

Return of Organization Exempt From Income Tax

2001

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2001 calendar year, or tax year period beginning JUL 1 2001 and ending JUN 30 2002

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return
 Amended return
 Application pending

C Name of organization: KAMEHAMEHA ACTIVITIES ASSOCIATION
 Number and street (or P O box if mail is not delivered to street address): 567 SOUTH KING STREET
 City or town, state or country, and ZIP + 4: HONOLULU HI 96813

D Employer identification number: 51-0190227

E Telephone number: (808) 523-6299

F Accounting method: Cash Accrual
 Other (specify) _____

G Web site: N/A

H and **I** are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates: _____
H(c) Are all affiliates included? N/A Yes No (If "No," attach a list.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Enter 4-digit GEN: _____

J Organization type (check only one): 501(c) (3) (insert no) 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12: 7,026,479,239

M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

* Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

1	Contributions, gifts, grants, and similar amounts received			
a	Direct public support	1a	<u>27,715.</u>	
b	Indirect public support	1b		
c	Government contributions (grants)	1c		
d	Total (add lines 1a through 1c) (cash \$ <u>27,715.</u> noncash \$ _____)	1d	<u>27,715.</u>	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		
3	Membership dues and assessments	3		
4	Interest on savings and temporary cash investments	4		
5	Dividends and interest from securities	5	<u>67,802,948.</u>	
6 a	Gross rents	6a		
b	Less rental expenses	6b		
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7	Other investment income (describe _____)	7		
8 a	Gross amount from sale of assets other than inventory	(A) Securities	<u>6,958,207,398.</u>	(B) Other
b	Less cost or other basis and sales expenses	8a	<u>441,178.</u>	8b
c	Gain or (loss) (attach schedule)	8b	<u>833,971.</u>	8c
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c	<u><392,793.</u>	8d
9	Special events and activities (attach schedule)			
a	Gross income (not including \$ _____ of contributions reported on line 1a)	9a		
b	Less direct expenses other than fundraising expenses	9b		
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c		
10 a	Gross sales of inventory, less returns and allowances	10a		
b	Less cost of goods sold	10b		
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		
11	Other revenue (from Part VII, line 103)	11		
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	<u>313,702,408.</u>	
13	Program services (from line 44, column (B))	13	<u>43,148,713.</u>	
14	Management and general (from line 44, column (C))	14	<u>1,358,647.</u>	
15	Fundraising (from line 44, column (D))	15		
16	Payments to affiliates (attach schedule)	16		
17	Total expenses (add lines 16 and 44, column (A))	17	<u>44,507,360.</u>	
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	<u>269,195,048.</u>	
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	<u>2,327,312,955.</u>	
20	Other changes in net assets or fund balances (attach explanation)	20	<u><2,596,508,003.</u>	
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	<u>0.</u>	

Part II Revenue

Part III Expenses

Part IV Net Assets

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Part II Statement of Functional Expenses

All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include: 22 Grants and allocations (attach schedule) cash \$ 37,075,857, noncash \$; 31 Accounting fees 234,418; 32 Legal fees 700,150; 39 Travel 5,149; 43e SEE STATEMENT 4 6,491,766; 44 Total functional expenses (add lines 22 through 43) 44,507,360.

Joint Costs Check [] if you are following SOP 98-2
Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? [] Yes [x] No
If "Yes," enter (i) the aggregate amount of these joint costs \$, (ii) the amount allocated to Program services \$, (iii) the amount allocated to Management and general \$, and (iv) the amount allocated to Fundraising \$

Part III Statement of Program Service Accomplishments

Table with 2 columns: Description, Program Service Expenses. Row a: SEE STATEMENT 16 (Grants and allocations \$ 37,075,857) 43,148,713. Row e: Other program services (attach schedule) (Grants and allocations \$)

