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

Department of the Treasury
Internal Revenue Service

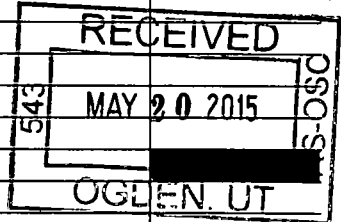
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Open to Public Inspection

For calendar year 2014 or tax year beginning , 2014, and ending , 20

Name of foundation FNZ Foundation, Inc		A Employer identification number 66-0535017
Number and street (or P O box number if mail is not delivered to street address) 3611-B Wildflower Drive	Room/suite	B Telephone number (see instructions) 336-907-7116
City or town, state or province, country, and ZIP or foreign postal code Greensboro, NC 27410		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 7,300,375	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> 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 <input type="checkbox"/>		

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)
1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	174	174	174	
4	Dividends and interest from securities	156,539	156,539	156,539	
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	175,478			
b	Gross sales price for all assets on line 6a 1,228,450				
7	Capital gain net income (from Part IV, line 2)		175,478		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)	0			
11	Other income (attach schedule)				
12	Total. Add lines 1 through 11	332,191	332,191	156,713	
13	Compensation of officers, directors, trustees, etc	0			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)	365			
b	Accounting fees (attach schedule)	2,690			
c	Other professional fees (attach schedule)	75,153	75,153		
17	Interest				
18	Taxes (attach schedule) (see instructions)	3,854			
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings	5,449			
22	Printing and publications				
23	Other expenses (attach schedule)	265			
24	Total operating and administrative expenses. Add lines 13 through 23	87,776	75,153	0	0
25	Contributions, gifts, grants paid	336,222			336,222
26	Total expenses and disbursements. Add lines 24 and 25	423,998	75,153	0	336,222
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	(91,807)			
b	Net investment income (if negative, enter -0-)		257,038		
c	Adjusted net income (if negative, enter -0-)			156,713	



SCANNED MAY 28 2015 Revenue

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	42,631	25,735	25,735
	2 Savings and temporary cash investments			
	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 schedule) ▶ 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)	243,366	319,557	319,557
	b Investments—corporate stock (attach schedule)	6,468,894	1,572,774	6,784,473
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment, basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment, basis ▶ Less: accumulated depreciation (attach schedule) ▶			
15 Other assets (describe ▶)	588,062	122,115	170,610	
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item l)	7,342,953	2,040,181	7,300,375	
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 (attach schedule)			
	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 ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> 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	7,342,953	2,040,181	
	30 Total net assets or fund balances (see instructions)	7,342,953	2,040,181	
31 Total liabilities and net assets/fund balances (see instructions)	7,342,953	2,040,181		

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	7,342,953
2 Enter amount from Part I, line 27a	2	(91,807)
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	7,251,146
5 Decreases not included in line 2 (itemize) ▶ <u>correct reporting of book value</u>	5	5,210,965
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	2,040,181

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 Summary of data Schedule 2				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a 1,228,450		1,052,972	175,478	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2 175,478
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	{ If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 }			3

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see 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))
2013	738,711	6,607,087	0.1118
2012	347,279	6,338,250	0.0548
2011	377,536	6,583,655	0.0573
2010	394,717	5,214,422	0.0757
2009	834,753	5,634,801	0.1481
2 Total of line 1, column (d)			2 0.4477
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 .08954
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5			4 7,771,454
5 Multiply line 4 by line 3			5 695,856
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 2,570
7 Add lines 5 and 6			7 698,426
8 Enter qualifying distributions from Part XII, line 4 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.			8 423,998

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	5,141
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2	3	5,141
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	5,141
6	Credits/Payments		
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a	
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	0
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	5,141
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0
11	Enter the amount of line 10 to be Credited to 2015 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8b	X	
9		X
10		X

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see 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? Website address ▶ NONE	13	X	
14	The books are in care of ▶ James D. Klau Telephone no ▶ 336-907-7116 Located at ▶ 3611-B Wildflower Drive, Greensboro, NC ZIP+4 ▶ 27410			
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			
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? 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 ▶	16	Yes	No X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014?	1c	
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions)	2b	
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____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 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.)	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 2014?	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 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)? 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? 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 6b
- b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 6b
- 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? 7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see 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
James D. Klau 3611-B Wildflower Dr, Greensboro NC	President 2.00			
Susan L Klau 3611-B Wildflower Dr, Greensboro, NC	V. President 2.			

