Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

► **Do not enter social security numbers on this form as it may be made public.**
► Information about Form 990-PF and its separate instructions is at *www.irs.gov/form990pf.*

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014, or tax year beginning , 2014, and ending ,

Xie Foundation
325 Sharon Park Drive, #802
Menlo Park, CA 94025

A Employer identification number 27-1208110

B Telephone number (see instructions) (650) 496-7458

C If exemption application is pending, check here ► ☐

D 1 Foreign organizations, check here ► ☐

2 Foreign organizations meeting the 85% test, check here and attach computation ► ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ► ☐

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

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

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16) ► $ 24,867,398.

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify)
(Part I, column (d) must be on cash basis)

	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 instructions))*	**(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 (attach schedule)	1,856,100.			
	2 Ck ► ☐ if the foundn is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	32,900.	32,900.	32,900.	
	5 a Gross rents	33,000.	33,000.	33,000.	
	b Net rental income or (loss) 5,071.				
	6 a Net gain or (loss) from sale of assets not on line 10	185,883.			
	b Gross sales price for all assets on line 6a 1,135,531.				
	7 Capital gain net income (from Part IV, line 2)		1,088,888.		
	8 Net short-term capital gain			3,324.	
	9 Income modifications				
	10 a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule) See Statement 1	7,424,343.			
	12 **Total.** Add lines 1 through 11	9,532,226.	1,154,788.	69,224.	
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)				
	b Accounting fees (attach sch) See St 2	3,255.			
	c Other prof fees (attach sch) See St 3	10,651.	11,447.		
	17 Interest				
	18 Taxes (attach schedule)(see instrs) See Stm 4	41,973.	646.		
	19 Depreciation (attach sch) and depletion See Stmt 5	11,408.	16,592.		
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) See Statement 6	16,701.	16,521.		
	24 **Total operating and administrative expenses** Add lines 13 through 23	83,988.	45,206.		
	25 Contributions, gifts, grants paid Part XV	822,000.			922,000.
	26 **Total expenses and disbursements** Add lines 24 and 25	905,988.	45,206.	0.	922,000.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	8,626,238.			
	b **Net investment income** (if negative, enter -0-)		1,109,582.		
	c **Adjusted net income** (if negative, enter -0)			69,224.	

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BAA For Paperwork Reduction Act Notice, see instructions. TEEA0504L 12/10/14 Form **990-PF** (2014)

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Part II Balance Sheets

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
ASSETS	1	Cash – non-interest-bearing			
	2	Savings and temporary cash investments	891,831.	1,040,847.	1,040,847.
	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 instructions)			
	7	Other notes and loans receivable (attach sch) ►			
		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 (attach schedule)			
	b	Investments – corporate stock (attach schedule)	14,142,561.	22,552,049.	22,552,049.
	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)	281,456.	302,188.	302,188.
	14	Land, buildings, and equipment basis ► 1,005,156.			
		Less accumulated depreciation (attach schedule) See Stmt 7 ► 32,842.	983,722.	972,314.	972,314.
	15	Other assets (describe ►)			
	16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	16,299,570.	24,867,398.	24,867,398.
LIABILITIES	17	Accounts payable and accrued expenses		12,682.	
	18	Grants payable		2,150,000.	
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ► See Statement 8)		304,991.	
	23	**Total liabilities** (add lines 17 through 22)	0.	2,467,673.	
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 ► ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	16,299,570.	22,399,725.	
	30	**Total net assets or fund balances** (see instructions)	16,299,570.	22,399,725.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	16,299,570.	24,867,398.	

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	16,299,570.
2	Enter amount from Part I, line 27a	2	8,626,238.
3	Other increases not included in line 2 (itemize) ► See Statement 9	3	903,005.
4	Add lines 1, 2, and 3	4	25,828,813.
5	Decreases not included in line 2 (itemize) ► See Statement 10	5	3,429,088.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	22,399,725.