Part IV Balance Sheets

Note		(A)		(B)
Where required, attached schedules and amounts within the description column should be for end-of-year amounts only		Beginning of year		End of year
Assets	45 Cash - non-interest-bearing	3,927,373	45	
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable	47a		
	b Less allowance for doubtful accounts	47b	47c	
	48 a Pledges receivable	48a		
	b Less allowance for doubtful accounts	48b	48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees		50	
	51 a Other notes and loans receivable	51a		
	b Less allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges		53	
	54 Investments - securities <u>STMT 6</u> <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	2,070,759,695	54	0.
	55 a Investments - land, buildings, and equipment basis	55a		
	b Less accumulated depreciation	55b	55c	
56 Investments - other <u>SEE STATEMENT 7</u>	217,486,680	56	0.	
57 a Land, buildings, and equipment basis	57a			
b Less accumulated depreciation	57b	57c		
58 Other assets (describe <u>SEE STATEMENT 8</u>)	39,394,859	58	0.	
59 Total assets (add lines 45 through 58) (must equal line 74)	2,331,568,607	59	0.	
Liabilities	60 Accounts payable and accrued expenses	1,835,652	60	
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable		64b	
	65 Other liabilities (describe <u>INCOME TAX PAYABLE</u>)	2,420,000	65	0.
66 Total liabilities (add lines 60 through 65)	4,255,652	66	0.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	2,327,312,955	67	0.
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72, column (A) must equal line 19; column (B) must equal line 21)	2,327,312,955	73	0.	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)	2,331,568,607	74	0.	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a Total revenue, gains, and other support per audited financial statements	a N/A
b Amounts included on line a but not on line 12, Form 990	
(1) Net unrealized gains on investments \$ _____	
(2) Donated services and use of facilities \$ _____	
(3) Recoveries of prior year grants \$ _____	
(4) Other (specify) _____	
Add amounts on lines (1) through (4)	b
c Line a minus line b	c
d Amounts included on line 12, Form 990 but not on line a	
(1) Investment expenses not included on line 6b, Form 990 \$ _____	
(2) Other (specify) _____	
Add amounts on lines (1) and (2)	d
e Total revenue per line 12, Form 990 (line c plus line d)	e

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a Total expenses and losses per audited financial statements	a N/A
b Amounts included on line a but not on line 17, Form 990	
(1) Donated services and use of facilities \$ _____	
(2) Prior year adjustments reported on line 20, Form 990 \$ _____	
(3) Losses reported on line 20, Form 990 \$ _____	
(4) Other (specify) _____	
Add amounts on lines (1) through (4)	b
c Line a minus line b	c
d Amounts included on line 17, Form 990 but not on line a	
(1) Investment expenses not included on line 6b, Form 990 \$ _____	
(2) Other (specify) _____	
Add amounts on lines (1) and (2)	d
e Total expenses per line 17, Form 990 (line c plus line d)	e

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated)

(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 & deferred compensation	(E) Expense account and other allowances
R. KIHUNE 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	DIRECTOR 1 HR. / WEEK	0.	0.	0.
D. ING 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	DIRECTOR 1 HR. / WEEK	0.	0.	0.
W. CHIN 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	PRESIDENT 5 HRS / WEEK	0.	0.	0.
C. WONG 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	VICE PRESIDENT 1 HR. / WEEK	0.	0.	0.
E. YEAMAN 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	TREASURER 1 HR. / WEEK	0.	0.	0.
A. YEE 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	SECRETARY 1 HR. / WEEK	0.	0.	0.
C. LAU 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	DIRECTOR 1 HR. / WEEK	0.	0.	0.
D. PLOTTS 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	DIRECTOR 1 HR. / WEEK	0.	0.	0.
N. THOMPSON 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	DIRECTOR 1 HR. / WEEK	0.	0.	0.

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	X	
SEE STATEMENT 11			
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	X	
b	If "Yes," enter the name of the organization <u>SEE STATEMENT 10</u> and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures See line 81 instructions	81a	0.
b	Did the organization file Form 1120-POL for this year?	81b	X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)	82b	
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	N/A
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	85a	N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	85b	N/A
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) organizations Enter a Gross income from members or shareholders	87a	N/A
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	X
89 a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <u>0.</u> , section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
b	501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		0.
90 a	List the states with which a copy of this return is filed <u>N/A</u>		
b	Number of employees employed in the pay period that includes March 12, 2001	90b	0
91	The books are in care of <u>WALLACE CHIN</u> Telephone no <u>(808) 523-6299</u> Located at <u>567 S. KING STREET, SUITE 150, HONOLULU, HI</u> ZIP + 4 <u>96813</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>N/A</u>	92	N/A

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 32)

Note Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	67,802,948.	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory	900000	<392,793.>	18	246,264,538.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		<392,793.>		314,067,486.	0.
105 Total (add line 104, columns (B), (D), and (E))					313,674,693.

