Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052
2012
Open to public Inspection

For calendar year 2012 or tax year beginning , **and ending**

Name of foundation
KENNEDY FOUNDATION, INC.

A Employer identification number
62-1296643

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
P.O. BOX 1607

B Telephone number
(423) 756-5552

City or town, state, and ZIP code
CHATTANOOGA, TN 37401

C If exemption application is pending, check here ▶ [ ]

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

D 1 Foreign organizations, check here ▶ [ ]
2 Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

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

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶$ 4,120,083.

J Accounting method: [X] Cash [ ] Accrual [ ] Other (specify) *(Part I, column (d) must be on cash basis)*

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ [ ]

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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)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	118,019.	118,019.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-153,533.			
	b Gross sales price for all assets on line 6a 1,529,293.				
	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	-35,514.	118,019.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 2	2,022.	1,011.		1,011.
	b Accounting fees STMT 3	2,850.	1,425.		1,425.
	c Other professional fees STMT 4	27,970.	27,970.		0.
	17 Interest				
	18 Taxes STMT 5	5,427.	5,427.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 6	374.	374.		0.
	24 **Total operating and administrative expenses** Add lines 13 through 23	38,643.	36,207.		2,436.
	25 Contributions, gifts, grants paid	199,050.			199,050.
	26 **Total expenses and disbursements** Add lines 24 and 25	237,693.	36,207.		201,486.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-273,207.			
	b **Net investment income** (if negative, enter -0-)		81,812.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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u

Part II Balance Sheets (Attached schedules and amounts in the description column should be for end-of-year amounts only)		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	181,411.	196,601.	196,601.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 7	3,274,119.	3,470,858.	3,470,858.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 8	400,431.	452,624.	452,624.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	3,855,961.	4,120,083.	4,120,083.
Liabilities	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 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ 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 ▶ [X] and complete lines 27 through 31			
	27 Capital stock, trust principal, or current funds	3,855,961.	4,120,083.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	30 **Total net assets or fund balances**	3,855,961.	4,120,083.	
	31 **Total liabilities and net assets/fund balances**	3,855,961.	4,120,083.	

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	3,855,961.
2 Enter amount from Part I, line 27a	2	-273,207.
3 Other increases not included in line 2 (itemize) ▶ NET DECREASE IN UNREALIZED LOSSES	3	537,329.
4 Add lines 1, 2, and 3	4	4,120,083.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,120,083.

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	LTCG PASSTHROUGH FROM PARTNERSHIPS	P		
b	OXFORD COMPANY MANAGED INVESTMENTS	P	11/01/11	09/17/12
c	OXFORD COMPANY MANAGED INVESTMENTS	P	12/11/07	09/17/12
d	CAPITAL GAINS DIVIDENDS			
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	10,601.			10,601.
b	95,922.		93,971.	1,951.
c	1,388,126.		1,588,855.	-200,729.
d	34,644.			34,644.
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(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	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				10,601.
b				1,951.
c				-200,729.
d				34,644.
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 -153,533.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8 3 N/A

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

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

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

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

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

1 Enter the appropriate amount in each column for each year, see 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))
2011	194,425.	4,061,214.	.047874
2010	184,617.	3,956,977.	.046656
2009	185,545.	3,681,066.	.050405
2008	236,748.	3,865,745.	.061243
2007	231,651.	4,728,324.	.048992

2	**Total** of line 1, column (d)	2	.255170
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	.051034
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	4,074,252.
5	Multiply line 4 by line 3	5	207,925.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	818.
7	Add lines 5 and 6	7	208,743.
8	Enter qualifying distributions from Part XII, line 4	8	201,486.

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 ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ______ (attach copy of letter if necessary-see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	1,636.
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	0.
3 Add lines 1 and 2			3	1,636.
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	1,636.
6 Credits/Payments				
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	2,310.		
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	2,310.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached			8	1.
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	673.
11 Enter the amount of line 10 to be: **Credited to 2013 estimated tax** ▶ 673. **Refunded** ▶			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?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
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			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d 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*	2		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*	3	X	
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		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?	6	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*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TN			
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*	8b	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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

			Yes	No
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		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ MS. SHELIA M. CRANE Telephone no. ▶ 423-756-5552

Located at ▶ 2001 RIVERSIDE DRIVE, CHATTANOOGA, TN ZIP+4 ▶ 37406

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 N/A

			Yes	No
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ 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)? ☐ Yes ☒ 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.) ☐ Yes ☒ 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 instructions)? N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
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 2012?	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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? ☐ Yes ☒ No If "Yes," list the years ▶ ____, ____, ____, ____			
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.) N/A	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? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2012 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 2012.)* N/A	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 2012?	4b		X

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
JAMES D. KENNEDY, JR. 127 DOGWOOD LANE, LOOKOUT MTN, TN 37350	PRESIDENT & DIRECTOR 2.00	0.	0.	0.
JANE K. GREENE 6138 STEFANI DALLAS, TX 75225	DIRECTOR 1.00	0.	0.	0.
SHELIA M. CRANE 2001 RIVERSIDE DRIVE CHATTANOOGA, TN 37406	SECRETARY-TREASURER & DIRECTOR 2.00	0.	0.	0.