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 shares MLC Company)	**(b)** How acquired P — Purchase D — Donation	**(c)** Date acquired (month, day, year)	**(d)** Date sold (month, day, year)
1a	43,000 shs Fortinet, Inc.	D	Various	Various
b	UBS #1 See Stmt	D	Various	Various
c	UBS #1 See Stmt	D	Various	Various
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	1,084,635.		1,416.	1,083,219.
b	37,878.		34,554.	3,324.
c	13,018.		10,673.	2,345.
d				
e				

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

	(i) Fair Market Value as of 12/31/69	**(j)** Adjusted basis as of 12/31/69	**(k)** Excess of column (i) over column (j), if any	**(l)** Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				1,083,219.
b				3,324.
c				2,345.
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	1,088,888.
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 instructions). If (loss), enter -0- in Part I, line 8	3	3,324.

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 (column (b) divided by column (c))
2013	986,768.	16,166,735.	0.061037
2012	750,060.	17,971,156.	0.041737
2011	249,622.	12,747,728.	0.019582
2010	205,277.	1,381,514.	0.148588
2009		175,133.	

2	**Total** of line 1, column (d)	2	0.270944
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	0.054189
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	19,314,310.
5	Multiply line 4 by line 3	5	1,046,623.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	11,096.
7	Add lines 5 and 6	7	1,057,719.
8	Enter qualifying distributions from Part XII, line 4	8	922,000.

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)

1 a	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 instrs)***				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☐ and enter 1% of Part I, line 27b			1	22,192.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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	22,192.
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	22,192.
6	Credits/Payments				
a	2014 estimated tax pmts and 2013 overpayment credited to 2014	6a	10,000.		
b	Exempt foreign organizations – tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	25,000.		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	35,000.
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ 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	0.
10	**Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►			10	12,808.
11	Enter the amount of line 10 to be. **Credited to 2015 estimated tax** ► 12,808.	**Refunded** ►		11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1 a	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 the 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
4 a	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?	4b	N/A	
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, column (c), and Part XV*	7	X	
8 a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► CA DE			
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 2014 or the taxable year beginning in 2014 (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* See Statement 11	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 ► UBS Financial Services Telephone no ► (650) 496-7458

Located at ► 775 Page Mill Road Palo Alto CA ZIP + 4 ► 94304

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐

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 2014, 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 FinCEN Form 114, (formerly 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
1 a	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)?		1 b	N/A	
	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 2014?		1 c		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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__	☐ **Yes** ☒ **No**			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement – see instructions)		2 b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 20__ , 20__ , 20__ , 20__				
3 a	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 2014 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 2014)*		3 b	N/A	
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4 a		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 2014?		4 b		X

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

5 a 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 4945(d)(4)(A)? (see instructions) ☐ 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)? **5 b** N/A

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)

6 a 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? **6 b** No: X

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

7 a 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 **7 b**

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 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
Yuyi Wu 325 Sharon Park Drive, #802 Menlo Park, CA 94025	Vice Pres/Di 1.00	0.	0.	0.
Bing Xie 325 Sharon Park Drive, #802 Menlo Park, CA 94025	Vice Pres/Di 1.00	0.	0.	0.
Ken Xie 325 Sharon Park Drive, #802 Menlo Park, CA 94025	Co-Prs/Dir/S 3.00	0.	0.	0.
Michael Xie 325 Sharon Park Drive, #802 Menlo Park, CA 94025	Co-Prs/Dir 1.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 – see 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
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 (see 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 ►		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 (see instructions)

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	17,571,657.
b	Average of monthly cash balances		1b	776,050.
c	Fair market value of all other assets (see instructions)		1c	1,260,730.
d	**Total** (add lines 1a, b, and c)		1d	19,608,437.
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	19,608,437.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	294,127.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	19,314,310.
6	**Minimum investment return.** Enter 5% of line 5		6	965,716.

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	965,716.
2a	Tax on investment income for 2014 from Part VI, line 5	2a 22,192.		
b	Income tax for 2014 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	22,192.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	943,524.
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	943,524.
6	Deduction from distributable amount (see instructions)		6	
7	***Distributable amount*** *as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1*		7	943,524.

