

1065

U.S. Return of Partnership Income

OMB No. 1545-0046

Form Department of the Treasury Internal Revenue Service

For calendar year 2008, or tax year beginning ending

2008

Header section containing: A Principal business activity (RESEARCH), B Principal product or service (SERVICE), C Business code number (519100), Name of partnership (ASIA ECONOMIC INSTITUTE LLC), Address (11766 WILSHIRE BOULEVARD STE 260, LOS ANGELES, CA 90025), Date business started (04/06/2006), Total assets (\$ 54,166.), and checkboxes for applicable boxes and accounting methods.

Caution. Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Main table with 22 rows for income and deductions. Includes sub-columns 1a, 1b, 1c, 16a, 16b, 16c. Total income (line 8) is 1,633. Total deductions (line 21) is 13,420. Ordinary business income (line 22) is <13,420.>

Asia Economic Institute et al v. Xcentric Ventures LLC et al

Doc. 68 Att. 4

Sign Here section with signature of Diana Domercq, date 12-3-07, and checkbox for 'May the IRS discuss this return with the preparer shown below' (checked Yes).

Paid Preparer's Use Only section with preparer's signature, date 12/3/07, and checkboxes for self-employed and EIN/Phone no.

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Form 1065 (2008)

**Schedule A Cost of Goods Sold** (see the instructions)

1	Inventory at beginning of year	1
2	Purchases less cost of items withdrawn for personal use	2
3	Cost of labor	3
4	Additional section 263A costs (attach statement)	4
5	Other costs (attach statement)	5
6	<b>Total.</b> Add lines 1 through 5	6
7	Inventory at end of year	7
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2	8

9 a Check all methods used for valuing closing inventory:

(i)  Cost as described in Regulations section 1.471-3

(ii)  Lower of cost or market as described in Regulations section 1.471-4

(iii)  Other (specify method used and attach explanation) ▶ \_\_\_\_\_

b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c)

c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)

d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership?  Yes  No

e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No

If "Yes," attach explanation.

**Schedule B Other Information**

1 What type of entity is filing this return? Check the applicable box:

a  Domestic general partnership    b  Domestic limited partnership

c  Domestic limited liability company    d  Domestic limited liability partnership

e  Foreign partnership    f  Other ▶ \_\_\_\_\_

2 At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person?  Yes  No

3 At the end of the tax year:

a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), or trust own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below  Yes  No

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below  Yes  No

(i) Name of Individual or Estate	(ii) Social Security Number or Employer Identification Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
<u>RAYMOND MOBAREZ</u>		<u>UNITED STATES</u>	<u>50.00</u>
<u>ILIANA LLANERAS</u>		<u>UNITED STATES</u>	<u>50.00</u>

4 At the end of the tax year, did the partnership:

a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below  Yes  No

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.

Yes	No
	X

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details X

6 Does the partnership satisfy **all four** of the following conditions?  
 a The partnership's total receipts for the tax year were less than \$250,000.  
 b The partnership's total assets at the end of the tax year were less than \$ 1 million.  
 c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.  
 d The partnership is not filing and is not required to file Schedule M-3 X  
 If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.

7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? X

8 During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? X

9 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction? X

10 At any time during calendar year 2008, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country. X

11 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions X

12a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding a section 754 election. X

b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions X

c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions X

13 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (including a disregarded entity)  X

14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property? X

15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions X

16 Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership. X

17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return. X

**Designation of Tax Matters Partner** (see instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP **▶ ILIANA LLANERAS** Identifying number of TMP **▶**

Address of designated TMP **▶ 11766 WILSHIRE BOULEVARD STE 260**  
**▶ LOS ANGELES, CA 90025**

**Schedule K Partners' Distributive Share Items**

		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1 <13,420.>	
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3 a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Guaranteed payments	4	
	5 Interest income	5 SEE STATEMENT 4 1,052.	
	6 Dividends: a Ordinary dividends	6a	
	b Qualified dividends	6b	
	7 Royalties	7	
	8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8	
9 a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a		
b Collectibles (28%) gain (loss)	9b		
c Unrecaptured section 1250 gain (attach statement)	9c		
10 Net section 1231 gain (loss) (attach Form 4797)	10		
11 Other income (loss) (see instructions) Type ▶	11		
Deductions	12 Section 179 deduction (attach Form 4562)	12	
	13 a Contributions	13a	
	b Investment interest expense	13b	
	c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶	13c(2)	
d Other deductions (see instructions) Type ▶	13d		
Self-Employment	14 a Net earnings (loss) from self-employment	14a <13,420.>	
	b Gross farming or fishing income	14b	
	c Gross nonfarm income	14c	
Credits	15 a Low-income housing credit (section 42(j)(5))	15a	
	b Low-income housing credit (other)	15b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	15c	
	d Other rental real estate credits (see instructions) Type ▶	15d	
	e Other rental credits (see instructions) Type ▶	15e	
	f Other credits (see instructions) Type ▶	15f	
Foreign Transactions	16 a Name of country or U.S. possession ▶		
	b Gross income from all sources	16b	
	c Gross income sourced at partner level	16c	
	<i>Foreign gross income sourced at partnership level</i>		
	d <small>Passive category</small> ▶ <small>General category</small> ▶ <small>Other</small> ▶	16f	
	<i>Deductions allocated and apportioned at partner level</i>		
	g Interest expense ▶ <small>Other</small> ▶	16h	
	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>		
	i <small>Passive category</small> ▶ <small>General category</small> ▶ <small>Other</small> ▶	16k	
	l Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16l	
m Reduction in taxes available for credit (attach statement)	16m		
n Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	17 a Post-1986 depreciation adjustment	17a 54.	
	b Adjusted gain or loss	17b	
	c Depletion (other than oil and gas)	17c	
	d Oil, gas, and geothermal properties - gross income	17d	
	e Oil, gas, and geothermal properties - deductions	17e	
	f Other AMT items (attach statement)	17f	
Other Information	18 a Tax-exempt interest income	18a	
	b Other tax-exempt income	18b	
	c Nondeductible expenses	18c SEE STATEMENT 5 3.	
	19 a Distributions of cash and marketable securities	19a	
	b Distributions of other property	19b	
	20 a Investment income	20a 1,052.	
b Investment expenses	20b		
c Other items and amounts (attach statement)			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16i	1	<12,368.>				
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other
a General partners						
b Limited partners			<12,368.>			

