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Form **990-PF**

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

OMB No 1545-0052

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

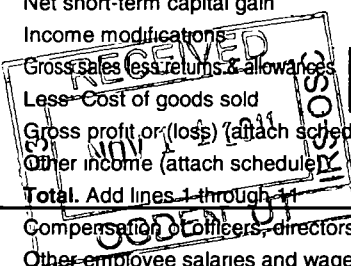
For calendar year 2010, or tax year beginning 03/01/10, and ending 02/28/11

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 AMERICAN CHAI TRUST C/O PERLMAN & PERLMAN		A Employer identification number 13-6130992
Number and street (or P O box number if mail is not delivered to street address) 41 MADISON AVENUE, 40TH FLOOR		B Telephone number (see page 10 of the instructions) 212-889-0575
City or town, state, and ZIP code NEW YORK NY 10010		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 1,724,082	J Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (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)
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 temporary cash investments	21,478	21,478	21,478	
4 Dividends and interest from securities	35,811	35,811	35,811	
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10 Stmt 1	600			
b Gross sales price for all assets on line 6a 105,600				
7 Capital gain net income (from Part IV, line 2)		0		
8 Net short-term capital gain			0	
9 Income modifications				
10a Gross sales less returns & allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	57,889	57,289	57,289	
13 Compensation of officers, directors, trustees, etc	0			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule) See Stmt 2	10,411			
b Accounting fees (attach schedule) Stmt 3	3,500			
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions) Stmt 4	821	821		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings	1,562			
22 Printing and publications				
23 Other expenses (att. sch) Stmt 5	36			
24 Total operating and administrative expenses.				
Add lines 13 through 23	16,330	821	0	0
25 Contributions, gifts, grants paid	101,000			101,000
26 Total expenses and disbursements. Add lines 24 and 25	117,330	821	0	101,000
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-59,441			
b Net investment income (if negative, enter -0-)		56,468		
c Adjusted net income (if negative, enter -0-)			57,289	

SCANNED NOV 16 2011 Revenue



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

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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	1 Cash—non-interest-bearing	1,616	14,782	14,782	
	2 Savings and temporary cash investments	230,056	168,914	168,914	
	3 Accounts receivable ▶ Less allowance for doubtful accounts ▶				
	4 Pledges receivable ▶ Less allowance for doubtful accounts ▶				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)				
	7 Other notes and loans receivable (att schedule) ▶ Less allowance for doubtful accounts ▶	0			
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments—U S and state government obligations (attach schedule)				
	b Investments—corporate stock (attach schedule) See Stmt 6	502,853	502,852	1,112,645	
	c Investments—corporate bonds (attach schedule) See Stmt 7	380,032	425,039	427,741	
	11 Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶				
	12 Investments—mortgage loans				
	13 Investments—other (attach schedule) See Statement 8	60,000			
	14 Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶				
15 Other assets (describe ▶)					
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	1,174,557	1,111,587	1,724,082		
Liabilities	17 Accounts payable and accrued expenses	7,904	4,400		
	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 ▶)				
	23 Total liabilities (add lines 17 through 22)	7,904	4,400		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24 Unrestricted	1,166,653	1,107,187		
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.				
	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 page 17 of the instructions)	1,166,653	1,107,187			
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	1,174,557	1,111,587			

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	1,166,653
2 Enter amount from Part I, line 27a	2	-59,441
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	1,107,212
5 Decreases not included in line 2 (itemize) ▶	5	25
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,107,187

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

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 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	57,500	1,461,347	0.039347
2008	83,939	1,239,082	0.067743
2007	79,431	1,749,794	0.045394
2006	86,000	1,638,407	0.052490
2005	49,000	1,558,773	0.031435

2 Total of line 1, column (d)	2	0.236409
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	0.047282
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	1,611,585
5 Multiply line 4 by line 3	5	76,199
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	565
7 Add lines 5 and 6	7	76,764
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	101,000

Part VI Excise 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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	565
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	565
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	565
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	450
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	116
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	566
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	1
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	
11	Enter the amount of line 10 to be Credited to 2011 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
b		X
c		X
d		
e		
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the 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 ▶ PERLMAN & PERLMAN 41 MADISON AVENUE Located at ▶ NEW YORK NY ZIP+4 ▶ 10010 Telephone no ▶ 212-889-0575			
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 page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶	16	Yes	No X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the 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? N/A	1c	
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 page 22 of the instructions) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 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.) N/A	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 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 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)? N/A **5b**