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	922,000.
b	Program-related investments – total from Part IX-B	1b	
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	922,000.
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 instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	922,000.

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 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7					943,524.
2 Undistributed income, if any, as of the end of 2014.					
a Enter amount for 2013 only				110,628.	
b Total for prior years 20___, 20___, 20___			0.		
3 Excess distributions carryover, if any, to 2014·					
a From 2009					
b From 2010					
c From 2011					
d From 2012					
e From 2013					
f Total of lines 3a through e		0.			
4 Qualifying distributions for 2014 from Part XII, line 4 ► $ 922,000.					
a Applied to 2013, but not more than line 2a				110,628.	
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 2014 distributable amount					811,372.
e Remaining amount distributed out of corpus		0.			
5 Excess distributions carryover applied to 2014 *(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 2013 Subtract line 4a from line 2a Taxable amount — see instructions				0.	
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015					132,152.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required — see instructions)		0.			
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)		0.			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a		0.			
10 Analysis of line 9					
a Excess from 2010					
b Excess from 2011					
c Excess from 2012					
d Excess from 2013					
e Excess from 2014					

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 2014, 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) 2014	**(b)** 2013	**(c)** 2012	**(d)** 2011	**(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))

See Statement 12

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 address 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 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* See Statement 13				
Total			► **3a**	922,000.
b *Approved for future payment* See Statement 14				
Total			► **3b**	2,150,000.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g *Fees and contracts from government agencies*					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	32,900.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property			41		5,071.
6 Net rental income or (loss) from personal property					
7 Other investment income			1	7,424,343.	
8 Gain or (loss) from sales of assets other than inventory			18	185,883.	
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)				7,643,126.	5,071.
13 **Total.** Add line 12, columns (b), (d), and (e)				13	7,648,197.

(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) (See instructions)
N/A	

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	1 a (1)		X
(2)	Other assets	1 a (2)		X
b	Other transactions			
(1)	Sales of assets to a noncharitable exempt organization	1 b (1)		X
(2)	Purchases of assets from a noncharitable exempt organization	1 b (2)		X
(3)	Rental of facilities, equipment, or other assets	1 b (3)		X
(4)	Reimbursement arrangements	1 b (4)		X
(5)	Loans or loan guarantees	1 b (5)		X
(6)	Performance of services or membership or fundraising solicitations	1 b (6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1 c		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			

2 a 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

Signature of officer or trustee

Date: 8/3/2015

Title: Co-Prs/Dir/Sec

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Michael J. McCabe	Michael J. McCabe	7/21/15		P01203354

Firm's name ► McCABE & TOTAH, LLP

Firm's EIN ► 77-0368613

Firm's address ► 1760 THE ALAMEDA, Ste 300
SAN JOSE, CA 95126-1728

Phone no (408) 977-7090

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► **Attach to Form 990, Form 990-EZ, or Form 990-PF**
► Information about Schedule B (Form 990, 990-EZ, 990-PF) and its instructions is at *www.irs.gov/form990.*

OMB No 1545-0047

2014

Name of the organization	Employer identification number
Xie Foundation	27-1208110

Organization type (check one)

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling $5,000 or more (in money or property) from any one contributor Complete Parts I and II See instructions for determining a contributor's total contributions

Special Rules

☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals Complete Parts I, II, and III

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc , purposes, but no such contributions totaled more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc , contributions totaling $5,000 or more during the year ► $ ______________

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer 'No' on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990EZ, or 990-PF.

