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

Treated as a Private Foundation

OMB No 1545-0052

2009

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

12/01, 2009, and ending

11/30, 2010

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 READING 1 FOUNDATION		A Employer identification number 34-7129352
	Number and street (or P O box number if mail is not delivered to street address) SALLY REDDIG SCHULZE, TRUSTEE 2335 DELAMERE DRIVE		B Telephone number (see page 10 of the instructions) (216) 932-6620
	City or town, state, and ZIP code CLEVELAND HEIGHTS, OH 44106		C If exemption application is pending, check here ► <input type="checkbox"/>
			D 1 Foreign organizations, check here ► <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/>
H Check type of organization	<input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 2,173,043.	J Accounting method.	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)		2,400			
2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B.					
3 Interest on savings and temporary cash investments		566	566		ATCH 1
4 Dividends and interest from securities		35,565	35,565		ATCH 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		-172,631			
b Gross sales price for all assets on line 6a	1,503,487				
7 Capital gain net income (from Part IV, line 2)					
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) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11		-134,100	36,131		
13 Compensation of officers, directors, trustees, etc		0			
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees (attach schedule)					
b Accounting fees (attach schedule) ATCH 3	2,400	2,400	0	0	
c Other professional fees (attach schedule) *	22,260	22,260			
17 Interest					
18 Taxes (attach schedule) (see page 14 of the instructions)					
19 Depreciation (attach schedule) and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule) ATCH 5	200	200			
24 Total operating and administrative expenses.		24,860	24,860	0	0
Add lines 13 through 23					
25 Contributions, gifts, grants paid		96,924			96,924
26 Total expenses and disbursements. Add lines 24 and 25		121,784	24,860	0	96,924
27 Subtract line 26 from line 12:		-255,884			
a Excess of revenue over expenses and disbursements					
b Net Investment Income (if negative, enter -0-)			11,271		
c Adjusted net income (if negative, enter -0-)				-0-	

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	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
1	Cash - non-interest-bearing	16,195.	4,071.	4,071.
2	Savings and temporary cash investments	99,671.	58,489.	58,489.
3	Accounts receivable ►			
	Less. allowance for doubtful accounts ►			
4	Pledges receivable ►			
	Less. allowance for doubtful accounts ►			
5	Grants receivable			
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
7	Other notes and loans receivable (attach schedule) ►			
	Less. allowance for doubtful accounts ►			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10	a Investments - U S and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule)			
	c Investments - corporate bonds (attach schedule)			
11	Investments - land, buildings, and equipment basis ►			
	Less accumulated depreciation ► (attach schedule)			
12	Investments - mortgage loans			
13	Investments - other (attach schedule)			
14	Land, buildings, and equipment basis ►			
	Less accumulated depreciation ► (attach schedule)			
15	Other assets (describe ► <u>ATCH 6</u>)	1,952,012.	2,110,483.	2,110,483.
16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	2,067,878.	2,173,043.	2,173,043.
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 (attach schedule)			
22	Other liabilities (describe ►)			
23	Total liabilities (add lines 17 through 22)			
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 and complete lines 27 through 31. ► <input type="checkbox"/>				
27	Capital stock, trust principal, or current funds	2,067,878.	2,173,043.	
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds			
30	Total net assets or fund balances (see page 17 of the instructions)	2,067,878.	2,173,043.	
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	2,067,878.	2,173,043.	

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	2,067,878.
2	Enter amount from Part I, line 27a	2	-255,884.
3	Other increases not included in line 2 (itemize) ► <u>Attachment 7</u>	3	361,049.
4	Add lines 1, 2, and 3	4	2,173,043.
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,173,043.

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr)	(d) Date sold (mo., day, yr)
1a SEE PART IV SCHEDULE					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	-172,631.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8	If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		3		

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.**1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries**

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	42,250.	1,750,162.	0.024141
2007	176,321.	2,430,471.	0.072546
2006	91,911.	1,130,826.	0.081278
2005	25,610.	629,518.	0.040682
2004	9,980.	206,770.	0.048266
2 Total of line 1, column (d)			2 0.266913
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.053383
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4 2,018,456.
5 Multiply line 4 by line 3			5 107,751.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 113.
7 Add lines 5 and 6			7 107,864.
8 Enter qualifying distributions from Part XII, line 4			8 96,924.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

