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

**2014**

Department of the Treasury  
Internal Revenue Service

▶ **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](http://www.irs.gov/form990pf).

Open to Public Inspection

For calendar year 2014, or tax year beginning 7/01, 2014, and ending 6/30, 2015

**A. Karnavas Foundation**  
127 Anderson Street, Suite 127  
Pittsburgh, PA 15212-5803

- A** Employer identification number  
25-1197658
- B** Telephone number (see instructions)  
412-321-9433
- 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:
- |   |  |
|---|--|
| <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 type="checkbox"/> Address change | <input type="checkbox"/> 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)  
▶ \$ 307,755.
- J** Accounting method:  Cash  Accrual  
 Other (specify) \_\_\_\_\_  
(Part I, column (d) must be on cash basis.)

<b>Part II Analysis of Revenue and Expenses</b> (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)
<b>REVENUE</b>	<b>1</b> Contributions, gifts, grants, etc. received (attach schedule)				
	<b>2</b> Ck ▶ <input checked="" type="checkbox"/> if the foundn is not required to attach Sch B				
	<b>3</b> Interest on savings and temporary cash investments				
	<b>4</b> Dividends and interest from securities	7,473.	7,473.		
	<b>5 a</b> Gross rents				
	<b>b</b> Net rental income or (loss)				
	<b>6 a</b> Net gain or (loss) from sale of assets not on line 10	11.			
	<b>b</b> Gross sales price for all assets on line 6a	13.			
	<b>7</b> Capital gain net income (from Part IV, line 2) . . .		11.		
	<b>8</b> Net short-term capital gain				
	<b>9</b> Income modifications . . . . .				
	<b>10 a</b> Gross sales less returns and allowances				
<b>b</b> Less: Cost of goods sold					
<b>c</b> Gross profit or (loss) (attach schedule)					
<b>11</b> Other income (attach schedule)					
<b>12 Total.</b> Add lines 1 through 11	7,484.	7,484.	0.		
<b>ADMINISTRATIVE AND EXPENSES</b>	<b>13</b> Compensation of officers, directors, trustees, etc	0.			
	<b>14</b> Other employee salaries and wages				
	<b>15</b> Pension plans, employee benefits				
	<b>16 a</b> Legal fees (attach schedule) . . . . .				
	<b>b</b> Accounting fees (attach sch) <u>See St 1</u>	1,240.	1,240.		
	<b>c</b> Other prof fees (attach sch)				
	<b>17</b> Interest				
	<b>18</b> Taxes (attach schedule)(see instrs) <u>See Stmt 2</u>	62.			
	<b>19</b> Depreciation (attach sch) and depletion				
	<b>20</b> Occupancy				
<b>21</b> Travel, conferences, and meetings. . . . .					
<b>22</b> Printing and publications					
<b>23</b> Other expenses (attach schedule)					
<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23	1,322.	1,260.			
<b>25</b> Contributions, gifts, grants paid <u>Part XV</u>	14,700.			14,700.	
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	16,022.	1,260.	0.	14,700.	
<b>27 Subtract line 26 from line 12:</b>					
<b>a Excess of revenue over expenses and disbursements</b>	-8,538.				
<b>b Net investment income</b> (if negative, enter -0-)		6,224.			
<b>c Adjusted net income</b> (if negative, enter -0-)			0.		

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<b>Part III Balance Sheets</b>		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		
<b>A S S E T S</b>	1	Cash – non-interest-bearing		2,476.	2,841.	2,841.
	2	Savings and temporary cash investments		131,769.	123,255.	123,255.
	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) <b>Statement 4</b>		42,692.	42,690.	181,659.
		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 ▶ <b>See Statement 5</b> )		496.	496.		
16	<b>Total assets</b> (to be completed by all filers – see the instructions. Also, see page 1, item I)		177,433.	169,282.	307,755.	
<b>L I A B I L I T I E S</b>	17	Accounts payable and accrued expenses		2,443.	2,830.	
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	<b>Total liabilities</b> (add lines 17 through 22)		2,443.	2,830.	
<b>N E T A S S E T S O R F U N D B A L A N C E S</b>	<b>Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b>					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> <input checked="" type="checkbox"/>					
	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		174,990.	166,452.	
30	<b>Total net assets or fund balances</b> (see instructions)		174,990.	166,452.		
31	<b>Total liabilities and net assets/fund balances</b> (see instructions)		177,433.	169,282.		

**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	174,990.
2	Enter amount from Part I, line 27a	2	-8,538.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	166,452.
5	Decreases not included in line 2 (itemize)	5	
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) – Part II, column (b), line 30	6	166,452.

