

Form **990-PF**

Return of Private Foundation

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

OMB No 1545-0052

2015

Open to Public Inspection

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

For calendar year 2015 or tax year beginning **AUG 1, 2015**, and ending **JUL 31, 2016**

Name of foundation
**The Quercus Fund, Inc.
c/o Dudley & Shanley, LLC**

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

City or town, state or province, country, and ZIP or foreign postal code
Palm Beach, FL 33480

Room/suite
#311

A Employer identification number
13-4156738

B Telephone number
561-855-4742

C If exemption application is pending, check here

D 1. Foreign organizations, check here
2. Foreign organizations meeting the 85% test, check here and attach computation

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

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

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

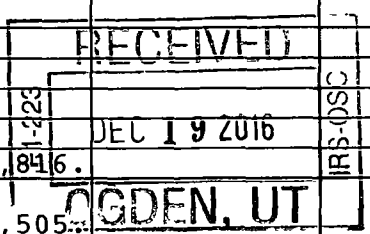
H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16)
\$ 14,545,947. (Part I, column (d) must be on cash basis)

J Accounting method: Cash Accrual
 Other (specify) _____

Part I Analysis of Revenue and Expenses		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
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		199,895.	199,895.		Statement 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<205,588.>			
b Gross sales price for all assets on line 6a		4,747,366.			
7 Capital gain net income (from Part IV, line 2)			0.		
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)					
11 Other income					
12 Total. Add lines 1 through 11		<5,693.>	199,895.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees Stmt 2		560.	0.		0.
b Accounting fees Stmt 3		9,194.	9,194.		0.
c Other professional fees Stmt 4		71,495.	71,495.		0.
17 Interest					
18 Taxes					
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses Stmt 5		7,816.	7,816.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		89,065.	88,505.		0.
25 Contributions, gifts, grants paid		737,553.			737,553.
26 Total expenses and disbursements. Add lines 24 and 25		826,618.	88,505.		737,553.
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements		<832,311.>			
b Net investment income (if negative, enter -0-)			111,390.		
c Adjusted net income (if negative, enter -0-)				N/A	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	1,488,317.	903,602.	903,602.
	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			
	7 Other notes and loans receivable ▶			
	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			
	b Investments - corporate stock Stmt 7	14,070,214.	13,642,345.	13,642,345.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	15,558,531.	14,545,947.	14,545,947.	
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			
	22 Other liabilities (describe ▶ Due to broker)	0.	194,017.	
23 Total liabilities (add lines 17 through 22)	0.	194,017.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	15,558,531.	14,351,930.		
30 Total net assets or fund balances	15,558,531.	14,351,930.		
31 Total liabilities and net assets/fund balances	15,558,531.	14,545,947.		

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	15,558,531.
2 Enter amount from Part I, line 27a	2	<832,311.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	14,726,220.
5 Decreases not included in line 2 (itemize) ▶ See Statement 6	5	374,290.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	14,351,930.

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Part IV Capital Gains and Losses for Tax on Investment Income See Attached Statements

(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				
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	4,747,366.	4,952,954.	<205,588.>	
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) 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		
a				
b				
c				
d				
e			<205,588.>	
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	<205,588.>
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). If (loss), enter -0- in Part I, line 8	}		3	N/A

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	777,674.	15,465,192.	.050285
2013	787,500.	15,000,249.	.052499
2012	637,500.	12,869,760.	.049535
2011	587,500.	11,680,301.	.050298
2010	537,500.	11,356,795.	.047328
2 Total of line 1, column (d)			2 .249945
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 .049989
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5			4 13,938,212.
5 Multiply line 4 by line 3			5 696,757.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,114.
7 Add lines 5 and 6			7 697,871.
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.			8 737,553.

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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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	1,114.
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	0.
3 Add lines 1 and 2		3	1,114.
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	1,114.
6 Credits/Payments:			
a 2015 estimated tax payments and 2014 overpayment credited to 2015	6a	9,441.	
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	9,441.	
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		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	8,327.	
11 Enter the amount of line 10 to be Credited to 2016 estimated tax <input type="checkbox"/> Refunded <input checked="" 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. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 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
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 XIV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> CT		
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? <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

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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 ► <u>N/A</u>	X	
14 The books are in care of ► <u>Dudley & Shanley, LLC</u> Telephone no. ► <u>561-855-4742</u> Located at ► <u>205 Worth Avenue, #311, Palm Beach, FL</u> ZIP+4 ► <u>33480</u>		
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 <u>N/A</u>		
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input 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	X
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	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 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 ► _____		
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.) <u>N/A</u>	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. ► _____		
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? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2015) <u>N/A</u>	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)? Yes No
Organizations relying on a current notice regarding disaster assistance check here N/A

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) N/A

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
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

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.