1 a	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 <u>01/31/2001</u> (attach copy of ruling letter if necessary - see instructions)	1	225.
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		
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2	3	225.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	Tax based on Investment Income. Subtract line 4 from line 3 If zero or less, enter -0-	5	225.
6	Credits/Payments.		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	3,531.
b	Exempt foreign organizations-tax withheld at source	6b	0.
c	Tax paid with application for extension of time to file (Form 8868)	6c	0.
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d	7	3,531.
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	3,306.
11	Enter the amount of line 10 to be: Credited to 2010 estimated tax ► <u>3,306</u> Refunded ► <u>11</u>		

Part VII-A Statements Regarding Activities

1a	Yes	No
b		X
c		X
d		X
e		X
2		X
3		X
4a		X
4b		X
5		X
6	X	
7	X	
8a		
b		
9		X
10		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 page 20 of the instructions)	11	X
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12	X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X
14 The books are in care of ► VICTOR G. KMETICH Located at ► 6700 BETA DR, SUITE 116, CLEVELAND, OH	Telephone no. ► (440) 442-9428 ZIP + 4 ► 44143	
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ► 15		

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 ► <input type="checkbox"/>	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	X
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 ►	<input type="checkbox"/> Yes	<input checked="" 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 page 20 of the instructions)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►		
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	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b	X

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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:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions).	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5b		
	Organizations relying on a current notice regarding disaster assistance check here. ► <input type="checkbox"/>					
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?	<input type="checkbox"/> Yes	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	6b		X
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
	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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	7b		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Attachment 8		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances

Total number of other employees paid over \$50,000 ► **NONE**

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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 (see page 23 of the instructions). If none, enter "NONE."

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

Total number of others receiving over \$50,000 for professional services ► NONE

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	NONE	
2		
3		
4		

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2		Amount
1	NONE	
2		
All other program-related investments. See page 24 of the instructions		
3	NONE	
Total. Add lines 1 through 3 ►		

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	1,894,055.
b Average of monthly cash balances	1b	155,139.
c Fair market value of all other assets (see page 24 of the instructions)	1c	0.
d Total (add lines 1a, b, and c)	1d	2,049,194.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	2,049,194.
4 Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	30,738.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,018,456.
6 Minimum investment return. Enter 5% of line 5	6	100,923.

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ► and do not complete this part.)

1 Minimum investment return from Part X, line 6	1	100,923.
2a Tax on investment income for 2009 from Part VI, line 5	2a	225.
b Income tax for 2009. (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	225.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	100,698.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	100,698.
6 Deduction from distributable amount (see page 25 of the instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	100,698.

Part XII Qualifying Distributions (see page 25 of the instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	96,924.
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	0.
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	0.
b Cash distribution test (attach the required schedule)	3b	0.
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	96,924.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	N/A
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	96,924.

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

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				100,698.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only				
b Total for prior years 20 07, 20 06, 20 05				
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006	20,469.			
d From 2007	55,155.			
e From 2008				
f Total of lines 3a through e		75,624.		
4 Qualifying distributions for 2009 from Part XII, line 4 ► \$	96,924.			
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2009 distributable amount				96,924.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	3,774.			3,774.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	71,850.			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount - see page 27 of the instructions				
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see page 27 of the instructions				
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2010.				
Subtract lines 7 and 8 from line 6a	71,850.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006	16,695.			
c Excess from 2007	55,155.			
d Excess from 2008				
e Excess from 2009				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

1a	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)																																										
2a	<table border="1"> <thead> <tr> <th rowspan="2">Tax year</th> <th colspan="3">Prior 3 years</th> <th rowspan="2">(e) Total</th> </tr> <tr> <th>(a) 2009</th> <th>(b) 2008</th> <th>(c) 2007</th> <th>(d) 2006</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Tax year	Prior 3 years			(e) Total	(a) 2009	(b) 2008	(c) 2007	(d) 2006																														
Tax year	Prior 3 years			(e) Total																																							
	(a) 2009	(b) 2008	(c) 2007		(d) 2006																																						
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)(ii)																																										
(3)	Largest amount of support from an exempt organization																																										
(4)	Gross investment income																																										

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 28 of the instructions.)**1 Information Regarding Foundation Managers:**

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

Attachment 9

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

NONE

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

Check here ► if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
Attachment 10				
Total.			► 3a	96,924.
b Approved for future payment				
Total.			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

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

Line No. Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions.)

