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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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▶ Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

Open to Public Inspection

For calendar year 2015 or tax year beginning , 2015, 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 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) ▶ \$ 6,456,113	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
(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)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	169,690	169,690	169,690	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	689,662			
	b Gross sales price for all assets on line 6a 1,505,679				
	7 Capital gain net income (from Part IV, line 2)		689,662		
	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	859,352	859,352	169,690		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.)				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	385			
	b Accounting fees (attach schedule)	2,088			
	c Other professional fees (attach schedule)	72,680	72,680		
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	5,463			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	4,848			
	22 Printing and publications				
	23 Other expenses (attach schedule)	675			
	24 Total operating and administrative expenses. Add lines 13 through 23	86,139	72,680	0	0
	25 Contributions, gifts, grants paid	327,283			327,283
26 Total expenses and disbursements. Add lines 24 and 25	413,422	72,680	0	327,283	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	445,930				
b Net investment income (if negative, enter -0-)		786,672			
c Adjusted net income (if negative, enter -0-)			169,690		

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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	25,735	58,627	58,627
	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)	319,557	474,366	473,789
	b Investments—corporate stock (attach schedule)	1,572,774	1,696,501	5,837,247
	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 ▶)	122,115	80,628	86,450	
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	2,040,181	2,310,122	6,456,113	
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	2,040,181	2,310,122		
30 Total net assets or fund balances (see instructions)	2,040,181	2,310,122		
31 Total liabilities and net assets/fund balances (see instructions)	2,040,181	2,310,122		

Part III Analysis of Changes in Net Assets or Fund Balances			
1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)		1	2,040,181
2 Enter amount from Part I, line 27a		2	445,930
3 Other increases not included in line 2 (itemize) ▶		3	
4 Add lines 1, 2, and 3		4	2,486,111
5 Decreases not included in line 2 (itemize) ▶ <u>Net decrease due to assets sold</u>		5	175,989
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30		6	2,310,122

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 attached 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 1,505,679		816,017	689,662	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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	689,662	
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 (col. (b) divided by col. (c))
2014	423,998	7,771,454	0.0546
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
2 Total of line 1, column (d)			2 0.3542
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 .07084
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5			4 8,052,221
5 Multiply line 4 by line 3			5 570,419
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 7,867
7 Add lines 5 and 6			7 578,286
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.			8 413,037

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	15,733	
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	15,733	
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	15,733	
6	Credits/Payments:			
a	2015 estimated tax payments and 2014 overpayment credited to 2015	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	15,733	
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 2016 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	0	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		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 Form 1120-POL 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. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
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
4a 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 Form 990-T for this year?		
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, col. (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶		
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 2015 or the taxable year beginning in 2015 (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)

	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)		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)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ NONE	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		<input type="checkbox"/>
16 At any time during calendar year 2015, 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. If "Yes," enter the name of the foreign country ▶		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 2015?	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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? <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 2015 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2015.</i>)	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 2015?	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? Yes No

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No **7b**

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

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	0		
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 See Summary of activities statement 6	
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	8,016,142
b	Average of monthly cash balances	1b	36,079
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	8,052,221
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	8,052,221
4	Cash deemed held for charitable activities. Enter 1½% 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	8,052,221
6	Minimum investment return. Enter 5% of line 5	6	402,611

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	402,611
2a	Tax on investment income for 2015 from Part VI, line 5	2a	15,733
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	15,733
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	386,878
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	386,878
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	386,878

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	413,037
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	413,037
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	413,037

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 2014	(c) 2014	(d) 2015
1	Distributable amount for 2015 from Part XI, line 7				386,878
2	Undistributed income, if any, as of the end of 2015:				
a	Enter amount for 2014 only				
b	Total for prior years: 20____, 20____, 20____				
3	Excess distributions carryover, if any, to 2015:				
a	From 2010	33,347			
b	From 2011	49,940			
c	From 2012	32,384			
d	From 2013	409,084			
e	From 2014	0			
f	Total of lines 3a through e	524,755			
4	Qualifying distributions for 2015 from Part XII, line 4: ▶ \$				
a	Applied to 2014, but not more than line 2a				
b	Applied to undistributed income of prior years (Election required—see instructions)		59,595		
c	Treated as distributions out of corpus (Election required—see instructions)				
d	Applied to 2015 distributable amount				
e	Remaining amount distributed out of corpus				
5	Excess distributions carryover applied to 2015 (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	524,755			
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 2014. Subtract line 4a from line 2a. Taxable amount—see instructions			0	
f	Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				386,878
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 2010 not applied on line 5 or line 7 (see instructions)	59,595			
9	Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	465,160			
10	Analysis of line 9:				
a	Excess from 2011	23,692			
b	Excess from 2012	32,384			
c	Excess from 2013	409,084			
d	Excess from 2014	0			
e	Excess from 2015	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 2015, 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) 2015	(b) 2014	(c) 2013	(d) 2012	
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>				324,979
<p>Total</p>			▶ 3a	324,979
<p>b <i>Approved for future payment</i></p>				
<p>Total</p>			▶ 3b	0