**Schedule L Balance Sheets per Books**

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash		27,592.		50,329.
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach statement)	STATEMENT 6	95,955.		
7 Mortgage and real estate loans				
8 Other investments (attach statement)				
9a Buildings and other depreciable assets	3,962.		3,962.	
b Less accumulated depreciation		3,962.	2,107.	1,855.
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)	3,222.		3,222.	
b Less accumulated amortization		3,222.	1,240.	1,982.
13 Other assets (attach statement)				
14 Total assets		130,731.		54,166.
<b>Liabilities and Capital</b>				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach statement)	STATEMENT 7	262,957.		
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach statement)				
21 Partners' capital accounts		<132,226.>		54,166.
22 Total liabilities and capital		130,731.		54,166.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**

Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

1 Net income (loss) per books	<12,371.>	6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 13d, and 16i, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16i (itemize):		a Depreciation \$	
a Depreciation \$			
b Travel and entertainment \$ 3.	3.	8 Add lines 6 and 7	
5 Add lines 1 through 4	<12,368.>	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	<12,368.>

**Schedule M-2 Analysis of Partners' Capital Accounts**

1 Balance at beginning of year	<132,226.>	6 Distributions: a Cash	
2 Capital contributed: a Cash	199,133.	b Property	
b Property	<370.>	7 Other decreases (itemize):	
3 Net income (loss) per books	<12,371.>		
4 Other increases (itemize):		8 Add lines 6 and 7	
5 Add lines 1 through 4	54,166.	9 Balance at end of year. Subtract line 8 from line 5	54,166.

FORM 1065	TAX EXPENSE	STATEMENT	1
DESCRIPTION		AMOUNT	
PAYROLL TAXES		419.	
TAXES & LICENSES		1,214.	
TOTAL TO FORM 1065, LINE 14		1,633.	

FORM 1065	OTHER DEDUCTIONS	STATEMENT	2
DESCRIPTION		AMOUNT	
ACCOUNTING FEES		750.	
BANK CHARGES		10.	
DUES AND SUBSCRIPTIONS		180.	
INTERNET		131.	
MISCELLANEOUS		66.	
OUTSIDE SERVICES/IND CONTRACTORS		7,100.	
SUPPLIES		550.	
TRAVEL		450.	
MEALS AND ENTERTAINMENT		4.	
DEPRECIATION EXPENSE		215.	
TOTAL TO FORM 1065, LINE 20		9,456.	

FOOTNOTES

STATEMENT 3

AMENDED TAX RETURN

THE TAX RETURN IS BEING AMENDED TO RECLASS BALANCE SHEET ITEMS TO PROPER ACCOUNTS. IN ADDITION, THE ORIGINAL RETURN DID NOT REFLECT ANY INVESTMENT INCOME ON LINE 17A.

SCHEDULE K	INTEREST INCOME	STATEMENT	4
DESCRIPTION	U.S. BONDS	OTHER	
INTEREST		1,052.	
TOTAL TO SCHEDULE K, LINE 5		1,052.	

SCHEDULE K	NONDEDUCTIBLE EXPENSE	STATEMENT	5
DESCRIPTION		AMOUNT	
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES		3.	
TOTAL TO SCHEDULE K, LINE 18C		3.	

SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT	6
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR	
CAN REC - WORLDCON	15,890.	0.	
OFFICER LOAN	80,065.	0.	
TOTAL TO SCHEDULE L, LINE 6	95,955.	0.	

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT	7
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR	
LOAN PAY- WESTERN	262,957.	0.	
TOTAL TO SCHEDULE L, LINE 17	262,957.	0.	

FORM 1065

## PARTNERS' CAPITAL ACCOUNT SUMMARY

STATEMENT

8

PARTNER NUMBER	BEGINNING CAPITAL	CAPITAL CONTRIBUTED	SCHEDULE M-2 LNS 3, 4 & 7	WITH- DRAWALS	ENDING CAPITAL
1	<66,113.>	99,382.	<6,186.>		27,083.
2	<66,113.>	99,381.	<6,185.>		27,083.
TOTAL	<132,226.>	198,763.	<12,371.>		54,166.



2008

Schedule K-1 (Form 1065)

For calendar year 2008, or tax

Final K-1

Amended K-1

OMB No. 1545-0099

Department of the Treasury Internal Revenue Service

year beginning ending

Partner's Share of Income, Deductions, Credits, etc.

See separate instructions.

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 2 columns: Item description and Amount. Includes rows for Ordinary business income, Net rental real estate income, Foreign transactions, Guaranteed payments, Interest income, Dividends, Royalties, Capital gains, Distributions, and Self-employment earnings.

\*See attached statement for additional information.

For IRS Use Only

Part I Information About the Partnership

Form section for Part I: Partnership's employer identification number, name, address, IRS Center, and public trading status.

Part II Information About the Partner

Form section for Part II: Partner's identifying number, name, address, entity type, and share of profit/loss/capital.

Form section for Part III: Partner's capital account analysis and tax basis selection.

SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 18, CODE C

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	NONDEDUCTIBLE PORTION	2.
TOTAL TO SCHEDULE K-1, BOX 18, CODE C		2.

SCHEDULE K-1 CURRENT YEAR INCREASES (DECREASES)

DESCRIPTION	AMOUNT	TOTALS
ORDINARY INCOME (LOSS)	<6,710.>	
INTEREST INCOME	526.	
SCHEDULE K-1 INCOME SUBTOTAL		<6,184.>
NONDEDUCTIBLE EXPENSES	<2.>	
OTHER INCREASES OR DECREASES SUBTOTAL		<2.>
TOTAL TO SCHEDULE K-1, ITEM L		<6,186.>

2008

Schedule K-1 (Form 1065)

For calendar year 2008, or tax

Final K-1

Amended K-1

OMB No. 1545-0099

Department of the Treasury Internal Revenue Service

year beginning ending

Partner's Share of Income, Deductions, Credits, etc.

See separate instructions.

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 2 columns: Description and Amount. Rows include: 1 Ordinary business income (loss) <6,710.>, 2 Net rental real estate income (loss), 3 Other net rental income (loss), 4 Guaranteed payments, 5 Interest income 526., 6a Ordinary dividends, 6b Qualified dividends A 27., 7 Royalties, 8 Net short-term capital gain (loss) C\* 1., 9a Net long-term capital gain (loss), 9b Collectibles (28%) gain (loss), 9c Unrecaptured sec 1250 gain, 10 Net section 1231 gain (loss) A 526., 11 Other income (loss), 12 Section 179 deduction, 13 Other deductions, 14 Self-employment earnings (loss) A <6,710.>

\*See attached statement for additional information.

