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Form **990-PF**

Return of Private Foundation

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

Treated as a Private Foundation

OMB No 1545-0052

2010Department 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 2010, or tax year beginning , and ending

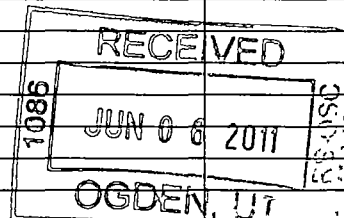
G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Name of foundation WILLIAM H. KEARNS FOUNDATION C/O MICHAEL BEKAS CPA		A Employer identification number 13-6199107
Number and street (or P.O. box number if mail is not delivered to street address) MARKS PANETH & SHRON LLP 622 THIRD AVE. 7TH FL		B Telephone number 212-503-8909
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) \$ 9,187,761. (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		28,187.	28,187.		
4 Dividends and interest from securities		139,599.	139,599.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		234,561.			
b Gross sales price for all assets on line 6a 915,176.					
7 Capital gain net income (from Part IV, line 2)			234,561.		
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		<26,016.>	<41,482.>		STATEMENT 2
12 Total Add lines 1 through 11		376,331.	360,865.		
13 Compensation of officers, directors, trustees, etc		156,000.	78,000.		78,000.
14 Other employee salaries and wages					
15 Pension plans, employee benefits		142,356.	71,178.		71,178.
16a Legal fees STMT 3		105.	0.		105.
b Accounting fees STMT 4		24,500.	12,250.		12,250.
c Other professional fees STMT 5		55,023.	55,023.		0.
17 Interest					
18 Taxes STMT 6		16,705.	9,983.		6,722.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 7		8,747.	583.		8,164.
24 Total operating and administrative expenses. Add lines 13 through 23		403,436.	227,017.		176,419.
25 Contributions, gifts, grants paid		150,900.			150,900.
26 Total expenses and disbursements Add lines 24 and 25		554,336.	227,017.		327,319.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<178,005.>			
b Net investment income (if negative, enter -0-)			133,848.		
c Adjusted net income (if negative, enter -0-)				N/A	

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Operating and Administrative Expenses



p 16

WILLIAM H. KEARNS FOUNDATION
C/O MICHAEL BEKAS CPA

13-6199107

Page 2

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		240,939.	676,418.	676,418.
	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 9		713,611.	613,947.	667,207.
	b	Investments - corporate stock STMT 10		4,032,055.	4,193,835.	5,627,205.
	c	Investments - corporate bonds STMT 11		50,233.	0.	0.
11	Investments - land, buildings, and equipment basis ▶					
	Less: accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other STMT 12		2,703,387.	2,272,936.	2,096,931.	
14	Land, buildings, and equipment basis ▶ STMT 13		18,712.			
	Less: accumulated depreciation STMT 13 ▶		18,712.			
15	Other assets (describe ▶ STATEMENT 14)		129,459.	120,000.	120,000.	
16	Total assets (to be completed by all filers)		7,869,684.	7,877,136.	9,187,761.	
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		7,869,684.	7,877,136.		
30	Total net assets or fund balances		7,869,684.	7,877,136.		
31	Total liabilities and net assets/fund balances		7,869,684.	7,877,136.		

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	7,869,684.
2	Enter amount from Part I, line 27a	2	<178,005.>
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 8	3	185,457.
4	Add lines 1, 2, and 3	4	7,877,136.
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	7,877,136.

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 915,176.		680,615.	234,561.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			234,561.

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	234,561.
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))
2009	313,126.	7,910,053.	.039586
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
2 Total of line 1, column (d)			.219734
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			.043947
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5		8,753,637.	
5 Multiply line 4 by line 3			384,696.
6 Enter 1% of net investment income (1% of Part I, line 27b)			1,338.
7 Add lines 5 and 6			386,034.
8 Enter qualifying distributions from Part XII, line 4			327,319.

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)			
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		1	2,677.
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	2,677.
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	2,677.
6 Credits/Payments:			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	5,000.	
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	5,000.	
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		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	2,323.	
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax	11	0.	

Part VII-A Statements Regarding Activities

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?		Yes	No
1a			X
b 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	1b		X
c Did the foundation file Form 1120-POL for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 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	2		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	3		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5		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?	6	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) NY			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

N/A

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	
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No
				X

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 checked="" type="checkbox"/> Yes <input 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 checked="" type="checkbox"/> Yes <input 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 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here		X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?		X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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	
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 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.)	N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?		X

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****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 15		156,000.	83,720.	58,636.