Organizations relying on a current notice regarding disaster assistance check here

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

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

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

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

If "Yes" to 6b, file Form 8870

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

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

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

1 List all officers, directors, trustees, foundation managers and their compensation (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
PAULINE DOYNOW 122 NORTH RIVERSIDE AVENUE, APT 3A NJ 07701	RED BANK TRUSTEE	1.00	0	0
CLIFFORD PERLMAN 41 MADISON AVENUE NY 10010	NEW YORK TRUSTEE	1.00	0	0
KAYE HIRSCH 17 STRATTON ROAD NY 10583	SCARSDALE TRUSTEE	1.00	0	0
DR. MICHAEL COHN 95 DELANCEY STREET NY 10002	NEW YORK TRUSTEE	1.00	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
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 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
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 28 GRANTS TO NON-PROFIT ORGANIZATIONS	105,000
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 N/A	
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	1,400,443
b	Average of monthly cash balances	1b	205,684
c	Fair market value of all other assets (see page 25 of the instructions)	1c	30,000
d	Total (add lines 1a, b, and c)	1d	1,636,127
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	1,636,127
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	24,542
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,611,585
6	Minimum investment return. Enter 5% of line 5	6	80,579

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	80,579
2a	Tax on investment income for 2010 from Part VI, line 5	2a	565
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	565
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	80,014
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	80,014
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	80,014

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	101,000
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	101,000
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	565
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	100,435

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				80,014
2 Undistributed income, if any, as of the end of 2010:				
a Enter amount for 2009 only			33,300	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e				
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ <u>101,000</u>				
a Applied to 2009, but not more than line 2a			33,300	
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				67,700
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				
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 page 27 of the instructions				
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				12,314
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				
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

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 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 of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 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))
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 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
SEE ATTACHED

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

c Any submission deadlines:
SEE ATTACHED

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

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
a Paid during the year See Statement 9				101,000
Total			▶ 3a	101,000
b Approved for future payment N/A				
Total			▶ 3b	

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Whom Sold	Description	Date Acquired	Date Sold	How Received	Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
RG PREMIER		6/19/08	5/07/10	Purchase	50,000 \$	50,000 \$	\$	\$	\$
NATIONAL RURAL UTILITIES		4/03/09	10/15/10	Purchase	30,600	30,000			600
GOLDMAN SACHS GROUP		2/05/10	8/24/10	Purchase	25,000	25,000			
Total					105,600 \$	105,000 \$	0 \$	0 \$	600

Statement 2 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Legal Fees	\$ 10,411	\$	\$	\$
Total	\$ 10,411	0	0	0

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	\$ 3,500	\$	\$	\$
Total	\$ 3,500	0	0	0

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
NYS REGISTRATION FEE	\$ 500	500	\$	\$
FEDERAL EXCISE TAXES	321	321		
Total	\$ 821	821	\$ 0	\$ 0

Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses			\$	
BANK SERVICE CHARGES	36			
Total	\$ 36	0	\$ 0	\$ 0

Federal Statements

Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
CORPORATE STOCK	\$ 502,853	\$ 502,852	Cost	\$ 1,112,645
Total	\$ 502,853	\$ 502,852		\$ 1,112,645

Statement 7 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
CORPORATE BONDS	\$ 380,032	\$ 425,039	Cost	\$ 427,741
Total	\$ 380,032	\$ 425,039		\$ 427,741

Statement 8 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
CERTIFICATES OF DEPOSIT	\$ 60,000	\$	Cost	\$
Total	\$ 60,000	\$ 0		\$ 0

Federal Statements**Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or \$5,000**

