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

2010

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

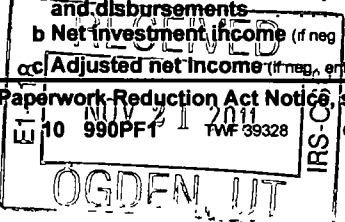
For calendar year **2010**, or tax year beginning , **2010**, and ending , **20**

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 THE CHEN FOUNDATION INC		A Employer identification number 31-1534235
Number and street (or P O box number if mail is not delivered to street address) 2406 HENSLOWE DRIVE		B Telephone number (see instructions) (301) 610-9333
City or town, state, and ZIP code POTOMAC MD 20854		C If exempt application is pending, check here <input type="checkbox"/>
H Check type of organization <input type="checkbox"/> Section 501(c)(3) exempt 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"/>
<input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input checked="" type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 842,476	J Accounting method. <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), & (d) may not necessarily equal the amounts in column (a) (see instructions))				
REVENUE				
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temp cash investments	2,675	2,675		
4 Dividends and interest from securities	13,369	13,369		
5 a Gross rents				
b Net rental income or (loss)				
6 a Net gain/(loss) from sale of assets not on line 10	-3,615			
b Gross sales price for all assets on line 6a 118,285				
7 Capital gain net income (from Part IV, line 2)		0		
8 Net short-term capital gain			0	
9 Income modifications			0	
10 a Gross sales less rntns & allowances 0				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule) #1	1,027			
12 Total. Add lines 1 through 11	13,456	16,044	0	
OPERATING & ADMINISTRATIVE EXPENSES				
13 Compensation of officers, directors, trustees, etc.	0			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16 a Legal fees (attach schedule)				
b Accounting fees (attach schedule) #2	3,557			
c Other professional fees (attach schedule) #3	4,640	4,640		
17 Interest				
18 Taxes (attach schedule) (see instructions) #4	570	251		
19 Depreciation (attach sch) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) #5	3,973			
24 Total operating and administrative expenses. Add lines 13 through 23	12,740	4,891	0	0
25 Contributions, gifts, grants paid	22,300			22,300
26 Total exp & disbursements. Add lines 24 and 25	35,040	4,891	0	22,300
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	-21,584			
b Net investment income (if neg, enter -0-)		11,153		
c Adjusted net income (if neg, enter -0-)			0	

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For Paperwork Reduction Act Notice, see the instructions.

Form **990-PF** (2010) 12

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See inst)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
ASSETS	1	Cash – non-interest-bearing	9,153	3,653	3,653
	2	Savings and temporary cash investments	30,000	30,000	30,000
	3	Accounts receivable			
		Less: allowance for doubtful accts.			
	4	Pledges receivable			
		Less: allowance for doubtful accts.			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7	Other notes and loans receivable (attach schedule)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	620	641	641
	10a	Investments – U S and state govt. obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule) #6	647,760	708,155	784,890
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment basis			
	Less: accumulated depreciation (attach schedule)				
12	Investments – mortgage loans				
13	Investments – other (attach schedule) #7	90,000	20,000	20,292	
14	Land, buildings, and equipment basis	5,091			
	Less: accumulated depreciation (attach schedule)	5,091			
15	Other assets (describe SEE ATTACHMENT #9)		3,000	3,000	
16	Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)	777,533	765,449	842,476	
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 (attach schedule)			
	22	Other liabilities (describe SEE ATTACHMENT #10)		9,500	
	23	Total liabilities (add lines 17 through 22)	0	9,500	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>				
	24	Unrestricted	777,533	755,949	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, ck. here <input type="checkbox"/>				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see the instructions)	777,533	755,949	
	31	Total liabilities and net assets/fund balances(see the inst)	777,533	765,449	

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)	1 777,533
2	Enter amount from Part I, line 27a	2 -21,584
3	Other increases not included in line 2 (itemize)	3
4	Add lines 1, 2, and 3	4 755,949
5	Decreases not included in line 2 (itemize)	5
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6 755,949

