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# Return of Private Foundation

## or Section 4947(a)(1) Nonexempt Charitable Trust

### Treated as a Private Foundation

2009

Department of the Treasury  
Internal Revenue Service

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

For calendar year 2009, or tax year beginning , and ending

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return  
☐ Amended return ☐ Address change ☐ Name change

Use the IRS  
label.  
Otherwise,  
print  
or type.  
See Specific  
Instructions.

Name of foundation  
**THE FREDRIC AND LUNDY REYNOLDS  
FAMILY FOUNDATION**

A Employer identification number

34-1953315

Number and street (or P O box number if mail is not delivered to street address) Room/suite  
**CHAGRIN CORPORATE CENTER, 20820 CHAGRIN 300**

B Telephone number  
**(216) 491-3990**

City or town, state, and ZIP code  
**SHAKER HTS., OH 44122**

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

C If exemption application is pending, check here ☐  
D 1 Foreign organizations, check here ☐  
2. Foreign organizations meeting the 85% test, check here and attach computation ☐

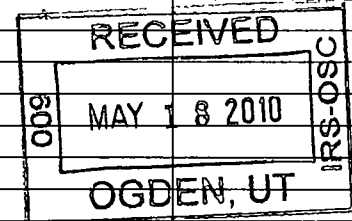
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) **\$ 1,226,595.**  
J Accounting method: ☒ Cash ☐ Accrual  
☐ Other (specify) \_\_\_\_\_  
(Part I, column (d) must be on cash basis)

E If private foundation status was terminated under section 507(b)(1)(A), check here ☐  
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

**Part I Analysis of Revenue and Expenses**

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received			N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	22,458.	22,458.		Statement 1
4 Dividends and interest from securities	7,598.	7,598.		Statement 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	<21,811.>			
b Gross sales price for all assets on line 6a	307,179.			
7 Capital gain net income (from Part IV, line 2)		0.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total Add lines 1 through 11	8,245.	30,056.		
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees				
c Other professional fees Stmt 3	11,472.	11,472.		0.
17 Interest Stmt 4	8,297.	65.		0.
18 Taxes				
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses				
24 Total operating and administrative expenses Add lines 13 through 23	19,769.	11,537.		0.
25 Contributions, gifts, grants paid	63,500.			63,500.
26 Total expenses and disbursements. Add lines 24 and 25	83,269.	11,537.		63,500.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	<75,024.>			
b Net investment income (if negative, enter -0-)		18,519.		
c Adjusted net income (if negative, enter -0-)			N/A	



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**THE FREDRIC AND LUNDY REYNOLDS  
FAMILY FOUNDATION**

34-1953315

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<b>Part II Balance Sheets</b>		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1	Cash - non-interest-bearing		50,259.	73,156.	73,156.
	2	Savings and temporary cash investments		74,872.	146,427.	146,427.
	3	Accounts receivable ▶	780.			
		Less: allowance for doubtful accounts ▶		385.	780.	780.
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations Stmt 5		344,274.	248,831.	251,634.
	b	Investments - corporate stock Stmt 6		525,607.	431,815.	415,739.
	c	Investments - corporate bonds Stmt 7		301,019.	320,584.	338,859.
11	Investments - land, buildings, and equipment basis ▶					
	Less: accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other					
14	Land, buildings, and equipment: basis ▶					
	Less: accumulated depreciation ▶					
15	Other assets (describe ▶ Statement 8 )		201.	0.	0.	
16	<b>Total assets (to be completed by all filers)</b>		1,296,617.	1,221,593.	1,226,595.	
<b>Liabilities</b>	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶ )				
23	<b>Total liabilities (add lines 17 through 22)</b>		0.	0.		
<b>Net Assets or Fund Balances</b>	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>					
	and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>					
	and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds		1,439,481.	1,439,481.	
28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.		
29	Retained earnings, accumulated income, endowment, or other funds		<142,864.>	<217,888.>		
30	<b>Total net assets or fund balances</b>		1,296,617.	1,221,593.		
31	<b>Total liabilities and net assets/fund balances</b>		1,296,617.	1,221,593.		

