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Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2010

For calendar year 2010, or tax year beginning 01-01-2010 , and ending 12-31-2010

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
CHUNG KUN AI FOUNDATION
C/O CITY MILL CO LTD

A Employer identification number
99-6003289

Number and street (or P O box number if mail is not delivered to street address)
PO BOX 1559

Room/suite

B Telephone number (see page 10 of the instructions)
(808) 533-3811

City or town, state, and ZIP code
HONOLULU, HI 96806

C If exemption application is pending, check here ☐

D 1. Foreign organizations, check here ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ☐

H Check type of organization ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

I Fair market value of all assets at end of year (from Part II, col. (c), line 16)
\$ 1,959,489

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) _____
(Part I, column (d) must be on cash basis.)

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) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)	5,000			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	6	6		
	4 Dividends and interest from securities.	42,616	42,616		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	20,932			
	b Gross sales price for all assets on line 6a <u>309,873</u>				
	7 Capital gain net income (from Part IV, line 2) . . .		20,932		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
Operating and Administrative Expenses	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	312	312		
	12 Total. Add lines 1 through 11	68,866	63,866		
	13 Compensation of officers, directors, trustees, etc	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	7,539	3,770	0	3,769
	c Other professional fees (attach schedule)	7,399	7,399		
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	427	427		
	19 Depreciation (attach schedule) and depletion . . .				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	10	10		
	24 Total operating and administrative expenses. Add lines 13 through 23	15,375	11,606	0	3,769
	25 Contributions, gifts, grants paid	75,125			75,125
	26 Total expenses and disbursements. Add lines 24 and 25	90,500	11,606	0	78,894
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-21,634			
	b Net investment income (if negative, enter -0-)		52,260		
c Adjusted net income (if negative, enter -0-)					

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

Cat No 11289X

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Part II

Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1Cash—non-interest-bearing			
	2Savings and temporary cash investments	21,401	63,682	63,682
	3Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5Grants receivable			
	6Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____			
	8Inventories for sale or use			
	9Prepaid expenses and deferred charges			
	10aInvestments—U S and state government obligations (attach schedule)	250,729	<input checked="" type="checkbox"/> 148,200	155,469
	bInvestments—corporate stock (attach schedule)	1,045,271	<input checked="" type="checkbox"/> 1,069,371	1,301,426
	cInvestments—corporate bonds (attach schedule).	398,416	<input checked="" type="checkbox"/> 412,930	438,912
	11Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12Investments—mortgage loans			
	13Investments—other (attach schedule)			
	14Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
Liabilities	15Other assets (describe ▶ _____)			
	16Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	1,715,817	1,694,183	1,959,489
	17Accounts payable and accrued expenses	0		
	18Grants payable			
	19Deferred revenue			
	20Loans from officers, directors, trustees, and other disqualified persons			
	21Mortgages and other notes payable (attach schedule)			
	22Other liabilities (describe ▶ _____)			
	23Total 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.			
	24Unrestricted			
	25Temporarily restricted			
	26Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27Capital stock, trust principal, or current funds	1,945,457	1,945,457	
	28Paid-in or capital surplus, or land, bldg , and equipment fund			
	29Retained earnings, accumulated income, endowment, or other funds	-229,640	-251,274	
	30Total net assets or fund balances (see page 17 of the instructions)	1,715,817	1,694,183	
	31Total liabilities and net assets/fund balances (see page 17 of the instructions)	1,715,817	1,694,183	

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	1,715,817
2	Enter amount from Part I, line 27a	2	-21,634
3	Other increases not included in line 2 (itemize) ▶ _____	3	
4	Add lines 1, 2, and 3	4	1,694,183
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	1,694,183

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)
1 a	SHORT TERM PUBLICALLY TRADED SECURITIES	P		
b	LONG TERM PUBLICALLY TRADED SECURITIES			
c	CAPITAL GAIN DIVIDENDS	P		
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 53,470		50,340	3,130
b 256,403		238,765	17,638
c			164
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			3,130
b			17,638
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	20,932
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 pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		3	

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 page 18 of the 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	102,984	1,682,060	0 061225
2008	92,383	1,946,228	0 047468
2007	92,287	2,137,109	0 043183
2006	74,171	1,995,419	0 037171
2005	84,455	1,831,812	0 046105

2	Total of line 1, column (d).	2	0 235152
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 04703
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5.	4	1,835,107
5	Multiply line 4 by line 3.	5	86,305
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	523
7	Add lines 5 and 6.	7	86,828
8	Enter qualifying distributions from Part XII, line 4. 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 on page 18	8	78,894

Part VIExcise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the 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	1,045
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	
3		Add lines 1 and 2.		3	1,045
4		Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	
5		Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-		5	1,045
6		Credits/Payments			
a		2010 estimated tax payments and 2009 overpayment credited to 2010	6a	694	
b		Exempt foreign organizations—tax withheld at source	6b		
c		Tax paid with application for extension of time to file (Form 8868)	6c	400	
d		Backup withholding erroneously withheld	6d		
7		Total credits and payments Add lines 6a through 6d.		7	1,094
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	49
11		Enter the amount of line 10 to be Credited to 2011 estimated tax 49	Refunded	11	

Part VII-AStatements 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		No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>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.</i>	1b		No
c	Did the foundation file Form 1120-POL for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ 0 (2) On foundation managers <input type="checkbox"/> \$ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	2		No
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? <i>If "Yes," attach a conformed copy of the changes</i>	3		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a		No
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? <i>If "Yes," attach the statement required by General Instruction T.</i>	5		No
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		No
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> HI			
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? <i>If "No," attach explanation .</i>	8b	Yes	
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 on page 27)? <i>If "Yes," complete Part XIV</i>	9		No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	Yes	

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 page 20 of the instructions).	11		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A	13	Yes	
14	The books are in care of STEVEN AI Telephone no (808) 533-3811 Located at 660 N NIMITZ HWY HONOLULU HI ZIP+4 96817			
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.			
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?	15		
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		No

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? (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? (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)? (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).			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here.	1b		
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c		No
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 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 page 20 of the instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here 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?			
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		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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		No

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?