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

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

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

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
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 ▶	0.

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	3,468,873.
b	Average of monthly cash balances	1b	214,799.
c	Fair market value of all other assets	1c	452,624.
d	**Total** (add lines 1a, b, and c)	1d	4,136,296.
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	4,136,296.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	62,044.
5	**Net value of noncharitable-use assets** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,074,252.
6	**Minimum investment return** Enter 5% of line 5	6	203,713.

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	203,713.
2a	Tax on investment income for 2012 from Part VI, line 5 — 2a: 1,636.		
b	Income tax for 2012. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	1,636.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	202,077.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	202,077.
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	202,077.

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	201,486.
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	201,486.
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	201,486.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				202,077.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			197,666.	
b Total for prior years: ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ $ 201,486.				
a Applied to 2011, but not more than line 2a			197,666.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2012 distributable amount				3,820.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2011. Subtract line 4a from line 2a Taxable amount - see instr.			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				198,257.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2013** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9.				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

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 2012, 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			
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	(e) Total
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 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).)

JAMES D. KENNEDY, JR.

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 or e-mail of the person to whom applications should be addressed:

MS. SHELIA CRANE, 423-756-5552
P.O. BOX 1607, CHATTANOOGA, TN 37401

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

NO PRESCRIBED FORM

c Any submission deadlines:

NONE

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

ALL CONTRIBUTIONS ARE TO QUALIFIED 501(C) ORGANIZATIONS.

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	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
a Paid during the year				
ALLIED ARTS OF GREATER CHATTANOOGA 406 FRAZIER AVENUE CHATTANOOGA, TN 37405	N/A	PUBLIC	ARTS EDUCATION	6,300.
ALZHEIMERS ASSOCIATION 7625 HAMILTON PARK DR CHATTANOOGA, TN 37421	N/A	PUBLIC	CHARITABLE	1,000.
AMERICAN CANCER SOCIETY 6221 SHALLOWFORD RD CHATTANOOGA, TN 37421	N/A	PUBLIC	CHARITABLE	1,100.
BAYLOR SCHOOL 171 BAYLOR SCHOOL ROAD CHATTANOOGA, TN 37405	N/A	PUBLIC	EDUCATION	1,100.
CHATTANOOGA AREA FOOD BANK 2009 CURTAIN POLE RD. CHATTANOOGA, TN 37406	N/A	PUBLIC	CHARITABLE	1,000.
Total SEE CONTINUATION SHEET(S)			▶ 3a	199,050.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

Form **990-PF** (2012)

223611
12-05-12

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

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
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					
4 Dividends and interest from securities			14	118,019.	
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	-153,533.	
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.		-35,514.	0.

13 Total Add line 12, columns (b), (d), and (e) 13 -35,514.

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

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).

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

			Yes	No
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?			
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.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

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		

Sign Here

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

Shelia M. Crane — 5/15/2013 — Secy/Treas

Signature of officer or trustee — Date — Title

May the IRS discuss this return with the preparer shown below (see instr)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
DAVID R. HOLT	DAVID R. HOLT	05/15/13		P01404049
Firm's name ▶ HAZLETT, LEWIS & BIETER, PLLC			Firm's EIN ▶ 62-0509553	
Firm's address ▶ 537 MARKET STREET, SUITE 300 CHATTANOOGA, TN 37402-1239			Phone no. (423)756-6133	

Form **990-PF** (2012)

223622
12-05-12

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	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
CHATTANOOGA HAMILTON COUNTY RESCUE SERVICE 5910 LEE HIGHWAY CHATTANOOGA, TN 37421	N/A	PUBLIC	CHARITABLE	50.
CHEROKEE AREA COUNCIL BOY SCOUTS 6031 LEE HIGHWAY CHATTANOOGA, TN 37421	N/A	PUBLIC	EDUCATION	5,000.
CHILDREN'S HOME CHAMBLISS SHELTER 315 GILLESPIE RD CHATTANOOGA, TN 37411	N/A	PUBLIC	CHARITABLE	25.
CHORAL ARTS OF CHATTANOOGA 3319 HIXSON PIKE CHATTANOOGA, TN 37415	N/A	PUBLIC	CULTURAL	500.
CHURCH OF THE GOOD SHEPHERD 211 FRANKLIN ROAD LOOKOUT MOUNTAIN, GA 30750	N/A	PUBLIC	RELIGIOUS	10,050.
COMMUNITY FOUNDATION OF CHATTANOOGA 1270 MARKET STREET CHATTANOOGA, TN 37402	N/A	PUBLIC	CHARITABLE	1,000.
COVENANT COLLEGE 14049 SCENIC HIGHWAY LOOKOUT MOUNTAIN, GA 30750	N/A	PUBLIC	EDUCATION	5,000.
DALLAS CHILDREN'S THEATRE 5938 SKILLMAN DALLAS, TX 75231	N/A	PUBLIC	CULTURAL	5,000.
DARTMOUTH COLLEGE FUND 6066 DEVELOPMENT OFFICE HANOVER, NH 03755	N/A	PUBLIC	EDUCATION	1,000.
LOOKOUT MOUNTAIN BEAUTIFICATION P. O. BOX 22 LOOKOUT MOUNTAIN, TN 37350	N/A	PUBLIC	CHARITABLE	25.
Total from continuation sheets				188,550.