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 ATTACHMENT #11				
b				
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				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
(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		
a				
b				
c				
d				
e				
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	-3,615
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) (see the instructions). If (loss), enter -0- in Part I, line 8			3	-262

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 the instructions before making any entries

(a) Base period years Calendar year (or tax year beg. in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009	10,070	648,448	0.015529
2008	21,120	798,277	0.026457
2007	28,754	953,959	0.030142
2006	46,888	897,916	0.052219
2005	52,090	882,952	0.058995
2 Total of line 1, column (d)			2 0.183342
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 0.036668
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4 744,771
5 Multiply line 4 by line 3			5 27,309
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 112
7 Add lines 5 and 6			7 27,421
8 Enter qualifying distributions from Part XII, line 4			8 22,300

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 the instructions)

1 a	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 inst.)		
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	223
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	223
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	223
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	641
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	641
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	418
11	Enter the amount of line 10 to be Credited to 2011 estimated tax ▶ 418 Refunded ▶	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1 a		X
b		X
c		X
d		
e		
2		X
3		X
4 a		X
4 b	N/A	
5		X
6		X
7		X
8 a		
8 b		X
9		X
10		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? Website address ▶ N/A	13	X	
14	The books are in care of ▶ SEE ATTACHMENT #12 Telephone no ▶ Located at ▶ ZIP+4 ▶			
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			
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 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 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 instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	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?	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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20 __, 20 __, 20 __, 20 __		
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.)	2b	X
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20 __, 20 __, 20 __, 20 __		
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.)	3b	X
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 2010?	4b	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)? (see instructions) 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 No
 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? 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 (see instructions).

(a) Name and address	(b) Title, and avg. hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred comp	(e) Expense account, other allowances
SEE ATTACHMENT #13				

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and avg. 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 (see the instructions). 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 ▶

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	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see the instructions)

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

	Amount
1	
2	
All other program-related investments. See the instructions	

Total. Add lines 1 through 3 ▶

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see the 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	646,130
b	Average of monthly cash balances	1b	109,983
c	Fair market value of all other assets (see the instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	756,113
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	756,113
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see the instructions)	4	11,342
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	744,771
6	Minimum investment return. Enter 5% of line 5	6	37,239

Part XI Distributable Amount (see the 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	37,239
2a	Tax on investment income for 2010 from Part VI, line 5	2a	223
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	223
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	37,016
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	37,016
6	Deduction from distributable amount (see the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	37,016

Part XII Qualifying Distributions (see the 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	22,300
b	Program-related investments -- total from Part IX-B	1b	
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	22,300
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 (see the instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	22,300

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 the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				37,016
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			32,103	
b Total for prior years 20 <u>08</u> , 20 <u> </u> , 20 <u> </u>		8,384		
3 Excess distributions carryover, if any, to 2010				
a From 2005	7,967			
b From 2006	2,560			
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	10,527			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ <u>22,300</u>				
a Applied to 2009, but not more than line 2a			13,916	
b Applied to undistributed income of prior years (Election required – see the instructions)		8,384		
c Treated as distributions out of corpus (Election required – see the instructions)				
d Applied to 2010 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	10,527			
b Prior years' undistributed income. Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b Taxable amount – see the instructions				
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount – see the instructions			18,187	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				37,016
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see the instructions)	7,967			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	2,560			
10 Analysis of line 9:				
a Excess from 2006	2,560			
b Excess from 2007				
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)

1a 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 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)

	Tax year				(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
2a 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 exempt act					
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 min. 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 the 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 XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	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
<p>a Paid during the year SEE ATTACHMENT #14</p>				
Total				▶ 3a 22,300
<p>b Approved for future payment</p>				
Total				▶ 3b

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See the instructions)
	(a) Business code	(b) Amount	(c) Excl code	(d) Amount	
1 Program service revenue.					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees & contracts from government agencies					
2 Membership dues and assessments . .					
3 Interest on savings and temporary cash investments . . .			14	2,675	
4 Dividends and interest from securities . .			14	13,369	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			14	-3,615	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a _____					
b SEE ATTACHMENT #15		1,027			
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e)		1,027		12,429	0
13 Total. Add line 12, columns (b), (d), and (e)				13	13,456