<u>Name of Manager</u>	<u>Amount</u>
NONE	\$
Total	\$ 0

Form 990-PF, Part XV, Line 1b - Managers Who Own 10% or More Stock

<u>Name of Manager</u>	<u>Amount</u>
NONE	\$
Total	\$ 0

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
SEE ATTACHED

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
SEE ATTACHED

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
SEE ATTACHED

Federal Statements

Statement 9 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name	Address	Relationship	Status	Purpose	Amount
BARGE MUSIC	FULTON FERRY LANDING	NONE	501(C)(3)	PROMOTION OF CHAMBER MUSIC	2,500
BROOKLYN NY 11201	NONE	NONE	501(C)(3)	SUPPORT FOR THE CIRCUS	2,500
BIG APPLE CIRCUS	505 EIGHTH AVENUE, 19TH F	NONE	501(C)(3)	PERFORMING ARTS CENTER	7,500
NEW YORK NY 10018	NONE	NONE	501(C)(3)	PROVIDE AID TO CHILDREN IN CAMBODIA	3,000
BROOKLYN ACADEMY OF MUSIC	30 LAFAYETTE STREET	NONE	501(C)(3)	SUPPORT OF A SOUP KITCHEN	2,500
BROOKLYN NY 11217	NONE	NONE	501(C)(3)	TO SUPPORT A CHAMBER ORCHESTRA	5,000
FRIENDS WITHOUT A BORDER	1123 BROADWAY, SUITE 1210	NONE	501(C)(3)	ADVOCACY FOR BREAST CANCER RESEARCH	2,500
NEW YORK NY 10010	NONE	NONE	501(C)(3)	ARTISTIC HOME FOR PEOPLE WHO STUTTER	7,500
LUNCHBREAK	42 BEECHWOOD DRIVE	NONE	501(C)(3)	SOCIAL IMPROVEMENT	3,500
SHREWSBURY NJ 07702	NONE	NONE	501(C)(3)	SUPPORT OF YOUNG CONCERT ARTISTS	10,000
METROPOLIS ENSEMBLE	421 WEST 42ND STREET, 4C	NONE	501(C)(3)	SUPPORT MENTOR PROGRAMS	7,500
NEW YORK NY 10011	NONE	NONE	501(C)(3)	PROMOTE CULTURAL AWARENESS OF ASIA	5,000
NATIONAL BREAST CANCER CO	1101 17TH STREET NW	NONE	501(C)(3)	ENHANCE HUNTER COLLEGE'S IMAGE	5,000
WASHINGTON DC 20036	NONE	NONE	501(C)(3)	TO PROMOTE EXCELLENCE IN THE NYPD	5,000
OUR TIME THEATRE COMPANY	307 WEST 38TH STREET	NONE	501(C)(3)	TO PROVIDE LEGAL SERVICES TO POOR	4,000
NEW YORK NY 10018	NONE	NONE	501(C)(3)	PROMOTE CULTURAL ACTIVITIES IN P.W.	3,500
THE FATHER HEART MINISTRI	545 EAST 11TH STREET	NONE	501(C)(3)	SUPPORT OF AN EDUCATIONAL COMMUNITY	3,000
NEW YORK NY 10009	NONE	NONE	501(C)(3)	SUPPORT CULTURAL EXCHANGE WITH CUBA	3,000
YOUNG CONCERT ARTISTS	250 WEST 57TH STREET	NONE	501(C)(3)		
NEW YORK NY 10107	NONE	NONE	501(C)(3)		
BIG BROTHERS BIG SISTERS	223 EAST 30TH STREET	NONE	501(C)(3)		
NEW YORK NY 10016	NONE	NONE	501(C)(3)		
ASIA SOCIETY	725 MADISON AVENUE	NONE	501(C)(3)		
NEW YORK NY 10021	NONE	NONE	501(C)(3)		
HUNTER COLLEGE FOUNDATION	695 PARK AVENUE	NONE	501(C)(3)		
NEW YORK NY 10065	NONE	NONE	501(C)(3)		
NYC POLICE FOUNDATION	555 5TH AVENUE	NONE	501(C)(3)		
NEW YORK NY 10017	NONE	NONE	501(C)(3)		
OPEN HANDS LEGAL SERVICE	300 WINSTON DRIVE	NONE	501(C)(3)		
CLIFFSIDE PARK NJ 07010	NONE	NONE	501(C)(3)		
LANDMARK ON MAIN STREET	232 MAIN STREET	NONE	501(C)(3)		
PORT WASHINGTON NY 11050	NONE	NONE	501(C)(3)		
LOWELL SCHOOL	1640 KALMIA ROAD NW	NONE	501(C)(3)		
WASHINGTON DC 20012	NONE	NONE	501(C)(3)		
AMER. FRIENDS OF THE LUDW	3E EAST 69TH STREET	NONE	501(C)(3)		
NEW YORK NY 10021	NONE	NONE	501(C)(3)		