Schedule **B** (Form 990, 990-EZ, or 990-PF) (2014) Page 1 of 1 of **Part 1**

Name of organization
Xie Foundation

Employer identification number
27-1208110

Part I **Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

(a) **Number**	**(b)** **Name, address, and ZIP + 4**	**(c)** **Total contributions**	**(d)** **Type of contribution**
1	Ken Xie 325 Sharon Park Drive, #802 Menlo Park, CA 94025	$ 1,856,100.	**Person** ☐ **Payroll** ☐ **Noncash** ☒ (Complete Part II for noncash contributions)

(a) **Number**	**(b)** **Name, address, and ZIP + 4**	**(c)** **Total contributions**	**(d)** **Type of contribution**
		$	**Person** ☐ **Payroll** ☐ **Noncash** ☐ (Complete Part II for noncash contributions)

(a) **Number**	**(b)** **Name, address, and ZIP + 4**	**(c)** **Total contributions**	**(d)** **Type of contribution**
		$	**Person** ☐ **Payroll** ☐ **Noncash** ☐ (Complete Part II for noncash contributions)

(a) **Number**	**(b)** **Name, address, and ZIP + 4**	**(c)** **Total contributions**	**(d)** **Type of contribution**
		$	**Person** ☐ **Payroll** ☐ **Noncash** ☐ (Complete Part II for noncash contributions)

(a) **Number**	**(b)** **Name, address, and ZIP + 4**	**(c)** **Total contributions**	**(d)** **Type of contribution**
		$	**Person** ☐ **Payroll** ☐ **Noncash** ☐ (Complete Part II for noncash contributions)

(a) **Number**	**(b)** **Name, address, and ZIP + 4**	**(c)** **Total contributions**	**(d)** **Type of contribution**
		$	**Person** ☐ **Payroll** ☐ **Noncash** ☐ (Complete Part II for noncash contributions)

Name of organization	Employer identification number
Xie Foundation	27-1208110

Part II Noncash Property (see instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	Fortinet, Inc - 60,000 shares	$ 1,856,100.	12/23/14

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization
Xie Foundation

Employer identification number
27-1208110

Part III ***Exclusively* religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8) or (10) that total more than $1,000 for the year from any one contributor.** Complete columns **(a)** through **(e)** and the following line entry For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc , contributions of **$1,000 or less** for the year (Enter this information once See instructions) ► $ N/A
Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

#1

SHORT-TERM TRANSACTIONS

NOT reported on Form 1099-B

Report on Form 8949, Part I, with Box C checked

Description of property Date sold or disposed	Quantity	Proceeds Shown (G)ross (N)et	Date acquired	Cost or other basis	Adjustments & Code(s), if any	Gain or loss(-) & 7- Loss not allowed(X)	Additional information
ISHARES RUSSELL 1000 VALUE ETF / CUSIP 464287598 / Symbol IWD							
	2 tax lots for 08/07/14						
	31 000	*3,034 16*	*11/25/13*	*2,868 34*	*0 00*	*165 82*	*Sale*
	299 000	*29,221 11*	*11/25/13*	*27,665 59*	*0 00*	*1,555 52*	*Sale*
08/07/14	330 000	32,255 27	VARIOUS	30,533 93	0 00	1,721 34	Total of 2 lots
CONSUMER SECTOR SPDR TRUST SHS DISCRETIONARY / CUSIP 81369Y407 / Symbol XLY							
02/07/14	62 000	3,972 49	11/25/13	4,019 87	0 00	-47 38	Sale
CALL ISHARES MSCI EAFE E DUE 06/21/14 70 000 / CUSIP / Symbol EFA 06/21/14 C 70 000							
06/18/14	7 000	174 99 N	06/17/14	0 00	0 00	174 99	Short sale closed- option Proceeds adjusted for option premium of -$105 00
CALL ISHARES RUSSELL 100 DUE 11/22/14 95 000 / CUSIP / Symbol IWF 11/22/14 C 95 000							
11/21/14	5 000	-150 01 N	11/20/14	0 00	0 00	-150 01	Short sale closed- option Proceeds adjusted for option premium of -$400 00
CALL ISHARES RUSSELL 100 DUE 12/20/14 96 000 / CUSIP / Symbol IWF 12/20/14 C 96 000							
12/17/14	5 000	474 99 N	12/16/14	0 00	0 00	474 99	Short sale closed- option Proceeds adjusted for option premium of -$25 00
CALL ISHARES RUSSELL 200 DUE 06/21/14 103 000 / CUSIP / Symbol IWN 06/21/14 C 103 000							
05/21/14	3 000	89 99 N	05/20/14	0 00	0 00	89 99	Short sale closed- option Proceeds adjusted for option premium of -$15 00
CALL ISHARES RUSSELL 200 DUE 07/19/14 103 000 / CUSIP / Symbol IWN 07/19/14 C 103 000							
07/21/14	3 000	134 99	07/21/14	0 00	0 00	134 99	Short sale closed- call expired
CALL ISHARES RUSSELL 200 DUE 12/20/14 105 000 / CUSIP / Symbol IWN 12/20/14 C 105 000							
12/05/14	3 000	134 99 N	12/04/14	0 00	0 00	134 99	Short sale closed- option Proceeds adjusted for option premium of -$15 00