✓

YesNo

(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 page 22 of the 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 page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here.

5b

No

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

YesNo

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

6b

No

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?

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 (see page 22 of the instructions).

(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
YI CHUAN CHING PO BOX 1559 HONOLULU, HI 96806	TRUSTEE 1 0	0	0	0
STEVEN C AI PO BOX 1559 HONOLULU, HI 96806	TRUSTEE 1 0	0	0	0
CAROL AI MAY PO BOX 1559 HONOLULU, HI 96806	TRUSTEE 1 0	0	0	0

2

Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions).
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

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

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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 page 23 of the instructions). If none, enter "NONE".		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
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 page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NOT APPLICABLE	
2	
All other program-related investments. See page 24 of the instructions.	
3	
Total. Add lines 1 through 3.	

Part X

Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of 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	1,766,827
b	Average of monthly cash balances.	1b	96,226
c	Fair market value of all other assets (see page 24 of the instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	1,863,053
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	0
3	Subtract line 2 from line 1d.	3	1,863,053
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions).	4	27,946
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,835,107
6	Minimum investment return. Enter 5% of line 5.	6	91,755

Part XI

Distributable Amount (see page 25 of 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	91,755
2a	Tax on investment income for 2010 from Part VI, line 5.	2a	1,045
b	Income tax for 2010 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	1,045
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	90,710
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	90,710
6	Deduction from distributable amount (see page 25 of the instructions).	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	90,710

Part XII

Qualifying Distributions (see page 25 of 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	78,894
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	0
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	0
b	Cash distribution test (attach the required schedule).	3b	0
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	78,894
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 page 26 of the instructions).	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	78,894
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 page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1	Distributable amount for 2010 from Part XI, line 7				90,710
2	Undistributed income, if any, as of the end of 2010				
a	Enter amount for 2009 only.			71,164	
b	Total for prior years 2008 , 2007 , 2006		0		
3	Excess distributions carryover, if any, to 2010				
a	From 2005.				0
b	From 2006.				0
c	From 2007.				0
d	From 2008.				0
e	From 2009.				0
f	Total of lines 3a through e.	0			
4	Qualifying distributions for 2010 from Part XII, line 4 ➤ \$ 78,894				
a	Applied to 2009, but not more than line 2a			71,164	
b	Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c	Treated as distributions out of corpus (Election required—see page 26 of the instructions). . .				
d	Applied to 2010 distributable amount.				7,730
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).)	0			0
6	Enter the net total of each column as indicated below:				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
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.				
d	Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions . . .		0		
e	Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f	Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				82,980
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions).				
8	Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions).				
9	Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	0			
10	Analysis of line 9				
a	Excess from 2006.				
b	Excess from 2007.				0
c	Excess from 2008.				0
d	Excess from 2009.				0
e	Excess from 2010.				0

Part XIV

Private Operating Foundations (see page 27 of the 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.

b

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

☐ 4942(j)(3) or ☐ 4942(j)(5)

2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed.	Tax year	Prior 3 years			(e) Total
		(a) 2010	(b) 2009	(c) 2008	(d) 2007	
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 organization had \$5,000 or more in assets at any time during the year—see page 27 of 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))

CITY MILL

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

NA

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 page 28 of 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

TRUSTEES CHUNG KUN AI FOUNDATION
C/O CITY MILL CO LTD PO BOX 1559
HONOLULU, HI 96806
(808) 533-3811

b

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

COMPLETED SCHOLARSHIP APPLICATION (COPY ATTACHED)

c

Any submission deadlines

NONE



d

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

NONE

Part XV **Supplementary Information** (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i> SEE ATTACHMENT 16 VARIOUS HONOLULU, HI 96806			SEE ATTACHMENT 16	75,125
Total  3a				75,125
b <i>Approved for future payment</i> KAPIOLANI WOMEN'S AND CHILDREN HOSPITAL 1319 PUNAHOU STREET HONOLULU, HI 96826	N/A		A NON-PROFIT HOSPITAL THAT PLAYS A VITAL ROLE IN THE HEALTH OF HAWAII'S WOMEN, CHILDREN AND ADOLESCENTS	7,500
LE JARDIN ACADEMY SCHOOL 917 KALANIANA'OLE HIGHWAY KAILUA, HI 96734	N/A	N/A	GRADES PRE-KINDERGARTEN TO 12TH, EDUCATION HAWAII'S CHILDREN	7,500
Total  3b				15,000

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2010)

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?

a

Transfers from the reporting foundation to a noncharitable exempt organization of

1

Cash.

1a(1)

No

2

Other assets.

1a(2)

No

b

Other transactions

1

Sales of assets to a noncharitable exempt organization.

1b(1)

No

2

Purchases of assets from a noncharitable exempt organization.

1b(2)

No

3

Rental of facilities, equipment, or other assets.

1b(3)

No

4

Reimbursement arrangements.

1b(4)

No

5

Loans or loan guarantees.

1b(5)

No

6

Performance of services or membership or fundraising solicitations.

1b(6)

No

c

Sharing of facilities, equipment, mailing lists, other assets, or paid employees.

1c

No

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

2a

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
--------------------------	--------------------------	---------------------------------

Sign Here

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.