Federal Statements

Statement 9 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name	Address	Relationship	Status	Purpose	Amount
STUDIO IN THE SCHOOLS ASS NEW YORK NY 10019	410 WEST 59TH STREET NONE		501(C)(3)	SUPPORT CREATIVE DEVT OF CHILDREN	3,000
CITY MEALS ON WHEELS NEW YORK NY 10017	355 LEXINGTON AVENUE NONE		501(C)(3)	TO PROVIDE FOOD TO ELDERLY NYERS	2,500
NONPROFIT COORDINATING NEW YORK NY 10018	1801 BROADWAY, SUITE 1801 NONE		501(C)(3)	TO PROMOTE AND SUPPORT NFPS IN NY	2,500
2ND STAGE THEATRE NEW YORK NY 10038	305 WEST 43RD STREET NONE		501(C)(3)	TO SUPPORT AMER. CONTEMPORARY THEATR	2,000
ANDREW GLOVER YOUTH PROGR NEW YORK NY 10013	100 CENTRE STREET NONE		501(C)(3)	TO SUPPORT JUVENILE JAIL ALTERNATIVE	2,000
FRACTURED ATLAS NEW YORK NY 10001	345 WEST 35TH STREET NONE		501(C)(3)	TO SUPPORT ARTISTS	2,000
RUBIN MUSEUM NEW YORK NY 10011	150 WEST 17TH STREET NONE		501(C)(3)	TO PROMOTE HYMALAYAN ART	2,000
WESTSIDE CAMPAIGN AGAINST NEW YORK NY 10024	263 WEST 86TH STREET NONE		501(C)(3)	SUPPORT OF EFFORTS TO CURE CANCER	2,000
EAST SIDE SETTLEMENT BRONX NY 10454	337 ALEXANDER AVE. NONE		501(C)(3)	SUPPORT COMMUNITY DEV IN THE BRON	1,500
ISRAEL CANCER RESEARCH FU NEW YORK NY 10017	345 WEST 35TH STREET NONE		501(C)(3)	SUPPORT OF CANCER RESEARCH IN ISRAEL	1,000
SYNAGAGUE FOR THE ARTS NEW YORK NY 10022	49 WHITE STREET NONE			VOID PRIOR PERIOD GRANT	-2,000
NO LONGER EMPTY NEW YORK NY 10022	150 EAST 58TH STREET NONE			VOID PRIOR PERIOD GRANT	-2,000
Total					<u>101,000</u>

AMERICAN CHAI TRUST

41 MADISON AVENUE
SUITE 4000
NEW YORK, NEW YORK 10010

GRANT APPLICATION GUIDELINES

The American Chai Trust accepts applications for grants ranging from a minimum of \$500.00 to a maximum of \$5,000.00. There are no application deadlines. No grants will be made for capital construction and priority will be given to projects dealing directly with human needs to the New York City Metropolitan area. In order to apply, the following information must be submitted. Failure to submit all of the items requested will result in an immediate denial of the application.

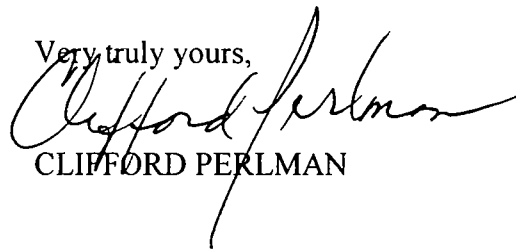
1. A description of the proposed project including a budget, proof concerning the need for the project, and the projected time that it will require to complete said project.
2. A copy of the IRS Ruling that the organization is tax exempt and is not a private foundation.
3. A copy of the organization's most recent financial statement.

ALL OF THE ABOVE INFORMATION MUST BE SUBMITTED IN QUADRUPLICATE

The Trust normally does not inform applicants that their grant application has been rejected. If you wish to receive such notification, please enclose a self-addressed postcard and typed on the pack "American Chai Trust, Application has/has not been accepted"

Please be advised that it is the trust's policy not to give grants to any recipient more than once in any 12 month period. As such any application for funds within 12 months of a prior grant application will be automatically rejected.

Very truly yours,



CLIFFORD PERLMAN

CP:jw

Please send the completed package to the attention of JOYCE WEYANT