NOT APPLICABLE

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

1	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?	Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of:		
(1)	Cash	1a(1)	X
(2)	Other assets	1a(2)	X
b	Other transactions.		
(1)	Sales of assets to a noncharitable exempt organization	1b(1)	X
(2)	Purchases of assets from a noncharitable exempt organization	1b(2)	X
(3)	Rental of facilities, equipment, or other assets	1b(3)	X
(4)	Reimbursement arrangements	1b(4)	X
(5)	Loans or loan guarantees	1b(5)	X
(6)	Performance of services or membership or fundraising solicitations	1b(6)	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting 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.		

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

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.

Sally Redding Schulze, Ph.D.

Feb. 19, 2011 → Trustee
Date Title

Date Title

Sign Here Paid Preparer's Use Only	Preparer's signature ► <i>Victor J. Knecht</i>	Date 2/17/11	Check if self-employed ► <input checked="" type="checkbox"/>	Preparer's identifying number (See Signature on page 30 of the instructions) P01217595
	Firm's name (or yours if self-employed), address, and ZIP code	► VGK FINANCIAL SERVICES LLC 6700 BETA DRIVE, SUITE 116 CLEVELAND, OH	EIN ► 20-0578981	Phone no. 440-442-9428

JSA
9E1493 1 000

THE READING FOUNDATION
 E.I.N: 34-7129352
 C/O SALLY REDDIG SCHULZE, TRUSTEE
 2335 DELAMERE DRIVE
 CLEVELAND HEIGHTS, OHIO 44106

ATTACHMENT TO FORM 990-PF
 FISCAL YEAR 12/1/2009-11/30/2010

RECAPITULATION OF INCOME, GAIN AND LOSS

YEAR	INTEREST	DIVIDENDS	INVESTMENT/ BANK FEES	NET CAP GAIN (LOSS) SHORT-TERM	NET CAP GAIN (LOSS) LONG-TERM	CAPITAL GAIN DISTRIBUTION
December 2009 - per excerpt from 2009 annual statement		\$3,528				\$3,380
1/1/10-12/31/10 - per 2010 annual statement(s)	\$566	37,555	\$22,260	(\$3,897)	(\$172,287)	173
Less 12/01/10-12/31/10 income and net gain (loss)		5,518				0
Totals for 990-PF FYE 11/30/10	\$566	\$35,565	\$22,260	(\$3,897)	(\$172,287)	\$3,553

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description			P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis	Gain or (loss)	
546,672.						3,553.	
			TOTAL CAPITAL GAIN DISTRIBUTIONS				
			HUNTINGTON #874 - SEE ATTACHED			P	VAR
			PROPERTY TYPE: SECURITIES				VAR
			550,569.			-3,897.	
953,262.			HUNTINGTON #874 - SEE ATTACHED			P	VAR
			PROPERTY TYPE: SECURITIES				VAR
			1,125,549.			-172,287.	
			TOTAL GAIN(LOSS)				<u>-172,631.</u>

THE READING 1 FOUNDATION
E.I.N: 34-7129352
C/O SALLY REDDIG SCHULZE, TRUSTEE
2335 DELAMERE DRIVE
CLEVELAND HEIGHTS, OHIO 44106

2009 FORM 990-PF
FISCAL YEAR 12/1/2009 - 11/30/2010

PART X

LINES 1a, 1b, 1c, AND 1d - AVERAGE MONTHLY VALUES OF SECURITIES, CASH AND OTHER ASSETS

END OF MONTH	LINE 1a SECURITIES	LINE 1b CASH IN	LINE 1b CASH IN	TOTAL LINE 1b CASH	LINE 1d 1a+1b+1c
		FOUNDATION INVESTMT A/C	FOUNDATION CHECKING A/C		
12/31/2009	1,977,633	108,547	16,195	124,742	2,102,375
1/31/2010	1,889,947	85,361	41,195	126,556	2,016,503
2/28/2010	1,942,831	86,899	9,695	96,594	2,039,425
3/31/2010	2,044,314	88,594	3,095	91,689	2,136,003
4/30/2010	2,074,566	90,394	171	90,565	2,165,131
5/31/2010	1,871,801	59,238	4,071	63,309	1,935,110
6/30/2010	1,359,201	508,554	1,571	510,125	1,869,326
7/31/2010	1,458,090	509,234	1,571	510,805	1,968,895
8/31/2010	1,832,750	55,214	6,571	61,785	1,894,535
9/30/2010	2,022,227	56,753	4,071	60,824	2,083,051
10/31/2010	2,144,820	58,047	4,071	62,118	2,206,938
11/30/2010	2,110,483	58,489	4,071	62,560	2,173,043
TOTALS	22,728,663	1,765,324	96,348	1,861,672	24,590,335
AVERAGE MONTHLY BALANCE	1,894,055	147,110	8,029	155,139	2,049,195