FNZ Foundation Inc
Statement 2 2015

Sales Date	Purchased	Proceeds	Cost	Gain St	Gain Long
3/19/2015 Comcast Corp	294.7021 12/20/1996	17,322.30	1,667.17		15,655.13
Comcast Corp	705.2979 1/10/1997	41,456.71	8,741.89		32,714.82
6/24/2015 MSCI Emerging	1800 11/06/209	73,744.80	71,401.52		2,343.28
7/10/2015 Ishares China Large	2400 08/22/205	101,474.13	50,713.06		50,761.07
7/20/2015 Walt Disney	2000 12/20/1996	450,827.09	4,148.16		446,678.93
8/4/2015 American Intl Gp	1500 1/7/2014	91,405.56	76,626.95		14,778.61
9/16/2015 US Treasury	750 8/19/2015	74,947.05	74,909.00	38.05	
10/15/2015 US Treasury- matured		300,000.00	300,000.00		
11/5/2015 Chevron	1000 7/15/2010	95,648.53	72,586.30		23,062.23
12/28/2015 Bed Bath and Beyond	1000 5/28/2015	48,502.80	71,931.60	(23,428.80)	
12/28/2015 Hess Corp	1000 7/3/2013	48,964.39	67,074.30		(18,109.91)
2/12/2015 American Express	2000 12/20/1996	161,372.22	16,216.43		145,155.79
11/24/2015 Synchrony Financial fraction	12/20/1996	13.25	0.49		12.76
		1,505,678.83	816,016.87	(23,390.75)	713,052.71
					<u>(23,390.75)</u>
					<u>689,661.96</u>

FNZ Foundation, Inc
 Summary of contributions for 2015
 Statement 3

Action Social

Gift to Give	200	
Greensboro Firefighters	108	
Newport County Comm Mental Health	500	
Greensboro Urban Ministry	100	
Operation Respect	500	
Well-Spring Foundation	175	
Martin Luther King Center	250	
Smile Train	250	
Unchained at Last	180	
YWCA of Greensboro	1,000	
various other less than 200 each	805	4,068

Animals

Humane Society of Greater Miami	1,000	
Potter League	500	
Greensboro Science Center	100	
World Wildlife fund	100	1,700

Education

Robinson School	13,350	
Salve Regina University	5,000	
Sarah Lawrence College	2,500	
The Lawrenceville School	3,000	
Walnut Hills High School	250	
		<u>24,100</u>

Env

Auidneck Island Trust	500	
Bellevue Ave Neighborhood	250	750

Health

American Diabetes Society	500	
Alzheimer's Assn	200	
Cone Health Healing Gardens	5,000	
Newport Hospital Foundation	7,000	
Planned Parenthood	1,250	
American Cancer	100	
various small contributions	1,926	15,976

Cultural

Community Theatre of Greensboro	1,250	
Newport Art Museum	5,060	
Newport Music Festival	13,000	
Newport Historical Society	100	
Newport performing arts	12,500	
Newport public Library	1,200	

	Preservation Society of Newport	2,500	
	Redwood Library	200	
	Viscaya Museum	500	
	Fairchild Tropical Gardens	1,000	
	Greensboro Historical Museum	100	
	Linden Place	500	
	Touring Theater of NC	300	
	Perez Art Museum	1,000	
	Various smaller contributions	390	39,600
Jewish Groups			
Global	New Israel Fund	5,000	
	World Union for Progressive Judaism	50,000	
	IRAC	18,000	
	ARZA	1,000	
	American Friend of Neve Shalom	1,000	
			75,000
Local	Temple Beth Shalom	9,360	
	Chabad of PR	3,600	12,960
US	Jewish Community Services	1,000	
	Religious Action Center	1,800	
	Temple Emanuel	2,821	
	Crane Lake Camp	1,000	
	Greensboro Jewish Federation	1,890	
	Congregation Beth Breira	1,030	
	Jewish Family and Children Services	1,000	
	Jewish Museum of Florida	500	
	JCC of Chesterfield	1,200	
	Temple Judea	2,595	
	Temple Sinai	5,516	
	SURJ- Klau Library	50,000	
	United Hebrew Cong	174	
	Various other	4,400	73,926
World	American Friends of IJC Belgium	540	
	Project Keshet	1,800	
	Various other	1,863	
	World Union for Progressive Judaism	75,000	79,203
Total Contributions			327,283