Note Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See Specific Instructions on page 32)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
▼	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 33)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
BISHOP HOLDING CORP., 2201 KALAKAUA AVE, STE A-500 HON, HI 96815, 99-0335777	100.00%	HOLDING COMPANY	20,560,376.	258,491,171.

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See Specific Instructions on page 33)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

I have prepared this return and accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete, and I am a duly licensed professional preparer of this return, and I am not aware of any information of which preparer has any knowledge

13/03

WALLACE G.K. CHIN, TREASURER *

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

2001

Name of the organization

KAMEHAMEHA ACTIVITIES ASSOCIATION

Employer identification number

51 0190227

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions List each one If there are 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 & deferred compensation	(e) Expense account and other allowances
<u>NONE</u>				
Total number of other employees paid over \$50,000	▶ 0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<u>MILLER & CHEVALIER</u>		
<u>655 FIFTEENTH STREET NW, SUITE 900, WA, DC 20005</u>	<u>LEGAL</u>	<u>556,590.</u>
<u>PRICEWATERHOUSECOOPERS LLP</u>		
<u>1301 K STREET NW, 800W, WA, DC 20005</u>	<u>TAX CONSULTANTS</u>	<u>217,539.</u>
<u>CRAVATH, SWAIN & MOORE</u>		
<u>WORLDWIDE PLAZA, 825 EIGHTH AVE, NY, NY 10019</u>	<u>LEGAL</u>	<u>133,000.</u>
Total number of others receiving over \$50,000 for professional services	▶ 0	

Part III Statements About Activities (See page 2 of the instructions.)

Yes	No
-----	----

1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B)

1		X
---	--	---

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities

2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions) **SEE STATEMENT 12**

a Sale, exchange, or leasing of property?

2a		X
----	--	---

b Lending of money or other extension of credit?

2b		X
----	--	---

c Furnishing of goods, services, or facilities?

2c		X
----	--	---

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

2d		X
----	--	---

e Transfer of any part of its income or assets?

2e	X	
----	---	--

3 Does the organization make grants for scholarships, fellowships, student loans, etc ? (See Note below)

3	X	
---	---	--

4 Do you have a section 403(b) annuity plan for your employees?

4		X
---	--	---

Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments

SEE STATEMENT 13

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions)

The organization is not a private foundation because it is (Please check only ONE applicable box.)

5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)

6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)

7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).

8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)

9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ► _____

10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A.)

11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)

11b A community trust. Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)

12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A.)

13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations. (See page 5 of the instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above
KAMEHAMEHA SCHOOLS	6

14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting. **N/A**
 Note You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
23 Total of lines 15 through 22	0.	0.	0.	0.	0.
24 Line 23 minus line 17					
25 Enter 1% of line 23					

26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24	▶	26a	N/A
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1997 through 2000 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.		▶	26b	N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e)		▶	26c	N/A
d Add: Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____		▶	26d	N/A
e Public support (line 26c minus line 26d total)		▶	26e	N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))		▶	26f	N/A %

27 Organizations described on line 12	a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year:	(2000)	(1999)	(1998)	(1997)
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:	(2000)	(1999)	(1998)	(1997)	
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____		▶	27c	N/A	
d Add: Line 27a total _____ and line 27b total _____		▶	27d	N/A	
e Public support (line 27c total minus line 27d total)		▶	27e	N/A	
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)	▶	27f	N/A		
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))		▶	27g	N/A %	
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))		▶	27h	N/A %	

28 Unusual Grants: For an organization described in line 10, 11, or 12, that received any unusual grants during 1997 through 2000, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 7 of the instructions)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain. (If you need more space, attach a separate statement.)		
<hr/>			
<hr/>			
32	Does the organization maintain the following.		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement.)	32d	
<hr/>			
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement.)	33h	
<hr/>			
<hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check a if the organization belongs to an affiliated group Check b if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table -		
	If the amount on line 40 is -		
	Not over \$500,000		
	Over \$500,000 but not over \$1,000,000		
	Over \$1,000,000 but not over \$1,500,000		
	Over \$1,500,000 but not over \$17,000,000		
	Over \$17,000,000		
	The lobbying nontaxable amount is -		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000		
	\$225,000 plus 5% of the excess over \$1,500,000		
	\$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