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
HUNTINGTON NATIONAL BANK	566.	566.
TOTAL	<u><u>566.</u></u>	<u><u>566.</u></u>

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
HUNTINGTON NATIONAL BANK	35,565.	35,565.
TOTAL	<u><u>35,565.</u></u>	<u><u>35,565.</u></u>

Attachment 2

FORM 990PF, PART I - ACCOUNTING FEES

Attachment 3

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
VGK FINANCIAL SERVICES LLC	2,400.	2,400.	2,400.	0.
TOTALS	<u>2,400.</u>	<u>2,400.</u>	<u>2,400.</u>	<u>0.</u>

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
BANK/INVESTMENT FEES	22,260.	22,260.
TOTALS	<u><u>22,260.</u></u>	<u><u>22,260.</u></u>

Attachment 4

FORM 990PF, PART I - OTHER EXPENSES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
OHIO FILING FEE	<u>200.</u>	<u>200.</u>
TOTALS	<u>200.</u>	<u>200.</u>

Attachment 5

FORM 990PF, PART II - OTHER ASSETS

Attachment 6

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
EQUITIES MUTUAL FUNDS - EQUITIES OPTIONS	<u>2,110,483.</u>	<u>2,110,483.</u>
TOTALS	<u><u>2,110,483.</u></u>	<u><u>2,110,483.</u></u>

Huntington Private Financial

PAGE 2

NOVEMBER 01, 2010 TO NOVEMBER 30, 2010

ACCOUNT NAME: READING FDN
ACCOUNT NUMBER: 3434000874**PORTFOLIO DETAIL**

QUANTITY	DESCRIPTION	MARKET VALUE	YIELD TO MKT	COST BASIS
CASH AND EQUIVALENTS				
1,945 790	608993408 HUNTINGTON MONEY MARKET FUND IV	1,945 79	0 01	1,945 79
56,543 160	608993853 HUNTINGTON CONSERVATIVE DEPOSIT ACCOUNT	56,543 16	0 34	56,543 16
TOTAL	CASH AND EQUIVALENTS	58,488 95	0 33	58,488 95
EQUITIES				
FINANCIALS				
1,100 000	015271109 ALEXANDRIA REAL ESTATE EQUITIES	73,425 00	2 70	72,149 50
525 000	38141G104 GOLDMAN SACHS GROUP INC	81,973 50	0 90	96,495 09
2,300 000	40414L109 HEALTH CARE PPTY INVEST INC	75,739 00	5 65	68,539 25
TOTAL	FINANCIALS	231,137 50	3 03	237,183 84
TELECOMMUNICATIONS				
2,200 000	05534B760 BCE INC NEW	74,536 00	5 37	61,843 70
TOTAL	TELECOMMUNICATIONS	74,536 00	5 37	61,843 70
HEALTHCARE				
8,000 000	717081103 PFIZER INC	130,400 00	4 42	129,672 00
2,500 000	863667101 STRYKER CORP	125,225 00	1 20	119,116 25
TOTAL	HEALTHCARE	255,625 00	2 84	248,788 25
CONSUMER STAPLES				
1,700 000	191216100 COCA COLA CO	107,389 00	2 79	99,851 96
2,100 000	60871R209 MOLSON COORS BREWING CO B	100,065 00	2 35	103,032 33
TOTAL	CONSUMER STAPLES	207,454 00	2 58	202,884 29
CONSUMER DISCRETIONARY				
2,300 000	478366107 JOHNSON CTLS INC	83,812 00	1 76	64,856 91
1,100 000	87612E106 TARGET CORP	62,634 00	1 76	48,366 38
TOTAL	CONSUMER DISCRETIONARY	146,446 00	1 76	113,223 29

Huntington Private Financial

PAGE 3

NOVEMBER 01, 2010 TO NOVEMBER 30, 2010

ACCOUNT NAME: READING FDN
ACCOUNT NUMBER: 3434000874

PORTFOLIO DETAIL (CONTINUED)