**Part III Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,296,617.
2	Enter amount from Part I, line 27a	2	<75,024.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	1,221,593.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	<b>Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30</b>	6	1,221,593.

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

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
<b>1a First Republic (SEE ATTACHED)</b>		<b>Various</b>	<b>Various</b>
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
<b>a 307,179.</b>		<b>328,990.</b>	<b>&lt;21,811.&gt;</b>
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
<b>a</b>			<b>&lt;21,811.&gt;</b>
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

<b>2 Capital gain net income or (net capital loss)</b>	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7             }	<b>2</b>	<b>&lt;21,811.&gt;</b>
<b>3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):</b> If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		<b>3</b>	<b>N/A</b>

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☒ Yes ☐ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008			
2007			
2006			
2005			
2004			

<b>2 Total of line 1, column (d)</b>	<b>2</b>
<b>3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years</b>	<b>3</b>
<b>4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5</b>	<b>4</b>
<b>5 Multiply line 4 by line 3</b>	<b>5</b>
<b>6 Enter 1% of net investment income (1% of Part I, line 27b)</b>	<b>6</b>
<b>7 Add lines 5 and 6</b>	<b>7</b>
<b>8 Enter qualifying distributions from Part XII, line 4</b>	<b>8</b>

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		1	370.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		2	0.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		3	370.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
3 Add lines 1 and 2		5	370.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			
5 Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	5,056.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	5,056.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	4,686.	
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax	11	0.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c Did the foundation file Form 1120-POL for this year?		X
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>OH</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses <u>Stmt 9</u>	X	

**Part VII-A Statements Regarding Activities** (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		<b>X</b>
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		<b>X</b>
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <b>N/A</b>	13		<b>X</b>
14	The books are in care of <b>PARAGON ADVISORS</b> Telephone no. <b>(216) 491-3990</b> Located at <b>20820 CHAGRIN BOULEVARD SUITE 300 SHAKER HTS., OH</b> ZIP+4 <b>44122</b>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <b>15</b> <b>N/A</b>			

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <b>N/A</b>		1b
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?		1c <b>X</b>
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? If "Yes," list the years <b>2008</b> , <b>2007</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)		2b <b>X</b>
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <b>N/A</b>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.)		3b <b>N/A</b>
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a <b>X</b>
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?		4b <b>X</b>

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**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required** (continued)**5a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

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

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

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

6b

X

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

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
FREDRIC G. REYNOLDS	TRUSTEE			
400 East 51st Street, #28A				
New York, NY 10022	0.00	0.	0.	0.
LUNDY E. REYNOLDS	TRUSTEE			
400 East 51st Street, #28A				
New York, NY 10022	0.00	0.	0.	0.

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

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

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

0

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services 0

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

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 <span style="float: right;">0.</span>	



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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	977,650.
b	Average of monthly cash balances	1b	234,718.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	1,212,368.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	1,212,368.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	18,186.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,194,182.
6	Minimum investment return. Enter 5% of line 5	6	59,709.

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

1	Minimum investment return from Part X, line 6	1	59,709.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	370.
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	370.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	59,339.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	59,339.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	59,339.

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	63,500.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	63,500.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	63,500.

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

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

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
<b>1</b> Distributable amount for 2009 from Part XI, line 7				59,339.
<b>2</b> Undistributed income, if any, as of the end of 2009				
<b>a</b> Enter amount for 2008 only			66,760.	
<b>b</b> Total for prior years:				
2007, _____, _____		26,774.		
<b>3</b> Excess distributions carryover, if any, to 2009:				
<b>a</b> From 2004				
<b>b</b> From 2005				
<b>c</b> From 2006				
<b>d</b> From 2007				
<b>e</b> From 2008				
<b>f</b> Total of lines 3a through e	0.			
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4: ► \$ 63,500.				
<b>a</b> Applied to 2008, but not more than line 2a			63,500.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 2009 distributable amount				0.
<b>e</b> Remaining amount distributed out of corpus	0.			
<b>5</b> Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		26,774.		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions		26,774.		
<b>e</b> Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			3,260.	
<b>f</b> Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				59,339.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
<b>9</b> Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2005				
<b>b</b> Excess from 2006				
<b>c</b> Excess from 2007				
<b>d</b> Excess from 2008				
<b>e</b> Excess from 2009				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

**Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see the instructions.)**

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

**FREDRIC G. REYNOLDS**

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

**None**

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

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

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

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

c Any submission deadlines:

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

<b>Part XV</b>	<b>Supplementary Information</b> (continued)
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## 3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient		If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)					
<b>a Paid during the year</b>					
See Statement 10					
<b>Total</b>				<b>► 3a</b>	<b>63,500.</b>
<b>b Approved for future payment</b>					
None					
<b>Total</b>				<b>► 3b</b>	<b>0.</b>

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.

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		
1 Program service revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments			14	22,458.		
4 Dividends and interest from securities			14	7,598.		
5 Net rental income or (loss) from real estate:						
a Debt-financed property						
b Not debt-financed property						
6 Net rental income or (loss) from personal property						
7 Other investment income						
8 Gain or (loss) from sales of assets other than inventory			18	<21,811.>		
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e)		0.		8,245.		0.
13 Total. Add line 12, columns (b), (d), and (e)						8,245.

(See worksheet in line 13 instructions to verify calculations.)

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

[illegible]

**Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

		Yes	No
<b>1</b>	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
<b>a</b>	Transfers from the reporting foundation to a noncharitable exempt organization of:		
	(1) Cash		<b>X</b>
	(2) Other assets		<b>X</b>
<b>b</b>	Other transactions:		
	(1) Sales of assets to a noncharitable exempt organization		<b>X</b>
	(2) Purchases of assets from a noncharitable exempt organization		<b>X</b>
	(3) Rental of facilities, equipment, or other assets		<b>X</b>
	(4) Reimbursement arrangements		<b>X</b>
	(5) Loans or loan guarantees		<b>X</b>
	(6) Performance of services or membership or fundraising solicitations		<b>X</b>
<b>c</b>	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		<b>X</b>
<b>d</b>	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

[illegible]

**2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

☐ Yes ☒ No

**b** If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

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

Sign Here	Signature of officer or trustee <u>Lundy E. Reynolds</u>		Date <u>5/12/10</u>		Title <u>VP / TRUSTEE</u>	
	Preparer's signature <u>[Signature]</u>		Date <u>5-6-10</u>		Check if self-employed <input type="checkbox"/>	
Paid Preparer's Use Only	Firm's name (or yours if self-employed), address, and ZIP code <u>PARAGON ADVISORS</u> <u>20820 CHAGRIN BLVD. SUTIE 300</u> <u>SHAKER HTS., OHIO 44122</u>				Preparer's identifying number	
					EIN <u>          </u>	
				Phone no. <u>(216) 491-3990</u>		

Form **990-PF** (2009)

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Form 990-PF Interest on Savings and Temporary Cash Investments Statement 1

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Source	Amount
FIRST REPUBLIC 005	23,330.
FIRST REPUBLIC CHECKING	24.
LESS ACCRUED INTEREST PAID	<896.>
Total to Form 990-PF, Part I, line 3, Column A	22,458.

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Form 990-PF	Dividends and Interest from Securities	Statement	2
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Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
FIRST REPUBLIC 005	7,598.	0.	7,598.
Total to Fm 990-PF, Part I, ln 4	7,598.	0.	7,598.

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Form 990-PF	Other Professional Fees	Statement	3
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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
First Republic	11,472.	11,472.		0.
To Form 990-PF, Pg 1, ln 16c	11,472.	11,472.		0.