Caution If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period					N/A
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total	
45	Lobbying nontaxable amount					0.
46	Lobbying ceiling amount (150% of line 45(e))					0.
47	Total lobbying expenditures					0.
48	Grassroots nontaxable amount					0.
49	Grassroots ceiling amount (150% of line 48(e))					0.
50	Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a Volunteers
 - b Paid staff or management (Include compensation in expenses reported on lines e through h)
 - c Media advertisements
 - d Mailings to members, legislators, or the public
 - e Publications, or published or broadcast statements
 - f Grants to other organizations for lobbying purposes
 - g Direct contact with legislators, their staffs, government officials, or a legislative body
 - h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
 - i Total lobbying expenditures (Add lines e through h)
- If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Yes	No	Amount
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	
		0.

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions)

51 Did the reporting 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 organization to a noncharitable exempt organization of

(i) Cash

(ii) Other assets

b Other transactions:

(i) Sales or exchanges of assets with a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities, equipment, or other assets

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

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

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 organization. If the organization 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

Table with 2 columns: Yes, No. Rows include 51a(i), a(ii), b(i), b(ii), b(iii), b(iv), b(v), b(vi), and c. 'No' column has 'X' marks for all rows.

N/A

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. All cells are empty.

52 a Is the organization 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 (X)

b If "Yes," complete the following schedule

N/A

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. All cells are empty.

FORM 990	GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES			STATEMENT	1
DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)	
5,455,197 SHRS GOLDMAN SACHS VARIOUS EXTERNALLY MANAGED FUNDS	507,333,321.	100,834,547.	0.	406,498,774.	
	6,450,874,077.	6,611,108,313.	0.	<160,234,236.>	
TO FORM 990, PART I, LINE 8	6,958,207,398.	6,711,942,860.	0.	246,264,538.	

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 2

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED		
GAIN FROM GOLDMAN SACHS INVESTMENT			PURCHASED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	441,178.	0.	0.	0.	441,178.

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED		
BASIS ADJUSTMENT FROM GOLDMAN SACHS INVESTMENT			PURCHASED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	0.	833,971.	0.	0	<833,971.>
TO FM 990, PART I, LN 8	441,178.	833,971.	0.	0.	<392,793.>

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 3

DESCRIPTION	AMOUNT
TRANSFER OF KAA INVESTMENT ASSETS TO KS MERGER INTO KAPF	<2,340,345,065.>
EQUITY IN SUBSIDIARIES AND AFFILIATES	<6,031,250.>
BOOK > TAX PARTNERSHIP INCOME	1,532,717.
UNREALIZED LOSS ON INVESTMENTS	23,980,499.
GAIN FROM GOLDMAN SACHS INVESTMENT	<275,455,578.>
BASIS ADJUSTMENT FROM GOLDMAN SACHS INVESTMENT	<441,178.>
TRUE UP OF INVESTMENT IN BHC & OTHER ADJUSTMENTS	833,971.
ROUNDING	<582,118.>
	<1.>
TOTAL TO FORM 990, PART I, LINE 20	<2,596,508,003.>

FORM 990 OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
PROFESSIONAL FEES - INVESTMENTS	6,072,856.	6,072,856.		
GENERAL EXCISE TAX	<1,732.>		<1,732.>	
INCOME TAX PROVISION	<393,563.>		<393,563.>	
INSURANCE	738,295.		738,295.	
PROFESSIONAL FEES - OTHER	75,192.		75,192.	
MISCELLANEOUS	718.		718.	
TOTAL TO FM 990, LN 43	6,491,766.	6,072,856.	418,910.	

FORM 990

CASH GRANTS AND ALLOCATIONS

STATEMENT 5

CLASSIFICATION	DONEE'S NAME	DONEE'S ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
SEE STATEMENT 14			NONE	37,075,857.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22				37,075,857.

FORM 990

NON-GOVERNMENT SECURITIES

STATEMENT 6

SECURITY DESCRIPTION	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
COMMON STOCK AND EXTERNAL MANAGED FUNDS	0.				
CORPORATE BONDS		0.			
TO 990, LN 54 COL B		0.			

