

Form **990-PF****Return of Private Foundation**

OMB No 1545-0052

Department of the Treasury
Internal Revenue Service

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

Do not enter social security numbers on this form as it may be made public.

Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.**2015**

Open to Public Inspection

For calendar year 2015 or tax year beginning

03/01, 2015, and ending

2/29, 2016

Name of foundation

THE REDDY FOUNDATION

A Employer identification number

13-3943919

Number and street (or P O box number if mail is not delivered to street address)

ERNST & YOUNG US, LLP
77 WATER STREET

Room/suite

9 FL

B Telephone number (see instructions)

(212) 440-0800

City or town, state or province, country, and ZIP or foreign postal code

NEW YORK, NY 10005

G Check all that apply:

☐ Initial return☐ Final return☒ Address change☐ Initial return of a former public charity☐ Amended return☐ 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, col. (c), line

16) \$ 5,951,841.

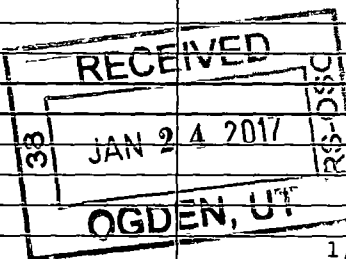
J Accounting method:

☒ Cash☐ Accrual☐ Other (specify)

(Part I, column (d) must be on cash basis.)

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 ☐**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)
			N/A	
1 Contributions, gifts, grants, etc., received (attach schedule)	NONE			
2 Check ☐ if the foundation is not required to attach Sch. B.				
3 Interest on savings and temporary cash investments	12.	12.		ATCH 1
4 Dividends and interest from securities	104,282.	103,975.		ATCH 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	52,922.			
b Gross sales price for all assets on line 6a	52,922.			
7 Capital gain net income (from Part IV, line 2)		49,728.		
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)				
11 Other income (attach schedule) ATCH 3	1,695.	1,541.		
12 Total. Add lines 1 through 11	158,911.	155,256.		
13 Compensation of officers, directors, trustees, etc.	0.			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule) ATCH 4	3,500.	1,750.		1,750.
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see instructions) [5]	2,000.			
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) ATCH 6	1,570.	415.		500.
24 Total operating and administrative expenses. Add lines 13 through 23.	7,070.	2,165.		2,250.
25 Contributions, gifts, grants paid	221,440.			221,440.
26 Total expenses and disbursements. Add lines 24 and 25	228,510.	2,165.	0.	223,690.
27 Subtract line 26 from line 12.				
a Excess of revenue over expenses and disbursements	-69,599.			
b Net investment income (if negative, enter -0-)		153,091.		
c Adjusted net income (if negative, enter -0-)				

SCANNED JAN 9 2017
Operating and Administrative Expenses

JSA For Paperwork Reduction Act Notice, see instructions.

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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		15,284.	14,695.	14,695.
	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)				
	b	Investments - corporate stock (attach schedule) ATCH 7	2,715,484.	2,626,573.	3,677,060.	
	c	Investments - corporate bonds (attach schedule)				
	Liabilities	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 ▶ ATCH 8)	1,718,275.	1,738,175.	2,260,086.	
16		Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	4,449,043.	4,379,443.	5,951,841.	
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 ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds	4,449,043.	4,379,443.		
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see instructions)	4,449,043.	4,379,443.			
31	Total liabilities and net assets/fund balances (see instructions)	4,449,043.	4,379,443.			

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	4,449,043.
2	Enter amount from Part I, line 27a	2	-69,599.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	4,379,444.
5	Decreases not included in line 2 (itemize) ▶ ATCH 9	5	1.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,379,443.

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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** SEE PART IV SCHEDULE**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****b****c****d****e**

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

(i) F M V as of 12/31/69

(j) Adjusted basis
as of 12/31/69(k) Excess of col. (i)
over col. (j), if any(l) Gains (Col. (h) gain minus
col. (k), but not less than -0-) or
Losses (from col. (h))**a****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**

49,728.

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	279,415.	6,293,199.	0.044400
2013	123,540.	5,720,433.	0.021596
2012	2,480.	2,940,521.	0.000843
2011	52,550.	2,487,086.	0.021129
2010	185,673.	2,358,192.	0.078735

2 Total of line 1, column (d)**2**

0.166703

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**

0.033341

4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5**4**

6,272,883.