QUANTITY	DESCRIPTION	MARKET VALUE	YIELD TO MKT	COST BASIS
TECHNOLOGY				
4,700 000	052769106 AUTODESK INC W/1 RT/SH	165,863 00	25 50	128,921 11
300 000	38259P508 GOOGLE INC-CL A	166,713 00	0 00	149,586 60
6,000 000	68389X105 ORACLE CORPORATION FORMERLY ORACLE SYS CORP W/1 RT/SH	162,270 00	0 74	138,695 50
TOTAL	TECHNOLOGY	494,846 00	8 79	417,203 21
INDUSTRIALS				
1,100 000	149123101 CATERPILLAR INC	93,060 00	2 08	62,919 30
1,500 000	244199105 DEERE & CO W/1 RT/SH	112,050 00	1 61	80,170 18
1,000 000	911312106 UPS	70,130 00	2 68	66,115 00
TOTAL	INDUSTRIALS	275,240 00	2 04	209,204 48
ENERGY				
800 000	037411105 APACHE CORP	86,112 00	0 56	79,566 22
2,550 000	30231G102 EXXON MOBIL CORP	177,378 00	2 53	171,746 70
TOTAL	ENERGY	263,490 00	1 89	251,312 92
MATERIALS				
1,200 000	277432100 EASTMAN CHEMICAL CO	93,372 00	2 26	72,469 20
TOTAL	MATERIALS	93,372 00	2 26	72,469 20
UTILITIES				
1,350 000	65339F101 NEXTERA ENERGY INC	68,337 00	3 95	81,768 36
TOTAL	UTILITIES	68,337 00	3 95	81,768 36
TOTAL	EQUITIES	2,110,483 50	4 03	1,895,881 54
GRAND TOTAL ASSETS		2,168,972.45	3.93	1,954,370.49

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
INCREASE IN MARKET VALUE OF INVESTMENTS	361,049.
TOTAL	<u>361,049.</u>

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

Attachment 8

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
SALLY REDDIG SCHULZE SALLY REDDIG SCHULZE, TRUSTEE 2335 DELAMERE DRIVE CLEVELAND HEIGHTS, OH 44106	TRUSTEE	0.	0.	0.
	GRAND TOTALS	0.	0.	0.

FORM 990PF, PART XV - INFORMATION REGARDING FOUNDATION MANAGERS

SALLY REDDIG SCHULZE
JOHN B. SCHULZE

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

RECIPIENT NAME AND ADDRESS

CLEVELAND INSTITUTE OF ART
11141 EAST BOULEVARD
CLEVELAND, OH 44106

THE WILLOWS COMMUNITY SCHOOL
8509 HIGUERA STREET
CULVER CITY, CA 90232

HEIGHTS YOUTH CLUB
2065 LEE ROAD
CLEVELAND, OH 44118

NORTH UNION FARMERS MARKET
13212 SHAKER SQUARE
CLEVELAND, OH 44120

RAINBOW BABIES & CHILDREN'S HOSPITAL
11100 EUCLID AVENUE
CLEVELAND, OH 44106

THE NATURE CENTER AT SHAKER LAKES
2600 SOUTH PARK BOULEVARD
CLEVELAND, OH 44120

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
CLEVELAND INSTITUTE OF ART 11141 EAST BOULEVARD CLEVELAND, OH 44106	NONE 501(C) (3)	GENERAL TAX-EXEMPT PURPOSES	25,000
THE WILLOWS COMMUNITY SCHOOL 8509 HIGUERA STREET CULVER CITY, CA 90232	NONE 501(C) (3)	GENERAL TAX-EXEMPT PURPOSES	1,500
HEIGHTS YOUTH CLUB 2065 LEE ROAD CLEVELAND, OH 44118	NONE 501(C) (3)	GENERAL TAX-EXEMPT PURPOSES	5,000
NORTH UNION FARMERS MARKET 13212 SHAKER SQUARE CLEVELAND, OH 44120	NONE 501(C) (3)	GENERAL TAX-EXEMPT PURPOSES	2,500
RAINBOW BABIES & CHILDREN'S HOSPITAL 11100 EUCLID AVENUE CLEVELAND, OH 44106	NONE 501(C) (3)	GENERAL TAX-EXEMPT PURPOSES	1,000
THE NATURE CENTER AT SHAKER LAKES 2600 SOUTH PARK BOULEVARD CLEVELAND, OH 44120	NONE 501(C) (3)	GENERAL TAX-EXEMPT PURPOSES	5,000

