

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

Form **990-PF**

Department of the Treasury  
 Internal Revenue Service

OMB No. 1545-0052

2006

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

For calendar year 2006, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

G Check all that apply:  Initial return  Final return  Amended return  Address change  Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation <b>THE ERNEST AND NANCY KEET FOUNDATION</b>	A Employer identification number <b>22-2784895</b>
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite <b>619 MARINA BOULEVARD</b>	B Telephone number <b>(415) 673-0697</b>
	City or town, state, and ZIP code <b>SAN FRANCISCO, CA 94123</b>	C If exemption application is pending, check here <input type="checkbox"/>

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) **\$ 2,324,171.** (Part I, column (d) must be on cash basis.)

J Accounting method:  Cash  Accrual  
 Other (specify) \_\_\_\_\_

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>		(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			N/A	
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	2,415.	2,415.		STATEMENT 1
	4 Dividends and interest from securities	45,304.	45,304.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	292,035.			
	b Gross sales price for all assets on line 6a	1,108,469.			
	7 Capital gain net income (from Part IV, line 2)		292,035.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss)					
11 Other income	653.	0.		STATEMENT 3	
12 Total. Add lines 1 through 11	340,407.	339,754.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees	4,300.	2,150.		0.
	c Other professional fees				
	17 Interest				
	18 Taxes	1,075.	1,075.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses	246.	246.		0.
	24 Total operating and administrative expenses. Add lines 13 through 23	5,621.	3,471.		0.
	25 Contributions, gifts, grants paid	142,655.			142,655.
26 Total expenses and disbursements. Add lines 24 and 25	148,276.	3,471.		142,655.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	192,131.				
b Net investment income (if negative, enter -0-)		336,283.			
c Adjusted net income (if negative, enter -0-)			N/A		

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

Form **990-PF** (2006)

623501  
01-29-07

<b>Part II Balance Sheets</b>		Attached schedules and amounts in the description column should be for end-of-year amounts only.		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1 Cash - non-interest-bearing .....			
	2 Savings and temporary cash investments .....	60,847.	45,503.	45,503.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable .....			
	6 Receivables due from officers, directors, trustees, and other disqualified persons .....			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use .....			
	9 Prepaid expenses and deferred charges .....			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock <b>STMT 7</b> .....	564,740.	554,184.	667,990.
	c Investments - corporate bonds .....			
11 Investments - land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
12 Investments - mortgage loans .....				
13 Investments - other <b>STMT 8</b> .....	1,159,808.	1,377,918.	1,610,678.	
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶ )				
<b>16 Total assets</b> (to be completed by all filers) .....	<b>1,785,395.</b>	<b>1,977,605.</b>	<b>2,324,171.</b>	
<b>Liabilities</b>	17 Accounts payable and accrued expenses .....	209.	813.	
	18 Grants payable .....			
	19 Deferred revenue .....			
	20 Loans from officers, directors, trustees, and other disqualified persons .....			
	21 Mortgages and other notes payable .....			
	22 Other liabilities (describe ▶ )			
<b>23 Total liabilities</b> (add lines 17 through 22) .....	<b>209.</b>	<b>813.</b>		
<b>Net Assets or Fund Balances</b>	<b>Foundations that follow SFAS 117, check here</b> ▶ <input type="checkbox"/>			
	<b>and complete lines 24 through 26 and lines 30 and 31.</b>			
	24 Unrestricted .....			
	25 Temporarily restricted .....			
	26 Permanently restricted .....			
	<b>Foundations that do not follow SFAS 117, check here</b> ▶ <input checked="" type="checkbox"/>			
	<b>and complete lines 27 through 31.</b>			
27 Capital stock, trust principal, or current funds .....	0.	0.		
28 Paid-in or capital surplus, or land, bldg., and equipment fund .....	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds .....	1,785,186.	1,976,792.		
<b>30 Total net assets or fund balances</b> .....	<b>1,785,186.</b>	<b>1,976,792.</b>		
<b>31 Total liabilities and net assets/fund balances</b> .....	<b>1,785,395.</b>	<b>1,977,605.</b>		