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Form 990-PF

Taxes

Statement

4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
OHIO FEES	200.	0.		0.
FOREIGN TAX	65.	65.		0.
Foreign Dividend Fee	0.	0.		0.
FEDERAL ESTIMATED PAYMENT	8,032.	0.		0.
To Form 990-PF, Pg 1, ln 18	8,297.	65.		0.

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Form 990-PF	U.S. and State/City Government Obligations	Statement	5
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Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value
TRAINER WORTHAM - FIRST REPUBLIC #A9g-300056	X		248,831.	251,634.
Total U.S. Government Obligations			248,831.	251,634.
Total State and Municipal Government Obligations				
Total to Form 990-PF, Part II, line 10a			248,831.	251,634.

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Form 990-PF

Corporate Stock

Statement 6

Description	Book Value	Fair Market Value
TRAINER WORTHAM - FIRST REPUBLIC #A9g-300056	431,815.	415,739.
Total to Form 990-PF, Part II, line 10b	431,815.	415,739.

Form 990-PF

Corporate Bonds

Statement 7

Description	Book Value	Fair Market Value
TRAINER WORTHAM - FIRST REPUBLIC #A9g-300056	320,584.	338,859.
Total to Form 990-PF, Part II, line 10c	320,584.	338,859.

Form 990-PF	Other Assets	Statement	8
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Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
Capital Gain Distribution Receivable	201.	0.	0.
To Form 990-PF, Part II, line 15	201.	0.	0.

Form 990-PF

List of Substantial Contributors  
Part VII-A, Line 10

Statement 9

Name of Contributor

Address

FREDRIC G. REYNOLDS

400 EAST 51ST STREET #28A  
NEW YORK, NE YORK 10022

LUNDY REYNOLDS

400 EAST 51ST STREET #28A  
NEW YORK, NE YORK 10022

Form 990-PF

Grants and Contributions  
Paid During the Year

Statement 10

Recipient Name and Address	Recipient Relationship and Purpose of Grant	Recipient Status	Amount
KLAMATH-SISKIYOU WILDLANDS CENTER	N/A BASIC OPERATING EXPENSE	PUBLIC CHARITY	3,500.
LANCE & CARLA BURN FUND (TEA FIRE)	N/A BASIC OPERATING EXPENSE	PUBLIC CHARITY	
SANSUM CLINIC	N/A BASIC OPERATING EXPENSE	PUBLIC CHARITY	2,500.
SANTA BARBARA FOOD BANK	N/A BASIC OPERATING EXPENSE	PUBLIC CHARITY	7,000.
SANTA BARBARA PLANNED PARENTHOOD	N/A BASIC OPERATING EXPENSE	PUBLIC CHARITY	6,500.
SANTA BARBARA RAPE CRISIS CENTER	N/A BASIC OPERATING EXPENSE	PUBLIC CHARITY	4,000.
SANTA BARBARA RED CROSS	N/A BASIC OPERATING EXPENSE	PUBLIC CHARITY	5,000.
U.S. HOLOCAUST MEMORIAL MUSEUM	N/A BASIC OPERATING EXPENSE	PUBLIC CHARITY	10,000.



THE FREDRIC AND LUNDY REYNOLDS FAMILY FO

34-1953315

UNIVERSITY OF MIAMI SCHOOL OF  
NURSING

N/A  
BASIC OPERATING  
EXPENSE

PUBLIC  
CHARITY

20,000.

ROBIN HOOD

N/A  
BASIC OPERATING  
EXPENSE

PUBLIC  
CHARITY

2,000.

CONGREGATION B'NAI B'RITH

N/A  
BASIC OPERATING  
EXPENSE

PUBLIC  
CHARITY

3,000.

Total to Form 990-PF, Part XV, line 3a

63,500.