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

RECIPIENT NAME AND ADDRESS

FOUNDATION STATUS OF RECIPIENT

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

THE CLEVELAND AUCTION CO
2418 PROFESSOR AVENUE
CLEVELAND, OH 44113

NONE
501 (C) (3)

GOLDEN AGE CENTERS
12200 FAIRHILL ROAD
CLEVELAND, OH 44120

NONE
501 (C) (3)

CHILDREN'S CREATIVE PROJECT
4400 CATHEDRAL OAKS ROAD
SANTA BARBARA, CA 93160

NONE
501 (C) (3)

CHARLOTTE COUNTRY DAY SCHOOL
1440 CARMEL ROAD
CHARLOTTE, NC 28226

NONE
501 (C) (3)

DAVID & ANN DEMING SCHOLARSHIP
11141 EAST BOULEVARD
CLEVELAND, OH 44106

NONE
501 (C) (3)

TOTAL CONTRIBUTIONS PAID

96,924

**SCHEDULE D
(Form 1041)**Department of the Treasury
Internal Revenue Service

OMB No 1545-0092

Capital Gains and Losses

► Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

2009

Name of estate or trust

THE READING 1 FOUNDATION

Employer identification number
34-7129352

Note: Form 5227 filers need to complete only Parts I and II.

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	-3,897.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2008 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back ► 5		-3,897.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	-172,287.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	3,553.
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2008 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back ► 12		-168,734.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2009

Part III Summary of Parts I and II		(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
13	Net short-term gain or (loss)	13		-3,897.
14	Net long-term gain or (loss):			
a	Total for year	14a		-168,734.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht.)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a ►	15		-172,631.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary.

Part IV Capital Loss Limitation	
16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of
	a The loss on line 15, column (3) or b \$3,000.

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the Capital Loss Carryover Worksheet on page 7 of the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates	
---	--

Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the worksheet on page 8 of the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18		
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20	Add lines 18 and 19	20		
21	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- ►	21		
22	Subtract line 21 from line 20. If zero or less, enter -0-	22		
23	Subtract line 22 from line 17. If zero or less, enter -0-	23		
24	Enter the smaller of the amount on line 17 or \$2,300	24		
25	Is the amount on line 23 equal to or more than the amount on line 24?			
	<input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box.	25		
	<input type="checkbox"/> No. Enter the amount from line 23.	26		
26	Subtract line 25 from line 24	26		
27	Are the amounts on lines 22 and 26 the same?	27		
	<input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31	28		
	<input type="checkbox"/> No. Enter the smaller of line 17 or line 22	29		
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28		
29	Subtract line 28 from line 27	29		
30	Multiply line 29 by 15% (.15)	30		
31	Figure the tax on the amount on line 23. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31		
32	Add lines 30 and 31	32		
33	Figure the tax on the amount on line 17. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33		
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34		

Name of estate or trust

THE READING 1 FOUNDATION

Employer identification number
34-7129352

34-7129352

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

**(a) Description of property (Example
100 sh 7% preferred of "Z" Co)**

(b) Date
acquired
(mo. day, yr.)

(c) Date sold
(mo., day, yr)

(d) Sales price
(see page 4 of the
instructions)

Employer identification number
34-7129352

1a HUNTINGTON #874 - SEE
ATTACHED

546,672.

-3,897.

1b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 1b - 3,897 .

-3,897.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D-1 (Form 1041) 2009

Name of estate or trust as shown on Form 1041. Do not enter name and employer identification number if shown on the other side

Employer identification number

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a HUNTINGTON #874 - SEE ATTACHED			953,262.	1,125,549.	-172,287.

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b -172,287.

Schedule D-1 (Form 1041) 2009

2010 Tax Information Statement

SCHEDULE D-1

Account Number: 34340000874
Recipient's Tax ID Number: XX-XXX9352

HUNTINGTON NATIONAL BANK
P.O. BOX 1558 - EA4E86
COLUMBUS, OH 43216

Corrected

2nd TIN notice

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Ref: 422
Recipient's Name and Address:
READING 1 FOUNDATION TRUST DTD
12/28/2000

2335 DELAMERE DRIVE
CLEVELAND HEIGHTS, OH 44106

2010 Proceeds from Broker and Barter Exchange Transactions

Sales are listed at Gross Proceeds less commissions and option premiums.