FORM 990	OTHER INVESTMENTS	STATEMENT	7
DESCRIPTION	VALUATION METHOD	AMOUNT	
NON-PUBLIC EQUITY	MARKET VALUE	0.	
PARTNERSHIP INTERESTS	MARKET VALUE	0.	
INVESTMENT IN AFFILIATES	COST	0.	
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		0.	

FORM 990	OTHER ASSETS	STATEMENT	8
DESCRIPTION		AMOUNT	
INCOME TAX RECEIVABLE			0.
INVESTMENT/INTEREST RECEIVABLE			0.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B			0.

FORM 990

PART V - OFFICER COMPENSATION FROM
RELATED ORGANIZATIONS

STATEMENT 9

OFFICER'S NAME	NAME OF RELATED ORGANIZATION	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
R. KIHUNE	KAMEHAMEHA SCHOOLS	111,500.	0.	0.
D. ING	KAMEHAMEHA SCHOOLS	113,500.	0.	0.
W. CHIN	KE ALII PAUHI FOUNDATION	116,402.	8,663.	0.
C. WONG	KAMEHAMEHA SCHOOLS	168,831.	9,231.	0.
E. YEAMAN	KAMEHAMEHA SCHOOLS	270,877.	9,467.	0.
A. YEE	KAMEHAMEHA SCHOOLS	102,833.	1,311.	0.
D. PLOTTS	KAMEHAMEHA SCHOOLS	100,500.	0.	0.
N. THOMPSON	KAMEHAMEHA SCHOOLS	100,500.	0.	0.

FORM 990

IDENTIFICATION OF RELATED ORGANIZATIONS
PART VI, LINE 80B

STATEMENT 10

NAME OF ORGANIZATION

EXEMPT

NONEXEMPT

KAMEHAMEHA SCHOOLS

x

KE ALI'I PAUHI FOUNDATION

x

FORM 990

STATEMENT CONCERNING LIQUIDATION,
TERMINATION, ETC. - PART VI, LINE 79

STATEMENT 11

EXPLANATION

SEE STATEMENT 17

SCHEDULE A STATEMENT REGARDING ACTIVITIES WITH STATEMENT 12
SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS,
CREATORS, KEY EMPLOYEES, ETC.,.
PART III, LINE 2

LINE 2(E)- THE ORGANIZATION CONTRIBUTED ADDITIONAL CAPITAL IN THE AMOUNT OF
\$70,873,306 TO ITS TAXABLE SUBSIDIARY, BISHOP HOLDINGS CORPORATION, UNDER
IRC SEC. 118.
SEE STATEMENT 17 FOR DETAIL OF MERGER.

SCHEDULE A EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS STATEMENT 13
PART III, LINE 4

KAMEHAMEHA ACTIVITIES ASSOCIATION PROVIDES MERIT BASED SCHOLARSHIPS AND GRANTS TO STUDENTS OF KAMEHAMEHA SCHOOLS IN ORDER TO INCREASE THE OPPORTUNITIES AVAILABLE GIVING PREFERENCE TO CHILDREN OF HAWAIIAN ANCESTRY IN THEIR PURSUIT OF EDUCATION TO THE EXTENT PERMITTED BY LAW.

FINANCIAL ASSISTANCE IS PROVIDED IN THE FORM OF SPECIAL PROGRAMS AND COMMUNITY SCHOLARSHIPS.

THE SELECTION PROCESS VARIES DEPENDING ON SCHOLARSHIP STIPULATIONS. HOWEVER, IN GENERAL, THE SELECTION PROCESS IS PERFORMED BY FINANCIAL AID, COUNSELING OFFICE OR AN INDEPENDENT SELECTION COMMITTEE. THE SCHOLARSHIP DOCUMENTS ARE PREPARED BY THE GROUP DESIGNATED TO MAKE THE SCHOLARSHIP SELECTION.