**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	1,785,186.
2 Enter amount from Part I, line 27a .....	2	192,131.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3 .....	4	1,977,317.
5 Decreases not included in line 2 (itemize) ▶ <b>NON-DEDUCTIBLE EXPENSES</b> .....	5	525.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30 .....	6	1,976,792.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE ATTACHMENT A	P	VARIOUS	VARIOUS
b SEE ATTACHMENT A	P	VARIOUS	VARIOUS
c SCHWAB - CAPITAL GAIN DISTRIBUTIONS	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 80,883.		75,724.	5,159.
b 1,003,212.		740,710.	262,502.
c 24,374.			24,374.
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) 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			5,159.
b			262,502.
c			24,374.
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	292,035.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	N/A

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No  
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2005	118,989.	2,021,210.	.058870
2004	103,857.	1,889,499.	.054965
2003	130,146.	1,543,874.	.084298
2002	91,785.	1,747,448.	.052525
2001	130,005.	1,457,280.	.089211

2 Total of line 1, column (d)	2	.339869
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	.067974
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5	4	2,041,764.
5 Multiply line 4 by line 3	5	138,787.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,363.
7 Add lines 5 and 6	7	142,150.
8 Enter qualifying distributions from Part XII, line 4	8	142,655.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

Table with 11 rows for excise tax calculations. Includes categories like 'Exempt operating foundations', 'Domestic foundations', and 'Tax due'. Total tax due is 2,355.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Columns include 'Yes' and 'No'. Questions cover political campaign influence, tax on political expenditures, and asset reporting.

**Part VII-A Statements Regarding Activities** *Continued*

<b>11a</b>	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. (see instructions)			<b>X</b>
<b>11b</b>	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?			N/A
<b>12</b>	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?			<b>X</b>
<b>13</b>	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Web site address ▶ <b>HTTP://WWW.KEET-FOUNDATION.ORG</b>		<b>X</b>	
<b>14</b>	The books are in care of ▶ <b>ERNEST E. KEET</b> Telephone no. ▶ <b>(415) 673-0697</b> Located at ▶ <b>619 MARINA BLVD., SAN FRANCISCO, CA</b> ZIP+4 ▶ <b>94123</b>			
<b>15</b>	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		<b>15</b>	N/A

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

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

	Yes	No
<b>1a</b>		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6) Agree to pay money or property to a government official? ( <b>Exception.</b> 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>b</b> If any answer is "Yes" to 1a(1)-(6), did <b>any</b> 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"/>		N/A
<b>c</b> 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 2006?		<b>X</b>
<b>2</b> 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)):		
<b>a</b> At the end of tax year 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006? If "Yes," list the years ▶ _____, _____, _____, _____.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>b</b> Are there any years listed in 2a for which the foundation is <b>not</b> 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 <b>all</b> years listed, answer "No" and attach statement - see instructions.)		N/A
<b>c</b> If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here. ▶ _____, _____, _____, _____.		
<b>3a</b> 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>b</b> If "Yes," did it have excess business holdings in 2006 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? ( <i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2006.</i> )		N/A
<b>4a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		<b>X</b>
<b>b</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 2006?		<b>X</b>

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?  Yes  No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?  Yes  No

Organizations relying on a current notice regarding disaster assistance check here  **N/A**

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

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

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

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

If you answered "Yes" to 6b, also file Form 8870.

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

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No

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

**1 List all officers, directors, trustees, foundation managers and their compensation.**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ERNEST E. KEET P.O. BOX 1199, MOIR ROAD LAKE COLBY SARANAC LAKE, NY 12983-7199	TRUSTEE 20.00	0.	0.	0.
NANCY R. KEET P.O. BOX 1199, MOIR ROAD LAKE COLBY SARANAC LAKE, NY 12983-7199	TRUSTEE 20.00	0.	0.	0.
BONNIE FALKENSTINE KEET 3130 N. MAIN STREET SOQUEL, CA 95073	TRUSTEE 1.00	0.	0.	0.