#1

SHORT-TERM TRANSACTIONS *NOT reported on Form 1099-B*

Report on Form 8949, Part I with Box C checked

Description of property Date sold or disposed	Quantity	Proceeds Shown (G)ross (N)et	Date acquired	Cost or other basis	Adjustments & Code(s), if any	Gain or loss(-) & 7- Loss not allowed(X)	Additional information
CALL ISHARES RUSSELL 200 DUE 08/16/14 145 000 / CUSIP / Symbol IWO 08/16/14 C 145 000							
07/17/14	3 000	269 99 N	07/16/14	0 00	0 00	269 99	Short sale closed- option Proceeds adjusted for option premium of -$15 00
CALL ISHARES RUSSELL 200 DUE 12/20/14 145 000 / CUSIP / Symbol IWO 12/20/14 C 145 000							
12/15/14	3 000	284 99 N	12/12/14	0 00	0 00	284 99	Short sale closed- option Proceeds adjusted for option premium of -$15 00
CALL ISHARES RUSSELL MID DUE 01/18/14 81 000 / CUSIP / Symbol IWP 01/18/14 C 81 000							
01/15/14	6 000	-1,170 02 N	01/14/14	0 00	0 00	-1,170 02	Short sale closed- option Proceeds adjusted for option premium of -$2,040 00
CALL ISHARES RUSSELL MID DUE 10/18/14 92.000 / CUSIP / Symbol IWP 10/18/14 C 92 000							
09/25/14	9 000	269 99 N	09/24/14	0 00	0 00	269 99	Short sale closed- option Proceeds adjusted for option premium of -$270 00
CALL ISHARES RUSSELL MID DUE 11/22/14 92.000 / CUSIP / Symbol IWP 11/22/14 C 92 000							
11/21/14	9 000	-45 01 N	11/20/14	0 00	0 00	-45 01	Short sale closed- option Proceeds adjusted for option premium of -$675 00
CALL ISHARES RUSSELL MID DUE 12/20/14 94 000 / CUSIP / Symbol IWP 12/20/14 C 94 000							
12/22/14	9 000	809 98	12/22/14	0 00	0 00	809 98	Short sale closed- call expired
CALL ISHARES RUSSELL MID DUE 06/21/14 71 000 / CUSIP / Symbol IWS 06/21/14 C 71 000							
	2 tax lots for 06/19/14						
	1 000	*-45 00 N*	*06/18/14*	*0 00*	*0 00*	*-45 00*	*Short sale closed- option Proceeds adjusted for option premium of -$90 00*
	3 000	*-225 01 N*	*06/18/14*	*0 00*	*0 00*	*-225 01*	*Short sale closed- option Proceeds adjusted for option premium of -$360 00*
06/19/14	4 000	-270 01	VARIOUS	0 00	0 00	-270 01	Total of 2 lots