FORM 990, PART II - STATEMENT OF FUNCTIONAL EXPENSES, LINE 22

GRANTS PAID

KAMEHAMEHA SCHOOLS P O BOX 3466 HONOLULU, HI 96801	PARENT MEMBER EXEMPT	\$36,966,500
VARIOUS MERIT SCHOLARS DETAIL AVAILABLE UPON REQUEST		<u>109,357</u>
TOTAL CONTRIBUTIONS PAID		<u>\$37,075,857</u>

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE

KAMEHAMEHA ACTIVITIES ASSOCIATION IS OPERATED EXCLUSIVELY FOR THE BENEFIT OF, TO PERFORM PART OF THE FUNCTION OF, AND TO CARRY OUT THE PURPOSES OF KAMEHAMEHA SCHOOLS IN SUPPORT OF THE CHARITABLE, SCIENTIFIC, LITERARY, AND EDUCATIONAL PURPOSES OF KAMEHAMEHA SCHOOLS

KAMEHAMEHA ACTIVITIES ASSOCIATION MAKES FUNDS AVAILABLE TO KAMEHAMEHA SCHOOLS TO SUPPORT AND ADVANCE THE MISSION, VISION, AND GOALS OF THE SCHOOL AND IS AN INTERGRAL PART OF KAMEHAMEHA SCHOOLS

FORM 990, PART III - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

KAMEHAMEHA ACTIVITIES ASSOCIATION PERFORMS ESSENTIAL SERVICES FOR KAMEHAMEHA SCHOOLS SUCH AS ENDOWMENT INVESTMENT AND MANAGEMENT

KAMEHAMEHA SCHOOLS USES GRANTS RECEIVED FROM KAMEHAMEHA ACTIVITIES ASSOCIATION TO ASSIST IN SERVING APPROXIMATELY 4,835 FULL-TIME STUDENTS AND APPROXIMATELY 8,999 PARTICIPANTS THROUGH ITS EDUCATIONAL EXTENSION PROGRAMS (E G SUMMER PROGRAMS, GRANTS, K-3 READING PROGRAMS AND KS/DOE PROGRAMS) THE PROGRAMS FOCUS ON PROVIDING EDUCATION GIVING PREFERENCE TO CHILDREN OF HAWAIIAN ANCESTRY TO THE EXTENT PERMITTED BY LAW

EFFECTIVE JUNE 28, 2002, UNDER THE REQUIREMENT OF THE INTERNAL REVENUE SERVICE CLOSING AGREEMENT FOR FISCAL YEAR ENDED JUNE 30, 1999, KAMEHAMEHA ACTIVITIES ASSOCIATION (KAA) MERGED INTO KE ALI PAUHI FOUNDATION (KAPF), A HAWAII NONPROFIT CORPORATION, WITH KAPF CONTINUING AS THE SURVIVING CORPORATION PRIOR TO MERGER, KAA TRANSFERRED MAJORITY OF KAA'S ASSETS TO KAMEHAMEHA SCHOOLS ALL REMAINING ASSETS WERE MERGED INTO KAPF

THE FOLLOWING ARE ATTACHED

- EXHIBIT 1 PLAN AND AGREEMENT OF MERGER DATED JUNE 21, 2002
- EXHIBIT 2 ARTICLES OF MERGER FILED JUNE 26, 2002
- EXHIBIT 3 CERTIFICATE OF MERGER

PLAN AND AGREEMENT OF MERGER

This PLAN AND AGREEMENT OF MERGER (this "Plan"), dated June 21, 2002, is by and between KAMEHAMEHA ACTIVITIES ASSOCIATION and KE ALI'I PAUAHI FOUNDATION.

WHEREAS, Kamehameha Activities Association ("KAA") is (1) a Hawai'i nonprofit corporation, with its principal place of business at 567 South King Street, Suite 200, Honolulu Hawai'i 96813 and with a Board of Directors and Members consisting solely of the five (5) Trustees of Kamehameha Schools ("KS"), serving and acting in their capacity as said Trustees and not in their individual capacities, and (2) a tax exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and a supporting organization for KS under Section 509(a)(3) of the Code;

WHEREAS, Ke Ali'i Pauahi Foundation ("KAPF"), formerly known as Ke Ali'i Pauahi Scholarship Fund, is also (1) a Hawai'i nonprofit corporation, with its principal place of business at 567 South King Street, Suite 200, Honolulu Hawai'i 96813 and with a Board of Directors and Members consisting solely of the five (5) Trustees of KS, serving and acting in their capacity as said Trustees and not in their individual capacities, and (2) a tax exempt charitable organization under Section 501(c)(3) of the Code and a supporting organization for KS under Section 509(a)(3) of the Code; and

WHEREAS, KAA and KAPF desire that KAA merge into KAPF, with KAPF continuing as the surviving corporation, in accordance with the laws of the State of Hawai'i.