5 Multiply line 4 by line 3**5**

209,144.

6 Enter 1% of net investment income (1% of Part I, line 27b)**6**

1,531.

7 Add lines 5 and 6**7**

210,675.

8 Enter qualifying distributions from Part XII, line 4**8**

223,690.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions

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

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)		1	1,531.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b			
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	1,531.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	1,531.
6 Credits/Payments.			
a 2015 estimated tax payments and 2014 overpayment credited to 2015	6a	2,288.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	3,000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	5,288.	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	3,757.	
11 Enter the amount of line 10 to be. Credited to 2016 estimated tax ☒ 3,757. Refunded ☐	11		

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)? 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		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? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		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?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		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? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☒ NY, _____		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	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)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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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	Yes	No
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 ▶ N/A	13	X	
14	The books are in care of ▶ ERNST & YOUNG US LLP Telephone no ▶ 212-440-0800 Located at ▶ 77 WATER STREET - 9TH FLOOR NEW YORK, NY ZIP+4 ▶ 10005			
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 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 ▶	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? ☐ Yes ☒ No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? ▶ ☐ Organizations relying on a current notice regarding disaster assistance check here ▶ ☐	1b	N/A
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	N/A
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? ☐ Yes ☒ No If "Yes," list the years ▶		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) ▶	2b	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 ▶		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No		
b If "Yes," did it have excess business holdings in 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? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2015) ▶	3b	N/A
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

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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** **N/A**

Organizations relying on a current notice regarding disaster assistance check here ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No **N/A**

If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No **6b** **X**

If "Yes" to 6b, file Form 8870

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No **7b** **N/A**

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
ATCH 10		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				0.

Total number of other employees paid over \$50,000. ☐

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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		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	PLEASE NOTE, THE FOUNDATION IS NOT INVOLVED IN ANY DIRECT CHARITABLE ACTIVITIES. ITS PRIMARY PURPOSE IS TO SUPPORT, BY CONTRIBUTIONS, OTHER ORGANIZATIONS EXEMPT UNDER INTERNAL REVENUE CODE SECTION 501(C)(3).	NONE
2	N/A	
3	N/A	
4	N/A	

Part IX-B **Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2		Amount
1	N/A	NONE
2	N/A	
All other program-related investments See instructions		
3	N/A	
Total. Add lines 1 through 3		

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	3,875,112.
b	Average of monthly cash balances	1b	18,582.
c	Fair market value of all other assets (see instructions).	1c	2,474,715.
d	Total (add lines 1a, b, and c)	1d	6,368,409.
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	6,368,409.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	95,526.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	6,272,883.
6	Minimum investment return. Enter 5% of line 5	6	313,644.

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	313,644.
2a	Tax on investment income for 2015 from Part VI, line 5	2a	1,531.
2b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,531.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	312,113.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4.	5	312,113.
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	312,113.

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	223,690.
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	223,690.
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	1,531.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	222,159.

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				312,113.
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only.			190,745.	
b Total for prior years 20____, 20____, 20____		NONE		
3 Excess distributions carryover, if any, to 2015:				
a From 2010	NONE			
b From 2011				
c From 2012				
d From 2013				
e From 2014				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2015 from Part XII, line 4: ► \$ 223,690.				
a Applied to 2014, but not more than line 2a . . .			190,745.	
b Applied to undistributed income of prior years (Election required - see instructions).				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2015 distributable amount.				32,945.
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				
b Prior years' undistributed income. Subtract line 4b from line 2b.				
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				
e Undistributed income for 2014 Subtract line 4a from line 2a Taxable amount - see instructions			NONE	
f Undistributed income for 2015 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2016.				279,168.
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) . . .				
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2011 . . .	NONE			
b Excess from 2012 . . .				
c Excess from 2013 . . .				
d Excess from 2014 . . .				
e Excess from 2015 . . .				

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

NOT APPLICABLE

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 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	Prior 3 years			(e) Total
	(a) 2015	(b) 2014	(c) 2013	(d) 2012	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

ATTACHMENT 11

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed.