#/

SHORT-TERM TRANSACTIONS *NOT reported on Form 1099-B*

Report on Form 8949, Part I, with Box C checked

Description of property Date sold or disposed	Quantity	Proceeds Shown (G)ross (N)et	Date acquired	Cost or other basis	Adjustments & Code(s), if any	Gain or loss(-) & 7- Loss not allowed(X)	Additional information
CALL ISHARES RUSSELL MID DUE 12/20/14 74 000 / CUSIP / Symbol IWS 12/20/14 C 74 000							
12/15/14	4 000	139 99 N	12/12/14	0 00	0 00	139.99	Short sale closed- option Proceeds adjusted for option premium of -$40 00
CALL VANGUARD SECTOR IND DUE 08/16/14 99 000 / CUSIP. / Symbol VGT 08/16/14 C 99 000							
08/13/14	3 000	149 99 N	08/12/14	0 00	0 00	149 99	Short sale closed- option Proceeds adjusted for option premium of -$15 00
CALL VANGUARD SECTOR IND DUE 11/22/14 104 000 / CUSIP / Symbol VGT 11/22/14 C 104 000							
11/24/14	3 000	-150 01 N	11/21/14	0 00	0 00	-150 01	Short sale closed- option Proceeds adjusted for option premium of -$390 00
CALL VANGUARD SECTOR IND DUE 12/20/14 106 000 / CUSIP / Symbol VGT 12/20/14 C 106 000							
	2 tax lots for 12/16/14						
	1 000	*84 99 N*	*12/15/14*	*0 00*	*0 00*	*84 99*	*Short sale closed- option Proceeds adjusted for option premium of -$5 00*
	2 000	*169 99 N*	*12/15/14*	*0 00*	*0 00*	*169 99*	*Short sale closed- option Proceeds adjusted for option premium of -$10 00*
12/16/14	3 000	254 98	VARIOUS	0 00	0 00	254.98	Total of 2 lots
CALL ENERGY SECTOR SPDR DUE 07/19/14 98 000 / CUSIP / Symbol XLE 07/19/14 C 98 000							
07/21/14	1 000	-50 01 N	07/18/14	0 00	0 00	-50 01	Short sale closed- option Proceeds adjusted for option premium of -$100 00
CALL ENERGY SECTOR SPDR DUE 08/16/14 100 000 / CUSIP / Symbol XLE 08/16/14 C 100 000							
08/12/14	1 000	89.99 N	08/11/14	0 00	0 00	89 99	Short sale closed- option Proceeds adjusted for option premium of -$5 00
CALL ENERGY SECTOR SPDR DUE 10/18/14 102 000 / CUSIP / Symbol XLE 10/18/14 C 102 000							
09/25/14	1 000	37 99 N	09/24/14	0 00	0 00	37 99	Short sale closed- option Proceeds adjusted for option premium of -$2 00

#1

SHORT-TERM TRANSACTIONS *NOT reported on Form 1099-B*

Report on Form 8949, Part I, with Box C checked

Description of property Date sold or disposed	Quantity	Proceeds Shown (G)ross (N)et	Date acquired	Cost or other basis	Adjustments & Code(s), if any	Gain or loss(-) & 7- Loss not allowed(X)	Additional information
CALL FINANCIAL SECTOR SP DUE 07/19/14 23 000 / CUSIP / Symbol XLF 07/19/14 C 23 000							
07/21/14	8 000	95.99	07/21/14	0 00	0 00	95 99	Short sale closed- call expired
CALL INDUSTRIAL SECTOR S DUE 11/22/14 55 000 / CUSIP / Symbol XLI 11/22/14 C 55 000							
11/21/14	2.000	-238 01 N	11/20/14	0 00	0 00	-238 01	Short sale closed- option Proceeds adjusted for option premium of -$330 00
CALL CONSUMERS STAPLES S DUE 07/19/14 45 000 / CUSIP / Symbol XLP 07/19/14 C 45 000							
07/21/14	3 000	11 99 N	07/18/14	0 00	0 00	11.99	Short sale closed- option Proceeds adjusted for option premium of -$60 00
CALL CONSUMERS STAPLES S DUE 08/16/14 45 000 / CUSIP / Symbol XLP 08/16/14 C 45 000							
	2 tax lots for 08/04/14						
	1 000	*50 99 N*	*08/01/14*	*0 00*	*0 00*	*50 99*	*Short sale closed- option Proceeds adjusted for option premium of -$3 00*
	2 000	*103 99 N*	*08/01/14*	*0 00*	*0 00*	*103 99*	*Short sale closed- option Proceeds adjusted for option premium of -$6 00*
08/04/14	3 000	154 98	VARIOUS	0 00	0 00	154 98	Total of 2 lots
CALL HEALTH CARE SELECT DUE 08/16/14 62 000 / CUSIP / Symbol XLV 08/16/14 C 62 000							
	2 tax lots for 08/12/14						
	1 000	*45 41 N*	*08/11/14*	*0 00*	*0 00*	*45 41*	*Short sale closed- option Proceeds adjusted for option premium of -$3 00*
	1 000	*48 99 N*	*08/11/14*	*0 00*	*0 00*	*48 99*	*Short sale closed- option Proceeds adjusted for option premium of -$3 00*
08/12/14	2 000	94 40	VARIOUS	0 00	0 00	94 40	Total of 2 lots
CALL HEALTH CARE SELECT DUE 10/18/14 65 000 / CUSIP / Symbol XLV 10/18/14 C 65 000							
10/20/14	2 000	47 99	10/20/14	0 00	0 00	47 99	Short sale closed- call expired