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**

Form 990-PF (2010)

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	
Total. Add lines 1 through 3	0.

Form 990-PF (2010)

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	6,211,777.
b	Average of monthly cash balances	1b	456,418.
c	Fair market value of all other assets	1c	2,218,746.
d	Total (add lines 1a, b, and c)	1d	8,886,941.
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	8,886,941.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	133,304.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	8,753,637.
6	Minimum investment return. Enter 5% of line 5	6	437,682.

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	437,682.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	2,677.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2,677.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	435,005.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	435,005.
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	435,005.

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	327,319.
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	327,319.
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	327,319.

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 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				435,005.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007	385,259.			
d From 2008				
e From 2009				
f Total of lines 3a through e	385,259.			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$	327,319.			
a Applied to 2009, 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 2010 distributable amount				327,319.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	107,686.			107,686.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	277,573.			
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 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				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 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	277,573.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007	277,573.			
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

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 2010, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
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					
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:

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 STMT D		P	03/09/10	04/06/10
b SEE ATTACHED STMT D		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 WORLDCOM SETTLEMENT FUND		P	VARIOUS	04/27/10
f WORLDCOM SETTLEMENT FUND		P	VARIOUS	03/29/10
g				
h				
i				
j				
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 45,988.		44,557.	1,431.
b 635,334.		636,058.	<724.>
c 76,450.			76,450.
d 156,617.			156,617.
e 540.			540.
f 247.			247.
g			
h			
i			
j			
k			
l			
m			
n			
o			

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			1,431.
b			<724.>
c			76,450.
d			156,617.
e			540.
f			247.
g			
h			
i			
j			
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	234,561.
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

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	032697SL		5.00	16	8,053.			8,053.	8,053.		0.
2	OFFICE EQUIPMENT	VARIESL		5.00	16	1,634.			1,634.	1,634.		0.
3	OFFICE EQUIPMENT	070198SL		5.00	16	1,725.			1,725.	1,725.		0.
4	FURNITURE & FIXTURES	041300SL		7.00	16	7,300.			7,300.	7,300.		0.
	* TOTAL 990-PF PG 1					18,712.		0.	18,712.	18,712.	0.	0.
	DEPR											

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CHARLES SCHWAB	135,312.	0.	135,312.
INTEREST & DIVIDENDS FROM P/S	4,287.	0.	4,287.
TOTAL TO FM 990-PF, PART I, LN 4	139,599.	0.	139,599.

FORM 990-PF	OTHER INCOME	STATEMENT	2
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
INCOME/LOSS FROM PARTNERHSIP K-1	<41,482.>	<41,482.>	
MISCELLANEOUS INCOME	15,466.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	<26,016.>	<41,482.>	

FORM 990-PF	LEGAL FEES	STATEMENT	3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	105.	0.		105.
TO FM 990-PF, PG 1, LN 16A	105.	0.		105.

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
ACCOUNTING FEES	24,500.	12,250.		12,250.
TO FORM 990-PF, PG 1, LN 16B	24,500.	12,250.		12,250.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY FEES	55,023.	55,023.		0.
TO FORM 990-PF, PG 1, LN 16C	55,023.	55,023.		0.

FORM 990-PF	TAXES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	12,704.	6,352.		6,352.
FOREIGN TAXES WITHHELD	3,631.	3,631.		0.
NYS CHARITIES				
CERTIFICATION FEE	250.	0.		250.
ADVERTISEMENT	120.	0.		120.
TO FORM 990-PF, PG 1, LN 18	16,705.	9,983.		6,722.

FORM 990-PF	OTHER EXPENSES	STATEMENT	7
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TELEPHONE	2,390.	0.		2,390.
COMPUTER EXPENSE	1,365.	0.		1,365.
OFFICE EXPENSE	3,447.	0.		3,447.
PAYROLL SERVICE FEES	1,166.	583.		583.
BANK CHARGES	245.	0.		245.
OFFICE SUPPLIES	134.	0.		134.
TO FORM 990-PF, PG 1, LN 23	8,747.	583.		8,164.

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	8
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DESCRIPTION	AMOUNT
UNREALIZED GAIN ON PARTNERSHIP K-1S	185,457.
TOTAL TO FORM 990-PF, PART III, LINE 3	185,457.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	9
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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		613,947.	667,207.
TOTAL U.S. GOVERNMENT OBLIGATIONS			613,947.	667,207.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			613,947.	667,207.