NOW, THEREFORE, the parties hereby agree as follows:

1. Merger. KAA shall be merged into KAPF, with KAPF continuing as the surviving corporation, in accordance with the provisions of Hawai'i Revised Statutes §§415B and any other applicable laws of the State of Hawai'i. Prior to the merger, KAA shall transfer all of its assets (except funds contributed to KAA from third parties for scholarships) to Kamehameha Schools. On and after the effective date of this merger

a. KAA shall cease to exist, and all of its property shall be vested in KAPF, as the surviving corporation, without further act or deed,

b. KAPF shall be the surviving corporation and shall continue to exist as a Hawai'i nonprofit corporation, with all of the rights, privileges, immunities and powers and subject to all of the duties, liabilities and obligations of such a surviving corporation under the laws of the State of Hawai'i;

c. The Articles of Incorporation and Bylaws of KAPF, as amended to date, shall continue as the Articles of Incorporation and Bylaws of KAPF, until further amended; and

d. The Directors and Members of KAPF shall continue as the Directors and Members of KAPF, until their successors are duly elected and qualified

2. Articles of Merger. Upon the execution of this Plan, KAA and KAPF shall (i) carry out the merger contemplated by this Plan in accordance with Hawai'i Revised Statutes §§415B and any other applicable laws of the State of Hawai'i by executing and filing Articles of Merger in the form attached hereto as Exhibit A or in such other form as may be required by the State of Hawai'i (the "Articles of Merger"), and (ii) perform any and all further acts necessary or proper to render effective the merger

contemplated by this Plan. The merger shall be effective on the date and time set forth in the Articles of Merger.

3. Approvals and Authority. The Members and Boards of Directors of KAA and KAPF have approved this Plan and authorized their corporate officers to execute this Plan and the Articles of Merger and perform any and all further acts necessary or proper to render effective the merger contemplated by this Plan. This Plan has also been approved by the First Circuit Court of the State of Hawai'i.

IN WITNESS WHEREOF, the parties have executed this Plan as of the date first set forth above.

KAMEHAMEHA ACTIVITIES ASSOCIATION,
a Hawai'i nonprofit corporation

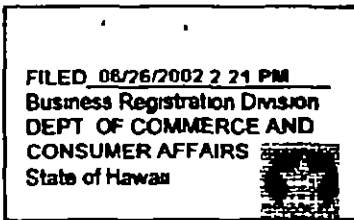
By: William H. C.
Its President

By: Allen King
Its Vice-President

KE ALI' I PAUAHI FOUNDATION,
a Hawai'i nonprofit corporation

By: Harold A. ...
Its President

By: Robert ...
Its Vice-President



ARTICLES OF MERGER

(Section 415B-64 Hawaii Revised Statutes)

101964 D2

The undersigned, duly authorized officers of the corporation submitting these Articles of Merger, certify as follow

- 1 The names and state of incorporation of the corporations proposing to merge are:

	<u>Name</u>	<u>State</u>
29519 D2	Kamehameha Activities Association	Hawaii
101964 D2	Ke Alii Pauahi Foundation	Hawaii

2. The name and state of incorporation of the surviving corporation is:

<u>Name</u>	<u>State</u>
Ke Alii Pauahi Foundation	Hawaii

- 3 The Plan of Merger has been approved by the board of directors of each corporation involved in this merger in accordance with Hawaii Revised Statute 415B-83

- 4 The Plan of Merger was adopted by the unanimous consent in writing signed by all members entitled to vote with respect to the surviving corporation.

- 5 The Plan of Merger was adopted by the unanimous consent in writing signed by all members entitled to vote with respect to the merging corporation.

- 6 Changes in the Articles of Incorporation of the surviving corporation to be effected by the merger, if any, are attached.

None

08/27/2002 20003

7 The merger is effective on the date and time of filing the Articles of Merger or at a later date and time, no more than 30 days after the filing, if so stated. Check one of the following statements.