SHORT-TERM TRANSACTIONS

NOT reported on Form 1099-B

Report on Form 8949, Part I with Box C checked

Description of property

Date sold or disposed	Quantity	Proceeds Shown (G)ross (N)et	Date acquired	Cost or other basis	Adjustments & Code(s), if any	Gain or loss(-) & 7- Loss not allowed(X)	Additional information
	Totals.	37,877 87		34,553 80	0 00	3,324 07	

LONG-TERM TRANSACTIONS

NOT reported on Form 1099-B

Report on Form 8949, Part II with Box F checked

Description of property

Date sold or disposed	Quantity	Proceeds Shown (G)ross (N)et	Date acquired	Cost or other basis	Adjustments & Code(s), if any	Gain or loss(-) & 7- Loss not allowed(X)	Additional information
ISHARES RUSSELL 1000 VALUE ETF / CUSIP 464287598 / Symbol IWD							
08/07/14	133 000	13,017 52	04/22/13	10,673 23	0 00	2,344 29	Sale

Section 1.263(a)-1(f) De Minimis Safe Harbor Election

The Corporation hereby makes the de minimis safe harbor election under Regulation 1.263(a)-1(f).

Xie Foundation
325 Sharon Park Drive, #802
Menlo Park, CA 94025
27-1208110

Section 1.263(a)-3(n) Election

The Corporation hereby makes the election to capitalize repair and maintenance costs under Regulation 1.263(a)-3(n).

Xie Foundation
325 Sharon Park Drive, #802
Menlo Park, CA 94025
27-1208110

Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Other Investment Income	$ 7,424,343.		
Total	$ 7,424,343.	$ 0.	$ 0.

Statement 2
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
McCabe & Totah, LLP	$ 3,255.			
Total	$ 3,255.	$ 0.	$ 0.	$ 0.

Statement 3
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Fee-Portfolio Management Fee	$ 10,651.	$ 11,447.		
Total	$ 10,651.	$ 11,447.	$ 0.	$ 0.

Statement 4
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise on Unrealized Gain	$ 41,594.			
Foreign Taxes		$ 267.		
Franchise Tax Board	379.	379.		
Total	$ 41,973.	$ 646.	$ 0.	$ 0.

Statement 5
Form 990-PF, Part I, Line 19
Allocated Depreciation

Date Acquired	Cost Basis	Prior Yr Depr	Method	Rate	Life	Current Yr Depr	Net Invest Income	Adjusted Net Income
Building								
9/01/12	456,335	32,842	S/L	0.0364		16,592	16,592	0

Statement 6
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Fee-Check Copy	$ 5.			
Fee-Registration	175.			
Rental Expenses	16,521.	$ 16,521.		
Total	$ 16,701.	$ 16,521.	$ 0.	$ 0.

