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EXTENDED TO NOVEMBER 15, 2017

Return of Private Foundation

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

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OMB No 1545-0052

2016

Open to Public Inspection

Form 990-PF

Department of the Treasury
Internal Revenue Service

For calendar year 2016 or tax year beginning

, and ending

Name of foundation THE KESTREL FOUNDATION F/K/A ARMSTRONG-NICKOLL FAMILY FOUNDATION		A Employer identification number 13-4007198
Number and street (or P.O. box number if mail is not delivered to street address) C/O UE LLC, 325 COLUMBIA TPKE	Room/suite 202	B Telephone number 212-254-3424
City or town, state or province, country, and ZIP or foreign postal code FLORHAM PARK, NJ 07932		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) \$ 10,430,131.	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 Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(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	621,728.			
	2 Check <input 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	543,440.	543,440.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-973,449.			STATEMENT 1
	b Gross sales price for all assets on line 6a	1,233,076.			
	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	-218,152.	-218,152.	0.	STATEMENT 3	
12 Total. Add lines 1 through 11	-26,433.	325,288.	0.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 4	1,217.	0.	0.	1,217.
	b Accounting fees				
	c Other professional fees				
	17 Interest	8.	8.	0.	0.
	18 Taxes STMT 5	20,000.	0.	0.	0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 6	82,832.	77,381.	0.	125.
	24 Total operating and administrative expenses. Add lines 13 through 23	104,057.	77,389.	0.	1,342.
	25 Contributions, gifts, grants paid	639,414.			639,414.
26 Total expenses and disbursements. Add lines 24 and 25	743,471.	77,389.	0.	640,756.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-769,904.				
b Net investment income (if negative, enter -0-)		247,899.			
c Adjusted net income (if negative, enter -0-)			0.		

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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	114,090.	1,157,369.	1,157,369.
	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 8	920,212.	995,419.	980,055.
	c Investments - corporate bonds STMT 9	736,250.	0.	0.
	Liabilities	11 Investments - land, buildings, and equipment basis ▶		
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 10		7,858,563.	8,016,931.	8,139,440.
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶ STATEMENT 11)		100,580.	153,267.	153,267.
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item 1)		9,729,695.	10,322,986.	10,430,131.
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 ▶)				
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input 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 checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
	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	9,729,695.	10,322,986.	
30 Total net assets or fund balances	9,729,695.	10,322,986.		
31 Total liabilities and net assets/fund balances	9,729,695.	10,322,986.		

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	9,729,695.
2 Enter amount from Part I, line 27a	2	-769,904.
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 7	3	1,363,195.
4 Add lines 1, 2, and 3	4	10,322,986.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	10,322,986.

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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			
b SEE ATTACHED STATEMENTS			
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 1,233,076.		1,935,735.	-702,659.

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			-702,659.

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	-702,659.
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))
2015	335,330.	7,338,357.	.045696
2014	351,215.	6,630,327.	.052971
2013	104,007.	4,708,527.	.022089
2012	216,738.	3,013,089.	.071932
2011	173,320.	2,912,401.	.059511

2 Total of line 1, column (d)	2	.252199
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	.050440
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	8,352,591.
5 Multiply line 4 by line 3	5	421,305.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,479.
7 Add lines 5 and 6	7	423,784.
8 Enter qualifying distributions from Part XII, line 4	8	640,756.

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 <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	2,479.
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	2,479.
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	2,479.
6 Credits/Payments:			
a 2016 estimated tax payments and 2015 overpayment credited to 2016	6a	22,288.	
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	22,288.	
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" 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	19,809.	
11 Enter the amount of line 10 to be: Credited to 2017 estimated tax <input checked="" type="checkbox"/> 19,809. 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)? 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. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" 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 checked="" type="checkbox"/> \$ 0.		
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	2	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	3	X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	X
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5	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?	6	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 XIV	7	X
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> 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	8b	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 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? If "Yes," complete Part XIV	9	X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10	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)	11	X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12	X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X
14 The books are in care of ► UNTRACHT EARLY Telephone no. ► 973-408-6700 Located at ► 325 COLUMBIA TPKE, STE 202, FLORHAM PARK, NJ ZIP+4 ► 07932		
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	N/A
16 At any time during calendar year 2016, 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	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	N/A	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 2016?		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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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.)	N/A	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 2016 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 2016.)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a
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 2016?		4b

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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)?