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
Short Term Sales								
1200.0000	05577E101	BT GROUP PLC SPON ADR	11/19/2009	05/26/2010	20,589.25	29,055.24	-8,465.99	0.00
3000.0000	294821608	ERICSSON LM TELEPHONE CO-SP ADR	VARIOUS	05/26/2010	29,798.79	30,779.22	-980.43	0.00
720.6300	316345305	FIDELITY LOW-PRICED STOCK FUND	VARIOUS	05/26/2010	22,995.30	20,145.31	2,849.99	0.00
1500.0000	459902102	INTERNATIONAL GAME TECH	11/19/2009	05/26/2010	28,499.51	29,380.35	-880.84	0.00
600.0000	767204100	RIO TINTO PLC SPONSORED ADR	11/19/2009	05/26/2010	26,311.77	32,179.71	-5,867.94	0.00
300.0000	826197501	SIEMENS AG ADR	11/19/2009	05/26/2010	25,949.71	29,174.79	-3,225.08	0.00
1000.0000	867224107	SUNCOR ENERGY INC	11/19/2009	05/26/2010	29,059.50	36,058.00	-6,998.50	0.00
500.0000	78463V107	SPDR GOLD TRUST	07/28/2009	05/28/2010	59,355.84	46,078.90	13,276.94	0.00
1000.0000	032654105	ANALOG DEVICES INC	11/19/2009	07/29/2010	29,791.79	27,937.90	1,853.89	0.00
600.0000	826552101	SIGMA ALDRICH CORP	11/19/2009	07/29/2010	33,838.10	32,378.52	1,459.58	0.00
1300.0000	92857W209	VODAFONE GROUP PLC	VARIOUS	07/29/2010	30,590.43	29,247.60	1,342.83	0.00
750.0000	61151C101	ACCENTURE PLC CL A	11/19/2009	07/29/2010	29,546.94	29,811.00	-264.06	0.00
200.0000	254687106	DISNEY WALT HOLDING CO NEW	07/29/2010	08/06/2010	6,898.56	6,797.20	101.36	0.00
2000.0000	466313103	JABIL CIRCUIT INC	07/29/2010	08/06/2010	26,506.55	29,755.60	-3,249.05	0.00
1300.0000	565849106	MARATHON OIL CORP	01/15/2010	08/06/2010	43,927.03	41,158.08	2,768.95	0.00
1200.0000	594918104	MICROSOFT CORP	07/29/2010	08/06/2010	30,060.93	31,507.32	-1,446.39	0.00
500.0000	701094104	PARKER HANNIFIN CORP W/1 RT/SH	07/29/2010	08/06/2010	32,326.05	30,995.00	1,331.05	0.00

This is important tax information and is being furnished to you.

2010 Tax Information Statement

SCHEDULE D-1

Recipient's Name and Address:
READING 1 FOUNDATION TRUST DTD
12/28/2000
2335 DELAMERE DRIVE
CLEVELAND HEIGHTS, OH 44106

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Ref: 4.22.