(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 8		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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

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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. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
Dudley & Shanley, LLC 205 Worth Avenue, #311, Palm Beach, FL 33480	Investment management	71,495.

Total number of others receiving over \$50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
2	
3 All other program-related investments. See instructions.	

Total. Add lines 1 through 3 ▶ 0.

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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	14,150,469.
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	14,150,469.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	14,150,469.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	212,257.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	13,938,212.
6	Minimum investment return. Enter 5% of line 5	6	696,911.

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	696,911.
2a	Tax on investment income for 2015 from Part VI, line 5	2a	1,114.
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,114.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	695,797.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	695,797.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	695,797.

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	737,553.
b	Program-related investments - total from Part IX-B	1b	0.
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	737,553.
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	5	1,114.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	736,439.

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.

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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.				695,797.
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011	15,107.			
c From 2012	29,721.			
d From 2013	75,496.			
e From 2014	44,551.			
f Total of lines 3a through e	164,875.			
4 Qualifying distributions for 2015 from Part XII, line 4 ▶ \$ 737,553.				
a Applied to 2014, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2015 distributable amount				695,797.
e Remaining amount distributed out of corpus	41,756.			
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (e))	0.			0.
6 Enter the net total of each column as indicated below:	206,631.			
a Corpus Add lines 3f, 4c and 4e Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2014. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	206,631.			
10 Analysis of line 9				
a Excess from 2011	15,107.			
b Excess from 2012	29,721.			
c Excess from 2013	75,496.			
d Excess from 2014	44,551.			
e Excess from 2015	41,756.			

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 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).)

See Statement 9
 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

The Quercus Fund, Inc.
 c/o Dudley & Shanley, LLC

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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 Highstead Foundation, Inc. PO Box 1097 Redding, CT 16875		501(c)3	Research & education	637,500.
President and Fellows of Harvard 1033 Massachusetts Avenue Cambridge, MA 02138		501(c)3	Research & education	100,053.
Total			▶ 3a	737,553.
b Approved for future payment				
None				
Total			▶ 3b	0.

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 100 Shs of Penske Auto Grp		04/24/15	03/04/16
b 1000 Shs of Aon plc		07/19/13	02/18/16
c 1000 Shs of Beacon Roofing Supply		01/11/12	06/20/16
d 1000 Shs of Quanta Services		08/13/13	10/28/15
e 1000 Shs of Quanta Services		02/09/15	10/28/15
f 1000 Shs of USG Corp		07/23/14	12/21/15
g 1000 Shs of Xylem Inc.		02/10/15	08/13/15
h 10000 Shs of Quanta Services		05/14/13	10/28/15
i 1100 Shs of Penske Auto Grp		04/20/15	06/30/16
j 1100 Shs of Penske Auto Grp		05/28/15	07/01/16
k 1100 Shs of Xylem Inc.		05/30/14	08/06/15
l 1235 Shs of Penske Auto Grp		12/30/15	07/06/16
m 1350 Shs of Penske Auto Grp		04/28/15	07/01/16
n 1400 Shs of MetLife, Inc.		02/25/15	02/12/16
o 1500 Shs of Beacon Roofing Supply		07/23/14	06/20/16

(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 3,930.		5,313.	<1,383.>
b 94,387.		67,333.	27,054.
c 44,339.		21,990.	22,349.
d 19,821.		27,430.	<7,609.>
e 19,821.		29,175.	<9,354.>
f 23,231.		29,048.	<5,817.>
g 33,456.		35,197.	<1,741.>
h 198,211.		292,657.	<94,446.>
i 34,585.		58,439.	<23,854.>
j 34,835.		57,037.	<22,202.>
k 37,082.		41,080.	<3,998.>
l 37,458.		52,900.	<15,442.>
m 42,752.		70,054.	<27,302.>
n 51,627.		71,659.	<20,032.>
o 66,508.		43,273.	23,235.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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	
a			<1,383.>
b			27,054.
c			22,349.
d			<7,609.>
e			<9,354.>
f			<5,817.>
g			<1,741.>
h			<94,446.>
i			<23,854.>
j			<22,202.>
k			<3,998.>
l			<15,442.>
m			<27,302.>
n			<20,032.>
o			23,235.