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?

N/A

☐ 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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If "Yes" to 6b, file Form 8870

6b

X

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?

N/A

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(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
BENJAMIN E. NICKOLL C/O UNTRACHT EARLY, 325 COLUMBIA TPKE FLORHAM PARK, NJ 07932	TRUSTEE 2.00	0.	0.	0.
CHRISTINE M. ARMSTRONG C/O UNTRACHT EARLY, 325 COLUMBIA TPKE FLORHAM PARK, NY 07932	TRUSTEE 2.00	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
NONE		

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	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

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**THE KESTREL FOUNDATION F/K/A
ARMSTRONG-NICKOLL FAMILY FOUNDATION**

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	1,714,614.
b	Average of monthly cash balances	1b	458,556.
c	Fair market value of all other assets	1c	6,306,618.
d	Total (add lines 1a, b, and c)	1d	8,479,788.
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	8,479,788.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	127,197.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	8,352,591.
6	Minimum investment return. Enter 5% of line 5	6	417,630.

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	417,630.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	2,479.
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2,479.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	415,151.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	415,151.
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	415,151.

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	640,756.
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	640,756.
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	2,479.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	638,277.

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 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				415,151.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2016:				
a From 2011	34,168.			
b From 2012	71,139.			
c From 2013				
d From 2014	85,796.			
e From 2015				
f Total of lines 3a through e	191,103.			
4 Qualifying distributions for 2016 from Part XII, line 4: ► \$	640,756.			
a Applied to 2015, 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 2016 distributable amount				415,151.
e Remaining amount distributed out of corpus	225,605.			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	416,708.			
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 2015. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				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 2011 not applied on line 5 or line 7	34,168.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	382,540.			
10 Analysis of line 9:				
a Excess from 2012	71,139.			
b Excess from 2013				
c Excess from 2014	85,796.			
d Excess from 2015				
e Excess from 2016	225,605.			

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 2016, 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)
---------------	--	------------

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

[illegible]

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).)

BENJAMIN E. NICKOLL

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				
AFTER SCHOOL ARTS PROGRAM PO BOX 15 WASHINGTON DEPOT, CT 06794	NONE	PUBLIC	GENERAL UNRESTRICTED	4,700.
CROSSING THRESHOLDS INC. 168-A IRVING AVE., SUITE 300-K PORT CHESTER, NY 10573	NONE	PUBLIC	GENERAL UNRESTRICTED	5,000.
DIDI HIRSCH MENTAL HEALTH SERVICES 4760 S. SEPULVEDA BLVD. CLOVER CITY, CA 90230	NONE	PUBLIC	GENERAL UNRESTRICTED	5,000.
KENT LAND TRUST PO BOX 888 KENT, CT 06757	NONE	PUBLIC	GENERAL UNRESTRICTED	1,000.
NEW MILFORD VISITING NURSE ASSOCIATION HOSPICE 68 PARK LANE RD NEW MILFORD, CT 06776	NONE	PUBLIC	GENERAL UNRESTRICTED	500.
Total	SEE CONTINUATION SHEET(S)			639,414.
b Approved for future payment				
NONE				
Total				0.