Signature of officer or trustee

2011-11-10

Date

Title

Paid Preparer's Use Only

Preparer's Signature

Firm's name

Firm's address

KPMG LLP

PO 4150

Honolulu, HI 968129972

Check if self-employed

Firm's EIN

Phone no

PTIN

(808) 540-2800

Form 990-PF (2010)

<div>Schedule B</div> <div>(Form 990, 990-EZ, or 990-PF)</div> <div>Department of the Treasury Internal Revenue Service</div>	<div>Schedule of Contributors</div> <div>▶ Attach to Form 990, 990-EZ, or 990-PF.</div>	<div>OMB No 1545-0047</div>
		<div>2010</div>

<div>Name of organization</div> <div>CHUNG KUN AI FOUNDATION C/O CITY MILL CO LTD</div>	<div>Employer identification number</div> <div>99-6003289</div>
---	---

Organization type (check one)

Filers of:	Section:
Form 990 or 990-EZ	<div><input type="checkbox"/> 501(c)() (enter number) organization</div> <div><input type="checkbox"/> 4947(a)(1) nonexempt charitable trust not treated as a private foundation</div> <div><input type="checkbox"/> 527 political organization</div>
Form 990-PF	<div><input checked="" type="checkbox"/> 501(c)(3) exempt private foundation</div> <div><input type="checkbox"/> 4947(a)(1) nonexempt charitable trust treated as a private foundation</div> <div><input type="checkbox"/> 501(c)(3) taxable private foundation</div>

Check if your organization is covered by the **General Rule** or a **Special Rule**.
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule—

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor Complete Parts I and II

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ, that met the 33¹/₃% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or 990-EZ, that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals Complete Parts I, II, and III
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or 990-EZ, that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not aggregate to more than \$1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of \$5,000 or more during the year ▶ \$ _____

Caution. An Organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer “No” on Part IV, line 2 of its Form 990, or check the box on lin H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization CHUNG KUN AI FOUNDATION C/O CITY MILL CO LTD	Employer identification number 99-6003289
--	---

Part I

Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	City Mill Co PO BOX 1559 HONOLULU, HI 968061559	\$ 5,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization CHUNG KUN AI FOUNDATION C/O CITY MILL CO LTD	Employer identification number 99-6003289
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Part II

Noncash Property (see Instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	<div></div> <div></div> <div></div> <div></div>	\$ <div></div>	<div></div>
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	<div></div> <div></div> <div></div> <div></div>	\$ <div></div>	<div></div>
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	<div></div> <div></div> <div></div> <div></div>	\$ <div></div>	<div></div>
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	<div></div> <div></div> <div></div> <div></div>	\$ <div></div>	<div></div>
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	<div></div> <div></div> <div></div> <div></div>	\$ <div></div>	<div></div>
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	<div></div> <div></div> <div></div> <div></div>	\$ <div></div>	<div></div>

Name of organization CHUNG KUN AI FOUNDATION C/O CITY MILL CO LTD	Employer identification number 99-6003289
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Part III

Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. (Complete columns (a) through (e) and the following line entry)
For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc , contributions of **\$1,000 or less** for the year (Enter this information once See instructions) ► \$

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
—	<div></div> <div></div> <div></div>	<div></div> <div></div> <div></div>	<div></div> <div></div> <div></div>
	<div>(e) Transfer of gift</div> <div>Transferee's name, address, and ZIP + 4Relationship of transferor to transferee</div>		
	<div></div> <div></div> <div></div>		
—	<div></div> <div></div> <div></div>	<div></div> <div></div> <div></div>	<div></div> <div></div> <div></div>
	<div>(e) Transfer of gift</div> <div>Transferee's name, address, and ZIP + 4Relationship of transferor to transferee</div>		
	<div></div> <div></div> <div></div>		
—	<div></div> <div></div> <div></div>	<div></div> <div></div> <div></div>	<div></div> <div></div> <div></div>
	<div>(e) Transfer of gift</div> <div>Transferee's name, address, and ZIP + 4Relationship of transferor to transferee</div>		
	<div></div> <div></div> <div></div>		
—	<div></div> <div></div> <div></div>	<div></div> <div></div> <div></div>	<div></div> <div></div> <div></div>
	<div>(e) Transfer of gift</div> <div>Transferee's name, address, and ZIP + 4Relationship of transferor to transferee</div>		
	<div></div> <div></div> <div></div>		

TY 2010 Accounting Fees Schedule**Name:** CHUNG KUN AI FOUNDATION

C/O CITY MILL CO LTD

EIN: 99-6003289

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAX PREPARATION FEES	7,539	3,770		3,769

**TY 2010 All Other Program
Related Investments Schedule**

Name: CHUNG KUN AI FOUNDATION
C/O CITY MILL CO LTD
EIN: 99-6003289

Category	Amount
NOT APPLICABLE	

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2010 Depreciation Schedule

Name: CHUNG KUN AI FOUNDATION
C/O CITY MILL CO LTD
EIN: 99-6003289

**TY 2010 Investments Corporate
Bonds Schedule**

Name: CHUNG KUN AI FOUNDATION
C/O CITY MILL CO LTD
EIN: 99-6003289

Name of Bond	End of Year Book Value	End of Year Fair Market Value
BNY MELLON INT BOND FUND CL M	412,930	438,912

TY 2010 Investments Corporate Stock Schedule

Name: CHUNG KUN AI FOUNDATION
C/O CITY MILL CO LTD

EIN: 99-6003289

Name of Stock	End of Year Book Value	End of Year Fair Market Value
EQUITY FUNDS - ATTACHMENT 15	320,902	327,493
CORPORATE STOCK- ATTACHMENT 15	748,469	973,933

TY 2010 Investments Government Obligations Schedule

Name: CHUNG KUN AI FOUNDATION
C/O CITY MILL CO LTD

EIN: 99-6003289

**US Government Securities - End of
Year Book Value:** 148,200

**US Government Securities - End of
Year Fair Market Value:** 155,469

**State & Local Government
Securities - End of Year Book
Value:**

**State & Local Government
Securities - End of Year Fair
Market Value:**

TY 2010 Land, Etc. Schedule

Name: CHUNG KUN AI FOUNDATION
C/O CITY MILL CO LTD
EIN: 99-6003289

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
--------------------	-----------------------	-----------------------------	---------------	----------------------------------