FORM 990-PF	CORPORATE STOCK	STATEMENT	10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK-SEE STMT C	4,193,835.	5,627,205.
TOTAL TO FORM 990-PF, PART II, LINE 10B	4,193,835.	5,627,205.

FORM 990-PF	CORPORATE BONDS	STATEMENT	11
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS-SEE STMT C	0.	0.
TOTAL TO FORM 990-PF, PART II, LINE 10C	0.	0.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 12
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INVESTMENTS IN PARTNERSHIPS-SEE STMT B	COST		
ARDICA TECHNOLOGIES INC.	COST	1,853,929.	1,663,111.
MUTUAL FUNDS-SEE STMT C	COST	245,000.	245,000.
		174,007.	188,820.
TOTAL TO FORM 990-PF, PART II, LINE 13		2,272,936.	2,096,931.

FORM 990-PF	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT 13
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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 14
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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	9,459.	0.	0.
TO FORM 990-PF, PART II, LINE 15	129,459.	120,000.	120,000.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 15

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	78,000.	41,860.	29,318.
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	78,000.	41,860.	29,318.
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		156,000.	83,720.	58,636.

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 16

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)	150.
AMERICAN MUSEUM OF NATURAL HISTORY CENTRAL PARK WEST 79TH ST. NEW YORK, NY 10024	NONE CHARITABLE	501(C)(3)	10,000.
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)	2,500.
FOOD FOR NEEDY 114 W 26TH STREET, 10TH FL NEW YORK, NY 10001	NONE CHARITABLE	501(C)(3)	7,500.
KUSC 11726 SAN VICENTE BLVD., STE 370 LOS ANGELES, CA 90049	NONE CHARITABLE	501(C)(3)	250.
MUSEUM OF MODERN ART 11 WEST 53RD STREET NEW YORK, NY 10019	NONE CHARITABLE	501(C)(3)	20,000.
SANTA BARBARA COTTAGE HOSPITAL FOUNDATION PO BOX 689 SANTA BARBARA, CA 93102	NONE CHARITABLE	501(C)(3)	30,000.

SANTA BARBARA DANCE ALLIANCE 1330 STATE STREET, STE 201 SANTA BARBARA, CA 93101	NONE CHARITABLE	501(C)(3)	500.
SANTA BARBARA SYMPHONY ASSOCIATION 1330 STATE STREET, STE 102 SANTA BARBARA, CA 93101	NONE CHARITABLE	501(C)(3)	5,000.
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)	20,000.
TRICKLE UP PROGRAM 104 W 27TH STREET, 12TH FL NEW YORK, NY 10001	NONE CHARITABLE	501(C)(3)	1,000.
UCSB UNIVERSITY OF CALIFORNIA SANTA BARBARA, CA 93106	NONE CHARITABLE	501(C)(3)	21,500.
WEILL CORNELL MEDICAL COLLEGE 425 EAST 61ST STREET NEW YORK, NY 10021	NONE CHARITABLE	501(C)(3)	25,000.

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

150,900.

WILLIAM H. KEARNS FOUNDATION

EIN# 13-6199107

12/31/10

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.

QUINLAN REAL ESTATE FUND I LP

TOTAL PARTNERSHIP

BOOK VALUE		FMV
Beginning	Ending	@ 12/31/2010
376,755	342,992	152,175
753,189	1,124,950	1,124,950
292,682	335,986	335,986
446,892	-	-
459,862	-	-
-	50,000	50,000
2,329,380	1,853,928	1,663,111