FNZ Foundation, Inc
Summary of Investment Holdings
Summary of 12/31/2015

Statement 4				2014	2015	2015
Fixed				Cost basis	Cost Basis	FMV
US Treasury due 04/03/2014				299,980		
US Treasury due 12/15/17					99,828	99,875
US Treasury due 10/31/2017					199,750	198,938
US Treasury due 02/18/2016					174,788	174,976
Equities:				<u>299,980</u>	<u>474,366</u>	<u>473,789</u>
ABB LTB	4/2/2009	4000		59,578	59,578	70,920
Air Lease	0/12/2014	2000		71,276	71,276	71,276
American Express	12/20/1996	6000		48,649		
	sold 2000	4000			32,433	278,200
American Intl Grp	1/7/2014	1500		76,627	sold	
Berskhire	12/20/1996	2000		11,086	11,086	264,080
Biogen Inc	8/26/2015	250			74,251	76,588
Celgene Corp	9/15/2015	600			74,210	71,856
Chevron	7/15/2010	1000		72,586	sold	
Comcast Corp	12/20/1996	294	1,667			
	1/10/1997	3705	<u>26,005</u>	27,672		
	sold 705	3000			17,263	169,290
Disney Walt	12/20/1996	15000		14,518		
	sold 5000 shs	10000			10,370	1,050,800
Emerson Electric	10/26/2006	2000		85,320	85,320	95,660
Facbook	9/2/2015	800			70,856	83,728
Fedex	7/22/2005	1000	85,061			
	5/28/2008	200	<u>18,128</u>	103,189	103,189	178,788
General Elect	12/20/1996	8000		9,767		
	spinoff	7061			8,621	219,950
Gilead Science	1/5/2015	800			75,471	80,952
Hess Corp	5/21/2009	1000		67,074	sold	
Johnson & Johnson	12/20/1996	4000		41,524	41,524	410,880
Lab Cp of America	11/17/2014	800		80,267	80,267	98,912
Metlife	11/3/2010	1800		73,733	73,733	86,778
PayPal Holdings	7/29/2015	2000			75,999	72,400
Pepsico	12/20/1996	8000		14,357	14,357	799,360
Procter & Gamble	8/1/2011	1200		73,781	73,781	98,292
Rockwell Collins	1/9/2008	1200	80,420			
	5/28/2008	300	<u>18,387</u>	98,807	98,807	138,450
Royal Dutch Shell	07/071997	12000		26,401	26,401	549,480
SAP SE	2/26/2014	1000		79,531	79,531	79,100
Schlumberger	1/11/2007	1500		87,345	87,345	104,625
Synchrony Finan-GE	12/20/1996				1,146	29,984
Union Pacific	12/18/2008	1200		56,949	56,949	187,680
United Parcel Serv	1/31/2007	1200	86,459			
	5/2/2008	300	<u>21,107</u>	107,566	107,566	144,345
United Tech	8/18/2006	1500		92,829	92,829	144,105
3M	4/19/2005	1000	77,049			
	5/28/2008	200	<u>15,293</u>	92,342	92,342	180,768
				<u>1,572,774</u>	<u>1,696,501</u>	<u>5,837,247</u>

Other Assets

Ishares China FXI	8/22/2005	2400	50,713	sold		
Ishares MSCI Emrg	11/6/2009	1800	71,402	sold		
Crown Castle Intl	8/26/2015	1000			80,628	86,450
			<u>122,115</u>		<u>80,628</u>	<u>86,450</u>
		Total	<u>1,994,869</u>		<u>1,876,957</u>	<u>6,023,572</u>
Cash at brokerage firm					1,135	
Cash at Wells Fargo bank acct					57492	
					<u>58,627</u>	<u>58627</u>
			Grand total		<u>1,935,584</u>	<u>6,082,199</u>

FNZ Foundations INC

2015

Statement 5

Purchases

	Qty	Unit price	Cash	Tax free
1/8/2015 Gilead Science INC	800	94.264	75,471.20	
1/28/2015 Apple	800	116.7513	93,461.04	
5/28/2015 Bed Bath & Beyond	1000	71.8616	71,931.60	
7/22/2015 US Treas 10/31/2017	2000	99.875	200,088.36	
8/31/2015 Crown Castle Intl	1000	80.5776	80,627.60	
8/26/2015 Biogen Idec	250	296.974	74,251.00	
8/3/2015 Paypal	2000	37.9394	75,998.80	
8/20/2015 US Treas 02/18/2016	2500	99.8787	249,696.67	
9/2/2015 Facebook	800	88.4955	70,856.40	
9/15/2015 Celgene	600	123.5668	74,209.88	
11/4/2015 Synchrony - spinoff GE	986	1.1622		1146.42
			<u>1,066,592.55</u>	

FNZ Foundation Inc
 Summary of Expenses for 2015
 Statement 6

	Administration		
	Bank charges and checks	74	
	various adm	<u>601</u>	
Line 23		<u>675</u>	
	Travel		
Line 21	Various	<u>4,848</u>	
	Taxes		
Line 18	Federal tax	322	
	Foreign taxes withheld	<u>5,141</u>	Deduction
		<u>5,463</u>	
Line 16a	Legal		
	CT Corp	<u>385</u>	
	Accounting fee		
Line 16b	Kevane-2013 return	188	
	Shahbaz Southern	<u>1,900</u>	<u>2,088</u>
	Investment Fees		
Line 16c	Advisor fee	<u>72,680</u>	