For IRS Use Only

Part I Information About the Partnership

A Partnership's employer identification number
B Partnership's name, address, city, state, and ZIP code
ASIA ECONOMIC INSTITUTE LLC
11766 WILSHIRE BOULEVARD STE 260
LOS ANGELES, CA 90025
C IRS Center where partnership filed return
OGDEN, UT
D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
F Partner's name, address, city, state, and ZIP code
ILIANA LLANERAS
11766 WILSHIRE BOULEVARD STE 260
LOS ANGELES, CA 90025
G General partner or LLC member-manager Limited partner or other LLC member
H Domestic partner Foreign partner
I What type of entity is this partner? INDIVIDUAL
J Partner's share of profit, loss, and capital:
Beginning Ending
Profit 50.0000000% 50.0000000%
Loss 50.0000000% 50.0000000%
Capital 50.0000000% 50.0000000%
K Partner's share of liabilities at year end:
Nonrecourse \$
Qualified nonrecourse financing \$
Recourse \$ 0.

L Partner's capital account analysis:
Beginning capital account \$ <66,113.
Capital contributed during the year \$ 99,381.
Current year increase (decrease) \$ <6,185.
Withdrawals & distributions \$
Ending capital account \$ 27,083.

Tax basis GAAP Section 704(b) book Other (explain)

SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 18, CODE C

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	NONDEDUCTIBLE PORTION	1.
TOTAL TO SCHEDULE K-1, BOX 18, CODE C		1.

SCHEDULE K-1 CURRENT YEAR INCREASES (DECREASES)

DESCRIPTION	AMOUNT	TOTALS
ORDINARY INCOME (LOSS)	<6,710.>	
INTEREST INCOME	526.	
SCHEDULE K-1 INCOME SUBTOTAL		<6,184.>
NONDEDUCTIBLE EXPENSES	<1.>	
OTHER INCREASES OR DECREASES SUBTOTAL		<1.>
TOTAL TO SCHEDULE K-1, ITEM L		<6,185.>

For calendar year 2008 or fiscal year beginning month \_\_\_\_\_ day \_\_\_\_\_ year 2008, and ending month \_\_\_\_\_ day \_\_\_\_\_ year \_\_\_\_\_

Limited liability company name (type or print)  
**ASIA ECONOMIC INSTITUTE LLC**

DBA \_\_\_\_\_

Address (including suite, room, PO Box, and PMB no.)  
**11766 WILSHIRE BOULEVARD STE 260**

City **LOS ANGELES** State **CA** ZIP Code **90025**

E Check accounting method  
 (1) Cash (2)  Accrual  
 (3) Other

F Date business started in CA **04/06/2006**

G Enter total assets at end of year See instructions. **\$ 54,166.**

H Check the applicable box  
 (1) Initial return (2)  FINAL RETURN  
 (3) Amended return

A Secretary of State (SOS) file number:  
**20070591088**

B FEIN \_\_\_\_\_

C Principal business activity name (same as federal)  
**RESEARCH**

D Principal product or service (same as federal)  
**SERVICE**

I Principal business activity code (same as federal)  
**519100**

		Whole dollars only	
1	Total income from Limited Liability Company Income Worksheet. See instructions	1	1,052.00
2	Limited Liability Company fee. See instructions	2	0.00
3	2008 annual Limited Liability Company tax. See instructions	3	800.00
4	Nonconsenting nonresident members' tax liability from Schedule T (Side 3)	4	00
5	<b>Total tax and fee.</b> Add line 2, line 3, and line 4	5	800.00
6	Amount paid with form FTB 3537 and 2008 form FTB 3522	6	800.00
7	Overpayment from prior year allowed as a credit	7	00
8	Nonresident Withholding Credit. See instructions	8	00
9	<b>Total payments.</b> Add line 6, line 7, and line 8	9	800.00
10	<b>Tax and fee due.</b> If line 5 is more than line 9, subtract line 9 from line 5	10	00
11	<b>Overpayment.</b> If line 9 is more than line 5, subtract line 5 from line 9	11	00
12	Amount of line 11 to be credited to 2009 tax or fee	12	00
13	<b>Use Tax.</b> See instructions	13	00
14	<b>Refund.</b> If the total of line 12 and line 13 is less than line 11; subtract the total from line 11	14	0.00
15	Penalties and interest. See instructions	15	0.00
16	<b>Total amount due.</b> Add line 10, line 12, line 13, and line 15, then subtract line 11 from the result	16	0.00

Single Member LLC Information and Consent - Complete only if the LLC is disregarded.

Sole Owner's name (as shown on owner's return) \_\_\_\_\_

Federal TIN/SSN \_\_\_\_\_

FEIN/CA Corp no./SOS File no. \_\_\_\_\_

Street Address, City, State, and ZIP Code \_\_\_\_\_

Member's Consent Statement: I consent to the jurisdiction of the State of California to tax my LLC income and agree to file returns and pay tax as may be required by the Franchise Tax Board.

Signature \_\_\_\_\_ Date \_\_\_\_\_ Title \_\_\_\_\_

Return filed with the FTB by the Owner  
 (1) Form 540  (5) Form 541  
 (2) Form 100  (6) Form 100S  
 (3) Form 565  (7) Form 568  
 (4) Other

**Sign Here**

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

Signature of officer *[Signature]* Date *12/3/08* Telephone *310-801-5160*

**Paid Preparer's Use Only**

Paid preparer's signature *[Signature]* Date *12/3/08* Check if self-employed

Firm's name (or yours, if self-employed) and address \_\_\_\_\_

FEIN \_\_\_\_\_ Telephone \_\_\_\_\_

May the FTB discuss this return with the preparer shown above (see instructions)?  Yes  No