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

c Any submission deadlines:

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

Part XV Supplementary Information *(continued)***3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE STATEMENT ATTACHED	NONE		NONE	221,440.
Total ▶ 3a				221,440.
b Approved for future payment				
Total ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount		
1 Program service revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments .			14	12.		
4 Dividends and interest from securities	523000	307.	14	103,975.		
5 Net rental income or (loss) from real estate:						
a Debt-financed property						
b Not debt-financed property						
6 Net rental income or (loss) from personal property. .						
7 Other investment income						
8 Gain or (loss) from sales of assets other than inventory	523000	3,194.	18	49,728.		
9 Net income or (loss) from special events . . .						
10 Gross profit or (loss) from sales of inventory . .						
11 Other revenue: a _____						
b ATCH 12 _____	523000	154.	01	1,541.		
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e)		3,655.		155,256.		
13 Total. Add line 12, columns (b), (d), and (e)					13	158,911.

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
220.		SEC. 1250 GAIN THRU BLACKSTONE K-1					VAR 220.	VAR
1,727.		SEC. 1231 GAIN THRU BLACKSTONE K-1					VAR 1,727.	VAR
19,267.		LTCG(L) THRU BLACKSTONE K-1					VAR 19,267.	VAR
28,514.		GAIN ON PRISMA SELECT II REDEMPTION					VAR 28,514.	VAR
TOTAL GAIN (LOSS)							<u>49,728.</u>	

THE REDDY FOUNDATION

13-3943919

SUPPLEMENTARY STATEMENTS

PART: XV

LINE: 2

SUPPLEMENTAL INFORMATION

THE ORGANIZATION'S PRIMARY ACTIVITY IS TO SUPPORT, BY CONTRIBUTIONS, OTHER ORGANIZATIONS QUALIFYING FOR EXEMPTION UNDER SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE. THE TRUSTEES CHOOSE THESE ORGANIZATIONS BASED UPON THEIR KNOWLEDGE OF THE ORGANIZATIONS' ACTIVITIES. NO CONTRIBUTIONS, GRANTS, GIFTS, LOANS OR SCHOLARSHIPS ARE MADE TO INDIVIDUALS. THE ORGANIZATION DOES NOT PRESENTLY RECEIVE APPLICATIONS OR CONDUCT PROGRAMS FOR DONATIONS IN ITS ACTIVITIES.

ATTACHMENT 1

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
INTEREST ON VANGUARD MMA	12.	12.
TOTAL	<u>12.</u>	<u>12.</u>

ATTACHMENT 2FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
DIVIDENDS THRU BROKERAGE	96,669.	96,669.
DIVIDENDS THRU VANGUARD 500 INDEX FUND ADMIRAL	310.	310.
DIVIDENDS THRU BLACKSTONE K-1	1,693.	1,693.
DIVIDENDS THRU BLACKSTONE K-1 - UBTI	7.	
INTEREST THRU BLACKSTONE K-1	5,303.	5,303.
INTEREST THRU BLACKSTONE K-1 - UBTI	300.	
TOTAL	<u>104,282.</u>	<u>103,975.</u>

ATTACHMENT 3FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
ORDINARY INC THRU BLACKSTONE K-1	59.	59.
ORDINARY INC THRU BLACKSTONE K-1 - UBTI	40.	
RRE THRU BLACKSTONE K-1	53.	53.
RRE THRU BLACKSTONE K-1 - UBTI	199.	
ROYALTIES THRU BLACKSTONE K-1	41.	41.
COD THRU BLACKSTONE K-1	1.	1.
OTHER PORTFOLIO INC THRU BLACKSTONE K-1	1,494.	1,494.
OTHER PORT INC THRU BLACKSTONE K-1 - UBTI	-110.	
SEC. 987 THRU BLACKSTONE K-1	-101.	-101.
DEFERRED INCOME THRU BLACKSTONE K-1	-6.	-6.
DEFERRED INCOME THRU BLACKSTONE K-1-UBTI	25.	
TOTALS	<u>1,695.</u>	<u>1,541.</u>

ATTACHMENT 4

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
BCRS ASSOCIATES, LLC	3,500.	1,750.		1,750.
TOTALS	3,500.	1,750.		1,750.

ATTACHMENT 5

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
FED'L TAX - EXTENSION PAYMENT FORM 990-PF FYE 2.28.2015	2,000.			
TOTALS	2,000.			