223631
05-01-12

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	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
LOOKOUT MOUNTAIN PRESBYTERIAN CHURCH 316 N. BRAGG AVE. LOOKOUT MOUNTAIN, TN 37350	N/A	PUBLIC	RELIGIOUS	50.
MCR FOUNDATION 1400 MCCALLIE AVENUE CHATTANOOGA, TN 37404	N/A	PUBLIC	PUBLIC SAFETY	10,000.
SPECIAL OLYMPICS 250 LAYNE ROAD SODDY-DAISY, TN 37379	N/A	PUBLIC	CHARITABLE	1,000.
ST. ANNE'S EPISCOPAL CHURCH 3098 SAINT ANNES LANE NW ATLANTA, GA 30327	N/A	PUBLIC	RELIGIOUS	10,000.
ST. PAUL'S EPISCOPAL CHURCH 305 W. SEVENTH STREET AT PINE CHATTANOOGA, TN 37402	N/A	PUBLIC	RELIGIOUS	10,000.
TENNESSEE AQUARIUM CONSERVATION SOCIETY ONE BROAD STREET CHATTANOOGA, TN 37402	N/A	PUBLIC	EDUCATION	1,000.
TENNESSEE RIVER GARDENS P. O. BOX 292 LOOKOUT MOUNTAIN, TN 37350	N/A	PUBLIC	CHARITABLE	1,000.
TENNESSEE RIVER GORGE TRUST 535 CHESTNUT STREET CHATTANOOGA, TN 37402	N/A	PUBLIC	CHARITABLE	1,000.
UC FOUNDATION 605 OAK STREET CHATTANOOGA, TN 37403	N/A	PUBLIC	EDUCATION	1,200.
UNITED WAY OF ATLANTA 100 EDGEWOOD AVE. N.E. ATLANTA, GA 30303	N/A	PUBLIC	COMMUNITY CHARITY	10,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	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
UNITED WAY OF CHATTANOOGA 630 MARKET STREET CHATTANOOGA, TN 37405	N/A	PUBLIC	COMMUNITY CHARITY	20,000.
UNITED WAY OF DALLAS 1800 NORTH LAMAR STREET DALLAS, TX 75202	N/A	PUBLIC	COMMUNITY CHARITY	10,000.
UNIVERSITY OF TENNESSEE AT CHATTANOOGA 615 MCCALLIE AVE. CHATTANOOGA, TN 37403	N/A	PUBLIC	EDUCATION	27,000.
UTC ATHLETICS 615 MCCALLIE AVE. CHATTANOOGA, TN 37403	N/A	PUBLIC	EDUCATION	1,400.
WSMC SOUTHERN ADVENTIST UNIVERSITY P. O. BOX 870 COLLEGEDALE, TN 37315	N/A	PUBLIC	CULTURAL	500.
YMCA ANNUAL SUSTAINING FUND 301 WEST 6TH STREET CHATTANOOGA, TN 37402	N/A	PUBLIC	EDUCATIONAL	1,000.
BETTY ROBINSON TRUST FUND, C/O INDIANTOWN PRESBYTERIAN CHURCH 4865 HEMINGWAY HIGHWAY HEMINGWAY, SC 29554	N/A	PUBLIC	CHARITABLE	50.
BOYNTON BAPTIST CHURCH 4093 BOYNTON DR RINGOLD, GA 30736	N/A	PUBLIC	RELIGIOUS	1,000.
CHATTANOOGA COMMUNITY KITCHEN 727 E. 11TH ST CHATTANOOGA, TN 37401	N/A	PUBLIC	CHARITABLE	500.
CHATTANOOGA SYMPHONY & OPERA 701 BROAD ST CHATTANOOGA, TN 37402	N/A	PUBLIC	CULTURAL	1,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	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
CHOICE HUMANITARIAN 7879 SOUTH 1530 WEST, SUITE 200 WEST JORDAN, UT 84088	N/A	PUBLIC	CHARITABLE	1,000.
COMMUNITY SHARES - THE CENTER FOR MINDFUL LIVING 507 SOUTH GAY STREET, SUITE 1120 KNOXVILLE, TN 37902	N/A	PUBLIC	CHARITABLE	5,000.
FIRST CENTENARY UNITED METHODIST 419 MCCALLIE AVE CHATTANOOGA, TN 37402	N/A	PUBLIC	RELGIOUS	25.
FRANKLIN COUNTY WOMEN'S SHELTER 303 EAST THIRD ST FRANKFORT, KY 40601	N/A	PUBLIC	CHARITABLE	150.
HOSPICE OF CHATTANOOGA 4411 OAKWOOD DRIVE CHATTANOOGA, TN 37416	N/A	PUBLIC	CHARITABLE	5,025.
LOOKOUT MOUNTAIN RECREATION BOARD 700 SCENIC HWY LOOKOUT MOUNTAIN, TN 37350	N/A	PUBLIC	CHARITABLE	1,000.
MEMORIAL HOSPITAL FOUNDATION 1329 SPANOS COURT, C2 MODESTO, CA 95355	N/A	PUBLIC	CHARITABLE	10,000.
RISING FAWN CHURCH OF GOD 4526 HWY 11 RISING FAWN, GA 30738	N/A	PUBLIC	RELIGIOUS	20,000.
ST. MICHAEL'S & ALL ANGELS EPISCOPAL CHRUCH 8011 DOUGLAS AVE DALLAS, TX 75225	N/A	PUBLIC	RELIGIOUS	5,000.
SISKIN FOUNDATION CHILDREN'S INSTITUTE 1101 CARTER ST CHATTANOOGA, TN 37402	N/A	PUBLIC	CHARITABLE	1,000.
Total from continuation sheets				