		2
		Yes No
J	Enter the maximum number of members in the LLC at any time during the year. Attach a California Schedule K-1 (568) for each of these members	2
K	Is this LLC an investment partnership? See General Information O	X
L	(1) Is this LLC apportioning income to California using Schedule R?	X
	(2) If "No," was this LLC registered in California without earning any income sourced in this state during the taxable year?	
M	Was there a distribution of property or a transfer (for example, by sale or death) of an LLC interest during the taxable year?	X
O	(1) For this taxable year, was there a change in control or majority ownership for this limited liability company (or any legal entity in which it holds a controlling or majority interest) that owned or leased real property in California?	X
	(2) For this taxable year, did this LLC (or any legal entity in which it holds a controlling or majority interest) acquire control or majority ownership of any other legal entity that owned or leased real property in California?	X
	(3) If this limited liability company (or any legal entity in which it holds a controlling or majority interest) owned or leased real property in California, has more than 50% of the LLC ownership interest cumulatively transferred in one or more transactions since March 1, 1975, which was not reported on a previous year's tax return?	X
<b>(Penalties May Apply - See Instructions).</b>		
P	(1) Does the LLC have any foreign (non-U.S.) nonresident members?	X
	(2) Does the LLC have any domestic (non-foreign) nonresident members?	X
	(3) Were Form 592, Form 592-A, Form 592-B, and Form 592-F filed for these members?	X
Q	Are any members in this LLC also LLCs or partnerships?	X
R	Is this LLC under audit by the IRS or has it been audited in a prior year?	X
S	Is this LLC a member or partner in another LLC or partnership?	X
T	Is this LLC a publicly traded partnership as defined in IRC Section 469(k)(2)?	X
U	(1) Is this LLC a business entity disregarded for tax purposes?	X
	(2) If "Yes," see instructions and complete Side 1, Side 2, Schedule B, and Side 4, if applicable. Are there credits or credit carryovers attributable to the disregarded entity?	
V	Has the LLC included a Reportable Transaction, or Listed Transaction within this return? (See instructions for definitions). If "Yes," complete and attach federal Form 8886 for each transaction	X
W	Did this LLC file the Federal Schedule M-3 (federal Form 1065)?	X
X	Is this LLC a direct owner of an entity that filed a federal Schedule M-3?	X
Y	Does the LLC have a beneficial interest in a trust or is it a grantor of a Trust? Attach schedule of trusts and federal identification numbers.	X
Z	Does this LLC own an interest in a business entity disregarded for tax purposes? Attach schedule of disregarded entity names and identification numbers.	X
AA	Is any member of the LLC related (as defined in IRC Section 267(c)(4)) to any other member of the LLC?	X
AB	Is any member of the LLC a trust for the benefit of any person related (as defined in IRC Section 267(c)(4)) to any other member?	X
AC	During the year did this LLC defer any gains from the disposition of assets?	X

**Schedule A Cost of Goods Sold**

1	Inventory at beginning of year	1	00
2	Purchases less cost of items withdrawn for personal use	2	00
3	Cost of labor	3	00
4	Additional IRC Section 263A costs. Attach schedule	4	00
5	Other costs. Attach schedule	5	00
6	<b>Total.</b> Add line 1 through line 5	6	00
7	Inventory at end of year	7	00
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on Schedule B, line 2	8	00

9 a Check all methods used for valuing closing inventory:  
 (1)  Cost (2)  Lower of cost or market as described in Treas. Reg. Section 1.471-4 (3)  Write down of "subnormal" goods as described in Treas. Reg. Section 1.471-2(c) (4)  Other. Specify method used and attach explanation \_\_\_\_\_  
 b Check this box if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970   
 c Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to the LLC?  Yes  No  
 d Was there any change (other than for IRC Section 263A purposes) in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation  Yes  No

**Schedule B Income and Deductions**

Caution: Include only trade or business income and expenses on line 1a through line 22 below. See the instructions for more information.

Income	1	a Gross receipts or sales \$ _____	b Less returns and allowances \$ _____	c Balance •	1c	00	
	2	Cost of goods sold (Schedule A, line 8)			2	00	
	3	GROSS PROFIT. Subtract line 2 from line 1c			3	00	
	4	Total ordinary income from other LLCs, partnerships, and fiduciaries. Attach schedule			4	00	
	5	Total ordinary loss from other LLCs, partnerships, and fiduciaries. Attach schedule			5	00	
	6	Total farm profit. Attach federal Schedule F (Form 1040)			6	00	
	7	Total farm loss. Attach federal Schedule F (Form 1040)			7	00	
	8	Total gains included on Schedule D-1, Part II, line 17 (gain only)			8	00	
	9	Total losses included on Schedule D-1, Part II, line 17 (loss only)			9	00	
	10	Other income. Attach schedule			10	00	
	11	Other loss. Attach schedule			11	00	
	12	<b>Total income (loss).</b> Combine line 3 through line 11			12	00	
Deductions	13	Salaries and wages (other than to members)			13	00	
	14	Guaranteed payments to members			14	00	
	15	Bad debts			15	00	
	16	Deductible interest expense not claimed elsewhere on return			16	00	
	17	a Depreciation and amortization. Attach form FTB 3885L \$ <u>976.</u> STMT 2					
		b Less depreciation reported on Schedule A and elsewhere on return \$ _____			c Balance •	17c	976.00
	18	Depletion. Do not deduct oil and gas depletion			18	00	
	19	Retirement plans, etc.			19	00	
	20	Employee benefit programs			20	1,570.00	
	21	Other deductions. Attach schedule <u>SEE STATEMENT 3</u>			21	10,874.00	
	22	<b>Total deductions.</b> Add line 13 through line 21			22	13,420.00	
23	Ordinary income (loss) from trade or business activities. Subtract line 22 from line 12			23	<13,420.00		

**Schedule T Nonconsenting Nonresident Members' Tax Liability**

(a) Member's name	(b) SSN, ITIN, or FEIN	(c) Distributive share of income	(d) Tax rate	(e) Member's total tax due (see instructions)	(f) Amount withheld by this LLC on this member - reported on Form 592-B	(g) Member's net tax due

Total the amount of tax due. Enter the total here and on Side 1, line 4 \_\_\_\_\_ 00  
 Attach additional sheets if necessary.

Schedule K Members' Shares of Income, Deductions, Credits, etc.