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	
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). If (loss), enter "-0-" in Part I, line 8	3	

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 1500 Shs of MetLife, Inc.		02/10/15	02/12/16
b 1500 Shs of USG Corp		08/15/14	12/28/15
c 1500 Shs of USG Corp		07/23/14	12/18/15
d 1500 Shs of Xylem Inc.		06/02/14	08/04/15
e 1600 Shs of Beacon Roofing Supply		02/10/15	06/20/16
f 1600 Shs of Enersys		10/28/14	02/18/16
g 1600 Shs of Mettler-Toledo Int'l		11/13/97	06/30/16
h 1900 Shs of Penske Auto Grp		04/17/15	07/01/16
i 1900 Shs of Penske Auto Grp		04/22/15	03/04/16
j 1900 Shs of Xylem Inc.		07/14/14	08/06/15
k 2100 Shs of Enersys		08/17/11	02/18/16
l 2200 Shs of Xylem Inc.		06/03/14	08/07/15
m 2250 Shs of Penske Auto Grp		04/27/15	06/30/16
n 2300 Shs of Xylem Inc.		02/26/15	08/13/15
o 2450 Shs of Penske Auto Grp		04/28/15	06/30/16

(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 55,314.		74,992.	<19,678.>
b 35,941.		41,666.	<5,725.>
c 35,796.		43,572.	<7,776.>
d 50,688.		56,385.	<5,697.>
e 70,942.		42,170.	28,772.
f 74,015.		95,992.	<21,977.>
g 580,143.		22,400.	557,743.
h 60,170.		98,542.	<38,372.>
i 74,667.		100,951.	<26,284.>
j 64,050.		71,242.	<7,192.>
k 97,145.		46,275.	50,870.
l 73,609.		82,125.	<8,516.>
m 70,741.		119,332.	<48,591.>
n 76,948.		82,463.	<5,515.>
o 77,029.		127,136.	<50,107.>

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			<19,678.>
b			<5,725.>
c			<7,776.>
d			<5,697.>
e			28,772.
f			<21,977.>
g			557,743.
h			<38,372.>
i			<26,284.>
j			<7,192.>
k			50,870.
l			<8,516.>
m			<48,591.>
n			<5,515.>
o			<50,107.>

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 }

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).
If (loss), enter "-0-" in Part I, line 8

2

3

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 2500 Shs of Enersys		10/27/14	02/18/16
b 2600 Shs of Quanta Services		04/26/13	10/28/15
c 2600 Shs of Xylem Inc.		07/14/14	08/05/15
d 2700 Shs of Xylem Inc.		06/03/14	08/10/15
e 2800 Shs of Penske Auto Grp		01/06/16	07/06/16
f 300 Shs of Xylem Inc.		05/29/14	08/10/15
g 3000 Shs of Beacon Roofing Supply		07/23/14	09/21/15
h 3000 Shs of Quanta Services		02/26/15	10/28/15
i 3000 Shs of USG Corp		08/18/14	12/23/15
j 3000 Shs of USG Corp		08/15/14	12/23/15
k 3000 Shs of Xylem Inc.		05/29/14	08/12/15
l 365 Shs of Penske Auto Grp		12/29/15	07/06/16
m 400 Shs of Penske Auto Grp		05/28/15	07/05/16
n 400 Shs of Xylem Inc.		06/02/14	08/05/15
o 4200 Shs of Penske Auto Grp		01/06/16	07/07/16

(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 115,648.		144,643.	<28,995.>
b 51,535.		72,475.	<20,940.>
c 88,053.		97,489.	<9,436.>
d 91,737.		100,788.	<9,051.>
e 84,926.		102,323.	<17,397.>
f 10,193.		11,020.	<827.>
g 107,139.		86,545.	20,594.
h 59,463.		86,776.	<27,313.>
i 70,394.		85,612.	<15,218.>
j 70,394.		83,332.	<12,938.>
k 100,203.		110,200.	<9,997.>
l 11,071.		15,746.	<4,675.>
m 11,923.		20,741.	<8,818.>
n 13,547.		15,036.	<1,489.>
o 128,059.		153,484.	<25,425.>

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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	
a			<28,995.>
b			<20,940.>
c			<9,436.>
d			<9,051.>
e			<17,397.>
f			<827.>
g			20,594.
h			<27,313.>
i			<15,218.>
j			<12,938.>
k			<9,997.>
l			<4,675.>
m			<8,818.>
n			<1,489.>
o			<25,425.>

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	
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). If (loss), enter "-0-" in Part I, line 8	3	

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 4500 Shs of Enersys		08/17/11	02/19/16
b 4500 Shs of USG Corp		04/04/14	12/18/15
c 4500 Shs of USG Corp		08/15/14	12/29/15
d 500 Shs of Aon plc		07/19/13	10/29/15
e 500 Shs of Aon plc		10/25/13	10/29/15
f 500 Shs of Xylem Inc.		05/29/14	08/13/15
g 5000 Shs of USG Corp		08/18/14	12/21/15
h 5400 Shs of Penske Auto Grp		12/29/15	07/05/16
i 5750 Shs of MetLife, Inc.		10/07/14	02/12/16
j 5750 Shs of MetLife, Inc.		10/17/14	02/12/16
k 650 Shs of Penske Auto Grp		04/24/15	06/29/16
l 7400 Shs of Quanta Services		04/25/13	10/28/15
m 800 Shs of Penske Auto Grp		04/20/15	06/29/16
n 800 Shs of Xylem Inc.		05/30/14	08/07/15
o 900 Shs of Beacon Roofing Supply		10/29/14	06/20/16