**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)
1 a .6616 Talen Energy Corporation	P	6/30/07	6/05/15
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 13.		2.	11.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(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	
a			11.
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	11.
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	0.

**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	13,000.	300,360.	0.043281
2012	13,300.	286,532.	0.046417
2011	12,640.	268,821.	0.047020
2010	11,800.	260,238.	0.045343
2009	13,720.	238,711.	0.057475
2 Total of line 1, column (d) . . . . .			2 0.239536
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 0.047907
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5 . . . . .			4 302,393.
5 Multiply line 4 by line 3 . . . . .			5 14,487.
6 Enter 1% of net investment income (1% of Part I, line 27b) . . . . .			6 62.
7 Add lines 5 and 6 . . . . .			7 14,549.
8 Enter qualifying distributions from Part XII, line 4 . . . . .			8 14,700.

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 <input type="checkbox"/> 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 <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b. . . . .		1	62.
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	62.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 <b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0- . . . . .		5	62.
6 Credits/Payments:			
a 2014 estimated tax pmts and 2013 overpayment credited to 2014. . . . .	6 a		
b Exempt foreign organizations — tax withheld at source. . . . .	6 b		
c Tax paid with application for extension of time to file (Form 8868) . . . . .	6 c		
d Backup withholding erroneously withheld. . . . .	6 d		
7 Total credits and payments. Add lines 6a through 6d . . . . .		7	0.
8 Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached . . . . .		8	
9 <b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter amount owed . . . . .		9	62.
10 <b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the amount overpaid . . . . .		10	
11 Enter the amount of line 10 to be: <b>Credited to 2015 estimated tax</b> . . . . . <b>Refunded</b> . . . . .		11	

**Part VII 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? . . . . .		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? . . . . . <i>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.</i>		X
c Did the foundation file <b>Form 1120-POL</b> for this year? . . . . .		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? . . . . . <i>If 'Yes,' attach a detailed description of the activities.</i>		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? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year? . . . . .		X
b If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year? . . . . .		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . . <i>If 'Yes,' attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i> . . . . .	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) . . . . . N/A		
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 <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i> . . . . .	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)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i> . . . . .		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? ... 13 X
Website address ... N/A
14 The books are in care of Andrew G. Karnavas Telephone no. 724-513-8179
Located at 240 Merchant Street Ambridge PA ZIP + 4 15003-2114
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
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.

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 X
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No X
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No X
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes No X
(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 X
(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 X
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? Yes No X
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.) ... 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 X
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** 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)?  Yes  No

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).

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?  Yes  No

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?  Yes  No

5 b	N/A	
6 b	X	
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
See Statement 6		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		
<b>Total number of others receiving over \$50,000 for professional services</b>		<b>0</b>

**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>Grants were provided to five public charities. See schedule attached.</u>	
2 <u>One educational scholarship was granted.</u>	
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 <u>N/A</u>	
2	
All other program-related investments. See instructions.	
3	
<b>Total. Add lines 1 through 3</b>	<b>0.</b>

BAA

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1 a</b>	169,811.
<b>b</b>	Average of monthly cash balances	<b>1 b</b>	137,187.
<b>c</b>	Fair market value of all other assets (see instructions)	<b>1 c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1 d</b>	306,998.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1 e</b>	0.
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	306,998.
<b>4</b>	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	4,605.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	302,393.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	15,120.

**Part XII** 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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	15,120.
<b>2a</b>	Tax on investment income for 2014 from Part VI, line 5	<b>2 a</b>	62.
<b>b</b>	Income tax for 2014. (This does not include the tax from Part VI.)	<b>2 b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2 c</b>	62.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	15,058.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	15,058.
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	15,058.

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

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes:		
<b>a</b>	Expenses, contributions, gifts, etc — total from Part I, column (d), line 26	<b>1 a</b>	14,700.
<b>b</b>	Program-related investments — total from Part IX-B	<b>1 b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3 a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3 b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	14,700.
<b>5</b>	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)	<b>5</b>	62.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	14,638.