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 0

**Part VIII**

**Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *Continued*

**3 Five highest-paid independent contractors for professional services. If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
<b>Total</b> number of others receiving over \$50,000 for professional services		<b>0</b>

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

**Part IX-B Summary of Program-Related Investments**

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

	Amount
1 N/A	
2	
3 All other program-related investments. See instructions.	
<b>Total.</b> Add lines 1 through 3	
	<b>0.</b>

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:			
a	Average monthly fair market value of securities .....	1a	2,068,769.
b	Average of monthly cash balances .....	1b	4,088.
c	Fair market value of all other assets .....	1c	
d	<b>Total</b> (add lines 1a, b, and c) .....	1d	2,072,857.
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	2,072,857.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) .....	4	31,093.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4 .....	5	2,041,764.
6	<b>Minimum investment return.</b> Enter 5% of line 5 .....	6	102,088.

**Part XI Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

1	Minimum investment return from Part X, line 6 .....	1	102,088.
2a	Tax on investment income for 2006 from Part VI, line 5 .....	2a	3,363.
b	Income tax for 2006. (This does not include the tax from Part VI.) .....	2b	
c	Add lines 2a and 2b .....	2c	3,363.
3	Distributable amount before adjustments. Subtract line 2c from line 1 .....	3	98,725.
4	Recoveries of amounts treated as qualifying distributions .....	4	0.
5	Add lines 3 and 4 .....	5	98,725.
6	Deduction from distributable amount (see instructions) .....	6	0.
7	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 .....	7	98,725.

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

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:			
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26 .....	1a	142,655.
b	Program-related investments - total from Part IX-B .....	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes .....	2	
3 Amounts set aside for specific charitable projects that satisfy the:			
a	Suitability test (prior IRS approval required) .....	3a	
b	Cash distribution test (attach the required schedule) .....	3b	
4	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 .....	4	142,655.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b .....	5	3,363.
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4 .....	6	139,292.

**Note:** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2005	(c) 2005	(d) 2006
1 Distributable amount for 2006 from Part XI, line 7				98,725.
2 Undistributed income, if any, as of the end of 2005:				
a Enter amount for 2005 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2006:				
a From 2001	57,249.			
b From 2002	4,413.			
c From 2003	53,320.			
d From 2004	12,048.			
e From 2005	18,935.			
f Total of lines 3a through e	145,965.			
4 Qualifying distributions for 2006 from Part XII, line 4: ▶ \$	142,655.			
a Applied to 2005, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2006 distributable amount				98,725.
e Remaining amount distributed out of corpus	43,930.			
5 Excess distributions carryover applied to 2006 (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	189,895.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2005. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2006. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2007				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2001 not applied on line 5 or line 7	57,249.			
9 Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	132,646.			
10 Analysis of line 9:				
a Excess from 2002	4,413.			
b Excess from 2003	53,320.			
c Excess from 2004	12,048.			
d Excess from 2005	18,935.			
e Excess from 2006	43,930.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2006, 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)

Table with 5 columns: (a) 2006, (b) 2005, (c) 2004, (d) 2003, (e) Total. Rows include 2a (Adjusted net income), 2b (85% of line 2a), 2c (Qualifying distributions), 2d (Amounts included in line 2c), 2e (Qualifying distributions made directly), 3 (Alternative tests: Assets, Endowment, Support).

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).)