Account Number: 3434000874
Recipient's Tax ID Number: XX-XXX9352

HUNTINGTON NATIONAL BANK
P.O. BOX 1558 - EA4E86
COLUMBUS, OH 43216

Corrected

2nd TIN notice

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
150.0000	89417E109	TRAVELERS COS INC	07/29/2010	08/06/2010	7,414.72	7,583.81	-169.09	0.00
1000.0000	91324P102	UNITEDHEALTH GROUP INC	07/29/2010	08/06/2010	33,211.24	30,545.40	2,665.84	0.00
Total Short Term Sales					546,672.01	550,568.95	-3,896.94	0.00
Long Term 15% Sales								
600.0000	674599105	OCCIDENTAL PETE	01/09/2008	01/15/2010	49,025.32	44,460.00	4,565.32	0.00
1300.0000	00206R102	AT&T INC	11/30/2007	05/28/2010	31,667.46	49,839.40	-18,171.94	0.00
200.0000	372917104	GENZYME CORP-GENL DIVISION	03/26/2009	05/28/2010	9,860.23	11,719.60	-1,859.37	0.00
50.0000	674599105	OCCIDENTAL PETE	01/09/2008	05/28/2010	4,138.92	3,705.00	433.92	0.00
1200.0000	039483102	ARCHER DANIELS MIDLAND	03/31/2008	06/21/2010	32,544.64	49,488.00	-16,943.36	0.00
850.0000	171232101	CHUBB CORP W/1 RT/SH	01/09/2008	06/21/2010	44,967.12	44,557.00	410.12	0.00
600.0000	74005P104	PRAXAIR INC	12/11/2007	06/21/2010	49,116.36	51,749.10	-2,632.74	0.00
650.0000	857477103	STATE STREET CORP	04/15/2008	06/21/2010	24,226.58	45,265.94	-21,039.36	0.00
1000.0000	H5833N103	NOBLE CORP	03/06/2008	06/21/2010	31,291.46	50,079.14	-18,787.68	0.00
200.0000	0311162100	AMGEN INC W/1 RT/SH	03/26/2009	07/29/2010	10,660.81	10,207.54	453.27	0.00
1800.0000	17275R102	CISCO SYSTEMS W/1 RT/SH	11/29/2007	07/29/2010	41,922.55	50,522.58	-8,600.03	0.00
550.0000	369550108	GENERAL DYNAMICS W/1 RT/SH	12/11/2007	07/29/2010	34,057.95	50,431.98	-16,374.03	0.00
1000.0000	458140100	INTEL CORP	05/26/2009	07/29/2010	21,069.64	15,288.10	5,781.54	0.00
450.0000	502424104	L3 COMMUNICATIONS HLDG	11/30/2007	07/29/2010	33,211.23	49,814.42	-16,603.19	0.00
1100.0000	58933Y105	MERCK & CO INC	01/30/2008	07/29/2010	38,545.87	51,126.02	-12,580.15	0.00

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2010 Tax Information Statement

SCHEDULE D-1

Recipient's Name and Address: Page 8 of 16
READING 1 FOUNDATION TRUST DTD Ref: 4.22.
12/28/2000
2335 DELAMERE DRIVE
CLEVELAND HEIGHTS, OH 44106

Account Number: 3434000874
Recipient's Tax ID Number: XX-XXX9352

HUNTINGTON NATIONAL BANK
P.O. BOX 1558 - EA4E86
COLUMBUS, OH 43216

Corrected

2nd TIN notice

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
1500.00000	254687106	DISNEY WALT HOLDING CO NEW	12/14/2007	08/06/2010	51,739.22	49,633.80	2,105.42	0.00
1000.00000	428236103	HEWLETT PACKARD	11/30/2007	08/06/2010	45,372.13	51,150.00	-5,777.87	0.00
1000.00000	452308109	ILLINOIS TOOL WORKS	01/30/2008	08/06/2010	45,141.23	50,058.20	-4,916.97	0.00
2000.00000	466313103	JABIL CIRCUIT INC	03/26/2009	08/06/2010	26,506.55	11,112.60	15,393.95	0.00
500.00000	565849106	MARATHON OIL CORP	03/26/2009	08/06/2010	16,895.01	13,789.10	3,105.91	0.00
1000.00000	585055106	MEDTRONIC INC W/1 RT/SH	02/28/2008	08/06/2010	37,514.36	49,938.90	-12,424.54	0.00
1450.00000	594918104	MICROSOFT CORP	12/11/2007	08/06/2010	36,323.62	49,472.84	-13,149.22	0.00
575.00000	701094104	PARKER HANNIFIN CORP W/1 RT/SH	05/14/2008	08/06/2010	37,174.96	49,251.40	-12,076.44	0.00
600 0000	806857108	SCHLUMBERGER LTD	VARIOUS	08/06/2010	36,948.76	52,555.88	-15,607.13	0.00
1050.00000	881624209	TEVA PHARMACEUTICAL IND'S ADR	01/10/2008	08/06/2010	51,915.22	49,725.48	2,189.74	0.00
1000.00000	883556102	THERMO ELECTRON CORP W/1 RT/SH	01/30/2008	08/06/2010	44,831.54	51,110.60	-6,279.06	0.00
850 0000	89417E109	TRAVELERS COS INC	01/09/2008	08/06/2010	42,016.74	42,831.50	-814.76	0.00
740.00000	91324P102	UNITEDHEALTH GROUP INC	03/17/2008	08/06/2010	24,576.31	26,664.56	-2,088.25	0.00
Total Long Term 15% Sales							1,125,548.68	-172,286.90

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