TY 2010 Other Expenses Schedule

Name: CHUNG KUN AI FOUNDATION
C/O CITY MILL CO LTD
EIN: 99-6003289

Description	Revenue and Expenses per Books	Net Invest ment Income	Adjusted Net Income	Disbursements for Charitable Purposes
BANK FEES	10	10		

TY 2010 Other Income Schedule

Name: CHUNG KUN AI FOUNDATION
C/O CITY MILL CO LTD
EIN: 99-6003289

Description	Revenue And Expenses Per Books	Net Invest ment Income	Adjusted Net Income
MISCELLANEOUS INCOME	312	312	

TY 2010 Other Professional Fees Schedule

Name: CHUNG KUN AI FOUNDATION
C/O CITY MILL CO LTD
EIN: 99-6003289

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT FEES	7,399	7,399		

TY 2010 Substantial Contributors Schedule

Name: CHUNG KUN AI FOUNDATION

C/O CITY MILL CO LTD

EIN: 99-6003289

Name	Address
City Mill Co	PO BOX 1559 HONOLULU, HI 968061559

TY 2010 Taxes Schedule

Name: CHUNG KUN AI FOUNDATION

C/O CITY MILL CO LTD

EIN: 99-6003289

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAXES	427	427		

FORM 990-PF, PART II BALANCE SHEET

DESCRIPTION	COST BASIS 12 31 2010	MARKET VALUE 12 31 2010
<u>MUTUAL FUNDS</u>		
BNY MELLON MID CAP STOCK FUND (CLASS M SHARES)	130,918 53	138,849 11
BNY MELLON EMERGING MARKETS FUND CLASS M SERIES	120,949 42	126,113 29
BNY MELLON SMALL CAP STOCK FUND	69,034 17	62,530 84
	320,902	327,493
<u>STOCKS</u>		
Allscripts Healthcare Solutions Inc	4,958 16	5,588 30
ALLIANCE DATA SYS CORP	6,948 99	8,523 60
AMERICAN EXPRESS COMPANY	10,117 11	10,300 80
AMERIPRISE FINANCIAL INC	2,709 57	8,057 00
AMLYN PHARMACEUTICALS INC	8,124 03	6,325 30
ANADARKO PETROLEUM CORP	3,828 25	6,854 40
APACHE CORP	9,940 32	16,692 20
APPLE COMPUTER INC COM	14,608 36	29,352 96
AT&T INC	18,628 38	14,249 30
AUTOLIV INC	3,203 00	9,472 80
BANK OF AMERICA CORP	17,893 29	17,608 80
CAPITAL ONE FINANCIAL CORP	12,759 47	13,193 60
CARNIVAL CORP	4,996 77	7,377 60
CATERPILLAR INC	6,434 82	9,366 00
CHUBB CORP	7,538 63	8,946 00
CIGNA CORP	3,703 93	5,499 00
CISCO SYS INC	5,323 18	7,889 70
COMERICA INC	7,710 16	8,870 40
CONOCOPHILLIPS	12,210 58	14,301 00
CUMMINS INC	4,434 55	14,301 30
CVS CAREMARK CORP	2,397 90	2,955 45
DANAHER CORP	4,200 94	6,603 80
DuPont El De Nemours And (DD)	3,199 97	5,985 60
DREYFUS DIVERSIFIED INTERNATIONAL	162,254 68	178,350 56
EMC CORP	4,118 20	6,870 00
ENERGIZER HLDGS INC	5,635 76	5,832 00
EXXON MOBILE CORP	4,269 55	24,495 20
FORD MOTOR COMPANY	7,574 15	7,723 40
FRANKLIN RES INC	3,060 42	6,672 60
GENERAL ELECTRIC COMPANY	3,386 84	14,083 30
GOOGLE INC	13,493 58	17,819 10
HALLIBURTON COMPANY	6,112 78	8,492 64
HESS CORP FKA AMERADA HESS CORP	11,458 12	16,838 80
HOME DEPOT INC	3,854 96	7,012 00
HONEYWELL INTL INC	8,538 84	11,163 60
HOSPIRA INC	6,485 41	10,024 20
HUMAN GENOME SCIENCES	9,431 30	7,883 70
INFOMATICA CORP	4,258 11	6,164 20
INTERNATIONAL BUSINESS MACHINES	13,955 15	18,345 00
JPMORGAN CHASE & CO	14,291 32	18,240 60
LIMITED BRANDS, INC	7,160 27	12,292 00
MCKESSON CORPORATION	9,992 42	12,668 40
MEDTRONIC INC	7,812 44	5,934 40
MERCK & CO INC	7,433 17	11,568 84
MICROSOFT CORP	7,306 56	16,606 45
MORGAN STANLEY	7,266 83	7,346 70
MOTOROLA INC	4,559 82	5,169 90
NEWELL RUBBERMAID INC	6,961 05	7,272 00
NEXTERA ENERGY INC	7,103 13	6,758 70

FORM 990-PF, PART II BALANCE SHEET

DESCRIPTION	COST BASIS	MARKET
	12 31 2010	VALUE 12 31 2010
NEWS CORP INC	14,863 34	14,613 80
NORDSTROM INC	5,766 00	7,204 60
NORFOLK SOUTHERN CORPORATION	7,950 36	10,051 20
OCCIDENTAL PETROLEUM	16,816 06	22,563 00
OMNICOM GROUP INC	8,756 15	8,244 00
ORACLE CORPORATION	12,922 81	20,658 00
PEPSICO INC	9,780 14	13,719 30
PFIZER INC	22,322 35	20,661 80
PHILIP MORRIS INTERNATIONAL INC	10,925 92	14,632 50
PRAXAIR INC	4,375 60	7,637 60
PROCTOR & GAMBLE COMPANY	5,615 16	10,936 10
PUBLIC SVC ENTERPRISE GROUP INC	15,848 32	15,586 90
QUALCOMM INC	12,411 99	14,352 10
RAYTHEON CO	5,171 88	4,634 00
SCHWAB CHARLES CORP NEW	3,592 96	4,106 40
TARGET CORP (TGT)	9,701 34	14,431 20
TEXTRON INC	9,686 10	8,510 40
THERMO FISHER SCIENTIFIC INC	10,454 95	13,009 60
TIME WARNER INC	3,249 31	5,243 71
TYCO INTERNATIONAL LTD	5,375 31	9,945 60
UNILEVER	11,670 16	12,352 00
VALE SA (VALE)	4,155 97	11,062 40
WELLS FARGO & CO	13,411 99	19,833 60
	748,469	973,933
	1,069,372	1,301,426