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05-01-12

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	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
WTCI TV 45 7540 BONNYSHIRE DRIVE CHATTANOOGA, TN 37416	N/A	PUBLIC	CULTURAL	5,000.
Total from continuation sheets				

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
THE TRUST COMPANY OF OXFORD	152,663.	34,644.	118,019.
TOTAL TO FM 990-PF, PART I, LN 4	152,663.	34,644.	118,019.

FORM 990-PF LEGAL FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CHAMBLISS, BAHNER & STOPHEL, PC	2,022.	1,011.		1,011.
TO FM 990-PF, PG 1, LN 16A	2,022.	1,011.		1,011.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
HAZLETT, LEWIS, AND BIETER, PLLC	2,850.	1,425.		1,425.
TO FORM 990-PF, PG 1, LN 16B	2,850.	1,425.		1,425.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNT MANAGEMENT FEES	27,970.	27,970.		0.
TO FORM 990-PF, PG 1, LN 16C	27,970.	27,970.		0.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX ON INVESTMENT INCOME	5,427.	5,427.		0.
TO FORM 990-PF, PG 1, LN 18	5,427.	5,427.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PORTFOLIO DEDUCTIONS OF PASS THROUGH ENTITIES	349.	349.		0.
MISCELLANEOUS	25.	25.		0.
TO FORM 990-PF, PG 1, LN 23	374.	374.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MUTUAL FUNDS	3,470,858.	3,470,858.
EQUITIES	0.	0.
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,470,858.	3,470,858.

FORM 990-PF OTHER INVESTMENTS STATEMENT 8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SAVILE ROW CS PARTNERSHIP	FMV	244,097.	244,097.
SAVILE ROW HEDGED EQUITY PARTNERSHIP	FMV	208,527.	208,527.
TOTAL TO FORM 990-PF, PART II, LINE 13		452,624.	452,624.

AMENDED AND RESTATED

CHARTER OF

KENNEDY FOUNDATION, INC.

Pursuant to the provisions of Sections 48-60-101 and 48-60-106 of the Tennessee Nonprofit Corporation Act, the undersigned corporation adopts the following Amended and Restated Charter:

1. **Name**. The name of the corporation is

KENNEDY FOUNDATION, INC.

2. **Public Benefit**. This corporation is a public benefit corporation.

3. **Registered Office and Registered Agent**. The complete address of the corporation's registered office in Tennessee shall be 1000 Tallan Building, Two Union Square, Chattanooga, Tennessee 37402-2500, in Hamilton County. The registered agent at that address is Gregory D. Willett.

4. **Principal Office**. The street address of the corporation's principal office shall be 2001 Riverside Drive, Chattanooga, Tennessee 37406, in Hamilton County.

5. **Nonprofit Corporation**. The corporation is a nonprofit corporation.

6. **Members**. The corporation shall have no members.

7. **Purposes**. The purposes for which the corporation is organized are the establishment and support of any religious, charitable, scientific, literary or educational activities, within the meaning of Section 501(c)(3) of the Internal Revenue Code, either directly or indirectly through its cooperation with public or private agencies having like purposes or objectives, including, but not limited to:

To solicit, collect, receive, accumulate, administer and disburse funds and property in such a manner as will, in the sole discretion of the Board of Directors, most effectively operate to further religious, charitable, scientific, literary, or educational purposes, either directly or by contributions to any organization described in Section 501(c)(3) of the Internal Revenue Code, with the exception of organizations testing for public safety.