629551 10-12-05

		(a) Distributive share items	(b) Amounts from federal K (1065)	(c) California adjustments	(d) Total amounts using California law		
Income (Loss)	1	Ordinary income (loss) from trade or business activities	<13,420.>	1,214.	<12,206.>		
	2	Net income (loss) from rental real estate activities. Attach federal Form 8825					
	3 a	Gross income (loss) from other rental activities					
	3 b	Less expenses. Attach schedule					
	3 c	Net income (loss) from other rental activities. Subtract line 3b from line 3a			•		
	4	Guaranteed payments to members			•		
	5	Interest income SEE STATEMENT 4	1,052.		• 1,052.		
	6	Dividends			•		
	7	Royalties			•		
	8	Net short-term capital gain (loss). Attach Schedule D (568)			•		
	9	Net long-term capital gain (loss). Attach Schedule D (568)			•		
Deductions	10 a	Total Gain under IRC Section 1231 (other than due to casualty or theft)			•		
	10 b	Total Loss under IRC Section 1231 (other than due to casualty or theft)			•		
	11 a	Other portfolio income (loss). Attach schedule					
	11 b	Total other income. Attach schedule					
	11 c	Total other loss. Attach schedule					
Deductions	12	Expense deduction for recovery property (IRC Section 179 and R&TC Sections 17267.2, 17267.6, and 17268) Attach schedule					
	13 a	Charitable contributions. Attach schedule					
	13 b	Investment interest expense			•		
	13 c 1	Total expenditures to which IRC Section 59(e) election may apply. Attach schedule					
	13 c 2	Type of expenditures					
Credits	13 d	Deductions related to portfolio income					
	13 e	Other deductions. Attach schedule					
	15 a	Withholding on LLC allocated to all members					
	15 b	Low-income housing credit					
	15 c	Credits other than the credit shown on line 15b related to rental real estate activities. Attach schedule					
	15 d	Credits related to other rental activities. Attach schedule					
Alternative Minimum Tax (AMT) Items	15 e	Nonconsenting nonresident members' tax paid by LLC					
	15 f	Other credits. Attach schedule			•		
	17 a	Depreciation adjustment on property placed in service after 1986	54.		54.		
	17 b	Adjusted gain or loss					
	17 c	Depletion (other than oil and gas)					
	17 d	Gross income from oil, gas, and geothermal properties					
Other Information	17 e	Deductions allocable to oil, gas, and geothermal properties					
	17 f	Other alternative minimum tax items. Attach schedule					
	18 a	Tax-exempt interest income					
	18 b	Other tax-exempt income			•		
	18 c	Nondeductible expenses STMT 5	3.		3.		
	19 a	Distributions of money (cash and marketable securities)					
Other Information	19 b	Distribution of property other than money					
	20 a	Investment income	1,052.		1,052.		
	20 b	Investment expenses					
Analysis	20 c	Other information. See instructions STMT 6					
	21 a	Total distributive income/payment items. Combine lines 1, 2, and 3c through 11c. From the result, subtract the sum of lines 12 through 13e	<12,368.>	1,214. •	<11,154.>		
	b Analysis of members:		(a) Corporate	(b) Individual	(c) Partnership	(d) Exempt Organization	(e) Nominee/Other
Members			i. Active ii. Passive				
			<11,154.>				



**Schedule L Balance Sheets.** See the instructions for Schedule L, before completing Schedules L, M-1, and M-2.

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Assets	Beginning of taxable year		End of taxable year	
	(a)	(b)	(c)	(d)
1 Cash		27,592.		50,329.
2 a Trade notes and accounts receivable				
b Less allowance for bad debts	( )		( )	
3 Inventories				•
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets. Attach schedule	STATEMENT 7	95,955.		•
7 Mortgage and real estate loans				
8 Other investments. Attach schedule				•
9 a Buildings and other depreciable assets	3,962.		3,962.	
b Less accumulated depreciation	( )	3,962.	( 2,107.)	• 1,855.
10 a Depletable assets				
b Less accumulated depletion	( )		( )	
11 Land (net of any amortization)				•
12 a Intangible assets (amortizable only)	3,222.		3,222.	
b Less accumulated amortization	( )	3,222.	( 1,240.)	• 1,982.
13 Other assets. Attach schedule				•
14 Total assets		130,731.		54,166.
<b>Liabilities and Capital</b>				
15 Accounts payable				•
16 Mortgages, notes, bonds payable in less than 1 year				•
17 Other current liabilities. Attach schedule	STATEMENT 8	262,957.		
18 All nonrecourse loans				•
19 Mortgages, notes, bonds payable in 1 year or more				•
20 Other liabilities. Attach schedule				•
21 Members' capital accounts		<132,226.>		• 54,166.
22 Total liabilities and capital		130,731.		54,166.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return.** Use total amount under California law.

If the partnership completed federal Schedule M-3 (federal Form 1065), see instructions.

1 Net income (loss) per books	<12,371.>	Income recorded on books this year not included on Schedule K, line 1 through line 11c. Itemize:	
2 Income included on Schedule K, line 1 through line 11c, not recorded on books this year. Itemize:		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		b Other \$	
4 Expenses recorded on books this year not included on Schedule K, line 1 through line 13e. Itemize:		c Total. Add line 6a and line 6b	•
a Depreciation \$		7 Deductions included on Schedule K, line 1 through line 13e, not charged against book income this year. Itemize:	
b Travel and entertainment \$ 3.		a Depreciation \$	
c Annual LLC tax \$ 1,214.		b Other \$	
d Other \$		c Total. Add line 7a and line 7b	•
e Total. Add line 4a through 4d	• 1,217.	8 Total. Add line 6c and line 7c	
5 Total of line 1 through line 4e	<11,154.>	9 Income (loss) (Schedule K, line 21a).	
		Subtract line 8 from line 5	<11,154.>

**Schedule M-2 Analysis of Members' Capital Accounts.** Use California amounts.

1 Balance at beginning of year	<132,226.>	Total of line 1 through line 4	54,166.
2 Capital contributed during year		6 Distributions: a Cash	•
a Cash	• 199,133.	b Property	•
b Property	• <370.>	Other decreases. Itemize	•
3 Net income (loss) per books	<12,371.>	Total of line 6 and line 7	
4 Other increases. Itemize	•	9 Balance at end of year. Subtract line 8 from line 5	54,166.

**Schedule O Amounts from Liquidation used to Capitalize a Limited Liability Company.** (Complete only if initial return box is checked on Side 1, Question H).

Name of entity liquidated (if more than one, attach a schedule) \_\_\_\_\_

Type of entity:  (1) C Corporation  (2) S Corporation  (3) Partnership  (4) Limited Partnership  (5) Sole Proprietor  (6) Farmer

Entity identification numbers(s) FEIN \_\_\_\_\_ SSN or ITIN \_\_\_\_\_ Corporation \_\_\_\_\_ SOS \_\_\_\_\_

Amount of liquidation gains recognized to capitalize the LLC \_\_\_\_\_

**Limited Liability Company Income Worksheet - Attach to the LLC's return**

Enter your California income amounts on the worksheet. All amounts entered must be assigned for California law differences. If your business is both within and outside of California, see the LLC Income Worksheet Instructions to assign the correct amounts to California. If the LLC is wholly within California, the total income amount is assigned to California and is entered beginning with line 1a. If the SMLLC does not meet the 3 million criteria for filing Schedule B (568) and Schedule K (568), the SMLLC is still required to complete the LLC Income Worksheet. Disregarded entities that do not meet the filing requirements to complete Schedule B or Schedule K should prepare the LLC Income Worksheet by entering the California amounts attributable to the disregarded entity from the Member's Federal Schedule B, C, E, F, or additional schedules associated with other activities. See instructions for more information on how to complete the LLC Income Worksheet.