**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
<b>1</b> Distributable amount for 2014 from Part XI, line 7 . . . . .				15,058.
<b>2</b> Undistributed income, if any, as of the end of 2014:				
<b>a</b> Enter amount for 2013 only . . . . .			14,648.	
<b>b</b> Total for prior years: 20 __, 20 __, 20 __		0.		
<b>3</b> Excess distributions carryover, if any, to 2014:				
<b>a</b> From 2009 . . . . .				
<b>b</b> From 2010 . . . . .				
<b>c</b> From 2011 . . . . .				
<b>d</b> From 2012 . . . . .				
<b>e</b> From 2013 . . . . .				
<b>f</b> Total of lines 3a through e . . . . .	0.			
<b>4</b> Qualifying distributions for 2014 from Part XII, line 4: ▶ \$ <u>14,700.</u>				
<b>a</b> Applied to 2013, but not more than line 2a . . . . .			14,648.	
<b>b</b> Applied to undistributed income of prior years (Election required – see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required – see instructions) . . . . .	0.			
<b>d</b> Applied to 2014 distributable amount . . . . .				52.
<b>e</b> Remaining amount distributed out of corpus . . . . .	0.			
<b>5</b> Excess distributions carryover applied to 2014 . . . . . (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5. . . . .	0.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b. . . . .		0.		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed . . . . .		0.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount – see instructions . . . . .		0.		
<b>e</b> Undistributed income for 2013. Subtract line 4a from line 2a. Taxable amount – see instructions . . . . .			0.	
<b>f</b> Undistributed income for 2014. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2015 . . . . .				15,006.
<b>7</b> 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.			
<b>8</b> Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions) . . . . .	0.			
<b>9</b> Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a . . . . .	0.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2010 . . . . .				
<b>b</b> Excess from 2011 . . . . .				
<b>c</b> Excess from 2012 . . . . .				
<b>d</b> Excess from 2013 . . . . .				
<b>e</b> 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			(e) Total
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> 'Assets' alternative test – enter:					
<b>(1)</b> Value of all assets					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> 'Support' alternative test – enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> 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).)

None

**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

See Statement 7

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

See Statement for Line 2a

**c** Any submission deadlines:

See Statement for Line 2a

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

See Statement for Line 2a

**Part XVI** 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
<p><b>a</b> Paid during the year See Statement 8</p>				
<p><b>Total</b> . . . . . ▶ <b>3 a</b></p>				<p>14,700.</p>
<p><b>b</b> Approved for future payment</p>				
<p><b>Total</b> . . . . . ▶ <b>3 b</b></p>				





**Statement 1**  
**Form 990-PF, Part I, Line 16b**  
**Accounting Fees**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Preparing Form 990-PF. . . . .	\$ 1,240.	\$ 1,240.		
Total	<u>\$ 1,240.</u>	<u>\$ 1,240.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**Statement 2**  
**Form 990-PF, Part I, Line 18**  
**Taxes**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise Tax. . . . .	\$ 62.			
Total	<u>\$ 62.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**Statement 3**  
**Form 990-PF, Part I, Line 23**  
**Other Expenses**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Bank Fees . . . . .	\$ 20.	\$ 20.		
Total	<u>\$ 20.</u>	<u>\$ 20.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**Statement 4**  
**Form 990-PF, Part II, Line 10b**  
**Investments - Corporate Stocks**

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
PPL Corporation	Cost	\$ 20,638.	\$ 127,026.
Verizon Communications	Cost	19,260.	45,604.
Frontier Communications	Cost	1,274.	1,273.
Talen Energy Corporation	Cost	1,518.	7,756.
Total		<u>\$ 42,690.</u>	<u>\$ 181,659.</u>

Client 01106

A. Karnavas Foundation

25-1197658

5/10/16

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**Statement 5  
Form 990-PF, Part II, Line 15  
Other Assets**

	<u>Book Value</u>	<u>Fair Market Value</u>
Organizational Expense	\$ 496.	
Total	<u>\$ 496.</u>	<u>\$ 0.</u>

**Statement 6  
Form 990-PF, Part VIII, Line 1  
List of Officers, Directors, Trustees, and Key Employees**

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP &amp; DC</u>	<u>Expense Account/ Other</u>
Jack Karnavas 240 Merchant Street Ambridge, PA 15003	President 2.00	\$ 0.	\$ 0.	\$ 0.
Andrew G. Karnavas 240 Merchant Street Ambridge, PA 15003	Vice President 1.00	0.	0.	0.
Emily J. Connolly 240 Merchant Street Ambridge, PA 15003	Secretary 2.00	0.	0.	0.
Jack Karnavas 240 Merchant Street Ambridge, PA 15003	Treasurer 2.00	0.	0.	0.
Andrew G. Karnavas 240 Merchant Street Ambridge, PA 15003	Director 1.00	0.	0.	0.
Jack Karnavas 240 Merchant Street Ambridge, PA 15003	Director 1.00	0.	0.	0.
Emily J. Connolly 240 Merchant Street Ambridge, PA 15003	Director 1.00	0.	0.	0.
Total		<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**Statement 7  
Form 990-PF, Part XV, Line 2a-d  
Application Submission Information**

Name of Grant Program: See Supplementary Schedules Attached  
 Name: A. Karnavas Foundation  
 Care Of: Andrew G. Karnavas  
 Street Address: 240 Merchant Street  
 City, State, Zip Code: Ambridge, PA 15003

Client 01106

A. Karnavas Foundation

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**Statement 7 (continued)**  
**Form 990-PF, Part XV, Line 2a-d**  
**Application Submission Information**

Telephone: 724-266-4060  
 E-Mail Address:  
 Form and Content:

Individuals should submit a brief resume of academic qualifications, and, in the case of research grants, an outline of the proposed investigation and a proposed budget. Organizations that apply should request and use the Foundation's standard grant application.