**REALIZED GAINS AND LOSSES**  
**The Fredric & Lundy Reynolds Family Foundation**  
**f6785**

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost		Gain Or Loss	
				Basis	Proceeds	Short Term	Long Term
12-09-05	01-20-09	150.000	EBAY INC.	6,547.00	1,979.58		-4,567.42
01-05-07	01-20-09	150.000	EBAY INC	4,667.25	1,979.58		-2,687.67
01-25-07	01-20-09	200.000	EBAY INC.	6,723.75	2,639.43		-4,084.32
01-09-06	01-26-09	1,467	FNR 2002-56 WB 4,900% Due 03-25-29	1,461.30	1,467.12		5.82
12-19-05	01-29-09	150.000	BAKER HUGHES INC	9,239.50	5,221.59		-4,017.91
01-09-07	01-29-09	50.000	BAKER HUGHES INC	3,445.75	1,740.50		-1,705.25
01-09-06	02-25-09	3,187	FNR 2002-56 WB 4,900% Due 03-25-29	3,174.45	3,187.09		12.64
01-09-06	03-25-09	3,604	FNR 2002-56 WB 4,900% Due 03-25-29	3,589.66	3,603.95		14.29
01-09-06	04-27-09	6,324	FNR 2002-56 WB 4,900% Due 03-25-29	6,298.74	6,323.80		25.06
01-09-06	05-26-09	4,488	FNR 2002-56 WB 4,900% Due 03-25-29	4,470.42	4,488.22		17.80
01-09-06	06-25-09	3,538	FNR 2002-56 WB 4,900% Due 03-25-29	3,524.28	3,538.31		14.03
01-09-06	07-27-09	3,755	FNR 2002-56 WB 4,900% Due 03-25-29	3,740.00	3,754.88		14.88
01-09-06	08-11-09	250.000	BED BATH & BEYOND INC	8,967.20	8,892.77		-74.43
06-17-08	08-11-09	350.000	CERNER CORPORATION	16,806.83	21,945.13		5,138.30
09-04-07	08-11-09	250.000	COACH INC.	11,091.83	7,360.31		-3,731.52
01-09-07	08-11-09	200.000	GILEAD SCIENCES INC	6,466.32	9,082.41		2,616.09
12-09-05	08-11-09	200.000	MEDCO HEALTH SOLUTIONS INC	5,598.00	10,584.37		4,986.37
12-09-05	08-12-09	125.000	ZIMMER HOLDINGS	8,555.38	5,693.00		-2,862.38
01-09-06	08-25-09	2,992	FNR 2002-56 WB 4,900% Due 03-25-29	2,980.55	2,992.41		11.86

**REALIZED GAINS AND LOSSES**  
**The Fredric & Lundy Reynolds Family Foundation**  
**f6785**

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
01-25-07	09-01-09	300	INDIA FD INC RTS EXP 08/14/2009	0.00	0.00		0.00
02-28-06	09-10-09	200.000	HOSPIRA INC	7,805.00	8,012.85		207.85
01-09-06	09-25-09	1,436	FNR 2002-56 WB 4,900% Due 03-25-29	1,430.63	1,436.33		5.70
01-09-06	10-26-09	2,550	FNR 2002-56 WB 4,900% Due 03-25-29	2,539.65	2,549.75		10.10
06-17-08	10-29-09	400.000	CLAYMORE ETF TR MAC GLOB SOLAR	11,707.96	3,406.10		-8,301.86
09-04-07	11-03-09	50.000	COACH INC.	2,218.37	1,622.05		-596.32
10-30-08	11-03-09	200.000	COACH INC	3,887.57	6,488.22		2,600.65
06-01-06	11-03-09	350.000	CORNING INC	8,533.50	5,068.53		-3,464.97
01-05-07	11-03-09	350.000	CORNING INC	6,706.00	5,068.53		-1,637.47
01-09-06	11-25-09	5	FNR 2002-56 WB 4,900% Due 03-25-29	5.19	5.21		0.02
01-09-06	12-21-09	0.966	COHEN & STEERS QUAL INCOME REALTY	22.51	5.79		-16.72
TOTAL GAINS						0.00	15,681.45
TOTAL LOSSES						0.00	-37,748.24
TOTAL REALIZED GAIN/LOSS						162,204.60	140,137.81
NO CAPITAL GAINS DISTRIBUTIONS							-22,066.79