To do everything and anything reasonably and lawfully necessary, proper, suitable, or convenient for the achievement of the purposes above stated, or for any of them, or for the furtherance of the said purposes;

Notwithstanding any other provisions of this charter, the corporation shall not carry on activities not permitted to be carried on (1) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and (2) by a corporation, contributions to which are deductible under Section 170(c)(2) of such Code, so long as they may be in effect, excepting any such law which infringes upon any rights of the church protected by the Constitution of the United States, such as freedom of religion and freedom of speech.

8. <u>**Powers**</u>. As a means of accomplishing the purposes for which it is organized, the corporation shall have the rights and powers now or hereafter conferred upon nonprofit corporations by the laws of the State of Tennessee, including but not by way of limitation, those enumerated in Sections 48-53-102 and 48-53-103 of the Tennessee Code Annotated, and limited in certain respects as follows:

The purposes for which the corporation is organized are exclusively religious, charitable, scientific, literary, and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code.

The corporation shall not be operated for the primary purpose of carrying on a trade or business for profit. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, trustees, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the corporate purposes.

Except as may be permitted from time to time under Section 501 of the Internal Revenue Code, no substantial part of the activities of the corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation; and the corporation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office; nor shall the corporation engage in any activities that are unlawful under applicable federal, state, or local laws.

Notwithstanding the other provisions of this charter, during any period that the corporation is a "private foundation" as defined in Section 509 of the Internal Revenue Code, the following provisions shall be applicable:

(a) The corporation shall distribute so much of its income and such amount of its property for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code;

(b) The corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code;

(c) The corporation shall not retain any excess business holdings as defined in Section 4943 (c) of the Internal Revenue Code;

(d) The corporation shall not make any investments in such a manner as to subject it to tax under Section 4944 of the Internal Revenue Code; and

(e) The corporation shall not make any taxable expenditures as defined in Section 4945 (d) of the Internal Revenue Code.

The territory in which the corporation's operations are principally to be conducted is the United States of America; the corporation may conduct operations in foreign countries, subject, however, to the laws of Tennessee, or any restrictions or limitations under federal law.

The corporation is not being formed for any purpose for which there are other specific statutory provisions in the State of Tennessee concerning its formation and is not being organized for a purpose or purposes which require authorization under the laws or statutory regulations of the State of Tennessee.

But if this corporation shall undertake to do any of the things hereinabove set forth in any state other than Tennessee, in the District of Columbia, in any territory, colony or dependency of the United States, or in any foreign country or any colony or dependency thereof, then as to such jurisdictions and to each of them, this corporation shall be deemed to have such powers insofar as such jurisdictions respectively permit such corporations within their several respective jurisdictions to execute such powers.

Notwithstanding any other provisions of this charter, the corporation shall not carry on activities not permitted to be carried on (1) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and (2) by a corporation, contributions to which are deductible under Section 170(c)(2) of such Code, so long as they may be in effect.

9. **Directors**. There shall be no fewer than three (3) directors of this corporation, the exact number to be determined by the Board of Directors as provided in the bylaws of the corporation. The bylaws may provide that the directors be divided into two (2) or more classes for terms of office which may expire at different times.

10. **Limited Liability of Directors**. The personal liability of each director of the corporation for monetary damages for breach of fiduciary duty as a director shall be eliminated to the full extent permitted by Section 48-52-102(b)(3) of the Tennessee Code Annotated.

11. **<u>Indemnification</u>**. The corporation shall indemnify any individual who is a party to a proceeding because such individual is or was a member of the Board of Directors, or an officer of the corporation or an employee or agent of the corporation against any liability incurred in the proceeding and, prior to the disposition thereof, advance the reasonable expenses incurred by such individual to the extent permitted under Sections 48-58-502, 48-58-504, and 48-58-507 of the Tennessee Code Annotated. The determination of entitlement to indemnification and advancement of expenses shall be made in accordance with Section 48-58-506 of the Tennessee Code Annotated. Every reference herein to a member of the Board of Directors, officer, employee or agent of the corporation shall include every director, officer, employee and agent thereof and every former director, officer, employee and agent thereof. The right of indemnification herein provided shall be in addition to any and all rights to which any director, officer, employee or agent of the corporation might otherwise be entitled and provisions hereof shall neither impair nor adversely affect such rights.

12. **<u>Other Provisions</u>**. This corporation shall enjoy and be subject to the benefits, privileges and immunities, restrictions, liabilities and obligations, as provided for nonprofit corporations generally by the law of the land and which are held applicable to nonprofit corporations organized under the provisions of the Tennessee Nonprofit Corporation Act as amended or modified.

13. **<u>Dissolution</u>**. In the event of dissolution, the residual assets of the corporation will be turned over to one or more organizations which themselves are exempt as organizations described in Sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986 or corresponding sections of any prior or future Internal Revenue Code.

14. **Amendments**. The provisions of this charter are subject to amendment as provided under the laws of the State of Tennessee, provided that no provision shall be changed, modified or repealed in such a manner as to be inconsistent with the objects and purposes for which this corporation is formed.