(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 206,444.		99,161.	107,283.
b 107,388.		148,245.	<40,857.>
c 108,192.		124,998.	<16,806.>
d 47,035.		33,667.	13,368.
e 47,035.		38,593.	8,442.
f 16,728.		18,367.	<1,639.>
g 116,156.		142,687.	<26,531.>
h 160,966.		232,957.	<71,991.>
i 212,038.		300,596.	<88,558.>
j 212,038.		281,921.	<69,883.>
k 20,832.		34,534.	<13,702.>
l 146,676.		206,491.	<59,815.>
m 25,640.		42,501.	<16,861.>
n 26,767.		29,877.	<3,110.>
o 39,905.		24,321.	15,584.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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	
a			107,283.
b			<40,857.>
c			<16,806.>
d			13,368.
e			8,442.
f			<1,639.>
g			<26,531.>
h			<71,991.>
i			<88,558.>
j			<69,883.>
k			<13,702.>
l			<59,815.>
m			<16,861.>
n			<3,110.>
o			15,584.

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	<205,588.>
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). If (loss), enter "-0-" in Part I, line 8	3	N/A

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Dividends and Interest from Securities

Statement 1

Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
BNY Mellon Account	199,885.	0.	199,885.	199,885.	
BNY Mellon Account	10.	0.	10.	10.	
To Part I, line 4	199,895.	0.	199,895.	199,895.	

Form 990-PF

Legal Fees

Statement 2

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Legal advice	560.	0.		0.
To Fm 990-PF, Pg 1, ln 16a	560.	0.		0.

Form 990-PF

Accounting Fees

Statement 3

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting & tax return preparation	9,194.	9,194.		0.
To Form 990-PF, Pg 1, ln 16b	9,194.	9,194.		0.

Form 990-PF

Other Professional Fees

Statement 4

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment management	71,495.	71,495.		0.
To Form 990-PF, Pg 1, ln 16c	71,495.	71,495.		0.

Form 990-PF	Other Expenses			Statement 5
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Bank custody fees	7,482.	7,482.		0.
Miscellaneous fees	334.	334.		0.
To Form 990-PF, Pg 1, ln 23	7,816.	7,816.		0.

Form 990-PF	Other Decreases in Net Assets or Fund Balances	Statement 6
Description		Amount
Unrealized depreciation of investments		374,290.
Total to Form 990-PF, Part III, line 5		374,290.

Form 990-PF	Corporate Stock		Statement 7
Description	Book Value	Fair Market Value	
Common stock	13,642,345.	13,642,345.	
Total to Form 990-PF, Part II, line 10b	13,642,345.	13,642,345.	

Form 990-PF

Part VIII - List of Officers, Directors
Trustees and Foundation Managers

Statement 8

Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Contrib	Expense Account
Elisabeth C. Dudley c/o Dudley & Shanley, LLC, 205 Worth Avenue, #311 Palm Beach, FL 33480	President 1.00	0.	0.	0.
Henry C. Dudley c/o Dudley & Shanley, LLC, 205 Worth Avenue, #311 Palm Beach, FL 33480	Treasurer & Vice-President 1.00	0.	0.	0.
Sarah Dudley Plimpton c/o Dudley & Shanley, LLC, 205 Worth Avenue, #311 Palm Beach, FL 33480	Vice-President 1.00	0.	0.	0.
Jane C. Dudley c/o Dudley & Shanley, LLC, 205 Worth Avenue, #311 Palm Beach, FL 33480	Vice-President 1.00	0.	0.	0.
Frank E. Shanley c/o Dudley & Shanley, LLC, 205 Worth Avenue, #311 Palm Beach, FL 33480	Assistant Treasurer 1.00	0.	0.	0.
Anthony J. Carroll c/o Dentons, 1221 Avenue of the Americas New York, NY 10020	Secretary 1.00	0.	0.	0.
John J. McGlinchey c/o Dudley & Shanley, LLC, 205 Worth Avenue, #311 Palm Beach, FL 33480	Assistant Treasurer 1.00	0.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		0.	0.	0.

Form 990-PF

Part XV - Line 1a
List of Foundation Managers

Statement 9

Name of Manager

Elisabeth C. Dudley
Henry C. Dudley

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Affiliation with Tax-Exempt Organizations
Part XVII, Line 2, Column (c)

Statement 10

Name of Affiliated or Related Organization

Highstead Foundation, Inc.

Description of Relationship with Affiliated or Related Organization

Over 25% common directors; contributions

Name of Affiliated or Related Organization

The Highstead Fund, Inc.

Description of Relationship with Affiliated or Related Organization

Over 25% common directors