1	a	Total California income from Form 568, Schedule B, line 3. See instructions	1a	00
	b	Enter the California Cost of Goods sold from Form 568, Schedule B, line 2 and from federal Schedule F (1040) (plus California adjustments) associated with the receipts assigned to California on line 1a	1b	00
2	a	Gross California income of disregarded entities not included in lines 1 and 8 through 16	2a	00
	b	Enter the Cost of Goods sold of disregarded entities associated with the receipts assigned to California on line 2a	2b	00
3	a	LLC's distributive share of ordinary income from pass-through entities	3a	00
	b	Enter the LLC's distributive share of Cost of Goods sold from other pass-through entities associated with the receipt assigned to California on line 3a	3b	00
	c	Enter the LLC's distributive share of deductions from other pass-through entities associated with the receipt assigned to California on line 3a	3c	00
	d	Enter as a negative number, any allocations, distributions, or gains from another LLC that was already subject to the LLC fee	3d	00
4		Add gross farm income from federal Schedule F (Form 1040). Use California amounts	4	00
5		Enter the total of other income (not loss) from Form 568, Schedule B, line 10	5	00
6		Enter the ordinary gains (not losses) and the recapture income from Schedule D-1, Part II, line 17	6	00
7		Add line 1a through line 6	7	00
8		<b>California Rental real estate</b>		
	a	Enter the total gross rents from federal Form 8825, line 17	8a	00
	b	Enter net income or loss from federal Form 8825, line 20a	8b	00
	c	Enter the total rental expenses deducted from the amount on federal Form 8825, line 20a	8c	00
	d	Add line 8a through line 8c	8d	00
9		<b>Other California rentals.</b> Enter the amount from Form 568, Schedule K, line 3a	9	00
10		<b>California interest.</b> Enter the amount from Form 568, Schedule K, line 5	10	1,052.00
11		<b>California dividends.</b> Enter the amount from Form 568, Schedule K, line 6	11	00
12		<b>California royalties.</b> Enter the amount from Form 568, Schedule K, line 7	12	00
13		<b>California capital gains.</b> Enter the capital gains (not losses) included in Schedule D (568)	13	00
14		<b>California 1231 gains.</b> Enter the amount of total gains (not losses) from Schedule K, line 10a	14	00
15		<b>Other California portfolio income (not loss).</b> Enter the amount from Form 568, Schedule K, line 11a	15	00
16		<b>Other California income (not loss) not included in line 5.</b> Enter the amount from Form 568, Schedule K, line 11b	16	00
17		<b>Total California income.</b> Add lines 7, 8d, 9, 10, 11, 12, 13, 14, 15, and 16. Line 17 may not be a negative number. Enter here and on Form 568, Side 1, Line 1. If less than zero enter zero	17	1,052.00

Depreciation and Amortization

Name as shown on return

Secretary of State (SOS) file no.

20070591088

FEIN

ASIA ECONOMIC INSTITUTE LLC

Assets placed in service after 12/31/07 (depreciation):

Depreciation of Assets

Table with 6 columns: (a) Description of property, (b) Date placed in service, (c) Cost or other basis, (d) Method of figuring depreciation, (e) Life or rate, (f) Depreciation for this year.

1 Enter line 1, column (f) total here

Intangibles placed in service after 12/31/07 (amortization):

Amortization of Property

Table with 6 columns: (a) Description of property, (b) Date placed in service, (c) Cost or other basis, (g) Code section, (h) Period or percentage, (i) Amortization to this year.

1 Enter line 1, column (i) total here

Depreciation

Be sure to make adjustments for any basis differences when calculating Depreciation.

Summary table for Depreciation: Line 2 California depreciation for assets placed in service before January 1, 2008 (761.00), Line 3 Total California depreciation (761.00).

Amortization

Be sure to make adjustments for any basis differences when calculating Amortization.

Summary table for Amortization: Line 4 California amortization for intangibles placed in service before January 1, 2008 (215.00), Line 5 Total California amortization (215.00), Line 6 Total depreciation and amortization (976.00), Line 7 IRC Section 179 expense deduction (00), Line 8 Carryover of disallowed deduction to 2009 (00).

AMENDED TAX RETURN

THE TAX RETURN IS BEING AMENDED TO RECLASS BALANCE SHEET  
ITEMS TO PROPER ACCOUNTS. IN ADDITION, THE ORIGINAL RETURN  
DID NOT REFLECT ANY INVESTMENT INCOME ON LINE 17A.

A	DEPRECIATION AND AMORTIZATION	STATEMENT	2
DESCRIPTION	REPORTED ELSEWHERE	REPORTED ON PAGE 1	
DEPRECIATION - TRADE OR BUSINESS		761.	
AMORTIZATION - TRADE OR BUSINESS		215.	
TOTAL TO LINES 17B AND 17C		976.	

A	OTHER DEDUCTIONS	STATEMENT	3
DESCRIPTION		AMOUNT	
ACCOUNTING FEES		750.	
BANK CHARGES		10.	
FEES AND SUBSCRIPTIONS		180.	
INTERNET		131.	
MISCELLANEOUS		66.	
OUTSIDE SERVICES/IND CONTRACTORS		7,100.	
SUPPLIES		550.	
TRAVEL		450.	
MEALS AND ENTERTAINMENT		4.	
PAYROLL TAXES		419.	
TAXES & LICENSES		1,214.	
TOTAL TRADE OR BUSINESS OTHER DEDUCTIONS, LINE 21		10,874.	

A	SCHEDULE K INTEREST INCOME	STATEMENT	4
DESCRIPTION		AMOUNT	
INTEREST		1,052.	
TOTAL TO SCHEDULE K, LINE 5		1,052.	

A SCHEDULE K		NONDEDUCTIBLE EXPENSES	STATEMENT	5
DESCRIPTION				AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES				3.
TOTAL TO SCHEDULE K, LINE 18C				3.

A SCHEDULE K		AGGREGATE GROSS RECEIPTS FOR AMT EXCLUSION	STATEMENT	6
DESCRIPTION				AMOUNT
INTEREST				1,052.
TOTAL				1,052.

A SCHEDULE L		OTHER CURRENT ASSETS	STATEMENT	7
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR		
LOAN REC - WORLDCON	15,890.	0.		
OFFICER LOAN	80,065.	0.		
TOTAL TO SCHEDULE L, OTHER CURRENT ASSETS	95,955.	0.		

A SCHEDULE L		OTHER CURRENT LIABILITIES	STATEMENT	8
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR		
LOAN PAY- WESTERN	262,957.	0.		
TOTAL TO SCHEDULE L, OTHER CURRENT LIABILITIES	262,957.	0.		