ATTACHMENT 6FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
NEW YORK STATE FILING FEE	250.			250.
PUBLICATION NOTICE FEE	250.			250.
SEC. 59(E)(2) THRU BLACKSTONE K-1	1.	1.		
SEC. 59(E)(2) THRU BLACKSTONE K-1 - UBTI FOR TAX THRU BLACKSTONE K-1	40.			
FOR TAX THRU BLACKSTONE K-1 - UBTI	29.	29.		
PORT DED THRU BLACKSTONE K-1	2.			
OTHER DEDUCTIONS	288.	288.		
TRHU BLACKSTONE K-1	483.			
INTEREST EXP THRU BLACKSTONE K-1	97.	97.		
INTEREST EXP THRU BLACKSTONE K-1 - UBTI	129.			
NON-DEDUCTIBLE EXPENSES THRU BLACKSTONE K-1	1.			
TOTALS	1,570.	415.		500.

ATTACHMENT 7FORM 990PF, PART II - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SEE LONG POSITION I ATTACHED	2,702,805.	2,613,584.	3,662,189.
FOREIGN CURRENCY: 500 EUROS	650.	650.	544.
VANGUARD INDEX 500 FUND ADM	12,029.	12,339.	14,327.
TOTALS	<u>2,715,484.</u>	<u>2,626,573.</u>	<u>3,677,060.</u>

ATTACHMENT 8FORM 990PF, PART II - OTHER ASSETS

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
PRISMA SPECTRUM FUND LTD	1,579,063.	1,607,577.	1,800,364.
PRISMA SELECT FUND II LTD - ESCROW ACCOUNT			70,172.
BLACKSTONE GROUP LP	139,212.	130,598.	389,550.
TOTALS	<u>1,718,275.</u>	<u>1,738,175.</u>	<u>2,260,086.</u>

ATTACHMENT 9FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
ROUNDING	1.
TOTAL	<u>1.</u>

THE REDDY FOUNDATION

13-3943919

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 10

TITLE AND AVERAGE HOURS PER
WEEK DEVOTED TO POSITION

NAME AND ADDRESS

TRUSTEE/PART-TIME

GIRISH V. REDDY
C/O ERNST & YOUNG US LLP
77 WATER STREET - 9TH FLOOR
NEW YORK, NY 10005

TRUSTEE/PART-TIME

RASIKA G. REDDY
C/O ERNST & YOUNG US LLP
77 WATER STREET - 9TH FLOOR
NEW YORK, NY 10005

CO-TRUSTEE

SRINIDHI G. REDDY
C/O ERNST & YOUNG US LLP
77 WATER STREET - 9TH FLOOR
NEW YORK, NY 10005

CO-TRUSTEE

JAIDEV G. REDDY
C/O ERNST & YOUNG US LLP
77 WATER STREET - 9TH FLOOR
NEW YORK, NY 10005

93271A 526W

V 15-7.12

14070001

ATTACHMENT 11

FORM 990PF, PART XV - INFORMATION REGARDING FOUNDATION MANAGERS

GIRISH REDDY; C/O ERNST & YOUNG US LLP
77 WATER STREET - 9TH FL, NEW YORK, NY 10005

THE REDDY FOUNDATION

13-3943919

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUEATTACHMENT 12

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	RELATED OR EXEMPT FUNCTION INCOME	
				AMOUNT	
ORDINARY INCOME THRU BLACKSTONE K-1	523000	40.	01	59.	.
RRE THRU BLACKSTONE K-1	523000	199.	01	53.	
ROYALTIES THRU BLACKSTONE K-1			01	41.	
OTHER INCOME THRU BLACKSTONE K-1	523000	-110.	01	1,494.	.
COD THRU BLACKSTONE K-1			01	1.	
SEC. 987 THRU BLACKSTONE K-1			01	-101.	
DEFERRED INCOME THRU BLACKSTONE K-1		25.	01	-6.	
TOTALS		154.		1,541.	