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 ▶

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		▶

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 <u>see summary by activities</u>	336,222
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	
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	7,745,718
b	Average of monthly cash balances	1b	25,736
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	7,771,454
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	7,771,454
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	7,771,454
6	Minimum investment return. Enter 5% of line 5	6	388,573

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	388,573
2a	Tax on investment income for 2014 from Part VI, line 5	2a	
b	Income tax for 2014. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	0
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	388,573
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	388,573
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	388,573

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	423,998
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	423,998
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	423,998

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				388,573
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2014:				
a From 2009	556,113			
b From 2010	85,698			
c From 2011	49,940			
d From 2012	32,384			
e From 2013	409,084			
f Total of lines 3a through e	1,133,219			
4 Qualifying distributions for 2014 from Part XII, line 4. ▶ \$ _____				
a Applied to 2013, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions)		52,351		
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2014 distributable amount				336,222
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2014 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,133,219			
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				
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				52,351
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)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)	52,351			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	1,080,868			
10 Analysis of line 9:				
a Excess from 2010	33,347			
b Excess from 2011	49,940			
c Excess from 2012	32,384			
d Excess from 2013	409,084			
e Excess from 2014	0			

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

1a 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				(e) Total
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed					0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	0	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter ² / ₃ of minimum investment return shown in Part X, line 6 for each year listed					0
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)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

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))

N/A

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

N/A

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
 FNZ Foundation Inc C/O James D Klau, 3611-B Wildflower Drive, Greensboro NC 27410

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

N/A

c Any submission deadlines:

N/A

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

N/A

Part XV **Supplementary Information (continued)**

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<p>a <i>Paid during the year</i></p> <p>See Statement 3</p>				
<p>Total</p>			▶ 3a	0
<p>b <i>Approved for future payment</i></p>				
<p>Total</p>			▶ 3b	0

FNZ Foundation, Inc
 Summary of sale for 2014
 Statement 1

	Shares	Purchase Date	Sales Date	Sales Price	Cost Basis	Gain/Loss
Stocks						
Cisco Systems	3500	5/8/2009	8/13/2014	86,863	65,694	21,169
Deere	1000	7/25/2013	7/30/2014	86,409	82,838	3,571
Disney Walt	1000	12/20/1996	8/12/2014	86,908	1,037	85,871
Halliburton Co	2000	9/16/2011	11/7/2014	101,708	79,618	22,090
IBM	600	5/21/2009	10/28/2014	97,257	61,489	35,768
Qualcomm	1000	4/25/2013	11/12/2014	69,305	62,296	7,009
Bonds						
US Treas- Redemption			4/3/2014	300,000	300,000	
US Treas- Redemption			1/23/2014	100,000	100,000	
US Treas- Redemption			10/2/2014	300,000	300,000	
				<u>1,228,450</u>	<u>1,052,972</u>	<u>175,478</u>

FNZ Foundation Inc
Summary of Expenses for 2014
Statement 2

Administration		
	Bank charges and checks	170
	various adm	95
Line 23		<u>265</u>
Travel		
Line 21	Various	5,449
Taxes		
	Federal tax	805
Line 18	Foreign taxes withheld	3,854 Deduction
Legal		
Line 16a	CT Corp	365
Accounting fee		
	Kevane-2013 retirm	2,690
Investment Fees		
Line 16c	Advisor fee	75,153

FNZ Foundation, Inc
 Summary of contributions for 2014
 Statement 3

Action Social			
	Child and Famil Servies	5,000	
	Newport County Community Mental Health	1,000	
	Newport Recreation Dept	600	
	Operation Respect	500	
	Well-Spring Foundation	550	
	Martin Luther King Center	250	
	CARE	200	
	various other less than 200 each	1,053	9,153
Animals			
	Humane Society of Greater Miami	1,000	
	Potter League	800	
	Palm Beach Zoological Society	550	
	Moore Humane Society	50	2,400
Education			
	Pell TEC	2,000	
	Robinson School	5,000	
	Salve Regina University	5,100	
	Sarah Lawrence College	2,000	
	The Lawrenceville School	3,000	
	Walnut Hills High School	2,500	
	Logos School	250	
	Kernoldle Middle School	50	19,900
Env			
	Auidneck Island Trust	600	
	Bellevue Ave Neighborhood	250	850
Health			
	Newport Hospital	1,000	
	Lustgarten Foundation	2,500	
	Newport Hospital Foundation	6,000	
	Planned Parenthood	250	
	St Jude Hospital	500	
	vaious small contributions	1,209	11,459
Institutional			
Children	Make a Wish	500	
	Parent Teachers	90	590
Cultural			
	Community Theatre of Greensboro	4,250	
	Newport Art Museum	5,560	
	Newport Music Festival	14,420	
	Newport Historical Society	600	
	Newport Public Library	1,620	
	Ocean State Theatre	100	