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See the instructions)
	SEE ATTACHMENT #16

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received			

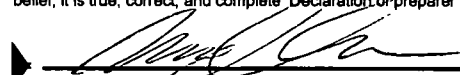
(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2 a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Sign Here  11-11-2011 **DIRECTOR**

Signature of officer or trustee Date Title

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶ SUNG AND CO LLC DBA HR BLOCK	TAI SUNG	11-11-2011		
	Firm's address ▶ 451 HUNGERFORD DR STE 518			Firm's EIN ▶	Phone no. (301) 545-1988

990 SCHEDULE OF OTHER INCOME

ATTACHMENT 1: PAGE 1 - 990-PF PAGE 1, PART I, LINE 11

OPEN TO PUBLIC
INSPECTION

For calendar year 2010 or tax period beginning , and ending

Name of Organization
THE CHEN FOUNDATION INC

Employer Identification Number
31-1534235

Description of Other Income	Revenue and Expenses	Net Investment Income	Adjusted Net Income
INVESTCO FAIR FUND SETTLEMENT	1,027		
Totals:	1,027		

990 SCHEDULE OF ACCOUNTING FEES

ATTACHMENT 2: PAGE 1 - 990-PF PAGE 1, PART I, LINE 16B

**OPEN TO PUBLIC
INSPECTION**

For calendar year 2010, or tax period beginning , and ending

Name of Organization

THE CHEN FOUNDATION INC

Employer Identification Number

31-1534235

Accounting Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charity
ACCOUNTING FEES	3,557			
Total:	3,557			

990 SCHEDULE OF OTHER PROFESSIONAL FEES

ATTACHMENT 3: PAGE 1 - 990-PF PAGE 1, PART I, LINE 16C

OPEN TO PUBLIC INSPECTION For calendar year 2010, or tax period beginning , and ending

Name of Organization THE CHEN FOUNDATION INC Employer Identification Number 31-1534235

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Chanty
INVESTMENT ADVISORY FEES	4,640	4,640		
Total:	4,640	4,640		

990 SCHEDULE OF TAXES PAID

ATTACHMENT 4: PAGE 1 - 990- PF PAGE 1, PART I, LINE 18

OPEN TO PUBLIC

INSPECTION

For calendar year 2010, or tax period beginning

, and ending

Name of Organization

THE CHEN FOUNDATION INC

Employer Identification Number

31-1534235

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charity
FEDERAL TAXES PAID	319			
FOREIGN INCOME TAX PAID	251	251		
Total:	570	251		

990 OTHER EXPENSES SCHEDULE

ATTACHMENT 5: PAGE 1 990-PF PAGE 1, PART I, LINE 23

OPEN TO PUBLIC
INSPECTION

For calendar year 2010, or tax period beginning , and ending

Name of Organization

THE CHEN FOUNDATION INC

Employer Identification Number

31-1534235

Description of Activity	Revenue and Expenses	Net Investment Income	Adjusted Net Income	Disbursements for Charity
BANK CHARGES	32			
SUPPLIES	3,846			
TELEPHONE	95			
Total:	3,973			

990 SCHEDULE OF INVESTMENTS - CORPORATE STOCKS

ATTACHMENT 6: PAGE 1 - 990-PF PAGE 2, PART II, LINE 10B

OPEN TO PUBLIC

INSPECTION

For calendar year 2010, or tax period beginning

, and ending

Name of Organization

THE CHEN FOUNDATION INC

Employer Identification Number

31-1534235

Description of Property	Cost	FMV at Year End	Book Value	Fair Market Value
DETAILS FURNISHED UPON REQUEST			708,155	784,890
		Total:	708,155	784,890

990 SCHEDULE OF INVESTMENTS - OTHERS

ATTACHMENT 7: PAGE 1 - 990-PF PAGE 2, PART II, LINE 13

OPEN TO PUBLIC

INSPECTION

For calendar year 2010, or tax period beginning

, and ending

Name of Organization

THE CHEN FOUNDATION INC

Employer Identification Number

31-1534235

Description	Cost	FMV at Year End	Book Value	Fair Market Value
GULF COAST B&T NA			20,000	20,292
		Total:	20,000	20,292