Submission Deadlines: Applications for grants may be submitted at anytime. Appl  
 Restrictions on Awards: Grants to individuals are limited to persons who attend educational institutions beyond the secondary level and recipients are selected on the basis of need and prior scholastic achievements.

**Statement 8**  
**Form 990-PF, Part XV, Line 3a**  
**Recipient Paid During the Year**

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Lifesteps, Inc. 138 Friendship Circle Beaver, PA 15009			Healthcare	\$ 600.
The Watson Institute 301 Camp Meeting Road Sewickley, PA 15143			Healthcare	300.
Laughlin Memorial Library 99 Eleventh Street Ambridge, PA 15003			Education	300.
Beaver County Rehabilitation Center 131 Pleasant Drive, 2nd Floor Aliquippa, PA 15001			Healthcare	6,500.
GAPA P.O. Box 522 Ambridge, PA 15003			Education Scholarship	500.
Kelly MacBeth 600 Meade Drive Moon Twp., PA 15108	None		Education Scholarship	6,500.
Total				\$ <u>14,700.</u>

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A. Karnavas Foundation  
Supplementary Information (Part XV)

Requests for grants should be sent to Andrew Karnavas. A. Karnavas Foundation, 240 Merchant Street, Ambridge, PA 15003. Telephone is 724-266-4060 during regular business hours.

Individuals should submit a brief resume of academic qualifications, and, in the case of research grants, an outline of the proposed investigation and a proposed budget. Organizations that apply should request and use the Foundation's standard grant application.

Applications for grants may be submitted at anytime. Applicants are usually notified within one month regarding their applications.

Grants to individuals are limited to persons who attend educational institutions beyond the secondary level and recipients are selected on the basis of need and prior scholastic achievements.

Organization's Application for Grant From Private Foundation

To:

From:

A. Karnavas Foundation

\_\_\_\_\_  
(Name of Applicant)

240 Merchant Street

\_\_\_\_\_  
(Street Address)

Ambridge, PA 15003

\_\_\_\_\_  
(City, State and Zip Code)

Part I. Information about the Applicant

1. Is the applicant organized as a nonprofit organization under State laws governing charitable organizations? ( ) Yes ( ) No

2. Has the applicant received a ruling or determination letter from the Internal Revenue Service about any of the following:

(a) Exempt status . . . . .	( )	Yes	( )	No
(b) Private foundation status . . . . .	( )	Yes	( )	No
(c) Grant-making procedures . . . . .	( )	Yes	( )	No

Attach a photocopy of each such letter.  
If any item is marked no, explain (b) and (c).

3. (a) Attach a copy of the applicant's proposed budget for the year in which the grant funds are to be used.  
(b) If this grant will be a substantial and material part of the total budget, attach a copy of the latest information return (Form 990 and 990PF) filed by the applicant with the Internal Revenue Service.

4. Is the applicant controlled by, related to, connected with, or sponsored by another organization.  Yes  No  
 If yes, identify the organization (including its purposes and activities) and explain the relationship:

5. List the name and address and title of each member of the applicant's governing board:

_____	_____
(Name)	(Title or office)
_____	_____
(Street Name)	(City, State and Zip Code)
_____	_____
(Name)	(Title or office)
_____	_____
(Street Name)	(City, State and Zip Code)
_____	_____
(Name)	(Title or office)
_____	_____
(Street Name)	(City, State and Zip Code)

(If more space is need attach a separate list)

6. Has the applicant (or any organization listed in 4, above) ever applied for or received a grant from this foundation?  Yes  No

Part II. Use of the proposed grant

7. Show the amount requested and explain in detail how it will be used. State whether the grant is to be earmarked for the use or benefit of any one person, group, or class of people. Is so, for whom?

8. Person to contact who will be administering the proposed program.

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Street Name)

\_\_\_\_\_  
(City, State and Zip Code)

\_\_\_\_\_  
(Area code and telephone number)

Describe this person's experience and qualifications to administer this program.

From my knowledge, I state that the information given in parts I and II is correct. The applicant organization has authorized me to make this application.

\_\_\_\_\_  
(Name)                      \_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Title or office)

The information in Parts I and II is to help the grantor foundation meet the requirements of section 4945(h) of the Internal Revenue Code.