FORM 990-PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
FIL-COM CENTER 94-428 MOKUOLA STREET WAIKAPU, HI 96797	N/A 501(c)(3)	PROVIDE SOCIAL, ECONOMIC AND EDUCATION SERVICES AND TO PROMOTE AND PERPETUATE FILIPINO CULTURE AND CUSTOMS IN THE STATE OF HAWAII	500
RONALD MCDONALD HOUSE P.O. BOX 61777 HONOLULU, HI 96839	N/A 509(A)(2)	ASSISTANCE TO INDIGENT FAMILIES	500
CHILDREN'S DISCOVERY CENTER 111 OHE STREET HONOLULU, HI 96813	N/A 509(A)(2)	EDUCATIONAL SUPPORT FOR CHILDREN	750
DIAMOND HEAD THEATER 520 MAKAPUU AVE HONOLULU, HI 96816	N/A 509(A)(2)	LIVE STAGE PRODUCTIONS & THEATRE ARTS EDUCATION	4,000
HAWAII ARTS ALLIANCE P.O. BOX 3948 HONOLULU, HI 96812-3948	N/A 509(A)(2)	EDUCATIONAL SUPPORT FOR CHILDREN	200
HAWAII NATURE CENTER 2131 MAKIKI HEIGHTS DRIVE HONOLULU, HI 96822	N/A 509(A)(2)	ENVIRONMENTAL PRESERVATION	200
HAWAII OPERA THEATRE 987 WAIMANU STREET HONOLULU, HI 96814	N/A 509(A)(2)	PRESERVATION, PRODUCTION AND EDUCATION OF OPERA	200
HAWAII SYMPHONY FOR YOUTH 1110 UNIVERSITY AVENUE, SUITE 201 HONOLULU, HI 96826-1508	N/A 509(A)(2)	EDUCATION, PRODUCTION AND MUSIC STUDY FOR YOUTH	1,500
HAWAIIAN HUMANE SOCIETY 2700 WAIKALAE AVENUE HONOLULU, HI 96826	N/A 509(A)(2)	ANIMAL PRESERVATION, ADOPTION, FOSTER CARE	500
HISTORIC HAWAII FOUNDATION 680 IWILEI ROAD, SUITE 690 HONOLULU, HI 96817	N/A 509(A)(2)	PUBLIC EDUCATION- SEMINARS, TOURS, WORKSHOPS	100
HONOLULU ACADEMY OF ARTS 900 S. BERETANIA STREET HONOLULU, HI 96814	N/A 509(A)(2)	COLLECTION, PRESERVATION AND EDUCATION OF FILM, VISUAL ARTS	250
JUNIOR ACHIEVEMENT OF HAWAII, INC. 1136 UNION MALL, SUITE 310 HONOLULU, HI 96813	N/A 509(A)(2)	EDUCATION OF CHILDREN ABOUT FINANCIAL LITERACY, ENTREPRENEURSHIP	500
MAKE-A-WISH FOUNDATION P.O. BOX 1877 HONOLULU, HI 96805	N/A 509(A)(2)	GRANT A WISH OF A CHILD WITH LIFE THREATENING MEDICAL CONDITION	250
MARCH OF DIMES 1451 S. KING STREET, SUITE 504 HONOLULU, HI 96814	N/A 509(A)(2)	DEDICATED TO IMPROVE HEALTH OF BABIES TO PREVENT BIRTH DEFECTS, PREMATURE BIRTH AND INFANT MORTALITY.	1,000
MOILIILI COMMUNITY CENTER 2535 S. KING STREET HONOLULU, HI 96826	N/A 509(A)(2)	ENRICH THE LIVES OF MOILIILI COMMUNITY BY PROVIDING SUPPORT, SERVICES AND PROGRAMS	200
NATURE CONSERVANCY OF HAWAII 923 NUUANU AVENUE HONOLULU, HI 96817	N/A 509(A)(2)	ENVIRONMENTAL PRESERVATION	300
SALVATION ARMY CHRISTMAS APPEAL P.O. BOX 620 HONOLULU, HI 96809	N/A 509(A)(3)	SUPPORT FOR THE POOR	500
SHRINERS HOSPITAL FOR CHILDREN 1310 PUNAHOU STREET HONOLULU, HI 96826	N/A 509(A)(1)	TO PROVIDE SPECIALTY PEDIATRIC CARE WITHOUT FINANCIAL OBLIGATION	300
SPECIAL OLYMPICS P.O. BOX 3295 HONOLULU, HI 96801	N/A 509(A)(2)	PROVIDE OPPORTUNITIES FOR ATHLETIC COMPETITIVE PROGRAMS FOR CHILDREN AND ADULTS WITH INTELLECTUAL DISABILITY	500
THE DR. SUN YAT SEN HAWAII FOUNDATION 1021 SMITH STREET #225 HONOLULU, HI 96817	N/A 509(A)(2)	RESEARCH, CHRONICLE AND EXHIBIT DR. SUN'S LINKS TO HAWAII	250
VARIETY SCHOOL OF HAWAII 710 PALEKAUA STREET HONOLULU, HI 96816	N/A 509(A)(1)	PROVIDE EDUCATION TO CHILDREN WITH LEARNING DISABILITIES	250