TAXABLE YEAR

2008

**Member's Share of Income,  
Deductions, Credits, etc.**

829421 03-24-06  
CALIFORNIA SCHEDULE  
**K-1 (568)**

For calendar year 2008 or fiscal year beginning month \_\_\_\_\_ day \_\_\_\_\_ year 2008, and ending month \_\_\_\_\_ day \_\_\_\_\_ year 2008

**Member's identifying number** \_\_\_\_\_ **LLC's FEIN** \_\_\_\_\_

**Member's name, address, city, state, and ZIP Code** \_\_\_\_\_ **Secretary of State file number** 20070591088

\_\_\_\_\_ **LLC's name, address, city, state, and ZIP Code** \_\_\_\_\_

**RAYMOND MOBAREZ** **ASIA ECONOMIC INSTITUTE LLC**  
**11766 WILSHIRE BOULEVARD STE 260** **11766 WILSHIRE BOULEVARD STE 260**  
**LOS ANGELES, CA 90025** **LOS ANGELES, CA 90025**

**A** What type of entity is this member? •

(1)  Individual (5)  General Partnership (9)  IRA/Keogh/SEP  
 (2)  S Corporation (6)  Limited Partnership (10)  Exempt Organization  
 (3)  Estate/Trust (7)  LLP (11)  Disregarded Entity  
 (4)  C Corporation (8)  LLC

**B** Is this member a foreign member? •  Yes  No

**D** Member's share of liabilities:

Nonrecourse ..... \$ \_\_\_\_\_  
 Qualified nonrecourse financing ..... \$ \_\_\_\_\_  
 Other ..... \$ 0.

**E** Reportable transaction or tax shelter registration number(s) \_\_\_\_\_

**C** Enter member's percentage (without regard to special allocations) of:

(i) Before decrease or termination (ii) End of year

Profit sharing ..... 50.0000 % • 50.0000 %  
 Loss sharing ..... 50.0000 % • 50.0000 %  
 Ownership of capital ..... 50.0000 % • 50.0000 %

**F** (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2)   
 (2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1)

**G** Check here if this is: •  
 (1)  A final Schedule K-1 (568) (2)  An amended Schedule K-1 (568)

**H** Is this member a nonresident of California?  Yes •  No

**I** Analysis of member's capital account: Check the box • (1)  Tax Basis (2)  GAAP (3)  Section 704(b) Book (4)  Other (explain)

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Member's share of line 3, line 4, and line 7 Form 568, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year, combine column (a) through column (d)
• <66,113.>	99,382. •	<6,186.> (	) •	27,083. •

Caution: Refer to Member's Instructions for Schedule K-1 (568) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c) where applicable	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities .....	<6,710.>	607. •	<6,103.>	<6,103.>
	2 Net income (loss) from rental real estate activities .....			•	▶
	3 Net income (loss) from other rental activities .....				
	4 Guaranteed payments to members .....			•	▶
	5 Interest income .....	526. •		•	526. ▶
	6 Dividends .....			•	▶
	7 Royalties .....			•	▶
	8 Net short-term capital gain (loss) .....			•	▶
	9 Net long-term capital gain (loss) .....			•	▶
	10 a Total Gain under IRC Section 1231 (other than due to casualty or theft) .....			•	▶
	b Total Loss under IRC Section 1231 (other than due to casualty or theft) .....			•	▶
11 a Other portfolio income (loss). Attach schedule .....			•	▶	
b Total other income .....			•	▶	
c Total other loss .....			•	▶	

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
<b>Deductions</b>	12 Expense deduction for recovery property (IRC Section 179 and R&TC Sections 17267.2, 17267.6 and 17268)				
	13 a Charitable contributions				
	b Investment interest expense				
	c 1 Total expenditures to which an IRC Section 59(e) election may apply				
	2 Type of expenditures				
	d Deductions related to portfolio income. Attach schedule				
e Other deductions. Attach schedule					
<b>Credits</b>	15 a Total withholding (equals amount on Form 592-B if calendar year LLC)			•	▶
	b Low-income housing credit				
	c Credits other than line 15b related to rental real estate activities. Attach schedule				
	d Credits related to other rental activities. Attach schedule				
	e Nonconsenting nonresident member's tax paid by LLC				
	f Other credits - Attach required schedules or statements				
<b>Alternative Minimum Tax (AMT) Items</b>	17 a Depreciation adjustment on property placed in service after 1986	27.		27.	27.
	b Adjusted gain or loss				
	c Depletion (other than oil & gas)				
	d Gross income from oil, gas, and geothermal properties				
	e Deductions allocable to oil, gas, and geothermal properties				
	f Other alternative minimum tax items. Attach schedule				
<b>Tax-exempt Income and Non- deductible Expenses</b>	18 a Tax-exempt interest income				
	b Other tax-exempt income				
	c Nondeductible expenses <b>STMT</b>	2.	607.	609.	609.
<b>Distributions</b>	19 a Distributions of money (cash and marketable securities)				
	b Distributions of property other than money				
<b>Other Infor- mation</b>	20 a Investment income	526.		526.	
	b Investment expenses				
	c Other information <b>STMT</b>				



**Other Member Information**

829423 12-12-06

**Table 1 - Member's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the member):**

Interest \$ 526. Sec. 1231 Gains/Losses \$ \_\_\_\_\_ Capital Gains/Losses \$ \_\_\_\_\_  
 Dividends \$ \_\_\_\_\_ Royalties \$ \_\_\_\_\_ Other \$ \_\_\_\_\_

FOR USE BY APPORTIONING UNITARY MEMBERS ONLY - See instructions.

**Table 2 - Member's share of distributive items.**

- A. Member's share of the LLC's business income. See instructions. \$ \_\_\_\_\_
- B. Member's share of nonbusiness income from real and tangible personal property sourced or allocable to California.  
 Capital Gains/Losses \$ \_\_\_\_\_ Rents/Royalties \$ \_\_\_\_\_  
 Sec. 1231 Gains/Losses \$ \_\_\_\_\_ Other \$ \_\_\_\_\_
- C. Member's distributive share of the LLC's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$	\$
Ending	\$	\$
Annual Rent Expense	\$	\$
Payroll	\$	\$
Sales	\$	\$

A SCHEDULE K-1

NONDEDUCTIBLE EXPENSES

DESCRIPTION	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	2.
STATE INCOME/FRANCHISE TAXES	607.
TOTAL TO SCHEDULE K-1, LINE 18C	609.

A SCHEDULE K-1

AGGREGATE GROSS RECEIPTS FOR AMT EXCLUSION

DESCRIPTION	AMOUNT
INTEREST	526.
TOTAL	526.