WILLIAM H KEARNS FOUNDATION

EIN: 13-6199107

PORTFOLIO APPRAISAL

12/31/10

<u>Quantity</u>	<u>Security</u>	<u>Total Cost</u>	<u>Market Value</u>
<u>COMMON STOCKS</u>			
2,500	ACE LIMITED SHS	37,966.67	155,625.00
3,000	AFLAC INC	80,268.25	169,290.00
150	AMERICAN EXPRESS CO COM	6,858.00	6,438.00
4,000	AT&T INC COM	113,133.80	117,520.00
200	AUTOMATIC DATA PROCESSING	9,391.00	9,256.00
2,500	BB & T CORP COM	85,114.95	65,725.00
2,100	BECTON DICKINSON & CO COM	68,404.00	177,492.00
3	BERKSHIRE HATHAWAY INC COM CL A	413,108.95	361,350.00
150	BERKSHIRE HATHAWAY INC COM CL B	12,140.10	12,016.50
50	BHP BILLITON LTD	4,575.00	4,646.00
100	BROWN FORMAN CORP CL B	7,004.33	6,962.00
3,100	CANADIAN NATL RY CO	57,343.00	206,057.00
4,000	CENOVUS ENERGY INC COM	28,045.65	132,960.00
150	CHUBB CORP	8,854.50	8,946.00
4,400	CISCO SYSTEMS, INC. CMN	94,332.95	89,012.00
150	COCA COLA CO	9,696.00	9,865.50
100	COLGATE PALMOLIVE CO COM	7,814.00	8,037.00
400	COMCAST CORP CLASS A SPECIAL	7,885.28	8,324.00
237,500	CONNOTATE TECH, INC	150,000.00	150,000.00
150	CONOCOPHILLIPS	9,746.72	10,215.00
3,000	CROSSTEX ENERGY INC.	89,481.10	26,580.00
3,000	CROSSTEX ENERGY INC. LP SUB UNITS	9,244.75	26,580.00
100	DEERE & CO COM	8,033.00	8,305.00
100	DIAGEO PLC SPRD ADR NEW	7,265.81	7,433.00
1,000	DIAMOND OFFSHORE DRILLING INC	79,993.58	66,870.00
6,120	DUKE ENERGY CORP NEW COM	87,891.68	108,997.20
100	EMERSON ELEC CO COM	5,765.81	5,717.00
4,000	ENCANA CORP COM	30,394.35	116,480.00
2,500	EXELON CORP CMN	79,995.63	104,100.00
3,150	EXXON MOBIL CORPORATION CMN	134,545.82	230,328.00
6,000	FOREST LABORATORIES INC	33,086.25	191,880.00
3,000	GATX CORP COM	113,221.75	105,840.00
5,000	GENERAL ELECTRIC CO COM	134,006.60	91,450.00
15	GOOGLE, INC CMN CLASS A	8,893.20	8,909.55
250	HEINEKIN N.V (ADR) UNSPONS ADR	5.995 00	6,152 75
4,750	INTEGRATED FUNDRAISING MARKETING SOLUTIONS	71,250.00	71,250.00
1,000	INTL BUSINESS MACHINES CORP CMN	77,889.95	146,760.00
1,000	ISHARES MSCI BRAZIL INDX	49,194.05	77,400.00

Statement C

150	JOHNSON & JOHNSON	9,404.72	9,277.50
1,500	KIMBERLY CLARK CORP COM	77,263.60	94,560.00
2,300	KINDER MORGAN MGMT LLC	85,533.95	153,832.97
20	MARKEL CORP COM	7,210.40	7,562.60
3,000	MCCORMICK & CO INC	94,651.85	139,590.00
7,000	MICRON TECHNOLOGY INC	43,496.45	56,140.00
4,250	MICROSOFT CORP	101,138.08	118,617.50
150	NESTLE SA SPONSORED ADRS REGISTERED	8,448.00	8,810.75
1,500	NEXTERRA ENERGY INC	75,806.65	77,985.00
2,000	NOVARTIS AG	77,210.00	117,900.00
152,625	PANDORA NETWORKS INC	175,000.00	175,000.00
50	PRAXAIR INC CMN	4,744.91	4,773.50
6,142	PRECISION DRILLING CORP CAD NPV	68,490.95	59,515.98
4,000	PRINCIPAL FINANCIAL GROUP INC	62,421.95	130,240.00
2,950	PROCTER & GAMBLE COMPANY (THE) CMN	112,545.00	189,773.50
4,000	RIO TINTO PLC SPONSOR ADR	89,498.82	286,640.00
2,000	ROCHE HLDG AG ADR B (NOM CHF100)VAL 224.18	87,509.95	73,490.00
100	SMUCKER J M CO COM NEW	6,522.81	6,565.00
2,500	SOUTHERN CO COM	90,983.95	95,575.00
5,560	SPECTRA ENERGY CORP	95,168.17	138,944.40
41,667	VIZACOM INC	50,000.00	50,000.00
150	WAL MART STORES INC CMN	8,293.22	8,089.50
		<hr/>	<hr/>
		3,669,174.91	5,113,652.70