ASSETS SCHOOL 1 OHANA NUI WAY HONOLULU, HI 96818	N/A 509(A)(1)	PROVIDE EDUCATION TO CHILDREN WITH LEARNING DISABILITIES	750
CHAMINADE UNIVERSITY 3140 WAIALAE AVENUE HONOLULU, HI 96816	N/A 509(A)(1)	TO PROVIDE EDUCATION IN A COLLABORATIVE LEARNING ENVIRONMENT	750
HANAHAUOLI SCHOOL 1922 MAKIKI STREET HONOLULU, HI 96822	N/A 509(A)(1)	PROVIDE EDUCATION TO CHILDREN- SCHOOL	1,000
IOLANI SCHOOL 563 KAMOKU STREET HONOLULU, HI 96826	N/A 509(A)(1)	PROVIDE EDUCATION TO CHILDREN- SCHOOL	1,450
LE JARDIN ACADEMY 917 KALANIANA'OLE HIGHWAY KAILUA, HI 96734	N/A 509(A)(1)	PROVIDE EDUCATION TO CHILDREN- SCHOOL	2,500
MID-PACIFIC INSTITUTE 2445 KAALA STREET HONOLULU, HI 96822	N/A 509(A)(1)	PROVIDE EDUCATION TO CHILDREN- SCHOOL	1,000
PUNAHOU SCHOOL 1601 PUNAHOU STREET HONOLULU, HI 96822	N/A 509(A)(1)	PROVIDE EDUCATION TO CHILDREN- SCHOOL	1,000
UNIVERSITY OF HAWAII FOUNDATION 2444 DOLE STREET, BACHMAN HALL 101 HONOLULU, HI 96822	N/A 509(A)(1)	TO PROVIDE SUPPORT TO THE UNIVERSITY OF HAWAII	3,800
ROBOTICS ORGANIZING COMMITTEE 900 FORT STREET MALL, #808 HONOLULU, HI 96813	N/A 501(C)(3)	TO PROMOTE AND SUPPORT ROBOTIC EDUCATION AND TRAINING AND LEARNING THROUGH ROBOTICS ACTIVITIES IN THE STATE OF HAWAII	5,000
ST. LOUIS SCHOOL 3142 WAIALAE AVE HONOLULU, HI 96816	N/A 509(A)(1)	PROVIDE EDUCATION TO CHILDREN- SCHOOL	1,000
THE QUEEN'S MEDICAL CENTER 1301 PUNCHBOWL STREET HONOLULU, HAWAII 96813	N/A 509(A)(1)	HEALTHCARE SERVICES	1,000
ALZHEIMER'S ASSOCIATION, ALOHA CHAPTER 1050 ALA MOANA BLVD, #2610 HONOLULU, HI 96814	N/A 509(A)(2)	THE ALOHA CHAPTER SERVES THE CAREGIVERS AND ESTIMATED 28,000 PEOPLE LIVING WITH ALZHEIMER'S DISEASE IN THE STATE OF HAWAII.	1,000
AMERICAN CANCER SOCIETY CHILDHOOD CANCER CENTE 2370 NUUANU AVENUE HONOLULU, HI 96817	N/A 509(A)(2)	PROVIDE SUPPORT FOR HEALTH CARE AND EDUCATIONAL PURPOSES	1,000
AMERICAN DIABETES ASSOCIATION 1500 S. BERETANIA STREET, SUITE 111 HONOLULU, HI 96826	N/A 509(A)(2)	PROVIDE HEALTH CARE, HEALTH INSURANCE AND ASSISTANCE TO DIABETICS	1,000
AMERICAN HEART ASSOCIATION 677 ALA MOANA BOULEVARD, SUITE 600 HONOLULU, HI 96813	N/A 509(A)(2)	PROVIDE EDUCATION, FUNDING FOR RESEARCH AND SUPPORT TO AVOID HEART DISEASE	5,000
AMERICAN LUNG ASSOCIATION 680 IWILEI ROAD, SUITE 575 HONOLULU, HI 96817	N/A 509(A)(2)	PROVIDE EDUCATION, FUNDING FOR RESEARCH AND SUPPORT TO AVOID LUNG DISEASE	250
JUVENILE DIABETES RESEARCH FOUNDATION 1019 WAIMANU STREET, #214 HONOLULU, HI 96814	N/A 509(A)(2)	TO PROVIDE HEALTH CARE, HEALTH INSURANCE AND ASSISTANCE TO JUVENILE DIABETICS	1,000
KAPIOLANI HEALTH FOUNDATION 55 MERCHANT STREET, 2600 HONOLULU, HI 96813	N/A 509(A)(1)	HOSPITAL- MISSION TO IMPROVE AND ADVOCATE FOR HEALTH OF WOMEN AND CHILDREN	2,500
KUAKINI FOUNDATION 347 N. KUAKINI STREET HONOLULU, HI 96817	N/A 509(A)(2)	TO PROVIDE COMPREHENSIVE HEALTH CARE SERVICES	300
REHAB FOUNDATION 226 NORTH KUAKINI STREET HONOLULU, HI 96817	N/A 509(A)(2)	PROVIDE PATIENT CARE SERVICES FOR THOSE WITH PHYSICAL AND COGNITIVE DISABILITIES IN HAWAII AND THE PACIFIC UTILIZING A CONTINUUM OF REHABILITATION SERVICES THAT ARE ADVANCED THROUGH EDUCATION,	750
WAIKIKI HEALTH CENTER 277 OHUA AVENUE HONOLULU, HI 96815	N/A 509(A)(2)	PROVIDE MEDICAL AND SOCIAL SERVICES THAT ARE AFFORDABLE AND ACCESSIBLE	750
CENTRAL UNION CHURCH 1660 S. BERETANIA STREET HONOLULU, HI 96826	N/A 509(A)(1)	TO PROVIDE RELIGIOUS SERVICES	300
HAWAII CHURCH FOR THE DEAF 3144 KAUNAOA STREET HONOLULU, HI 96815	N/A 509(A)(1)	TO PROVIDE RELIGIOUS SERVICES FOR THE DEAF	500