THE REDDY FOUNDATION
CHARITABLE CONTRIBUTIONS
EIN: 13-3943919
FYE 2/29/2016

DATE	CONTRIBUTION / CITY, STATE	AMOUNT
4/27/2015	AMERICAN INDIA FOUNDATION NEW YORK, NY	\$10,000.00
12/3/2015	THE CHILD MIND INSTITUTE INC. NEW YORK, NY	\$10,000.00
3/16/2015	LUCILLE PACKARD FOUNDATION FOR CHILDRENS HEALTH PALO ALTO, CA	\$100,000.00
5/14/2015	RUBIN MUSUEM OF ART NEW YORK, NEW YORK	\$5,000.00
10/13/2015	SOUTH ASIAN YOUTH ACTION INC. (SAYA) ELMHURST, NY	\$71,440.00
1/8/2016	PRATHAM USA HOUSTON, TX	\$25,000.00
TOTAL CONTRIBUTIONS PAID*		<u>\$221,440.00</u>

**ALL CONTRIBUTIONS WERE MADE TO THE GENERAL PURPOSE
FUND OF PUBLIC CHARITABLE ORGANIZATIONS THAT WERE
CLASSIFIED UNDER SECTION 501 (c) (3) OF THE INTERNAL
REVENUE CODE*

REDDY FDN RESTRICTED ACCOUNT

Holdings

Period Ended February 29, 2016

CASH, DEPOSITS & MONEY MARKET FUNDS

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity / Current Yield	Estimated Annual Income
DEPOSITS & MONEY MARKET FUNDS								
MONEY MARKET FUNDS								
GS FINANCIAL SQUARE TREASURY INSTRUMENTS FUND - FST SHARES Moody's Aaa	783,396.220	1.0000	783,396.22	1.0000	783,396.22	0.00	0.0100	78.34
TOTAL CASH, DEPOSITS & MONEY MARKET FUNDS			783,940.28		784,046.33	(106.05)		78.34

PUBLIC EQUITY

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
US STOCKS								
CSX CORPORATION CMN (CSX)	3,600.00	24.1400	86,904.00	15.4514	55,625.04	31,278.96	2.9826	2,592.00
HEWLETT PACKARD ENTERPRISE CO CMN (HPE)	1,897.00	13.2700	25,173.19	26.7474	50,739.79	(25,566.60)	1.6579	417.34
HP INC CMN (HPQ)	1,897.00	10.6900	20,278.93	23.8626	45,267.38	(24,988.45)		
MICROSOFT CORPORATION CMN (MSFT)	1,000.00	50.8800	50,880.00	54.8100	54,810.00	(3,930.00)	2.8302	1,440.00
PJT PARTNERS INC CMN CLASS A (PJT)	375.00	27.8200	10,432.50	3.8090	1,428.38	9,004.12	0.7189	75.00
PROCTER & GAMBLE COMPANY (THE) CMN (PG)	2,000.00	80.2900	160,580.00	34.5400	69,080.00	91,500.00	3.3025	5,303.20
TOTAL US STOCKS			354,248.62		276,950.59	77,298.03	2.9426	9,827.54
NASDAQ 100 INDEX FUND (POWERSHARES)								
POWERSHARES QQQ TRUST ETF INDEX TRACKING STOCK (QQQ)	2,000.00	102.5000	205,000.00	81.2500	162,500.00	42,500.00	1.0776	2,209.14
S&P 500 INDEX FUND (SPDR)								
SPDR S&P 500 ETF TRUST (SPY)	9,591.00	193.5600	1,856,433.96	94.0691	902,217.02	954,216.94	2.1729	40,338.40
S&P FINANCIALS SELECT SECTOR INDEX FUND (SPDR)								
THE FINANCIAL SELECT SECTOR SPDR FUND (XLF)	3,000.00	21.0900	63,270.00	20.0400	60,120.00	3,150.00	2.2009	1,392.52

REDDY FDN RESTRICTED ACCOUNT
Holdings (Continued)

Period Ended February 29, 2016

PUBLIC EQUITY (Continued)

US EQUITY		Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
TOTAL US EQUITY									
NON-US EQUITY									
WISDOMTREE EUROPE HEDGED EQUITY INDEX FUND (WISDOMTREE)									
WISDOMTREE EUR HDGD EQ FDN CMN (HEDJ)		8,000.00	49.9800	399,840.00	53.5500	428,400.00	(28,560.00)	2.5602	10,236.88
TOTAL PUBLIC EQUITY								3.2313	104,954.48
TOTAL PORTFOLIO									
				Market Value	Adjusted Cost / * Original Cost				
				3,662,189	2,613,584				