PREFERRED STOCK

2,000	BB&T CAP TRUST VII 2064	53,072.15	54,980.00
29,940	CONNOTATE TECH, INC	87,500.00	87,500.00
1,000	FANNIE MAE PFD 8.25%	25,559.95	560.00
4,000	HSBC FINANCE CORP PFD B DEP 1/40	66,958.05	91,360.00
50,000	JIA INC SER B CON PFD	50,000.00	50,000.00
2,000	JP MORGAN CHASE CAP X PFD TR SECS 7%	51,408.35	50,620.00
6,000	PARTNERRE LTD PFD C 6.75%	137,665.46	147,600.00
2,000	RBS CAP FDG TR VII 6.08%	47,229.90	25,680.20
		<hr/>	<hr/>
		519,393.86	508,300.20

MUTUAL FUNDS

6,000	KAYNE ANDERSON MLP INVESTMENT	174,007.45	188,820.00
		<hr/>	<hr/>
		174,007.45	188,820.00

REAL ESTATE INVESTMENT TRUSTS

100	RAYONIER INC COM	5,265.81	5,252.00
		<hr/>	<hr/>
		5,265.81	5,252.00

Statement C

UNITED STATES TREASURY NOTES & BONDS

200,000	UNITED STATES TREASURY NOTES TIPS INFALTION P 1.625% Due 01-15-15	198,513.20	244,214.40
100,000	UNITED STATES TREAS NTS 4.250% Due 11-15-17	104,676.72	110,242.22
200,000	UNITED STATES TREAS NOTE 10/31/11 1.000% Due 10-31-11	200,406.00	201,171.84
100,000	UNITED STATES TREAS BDS 5.000% Due 05-15-37	110,351.56	111,578.11
		<hr/>	<hr/>
		613,947.48	667,206.57
TOTAL PORTFOLIO		4,981,789.51	6,483,231.47

Statement C

Marks Panth & Shron LLP
REALIZED GAINS AND LOSSES
WILLIAM H KEARNS FOUNDATION
CONSOLIDATED REPORTING
From 01-01-10 Through 12-31-10

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
01-29-08	01-31-10	100,000	UNITED STATES TREAS NTS	99,664 00	100,000.00		336 00
			2 125% Due 01-31-10				
09-16-99	02-16-10	1,000	BURLINGTON NRTHN SANTA COM	29,113 00	99,990 05		70,877.05
02-03-06	03-11-10	151	AOL TIME WARNER INC	4,723 89	3,796 35		-927.54
02-03-06	03-12-10	418	TIME WARNER CABLE INC COM CL A	22,895 32	20,234 95		-2,660 37
03-09-10	04-06-10	500	DIAMOND OFFSHORE DRILLING INC	44,556 98	45,988 27	1,431 30	
10-20-00	04-06-10	1,000	INTL BUSINESS MACHINES CORP CMN	95,217 45	128,564 07		33,346 62
09-20-02	04-12-10	1,000	MICROSOFT CORP	23,775 55	30,371 53		6,595.98
07-19-06	04-12-10	3,000	PRECISION DRILLING CORP CAD NPV	94,636.25	23,303.65		-71,332.60
10-14-04	04-12-10	1,000	SANOFI AVENTIS ADR	35,254 99	37,491 41		2,236 42
10-14-04	08-24-10	3,000	SANOFI AVENTIS ADR	105,764 96	85,039 61		-20,725.35
03-11-05	08-25-10	3,750	SHARE ACQUISITION CO INC WT EXP 05/30/08	10,000 00	0 00		-10,000.00
02-03-06	11-18-10	1,666	TIME WARNER INC CMN	64,780 46	51,038.10		-13,742 36
06-26-08	11-18-10	50,000	RIO TINTO FIN 5.875% Due 07-15-13	50 232.64	55,504 00		5,271.36
TOTAL GAINS						1,431 30	118,663 43
TOTAL LOSSES						0 00	-119,388 22
TOTAL REALIZED GAIN/LOSS						1,431.30	-724.79

Total \$T 44556.98 45988.27
 Lt 636,058.50 635,333.72

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

Statement D

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.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on **e-file for Charities & Nonprofits**.

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.

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	

Enter the Return code for the return that this application is for (file a separate application for each return)

0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

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 is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2011**, to file the exempt organization return for the organization named above. The extension is for the organization's return for.
► ☒ calendar year **2010** or
► ☐ tax year beginning _____, and ending _____

2 If the tax year entered in line 1 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	\$	2,677.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$	5,000.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, 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

LHA For Paperwork Reduction Act Notice, see Instructions.

Form 8868 (Rev 1-2011)