	Preservation Society of Newport	6,050	
	Redwood Library	150	
	Viscaya Museum	500	
	Fairchild Tropical Gardens	1,000	
	Killington Music Festival	500	
	Linden Place	650	
	Musica Dolce	1,200	
	Perez Art Museum	1,000	
	Various smaller contirbutions	<u>2,428</u>	40,028
Jewish Groups			
Global	New Isreal Fund	31,800	
	World Union for Progressive Judaism	34,000	
	Hiddush	1,800	
	ARZA	1,800	
	American Friend of Neve Shalom	1,000	
	Project Keshet	<u>1,800</u>	72,200
Local	Temple Beth Shalom	15,460	
	Chabad of PR	<u>9,000</u>	24,460
US	HUC JIR	5,180	
	Religious Action Center	2,160	
	Temple Emanuel	3,672	
	Crane Lake Camp	3,500	
	American Hebrew Academy	180	
	American University Hillel	1,550	
	Jewish Family and Childeren Services	100	
	Jewish Museum of Florida	500	
	Jewish Museum of Maryland	150	
	Temple Judea	1,800	
	Temple Sinai	3,600	
	SURJ- Klau Library	50,000	
	United Hebrew Cong	2,419	
	Various other	<u>15,051</u>	84,682
World	Friends of Jewish Renewal in Poland	500	
	World Unnion for Progressive Judaism	<u>70,000</u>	70,500
Total Contributions			<u><u>336,222</u></u>

FNZ Foundation, Inc
Summary of Investment Holdings
Summary of 12/31/2014

Statement 4			2013		2014	2014
			Cost basis		Cost Basis	FMV
US Treasury due 04/03/2014			<u>299,980</u>		<u>299,980</u>	<u>319,557</u>
ABB LTB	4/2/2009	4000	59,578		59,578	84,600
Air Lease	0/12/2014	2000	-		71,276	68,620
American Express	12/20/1996	6000	48,649		48,649	558,240
American Intl Grp	1/7/2014	1500	-		76,627	84,015
Berskhire	12/20/1996	2000	11,086		11,086	300,300
Chevron	7/15/2010	1000	72,586		72,586	112,180
CISCO	5/8/2009	3500	65,694		sold	
Comcast Corp	12/20/1996	294	1,667			
	1/10/1997	3705	<u>26,005</u>	27,672	27,672	232,040
Deere	7/25/2013	800	66,261			
	7/29/2013	200	<u>16,577</u>	82,838	sold	
Disney Walt	12/20/1996	15000	15,556	(1,000)	14,518	1,318,660
Emerson Electric	10/26/2006	2000	85,320		85,320	123,460
Fedex	7/22/2005	1000	85,061			
	5/28/2008	200	<u>18,128</u>	103,189	103,189	208,392
General Elect	12/20/1996	8000	9,767		9,767	202,160
Halliburton	9/16/2011	2000	79,618		sold	
Hess Corp	5/21/2009	1000	67,074		67,074	73,820
IBM	5/21/2009	600	61,489		sold	
Johnson & Johnson	12/20/1996	4000	41,524		41,524	418,280
Lab Cp of America	11/17/2014	800	-		80,267	86,320
Metlife	11/3/2010	1800	73,733		73,733	97,362
Pepsico	12/20/1996	8000	14,357		14,357	756,480
Procter & Gamble	8/1/2011	1200	73,781		73,781	109,308
Qualcomm	4/25/2013	1000	62,296		sold	
Rockwell Collins	1/9/2008	1200	80,420			
	5/28/2008	300	<u>18,387</u>	98,807	98,807	126,720
Royal Dutch Shell	07/071997	12000	26,401		26,401	803,400
SAP SE	2/26/2014	1000			79,531	69,650
Schlumberger	1/11/2007	1500	87,345		87,345	128,115
Union Pacific	12/18/2008	1200	56,949		56,949	285,912
United Parcel Serv	1/31/2007	1200	86,459			
	5/2/2008	300	<u>21,107</u>	107,566	107,566	166,755
United Tech	8/18/2006	1500	92,829		92,829	172,500
3M	4/19/2005	1000	77,049			
	5/28/2008	200	<u>15,293</u>	92,342	92,342	197,184
			<u>1,618,046</u>		<u>1,572,774</u>	<u>6,784,473</u>
Other Assets						
Ishares China FXI	8/22/2005	2400	50,713		50,713	99,888
Ishares MSCI Emrg	11/6/2009	1800	71,402		71,402	70,722
			<u>122,115</u>		<u>122,115</u>	<u>170,610</u>
Total			<u>2,040,141</u>		<u>1,994,869</u>	<u>7,274,640</u>