990 SCHEDULE OF LAND, BUILDING & EQUIPMENT

ATTACHMENT 8: PAGE 1 - 990-PF PAGE 2, PART II, LINE 14

OPEN TO PUBLIC
INSPECTION

For Calendar year 2010, or tax year period beginning

and ending

Name of Organization

THE CHEN FOUNDATION INC

Employer Identification Number

31-1534235

Category or Description of Property	Cost or Other Basis	Accumulated Depreciation	End of Year Book Value	Ending FML (990-PF Only)
FURNITURE AND EQUIPMENT	5,091	5,091		
Total:	5,091	5,091		

990 SCHEDULE OF OTHER ASSETS

ATTACHMENT 9: PAGE 1 - 990-PF PAGE 2, PART II, LINE 15

OPEN TO PUBLIC
INSPECTION

For calendar year 2010, or tax period beginning , and ending

Name of Organization
THE CHEN FOUNDATION INC

Employer Identification Number
31-1534235

Description of Other Assets	Beginning of Year	End of Year	EOY FMV (990-PF Only)
OTHER RECEIVABLE		3,000	3,000
Totals:		3,000	3,000

990 SCHEDULE OF OTHER LIABILITIES

ATTACHMENT 10: PAGE 1 - 990-PF PAGE 2, PART II, LINE 22

OPEN TO PUBLIC

INSPECTION

For calendar year 2010, or tax period beginning

, and ending

Name of Organization

THE CHEN FOUNDATION INC

Employer Identification Number

31-1534235

Description of Liability	Beginning of Year	End of Year
OTHER PAYABLE		9,500
Totals:		9,500

990 PART IV CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ATTACHMENT 11: PAGE 1 - 990-PF PAGE 3, PART IV, LINE 1

OPEN TO PUBLIC INSPECTION For calendar year 2010 or tax period beginning _____, and ending _____

Name of Organization: **THE CHEN FOUNDATION INC** Employer Identification Number: **31-1534235**

	(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.)
1	SSGA INTERNATIONAL STOCK	P	10-28-2010	10-28-2010
2	AMCORE BANK NA	P	11-08-2006	04-23-2010
3	CITIZENS FIRST	P	03-24-2006	03-31-2010
4	EUROBANK PR NA	P	11-08-2006	04-30-2010
5	ISHARES TR S&P MIDCAP 400	P	12-18-2003	10-28-2010
6	SSGA INTERNATIONAL STOCK	P	10-27-2009	10-28-2010
7	WESTERN BANK PR RECEIVERSHIP	P	04-27-2007	05-03-2010

	(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)
1	596		858	-262
2	15,000		15,000	
3	20,000		20,000	
4	15,000		15,000	
5	23,504		16,225	7,279
6	24,185		34,817	-10,632
7	20,000		20,000	

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(l) Gains (Col (h) Gain Minus Col. (k), But Not Less Than -0-) or Losses (from col (h))
	(i) FMV as of 12/31/69	(j) Adjusted Basis as of 12/31/69	(k) Excess if Col (i) Over Col. (j), if Any	
1				-262
2				
3				
4				
5				7,279
6				-10,632
7				