Merger is effective on the date and time of filing the Article of Merger

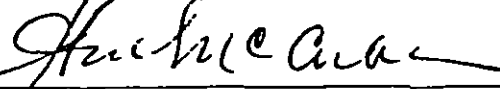
Merger is effective on June 28, 2002 at 11:59 p.m., Hawaiian Standard Time, which date is not later than 30 days after the filing of the Article of Merger

We certify under the penalties of Section 415B-158, Hawaii Revised Statutes, that we have read the above statements and that the same are true and correct

Signed this 26th day of June, 2002


Surviving corporation: Ke Ahi Pauahi Foundation

Hamilton I. McCabbin, President



Signature of Officer

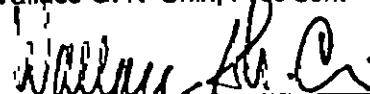
Rockne Freitas, Vice President



Signature of Officer

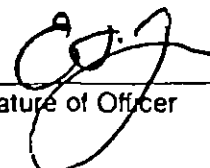
Merging corporation: Kamehameha Activities Association

Wallace G. K. Chin, President



Signature of Officer

Eric K. Yeaman, Treasurer



Signature of Officer



Department of Commerce and Consumer Affairs

CERTIFICATE OF MERGER

I, KATHRYN S. MATAYOSHI, Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that KAMEHAMEHA ACTIVITIES ASSOCIATION, a Hawaii corporation has been merged with and into KE ALI'I PAUAHI FOUNDATION, a Hawaii corporation; that the name of the surviving corporation is KE ALI'I PAUAHI FOUNDATION, that the Articles of Merger in conformity with Chapter 415B, Hawaii Revised Statutes, was filed in the Department of Commerce and Consumer Affairs on June 26, 2002, and that the merger became effective on June 28, 2002, at 11:59 p.m.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, State of Hawaii, this 1st day of July, 2002.

Director of Commerce and Consumer
Affairs



• If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** and check this box **Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

• If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time — Must File Original and One Copy.

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization KAMEHAMEHA ACTIVITIES ASSOCIATION	Employer identification number 51-0190227
	Number, street, and room or suite no. If a P.O. box, see instructions. 567 SOUTH KING STREET, SUITE 150	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. HONOLULU, HI 96813	

Check type of return to be filed (File a separate application for each return):

Form 990 Form 990-EZ Form 990-T (sec. 401(a) or 408(a) trust) Form 1041-A Form 5227 Form 8870

Form 990-BL Form 990-PF Form 990-T (trust other than above) Form 4720 Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• If the organization does not have an office or place of business in the United States, check this box

• If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until MAY 15, 2003.

5 For calendar year _____, or other tax year beginning JULY 1, 2001 and ending JUNE 30, 2002.

6 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

7 State in detail why you need the extension ADDITIONAL TIME IS NEEDED TO GATHER THE INFORMATION NECESSARY TO PREPARE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ 0

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ 0

c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ 0.00

Signature and Verification

Under penalties of perjury I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature *Carl Thomas* Title AGENT-CPA Date 2/17/03

Notice to Applicant — To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return.
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- We have not approved this application. After considering the reasons stated in Item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
- Other _____

Director _____ By _____ Date _____

Alternate Mailing Address — Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	Name
	Number and street (include suite, room, or apt. no.) Or a P.O. box number
	City or town, province or state, and country (including postal or ZIP code)

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box
- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II (on page 2 of this form)

Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time — Only submit original (no copies needed)
 Note: Form 990-T corporations requesting an automatic 6-month extension — check this box and complete Part I only . . .
 All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns
 Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041

Type or print File by the due date for filing your return See instructions	Name of Exempt Organization KAMEHAMEHA ACTIVITIES ASSOCIATION	Employer identification number 51-0190227
	Number, street, and room or suite no. If a P O box, see instructions 567 SOUTH KING STREET, SUITE 150	
	City, town or post office, state, and ZIP code For a foreign address, see instructions HONOLULU HI 96813	

Check type of return to be filed (file a separate application for each return)*

- | | | |
|----------------------------------------------|------------------------------------------------------------------|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until FEBRUARY 15, 20 03, to file the exempt organization return for the organization named above. The extension is for the organization's return for
 ▶ calendar year 20 ____ or
 ▶ tax year beginning JULY 1, 20 01, and ending JUNE 30, 20 02

2 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions \$ _____

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit \$ _____

c Balance Due. Subtract line 3b from line 3a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions \$ _____ **NONE**

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ Walter K. C. Title ▶ Treasurer Date ▶ 9/30/02

For Paperwork Reduction Act Notice, see instruction **Ke Ali'i Pauahi Foundation, as Successor-In-Interest by Merger to Kamehameha Activities Associati** Form 8868 (12-2000)