15. **References**. All references in this charter to the Internal Revenue Code shall include the Internal Revenue Code as it now exists, future amendments to the sections cited, and corresponding sections of future laws, together with all valid regulations thereunder.

16. **Certificate pursuant to Section 48-60-106(h)**. The Amended and Restated Charter amends the charter of the corporation which was granted by the Secretary of State of Tennessee on November 14, 1986, to change the principal address of the corporation, to add provisions concerning the limitation of directors, to add information concerning the registered office and registered agent and to eliminate provisions no longer required by the Tennessee Nonprofit Corporation Act. The amendments to and restatement of the charter were duly adopted by the unanimous vote of all the directors at a meeting of the Board of Directors dated October 6, 2010. The corporation does not have any members and no person other than the Board of Directors is required to approve this Amended and Restated Charter.

Executed October 6, 2010.

James D. Kennedy, Jr.

James D. Kennedy, Jr., President

I certify that the copy of the Amended and Restated Charter of Kennedy Foundation, Inc. is a complete and accurate copy of the original document.

Shelia M. Crane

Shelia M. Crane
Secretary

5/15/2013
Date

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AMENDED AND RESTATED BYLAWS OF

KENNEDY FOUNDATION, INC.

(A Tennessee Nonprofit Corporation)

Adopted October 8, 2010

INDEX OF AMENDED AND RESTATED BYLAWS OF

KENNEDY FOUNDATION, INC.

(A Tennessee Nonprofit Corporation)

1 NAME AND PURPOSES

1.1 Name. The name of the corporation is Kennedy Foundation, Inc.

1.2 Purposes. The purposes of this corporation shall be as provided in its charter as it may be amended and restated from time to time. The aims of this corporation are to be carried out through any and all lawful activities, including others not specifically stated in the charter but incidental to the stated aims and purposes, both directly and through contributions to any other corporation, trust, fund or foundation whose purposes are religious, charitable, scientific, literary or educational, provided, that any such activity or contribution shall conform to any applicable restrictions or limitations set forth in the corporation's charter or which are imposed on corporations described in Section 501(c)(3) of the Internal Revenue Code or on any corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code as presently enacted, or as such Code sections may hereafter be amended or supplemented, or replaced by new sections of similar import, and to the final regulations thereunder.

2 NO MEMBERS

The corporation shall have no members. The Board of Directors (the "Board") may take any action which is permitted or required to be taken by members of a nonprofit corporation under Tennessee law.

3 DIRECTORS

3.1 Qualifications. The affairs of the corporation shall be managed by a Board, which may be referred to as the Board of Trustees. Members of the Board need not be residents of the State of Tennessee. All members of the Board other than James D. Kennedy, Jr. and Shelia Crane must be a descendant of James D. Kennedy, Jr.

3.2 Number. There shall be no fewer than three (3) directors, the exact number to be determined from time to time by the Board. All directors shall have equal and full voting responsibilities as members of the Board.

3.3 Election and Term. Directors shall be elected at annual meetings of the Board for terms, which may be staggered, not to exceed five years. Directors may be elected for successive terms. Each director shall hold office until the expiration of the term for which the director is elected, and thereafter until the director's successor has been elected and qualified. (See the paragraph below titled "Voting" for number of votes required.)

3.4 Resignation. A director may resign at any time by delivering written notice to the Board, its chairman or president, or to the corporation.

3.5 Removal. All directors shall serve at the pleasure of the Board and any or all of the directors may be removed without assignment of cause by the affirmative vote of the directors then in office.

3.6 Vacancies in Board. A vacancy occurring in the Board for any reason need not be filled prior to the next annual meeting unless the remaining directors are fewer in number than required by law; any vacancy may be filled by vote of a majority of the directors then in office or, in the discretion of the executive committee, it may elect a member of the executive committee to fill a vacancy until the next annual meeting is held provided that such director so appointed is a descendant of James D. Kennedy, Jr.

3.7 Committees. The Board, by resolution adopted by the affirmative vote of the directors then in office, may designate an executive committee, consisting of one or more directors, and other committees, consisting of one or more persons, who may or may not be directors, and may delegate to such committee or committees all such authority of the Board that it deems desirable. Only the specific delegation of the Board shall be effective to give a committee the authority to adopt, amend or repeal the bylaws. The committee shall report any action taken to the meeting of the Board next following the taking of such action, unless the Board otherwise requires. The Board may designate one or more directors as alternate members of any such committee, who may replace any absent member or members at any meeting of the committee. Each such committee, and each member of each such committee, shall serve at the pleasure of the Board. The designation of any such committee and the delegation thereto of authority shall not relieve any director of any responsibility imposed by law. So far as applicable, the provisions of law relating to the conduct of meetings of the Board shall govern meetings of the executive and other committees.

3.8 Compensation. The Board or the executive committee may fix the compensation, or provide for fixing the compensation, of the directors of the corporation and may authorize reimbursement of reasonable expenses incurred in the performance of their duties. Such authorization may prescribe the procedure for approval and payment of such expenses by designated officers of the corporation.