HAWAIIAN ISLANDS MINISTRIES P.O. BOX 777 HONOLULU, HI 96808	N/A 509(A)(2)	EDUCATE, TRAIN, EQUIP AND INSPIRE LEADERS IN THE CHRISTIAN COMMUNITY	500
HONPA HONGWANJI HAWAII BETSUIN 1727 PALI HIGHWAY HONOLULU, HI 96813	N/A 509(A)(2)	EDUCATE AND ESTABLISH A DEEPER UNDERSTANDING OF PURE LAND BUDDHISM	200
KAUMAKAPILI PROTESTANT CHURCH 766 N. KING STREET HONOLULU, HI 96817	N/A 509(A)(1)	TO PROVIDE RELIGIOUS SERVICES	500
MAKIKI CHRISTIAN CHURCH 829 PENSACOLA STREET HONOLULU, HI 96814	N/A 509(A)(1)	TO PROVIDE RELIGIOUS SERVICES	200
RIVER OF LIFE MISSION P.O. BOX 37939 HONOLULU, HI 96837	N/A 509(A)(2)	RESTORE BROKEN LIVES OF THE POOR AND NEEDY	1,500
WORLD CHRISTIAN BROADCASTING CORPORATION 605 BRADLEY COURT. FRANKLIN, TN 37067	N/A 509(A)(2)	TO COMMUNICATE THE GOSPEL OF JESUS CHRIST THROUGH MASS MEDIA	100
HELPING HANDS HAWAII 2100 N. NIMITZ HIGHWAY HONOLULU, HI 96819	N/A 509(A)(2)	TO LINK AND PROVIDE SOCIAL SERVICE IN RESPONSE TO IDENTIFIED SOCIAL NEEDS	100
BIG BROTHERS/BIG SISTERS OF HONOLULU, INC. 418 KUWILI STREET #106 HONOLULU, HI 96817	N/A 509(A)(2)	INDIVIDUAL GUIDANCE FOR CHILDREN THROUGH PERSONAL RELATIONSHIPS WITH MEN AND WOMEN	500
AFTER SCHOOL ALL-STARS 4747 KILAUEA AVE, #207 HONOLULU, HI 96816	N/A 509(A)(2)	EDUCATIONAL SUPPORT FOR CHILDREN	1,000
ALOHA MEDICAL MISSION 810 NORTH VINEYARD BOULEVARD HONOLULU, HI 96817	N/A 509(A)(2)	PROVIDE HEALTH CARE TO UNDERPRIVILEGED INDIVIDUALS	1,000
AMERICAN RED CROSS 4155 DIAMOND HEAD ROAD HONOLULU, HI 96816	N/A 509(A)(2)	PROVIDES RELIEF TO VICTIMS OF DISASTER AND HELPS PREVENT AND RESPOND TO EMERGENCIES	1,000
BOY SCOUTS OF AMERICA, ALOHA COUNCIL 412 PUUWA ROAD HONOLULU, HI 96817	N/A 509(A)(2)	PREPARE YOUNG PEOPLE TO MAKE ETHICAL AND MORAL CHOICES BY INSTILLING VALUES	1,000
BOYS & GIRLS CLUB OF HAWAII 1523 KALAKAUA AVENUE, SUITE 202 HONOLULU, HI 96826	N/A 509(A)(2)	INSPIRE YOUNG PEOPLE TO BECOME RESPONSIBLE CITIZENS	1,000
CATHOLIC CHARITIES 250 VINEYARD STREET HONOLULU, HI 96813	N/A 509(A)(2)	PROVIDES SUPPORT TO REDUCE POVERTY, SUPPORT FAMILIES AND EMPOWER COMMUNITIES	1,000
CHILD & FAMILY SERVICE 91-1841 FORT WEAVER ROAD EWA BEACH, HI 96706	N/A 509(A)(2)	PROVIDES HUMAN SERVICES AND ADVOCACY FOR CHILDREN AND FAMILIES IN NEED IN HAWAII.	1,250
EASTER SEALS HAWAII 710 GREEN STREET HONOLULU, HI 96813	N/A 509(A)(2)	PROVIDING SERVICES TO INDIVIDUALS WITH DISABILITIES AND SPECIAL NEEDS	500
GIRL SCOUT COUNCIL OF HAWAII 420 WYLLIE STREET HONOLULU, HI 96817	N/A 509(A)(2)	BUILD GIRLS OF COURAGE, CONFIDENCE AND CHARACTER	1,000
HALE KIPA 615 PIKOKI STREET, SUITE 203 HONOLULU, HI 96814	N/A 509(A)(2)	PROVIDE SERVICES TO AT-RISK YOUTHS	1,000
HAWAII FOODBANK 2611 A KILIHAI STREET HONOLULU, HI 96819	N/A 509(A)(2)	ESTABLISHED TO COLLECT, WAREHOUSE AND DISTRIBUTE FOOD TO FEED THE NEEDY	2,000
INSTITUTE FOR HUMAN SERVICES 350 SUMNER STREET HONOLULU, HI 96817	N/A 509(A)(2)	PROVIDE FOOD, SHELTER AND SUPPLIES TO HOMELESS INDIVIDUALS AND FAMILIES	2,750
INTERNATIONAL DYSLEXIA ASSOCIATION P.O. BOX 61610 HONOLULU, HI 96839	N/A 509(A)(2)	PROVIDES RESOURCES FOR PEOPLE DEALING WITH INDIVIDUALS WITH DYSLEXIA	150
KALIHI-PALAMA HEALTH CENTER 915 N. KING STREET HONOLULU, HI 96817	N/A 509(A)(1)	PROVIDE HEALTH CARE AND HEALTH EDUCATION TO THE KALIHI-PALAMA COMMUNITY	500
KAMP HAWAII P.O. BOX 13041 AIEA, HI 96701	N/A 509(A)(2)	PROVIDES EDUCATION AND ALTERNATIVE LEARNING TO DISADVANTAGED, AT-RISK YOUTHS	250