990 BOOKS ARE IN CARE OF

ATTACHMENT 12 - 990-PF PAGE 5, PART VII-A, LINE 14

OPEN TO PUBLIC

INSPECTION

For calendar year 2010, or tax period beginning

, and ending

Name of Organization

THE CHEN FOUNDATION INC

Employer Identification Number

31-1534235

Part VII-A - Line 14

Individual Name

THE FOUNDATION

or

Business Name

Street Address

2406 HENSLOWE DRIVE

U S Address

Zip code 20854

City POTOMAC

State MD

or

Foreign Address

City

Province or State

Country

Postal code

Phone Number

(301) 610-9333

Fax Number

990 CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

ATTACHMENT 13: PAGE 1 - 990-PF PAGE 6, PART VIII

**OPEN TO PUBLIC
INSPECTION**

For calendar year 2010, or tax period beginning _____, and ending _____

Name of Organization
THE CHEN FOUNDATION INC

Employer Identification Number
31-1534235

(A) Name and Address	(B) Title and Average Hrs. per Week	(C) Compensation (If not paid, enter 0)	(D) Cont to Employee Ben. Plans & Def Comp	(E) Expense Account & Other Allowances
JAMES F CHEN 2406 HENSLOWE DRIVE POTOMAC, MD 20854	DIRECTOR 1.00	0	0	0
MARY S CHEN 2406 HENSLOWE DRIVE POTOMAC, MD 20854	DIRECTOR 15.00	0	0	0

990 GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 14: PAGE 1 990-PF PAGE 11, PART XV LINE 3A

OPEN TO PUBLIC
INSPECTION

For calendar year 2010, or tax period beginning _____, and ending _____

Name of Organization
THE CHEN FOUNDATION INC

Employer Identification Number
31-1534235

Recipient <small>Name and Address (home or business)</small>	<small>If Recipient is an Individual, Show any Relationship to Any Foundation Manager or Substantial Contributor</small>	<small>Foundation Status of Recipient</small>	Purpose of Grant or Contribution	Amount
CAMPUS CRUSADE FOR CHRIST		EXEMPT	GENERAL USE	5,000
CHILD EVANGELISM FELLOWSHIP		EXEMPT	GENERAL USE	100
CHRISTIAN EMBASSY		EXEMPT	GENERAL USE	250
CROSS INC		EXEMPT	GENERAL USE	100
EXPLORE TEAM		EXEMPT	GENERAL USE	100
FAMILY LIFE TODAY		EXEMPT	GENERAL USE	3,000
FOCUS ON THE FAMILY		EXEMPT	GENERAL USE	7,000
GRACE MINISTRIES		EXEMPT	GENERAL USE	150
INTERNATIONAL EXCHANGE ORGANIZATION		EXEMPT	GENERAL USE	400
JILL'S HOUSE		EXEMPT	GENERAL USE	500
MCLEAN BIBLE CHURCH		EXEMPT	GENERAL USE	5,600
STUDENT HELPING		EXEMPT	GENERAL USE	100

Total: 22,300

990 SCHEDULE OF OTHER REVENUE

ATTACHMENT 15: PAGE 1 - 990-PF PAGE 12, PART XVI-A, LINE 11

**OPEN TO PUBLIC
INSPECTION**

For calendar year 2010, or tax period beginning _____, and ending _____

Name of Organization
THE CHEN FOUNDATION INC

Employer Identification Number
31-1534235

Item	Program Service Revenue	Unrelated Business Income		Excluded by Section 512, 513 or 514		(e) Related or Exempt Function Income (see instructions)
		(a) Business Code	(b) Amount	(c) Excl. code	(d) Amount	
A	INVESTCO FAIR FUND SETTLEMENT		1,027			
Totals:			1,027			

**990 SCHEDULE OF RELATIONSHIP OF ACTIVITIES
TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES**

ATTACHMENT 16: PAGE 1 990-PF PAGE 12, PART XVI-B

OPEN TO PUBLIC

INSPECTION

For calendar year 2010, or tax period beginning

, and ending

Name of Organization

THE CHEN FOUNDATION INC

Employer Identification Number

31-1534235

Line Number	Briefly Describe How the Activity Reported in Column (E) of Part VII Specifically Contributed to the Accomplishment of The Organization's Exempt Purposes (other than by providing funds for such purposes)
3	PROVIDES ADDITIONAL FUNDS FOR THE FOUNDATION TO MAKE CHARITABLE CONTRIBUTIONS
4	PROVIDES ADDITIONAL FUNDS FOR THE FOUNDATION TO MAKE CHARITABLE CONTRIBUTIONS
8	PROVIDES ADDITIONAL FUNDS FOR THE FOUNDATION TO MAKE CHARITABLE CONTRIBUTIONS