Statement 7
Form 990-PF, Part II, Line 14
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Buildings	$ 456,335.	$ 32,842.	$ 423,493.	$ 423,493.
Land	548,821.		548,821.	548,821.
Total	$ 1,005,156.	$ 32,842.	$ 972,314.	$ 972,314.

Statement 8
Form 990-PF, Part II, Line 22
Other Liabilities

Deferred federal excise tax	$ 304,991.
Total	$ 304,991.

Statement 9
Form 990-PF, Part III, Line 3
Other Increases

Adjustments Book & Tax of FTNT shs Sold	$ 903,005.
Total	$ 903,005.

Statement 10
Form 990-PF, Part III, Line 5
Other Decreases

Net Unrealized Gains or Losses on Investments	$ 3,429,088.
Total	$ 3,429,088.

Statement 11
Form 990-PF, Part VII-A, Line 10
Substantial Contributors During the Tax Year

Name of Substantial Contributor	Address of Substantial Contributor
Ken Xie	325 Sharon Park Drive, #802 Menlo Park, CA 94025

Statement 12
Form 990-PF, Part XV, Line 1a
Foundation Managers - 2% or More Contributors

Ken Xie
Michael Xie

Statement 13
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
Sacred Heart Schools 150 Valparaiso Ave Atherton, CA 94027	N/A	PC	Capital Campaign.	$ 510,000.
Tsinghua Alumni Foundation of NA 2880 LakeSide Drive, Suite 345 Santa Clara, CA 95054	N/A	PC	General Purpose.	50,000.
Stanford University PO Box 20466 Stanford, CA 94305	N/A	PC	Professors Frank Scioscia & Philip Wong.	20,000.
University of Miami P.O. Box 025388 Coral Gables, FL 33102	N/A	PC	General Purpose.	200,000.

Statement 13 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
Asia American Tennis Foundation P.O. Box 7847 Menlo Park, CA 94026	N/A	PC	General Purpose.	$ 7,000.
National Academy of Engineering 500 Fifth St., N.W. Washington, DC 20001	N/A	PC	General Purpose.	25,000.
The Leland Stanford Junior University 326 Galvez St Stanford, CA 94305	N/A	PC	General Purpose.	100,000.
East Palo Alto Tennis and Tutoring PO Box 60597 Palo Alto, CA 94306	N/A	PC	General Purpose.	10,000.
			Total	$ 922,000.

Statement 14
Form 990-PF, Part XV, Line 3b
Recipient Approved for Future Payment

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
University of Miami P.O. Box 025388 Coral Gables, FL 33102	N/A	PC	General Purpose.	$ 400,000
Pinewood School 477 Fremont Ave Los Altos, CA 94024	N/A	PC	General Purpose.	850,000
Sacred Heart Schools 150 Valparaiso Ave Atherton, CA 94027	N/A	PC	Capital Campaign.	900,000
			Total	$ 2,150,000

12/31/14

2014 Federal Book Depreciation Schedule

Page 1

Client M1115

Xie Foundation

27-1208110

7/20/15

10 49AM

No	Description	Date Acquired	Date Sold	Cost/ Basis	Bus Pct	Cur 179 Bonus	Special Depr Allow	Prior 179/ Bonus/ Sp. Depr	Prior Dec Bal Depr	Salvage /Basis Reductn	Depr Basis	Prior Depr	Method	Life	Rate	Current Depr
	Rental Activity															
	Buildings															
1	Building	9/01/12		456,335							456,335	32,842	S/L MM	27 5	03636	16,592
	Total Buildings			456,335		0	0	0	0	0	456,335	32,842				16,592
	Land															
2	Land	9/01/12		548,821							548,821					0
	Total Land			548,821		0	0	0	0	0	548,821	0				0
	Total Depreciation			1,005,156		0	0	0	0	0	1,005,156	32,842				16,592
	Grand Total Depreciation			1,005,156		0	0	0	0	0	1,005,156	32,842				16,592