YMCA OF HONOLULU (OAHU) 1221 PALI HIGHWAY HONOLULU, HI 96813	N/A 509(A)(1)	PUTTING CHRISTIAN PRINCIPLES INTO PRACTICE THAT BUILD HEALTHY SPIRIT, MIND AND BODY	11,000
YWCA OF HONOLULU (OAHU) 1040 RICHARDS STREET HONOLULU, HI 96813	N/A 509(A)(1)	PUTTING CHRISTIAN PRINCIPLES INTO PRACTICE THAT BUILD HEALTHY SPIRIT, MIND AND BODY	10,000
			<u>75,125</u>

14x7

Chung Kun Ai Foundation General Information

Purpose: The scholarship is intended for the support of qualified students to pursue their college education or studies that will lead to a profession.

Who May Apply: Students who are interested in and devoted to serving the community.

Application Procedure: Send the following application material to:

**Trustees, Chung Kun Ai Foundation
c/o City Mill Company, Ltd.
P. O. Box 1559
Honolulu, HI 96806**

1. A completed application form.
2. An official transcript of grades of the student, covering the past year.
3. A personal letter of application. In this letter there should be full presentation of the information called for below.
 - a. Reasons for desiring a scholarship
 - b. Academic interests and vocational plans, including any plans for advanced study.
 - c. Family financial situation.
 - d. The applicant's own financial situation, to the extent that it is separated from the family situation. Include special problems and plans for self-aid.
 - e. Participation in any student activities or community services.

Upon receiving the above material, prospective applicants may be interviewed by a Trustee or by a representative of the Trustees. There is no deadline for the application, but applicants are advised to submit their application 2 months prior to the start of the school year.

Selection Factors:

Recipients are selected on the basis of:

1. Academic performance (a minimum grade-point-average* of 2.8 or its equivalent is required.) *(on a 4-point scale: A=4, B=3, C=2, D=1, F=0).
2. Financial need.
3. Personal qualifications as evaluated by letters of recommendation and by personal interview.

There is no discrimination based on sex, race, religion or nationality.

CHUNG KUN AI FOUNDATION

Scholarship Application

c/o City Mill Company, Limited
P. O. Box 1559, Honolulu, HI 96806

Applicant's Name _____ Date _____

Present Address _____ Male _____ Female _____
Telephone () _____

Permanent Address _____ E-Mail: _____
Telephone () _____

Birthplace _____ Birthdate _____
City State Country

Marital Status: Single _____ Married _____ Number of Children _____

Dependents: _____

(give relationship and age)

If Married, Name of Spouse: _____

Occupation of Spouse: _____

Legal Status: U.S. citizen Yes _____ No _____
If no, state country of citizenship _____
U.S. resident Yes _____ No _____

CHECK ALL THAT APPLY:

___ Father is deceased ___ Mother is deceased ___ Parents are divorced or separated

Name of Father _____ Occupation _____

Name of Mother _____ Occupation _____

Address of Parents _____

If single, list brothers and sisters, _____
their age & employment status _____

C. K. Ai's favorite saying: "I expect to pass through this world but once. Any good that I can do, let me do it now, as I shall not pass this way again."

Name of school or college you () plan to attend or () are attending (check one) _____

Intended or declared major _____

Class Standing: Freshman _____ Sophomore _____ Junior _____

Senior _____ Graduate _____

Semester grade-point average _____ Cumulative grade-point average _____

(on a 4-point scale: A=4, B=3, C=2, D=1, F=0)

List any extra-curricular activities, organizations, etc. in which you have participated, and positions:

1. _____
2. _____
3. _____

Budget

Estimated Expenses

Tuition, registration fees _____
Books, equipment, supplies _____
Rent or mortgage, including _____
utilities _____
Food & household supplies _____
Transportation _____
Personal expenses (clothing, _____
laundry, snacks, haircut, _____
contributions, etc.) _____
Medical, dental care & _____
insurance _____
Recreation _____
Debts to be repaid _____
Support to others _____

TOTAL EXPENSES \$ _____

Sources of Income

Parents and/or relatives _____
Estimated earnings during _____
the year and/or summer _____
Income tax refunds _____
Grants, fellowships _____
& scholarships _____
Loans _____
Other income _____
Explain: _____

TOTAL INCOME \$ _____

I certify that the statements in this application are true and correct to the best of my knowledge.

Date Signed

Signature of Applicant

(Please use the reverse side of this form for any additional information you wish to submit for consideration along with your application)

RECOVERY POLICY

Should a recipient fail to complete his/her college or professional education, a letter of explanation should be sent by the student to the Trustees.

If this failure of completing his/her education is due to the lack of scholastic ability, sickness, or unforeseen emergencies beyond their control, no action of recovering the scholarship will be followed. However, if inadequate and unacceptable reasons are given, the Trustees will follow the necessary action to recover in full from the recipient the amount of scholarship he/she has received over the year(s).

To enforce this policy, a recipient is required to sign the Affidavit below stating that he/she will abide by said policy upon receiving the scholarship.

AFFIDAVIT OF AGREEMENT TO ABIDE BY THE RECOVERY POLICY OF THE CHUNG KUN AI FOUNDATION SCHOLARSHIP

I, _____, on this date of _____, hereby agree that I will abide by the Recovery Policy of the Chung Kun Ai Foundation Scholarship and will repay the total amount of scholarship received from the Foundation if I fail to complete my college or professional education due to reasons other than the lack of scholastic ability, sickness, or unforeseen emergencies beyond my control.

Applicant's Signature

Notary Public

Date