ERNEST E. KEET

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 [X] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

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

c Any submission deadlines:

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

**Part 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)				
<p><i>a Paid during the year</i></p> <p>SEE ATTACHMENT B</p>				142,655.
<p><b>Total</b> .....</p>				<p><b>3a</b> 142,655.</p>
<p><i>b Approved for future payment</i></p> <p>NONE</p>				0.
<p><b>Total</b> .....</p>				<p><b>3b</b> 0.</p>

Part XVI-A Analysis of Income-Producing Activities

Table with 5 main columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include Program service revenue, membership dues, interest on investments, dividends, rental income, and other revenue.

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

Table with 2 columns: Line No., Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes.



FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
CHARLES SCHWAB A/C# 3153-4285	2,415.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	2,415.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CHARLES SCHWAB A/C# 3153-4285	45,304.	0.	45,304.
TOTAL TO FM 990-PF, PART I, LN 4	45,304.	0.	45,304.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
FEDERAL TAX REFUND	653.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	653.	0.	

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREPARATION FEES	4,300.	2,150.		0.
TO FORM 990-PF, PG 1, LN 16B	4,300.	2,150.		0.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX CREDIT	1,075.	1,075.		0.
TO FORM 990-PF, PG 1, LN 18	1,075.	1,075.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CA FILING FEES	10.	10.		0.
DEPT OF JUSTICE	25.	25.		0.
BANK FEES	10.	10.		0.
MISC. EXPENSE	201.	201.		0.
TO FORM 990-PF, PG 1, LN 23	246.	246.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
20,000 MICROSOFT CORP	509,154.	597,200.
1,000 ROYAL DTCH	45,030.	70,790.
348.83 ALPINE US REAL ESTATE	0.	0.
TOTAL TO FORM 990-PF, PART II, LINE 10B	554,184.	667,990.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
2,235.1360 BARON PARTNERS FUND	50,000.	49,933.
1,520.677 AMERICAN CENTURY REAL	38,483.	46,168.
526.8840 COHEN AND STEERS REALTY	44,215.	47,130.
5,172.19 JANUS ORION FUND	44,800.	50,998.
1,679.698 FBR GAS UTILITY INDEX	24,002.	34,367.
303.378 FBR SMALL CAP FUND	10,393.	16,337.
1,911.263 JANUS OVERSEAS FUND	84,000.	88,491.
2,390.42 JENNISON UTILITY FUND	41,134.	33,777.
5,337.621 LOOMIS SAYLES GLOBAL BD	83,000.	81,559.
5,069.403 MARSICO INTERNATIONAL	84,000.	85,724.
2,861.73 MATTHEWS PACIFIC TIGER	35,886.	67,852.
257,599.80 SCHWAB VALUE ADVANTAGE	257,600.	257,600.
980.865 T ROWE PRICE GROWTH	22,853.	31,025.
2,396.295 T ROWE PRICE LATIN	35,477.	90,436.
1,178.405 T ROWE PRICE MEDIA AND	26,579.	50,883.
4,607.978 T ROWE PRICE NEW ASIA FD	67,050.	65,479.
2,096.945 VANGUARD EMERGING MKTS	39,923.	50,893.
519.494 VANGUARD ENERGY FUND	16,695.	33,575.
1,094.885 VANGUARD GROWTH INDEX FD	26,835.	32,594.
5,850.196 VANGUARD TOTAL INTL	64,684.	103,373.
608.766 WILLIAM BLAIR SMALL CAP	15,000.	15,469.
3,028.933 METROPOLITAN WEST	33,500.	33,470.
1,187.767 ROYCE VALUE PLUS FUND	16,700.	16,736.
702.566 SCHRODER U.S.OPPTY FUND	16,700.	15,421.
5,736.301 VANGUARD PACIFIC STOCK	67,050.	71,302.
4,087.591 AMANA GROWTH FUND	84,000.	84,491.
355 ISHARES MSCI EMRG MKT FD	33,661.	40,530.
255 ISHARES TR DJ US BASIC	13,698.	15,065.
TOTAL TO FORM 990-PF, PART II, LINE 13	<u>1,377,918.</u>	<u>1,610,678.</u>