII 1500 S. BERETNIA ST. # 314 HONOLULU, HI 96826	NONE UNRESTRICTED	501 (C)(3) CHARITY	1000.
THE DRUG POLICY ALLIANCE 70 WEST 36TH STREET 16TH FLOOR NEW YORK, NY 10018	NONE UNRESTRICTED	501 (C)(3) CHARITY	500.
MARIJUANA POLICY PROJECT PO BOX 77492 CAPITOL HILL WASHINGTON, DC 20013	NONE UNRESTRICTED	501 (C)(3) CHARITY	500.
ADELANTE FOUNDATION PO BOX 4473 ENGLEWOOD, CO 80155	NONE UNRESTRICTED	501 (C)(3) CHARITY	1000.
KANU O KA AINA PO BOX 398 KAMUELA, HI 96743	NONE UNRESTRICTED	501 (C)(3) CHARITY	500.
JACARANDA FOUNDATION 2578 BROADWAY, SUITE 142 NEW YORK, NY 10025	NONE UNRESTRICTED	501 (C)(3) CHARITY	1000.

Total to Form 990-PF, Part XV, line 3a

16000.