TAXABLE YEAR

2008

**Member's Share of Income,  
Deductions, Credits, etc.**

829401 05-24-09  
CALIFORNIA SCHEDULE  
**K-1 (568)**

For calendar year 2008 or fiscal year beginning month \_\_\_\_\_ day \_\_\_\_\_ year 2008, and ending month \_\_\_\_\_ day \_\_\_\_\_ year 2008

<p><b>Member's identifying number</b> _____</p> <p>Member's name, address, city, state, and ZIP Code</p> <p><b>ILIANA LLANERAS</b> 11766 WILSHIRE BOULEVARD STE 260 LOS ANGELES, CA 90025</p>	<p><b>LLC's FEIN</b> _____</p> <p><b>Secretary of State file number</b> 20070591088</p> <p>LLC's name, address, city, state, and ZIP Code</p> <p><b>ASIA ECONOMIC INSTITUTE LLC</b> 11766 WILSHIRE BOULEVARD STE 260 LOS ANGELES, CA 90025</p>
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**A** What type of entity is this member? •

(1) <input checked="" type="checkbox"/> Individual	(5) <input type="checkbox"/> General Partnership	(9) <input type="checkbox"/> IRA/Keogh/SEP
(2) <input type="checkbox"/> S Corporation	(6) <input type="checkbox"/> Limited Partnership	(10) <input type="checkbox"/> Exempt Organization
(3) <input type="checkbox"/> Estate/Trust	(7) <input type="checkbox"/> LLP	(11) <input type="checkbox"/> Disregarded Entity
(4) <input type="checkbox"/> C Corporation	(8) <input type="checkbox"/> LLC	

**B** Is this member a foreign member? •  Yes  No

**C** Enter member's percentage (without regard to special allocations) of:

Profit sharing	50.0000 % •	50.0000 %
Loss sharing	50.0000 % •	50.0000 %
Ownership of capital	50.0000 % •	50.0000 %

**D** Member's share of liabilities:

Nonrecourse	• \$ _____
Qualified nonrecourse financing	• \$ _____
Other	• \$ 0.

**E** Reportable transaction or tax shelter registration number(s) \_\_\_\_\_

**F** (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2)

(2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1)

**G** Check here if this is: •

(1)  A final Schedule K-1 (568) (2)  An amended Schedule K-1 (568)

**H** Is this member a nonresident of California?  Yes •  No

**I** Analysis of member's capital account: Check the box • (1)  Tax Basis (2)  GAAP (3)  Section 704(b) Book (4)  Other (explain) \_\_\_\_\_

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Member's share of line 3, line 4, and line 7 Form 568, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year, combine column (a) through column (d)
• <66,113.>	99,381. •	• <6,185.>	( ) •	• 27,083.

**Caution:** Refer to Member's Instructions for Schedule K-1 (568) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c) where applicable	(e) California source amounts and credits
<b>Income (Loss)</b>	1 Ordinary income (loss) from trade or business activities	• <6,710.>	607. •	• <6,103.>	• <6,103.>
	2 Net income (loss) from rental real estate activities			•	▶
	3 Net income (loss) from other rental activities				
	4 Guaranteed payments to members			•	▶
	5 Interest income	526. •		526. •	▶
	6 Dividends			•	▶
	7 Royalties			•	▶
	8 Net short-term capital gain (loss)			•	▶
	9 Net long-term capital gain (loss)			•	▶
	10 a Total Gain under IRC Section 1231 (other than due to casualty or theft)			•	▶
	b Total Loss under IRC Section 1231 (other than due to casualty or theft)			•	▶
11 a Other portfolio income (loss). Attach schedule			•	▶	
b Total other income			•	▶	
c Total other loss			•	▶	

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
<b>Deductions</b>	12 Expense deduction for recovery property (IRC Section 179 and R&TC Sections 17267.2, 17267.6 and 17268)				
	13 a Charitable contributions				
	b Investment interest expense				
	c 1 Total expenditures to which an IRC Section 59(e) election may apply				
	2 Type of expenditures				
	d Deductions related to portfolio income. Attach schedule				
e Other deductions. Attach schedule					
<b>Credits</b>	15 a Total withholding (equals amount on Form 592-B if calendar year LLC)			•	▶
	b Low-income housing credit				
	c Credits other than line 15b related to rental real estate activities. Attach schedule				
	d Credits related to other rental activities. Attach schedule				
	e Nonconsenting nonresident member's tax paid by LLC				
	f Other credits - Attach required schedules or statements				
<b>Alternative Minimum Tax (AMT) Items</b>	17 a Depreciation adjustment on property placed in service after 1986	27.		27.	27.
	b Adjusted gain or loss				
	c Depletion (other than oil & gas)				
	d Gross income from oil, gas, and geothermal properties				
	e Deductions allocable to oil, gas, and geothermal properties				
	f Other alternative minimum tax items. Attach schedule				
<b>Tax exempt income and Non- deductible Expenses</b>	18 a Tax-exempt interest income				
	b Other tax-exempt income				
	c Nondeductible expenses <b>STMT</b>	1.	607.	608.	608.
<b>Distributions</b>	19 a Distributions of money (cash and marketable securities)				
	b Distributions of property other than money				
<b>Other Infor- mation</b>	20 a Investment income	526.		526.	
	b Investment expenses				
	c Other information <b>STMT</b>				

**Other Member Information**

829423 12-12-05

**Table 1** - Member's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the member):

Interest \$ 526. Sec. 1231 Gains/Losses \$ \_\_\_\_\_ Capital Gains/Losses \$ \_\_\_\_\_  
 Dividends \$ \_\_\_\_\_ Royalties \$ \_\_\_\_\_ Other \$ \_\_\_\_\_

FOR USE BY APPORTIONING UNITARY MEMBERS ONLY - See instructions.

**Table 2** - Member's share of distributive items.

- A. Member's share of the LLC's business income. See instructions. \$ \_\_\_\_\_
- B. Member's share of nonbusiness income from real and tangible personal property sourced or allocable to California.  
 Capital Gains/Losses \$ \_\_\_\_\_ Rents/Royalties \$ \_\_\_\_\_  
 Sec. 1231 Gains/Losses \$ \_\_\_\_\_ Other \$ \_\_\_\_\_
- C. Member's distributive share of the LLC's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$ _____	\$ _____
Ending	\$ _____	\$ _____
Annual Rent Expense	\$ _____	\$ _____
Payroll	\$ _____	\$ _____
Sales	\$ _____	\$ _____

ASIA SCHEDULE K-1

NONDEDUCTIBLE EXPENSES

DESCRIPTION	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	1.
STATE INCOME/FRANCHISE TAXES	607.
TOTAL TO SCHEDULE K-1, LINE 18C	608.

ASIA SCHEDULE K-1

AGGREGATE GROSS RECEIPTS FOR AMT EXCLUSION

DESCRIPTION	AMOUNT
INTEREST	526.
TOTAL	526.