4 DIRECTOR MEETINGS

4.1 Annual and Semi Annual Meetings. An annual meeting of the Board shall be held at a time which is within four months following the close of any fiscal year if the notice of the meeting designates it as an annual meeting. A semi-annual meeting shall be held within six months following the annual meeting. The Board or any officer so authorized by the Board may establish a date or dates on which regular meetings of the Board shall be held between annual and semi-annual meetings.

4.2 Special Meetings. Special meetings of the Board may be called at any time by the chairman of the board, the president, the secretary or any two directors.

4.3 Place of Meetings. Meetings of the Board shall be held at any place either in or out of the State of Tennessee that the Board may from time to time select or at such other place designated in the notice of the meeting.

4.4 Notice Requirements. Written or printed notice stating the place and the day and hour of the meeting, shall be given to each director, by any usual means of communication, not less than two days nor more than thirty days before the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting need be specified in the notice or any waiver of notice.

4.5 Waiver of Notice. Attendance of a director at a meeting shall constitute a waiver of notice of the meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Whenever the Board or any committee of the Board is authorized to take any action after notice to any person or persons, or the lapse of a prescribed period of time, the action may be taken without such requirements if at any time before or after the action is completed the person or persons entitled to such notice or entitled to participate in the action to be taken submit a signed waiver of notice or of such requirement.

4.6 Quorum. At all meetings of the Board, a majority of the number of directors then in office shall constitute a quorum for the transaction of business. The presence of a majority of the membership of a committee of the Board shall be required for the transaction of business. Except with respect to indemnification proceedings, common or interested directors may always be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorizes, approves or ratifies a transaction of the corporation.

4.7 Voting. The vote of a majority of the members present at a meeting at which a quorum is present shall be the act of the Board or any committee.

4.8 Presumption of Assent. A director who is present at a meeting of the Board, or any committee thereof, shall be presumed to have concurred in any action taken at the meeting, unless the director's dissent to such action shall be entered in the minutes of the meeting or unless the director shall submit the director's written dissent to the person acting as the secretary of the meeting before the adjournment of the meeting or shall deliver or send such dissent by registered or certified mail to the secretary of the corporation promptly after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action. A director who is absent from a meeting of the Board, or any committee thereof, at which such action is taken shall be presumed to have concurred in the action unless the director shall deliver or send by registered or certified mail the director's dissent to such action to the secretary of the corporation or shall cause such dissent to be filed with the minutes of the proceedings of the Board or committee within a reasonable time after learning of such action.

4.9 Action by Consent. The Board or any committee designated by the Board may take any action which the Board or committee is required or permitted to take without a meeting on written consent, setting forth the action to be taken, signed by all of the directors or committee members, as the case may be and indicating each signing director's vote or abstention on the action. The affirmative vote of the number of directors that would be necessary to authorize or take such action at a meeting is the act of the Board.

4.10 Electronic Communications Allowed. The Board may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting. Directors shall be promptly furnished a copy of the minutes of any meeting held under this paragraph.

5 OFFICERS

5.1 Titles of Officers. The corporation shall have a chairman of the board, a president, a secretary and such other officers as are elected. One person may be elected to more than one office, except that the offices of president and secretary may not be held by the same person.

5.2 Election. All officers shall be elected or appointed at the annual meeting of Board or at any special meeting of the Board.

5.3 Term of Office. The officers of the corporation shall be elected for terms not to exceed one (1) year unless otherwise provided by the Board. Each officer shall hold office until the expiration of the term for which the officer is elected and thereafter until the officer's successor has been elected or appointed and qualified.

5.4 Removal. Any officer may be removed by the affirmative vote of a majority of the directors then in office with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer shall not of itself create contract rights.

5.5 Chairman of the Board. The chairman of the board, if one is elected, shall, unless otherwise provided by the Board, be the chief executive officer of the corporation, and shall be considered an officer of the corporation for purposes of these bylaws and for all other purposes. The Chairman of the Board shall preside at all meetings of the Board of Directors, shall see that all decisions, orders and actions of the Board of Directors are carried out, and shall have and exercise the general powers and duties of supervision and management usually vested in the office of the Chairman of the Board and all other powers and duties prescribed by the Board of Directors.

5.6 President. The President shall be the highest appointed employed professional officer of the corporation. The President shall be the chief executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation and carry out or supervise the carrying out of all decisions, orders and actions of the Board of Directors. The President shall sign any deeds, mortgages, bonds, or other instruments and any contracts or documents made, executed and delivered in the ordinary course of business or which the Board of Directors has authorized to be executed, except in cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general shall have such responsibilities and perform all duties as may be prescribed by the Board of Directors from time to time. The President shall have authority over and responsibility for contracts, loans, checks, drafts and deposits of the corporation. The President shall be an ex-officio non-voting member of the Board of Directors and an ex officio non-voting member of all committees established by the Board of Directors.

5.7 Secretary. The Secretary shall keep the minutes of the voting members' meetings and of the Board of Directors' meetings, in one or more books provided for that purpose; shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; shall be custodian of the corporate records and of the seal of the corporation, if any, and shall see that the seal of the corporation, if required, is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized; shall keep a register of the post office address of each voting member, which shall be furnished to the Secretary by such member; shall sign with the President certificates for membership of the corporation, if any, the issuance of which shall have been authorized by action of the Board of Directors;; shall in general perform all duties incident to the office of Secretary and such other duties as may from time to time be prescribed by the President or by the Board of Directors.

5.8 Treasurer. The Treasurer shall be the chief financial officer of the corporation. The Treasurer shall have charge of the funds and securities of the corporation and shall cause them to be deposited into depositories approved by the Board of Directors. The Treasurer shall see that accurate and complete records are kept of all funds, all transactions, all receipts and disbursements, and shall maintain accurate and complete internal accounting and reporting systems. The Treasurer shall report regularly to the President and shall make regular reports to the Executive Committee or the Board of Directors on the financial condition and operations of the corporation. All checks upon bank accounts of the corporation shall be signed as directed by resolution of the Board of Directors. A bond may be required for the faithful performance of the duties of the Treasurer, at the cost of the corporation.

5.9 Director of Grants. The Director of Grants shall have the duty to oversee applications for grants made to the Foundation and such other duties that are assigned to the Director of Grants her by the President of the Foundation. All applications made by qualifying persons or entities shall be submitted to the Board for approval or disapproval. The Director of Grants shall serve at the pleasure of the Board.

5.10 Compensation. The Board or the executive committee shall fix the compensation, or provide for fixing the compensation, of all officers of the corporation.

6 LIMITED LIABILITY OF DIRECTORS

The personal liability of each director of the corporation for monetary damages for breach of fiduciary duty as a director shall be eliminated to the full extent permitted by Section 48-52-102(b)(3) of the Tennessee Code Annotated.

7 INDEMNIFICATION

The corporation shall indemnify an individual who is a party to a proceeding because such individual is or was a member of the Board, or an officer of the corporation or an employee or agent of the corporation against any liability incurred in the proceeding and, prior to the disposition thereof, advance the reasonable expenses incurred by such individual to the extent permitted under Sections 48-58-502, 48-58-504, and 48-58-507 of the Tennessee Code Annotated. The determination of entitlement to indemnification and advancement of expenses shall be made in accordance with Section 48-58-506 of the Tennessee Code Annotated. Every reference herein to a member of the Board, officer, employee or agent of the corporation shall include every director, officer, employee and agent thereof and former director, officer, employee and agent thereof. The right of indemnification herein provided shall be in addition to any and all rights to which any director, officer, employee or agent of the corporation might otherwise be entitled and provisions hereof shall neither impair nor adversely affect such rights.

8 MISCELLANEOUS

8.1 Seal. The corporation may have a corporate seal which may be altered at pleasure; but the presence or absence of such seal on any instrument, or its addition thereto, shall not affect its character or validity or legal effect in any respect.

8.2 Investment Contracts and Bank Accounts. In the absence of other arrangement by the Board, the president of the corporation may vote, endorse for transfer or take any other action necessary with respect to shares of stock and securities issued by any corporation and owned by this corporation; and the president may make, execute and deliver any proxy, waiver or consent with respect thereto. This authority may be delegated by the president to another officer of the corporation in the president's discretion. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by the President, the Treasurer, or such other officer or officers, agent or agents, of the corporation as shall from time to time be determined by resolution of the Board. All funds of the corporation not otherwise employed shall be deposited to the credit of the corporation in such banks or other depositories as the Board may select, or as may be designated by any officer or officers or agent or agents of the corporation to whom such power may be delegated by the Board.

8.3 Acceptance of Gifts. The Board or any officer of the corporation or any agent of the corporation to whom such authority may be delegated by the Board, may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

8.4 Bond. At the direction of the directors, any officer or employee of the corporation shall be bonded. The expense of furnishing any such bond shall be paid by the corporation.

9 AMENDMENT

These bylaws may be amended or repealed, and new bylaws may be adopted, by the vote of a majority of all the directors then in office. The resulting bylaws may contain any provision for the regulation and management of business of the corporation not inconsistent with law and the charter. Any amendment of the charter inconsistent with these bylaws shall operate to amend the bylaws pro tanto, and those bylaws or parts of bylaws which merely summarize or restate the provisions of the charter or the provisions of the Tennessee Nonprofit Corporation Act or other law applicable to the corporation shall be operative with respect to the corporation only so far as they are descriptive of existing law and of the charter as amended.

I certify that the copy of the Amended and Restated Bylaws of Kennedy Foundation, Inc. is a complete and accurate copy of the original document.

Shelia M. Crane

Shelia M. Crane
Secretary

5/15/2013
Date