Form 990-PF (2016)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- | | | | |
|--|-------|-----|----|
| <p>1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?</p> <p>a Transfers from the reporting foundation to a noncharitable exempt organization of:</p> <p>(1) Cash</p> <p>(2) Other assets</p> <p>b Other transactions:</p> <p>(1) Sales of assets to a noncharitable exempt organization</p> <p>(2) Purchases of assets from a noncharitable exempt organization</p> <p>(3) Rental of facilities, equipment, or other assets</p> <p>(4) Reimbursement arrangements</p> <p>(5) Loans or loan guarantees</p> <p>(6) Performance of services or membership or fundraising solicitations</p> <p>c Sharing of facilities, equipment, mailing lists, other assets, or paid employees</p> <p>d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.</p> | | Yes | No |
| | 1a(1) | | X |
| | 1a(2) | | X |
| | 1b(1) | | X |
| | 1b(2) | | X |
| | 1b(3) | | X |
| | 1b(4) | | X |
| | 1b(5) | | X |
| | 1b(6) | | X |
| | 1c | | X |

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No
- b** If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

**Sign
Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)?

☒ Yes ☐ No

Signature of officer or trustee

Date _____

Title

TRUSTEE

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date _____

Check ☐ self-employed

PTIN

DAVID S. UNTRACHT

DAVID S. UNTRACHT

11/10/17

Firm's name ► UNTRACHT EARLY LLC

Firm's EIN ► 22-3754856

Firm's address ▶ 325 COLUMBIA TURNPIKE, SUITE 202
FLORHAM PARK, NJ 07932

Phone no. 973-408-6700

Form **990-PF** (2016)

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and
its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Name of the organization

THE KESTREL FOUNDATION F/K/A
ARMSTRONG-NICKOLL FAMILY FOUNDATION

Employer identification number

13-4007198

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐

501(c)() (enter number) organization

☐

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐

527 political organization

Form 990-PF

☒

501(c)(3) exempt private foundation

☐

4947(a)(1) nonexempt charitable trust treated as a private foundation

☐

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☒

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

☐

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year. ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

Name of organization THE KESTREL FOUNDATION F/K/A ARMSTRONG-NICKOLL FAMILY FOUNDATION	Employer identification number 13-4007198
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Part I Contributors (See instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	BENJAMIN E. NICKOLL C/O UNTRACHT EARLY, 325 COLUMBIA TPKE, STE 202 FLORHAM PARK, NJ 07932	\$ 149,355.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
2	BENJAMIN E. NICKOLL C/O UNTRACHT EARLY, 325 COLUMBIA TPKE, STE 202 FLORHAM PARK, NJ 07932	\$ 100,710.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
3	BENJAMIN E. NICKOLL C/O UNTRACHT EARLY, 325 COLUMBIA TPKE, STE 202 FLORHAM PARK, NJ 07932	\$ 241,500.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
4	BENJAMIN E. NICKOLL C/O UNTRACHT EARLY, 325 COLUMBIA TPKE, STE 202 FLORHAM PARK, NJ 07932	\$ 130,163.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Employer identification number

THE KESTREL FOUNDATION F/K/A
ARMSTRONG-NICKOLL FAMILY FOUNDATION

13-4007198

Part II Noncash Property (See instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
1	3,000 SHS WELLS FARGO & CO	\$ 149,355.	03/16/16
2	2,000 SHS WELLS FARGO & CO	\$ 100,710.	04/21/16
3	5,000 SHS WELLS FARGO & CO	\$ 241,500.	07/19/16
4	2,500 SHS WELLS FARGO & CO	\$ 130,163.	11/15/16
		\$	

Name of organization THE KESTREL FOUNDATION F/K/A ARMSTRONG-NICKOLL FAMILY FOUNDATION	Employer identification number 13-4007198
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Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year (Enter this info once) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

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	WELLS FARGO & CO - 3,000.000 SHS	D	03/16/16	03/17/16
b	WELLS FARGO & CO - 2,000.000 SHS	D	04/21/16	04/21/16
c	WELLS FARGO & CO - 5,000.000 SHS	D	07/19/16	07/22/16
d	WELLS FARGO & CO - 2,500.000 SHS	D	11/15/16	11/22/16
e	ALPHABET INC - 200.000 SHS	P		12/07/16
f	FACEBOOK INC - 1,050.000 SHS	P		12/16/16
g	NETFLIX INC - 500.000 SHS	P	04/19/16	05/24/16
h	NEW RESIDENTIAL INVESTMENT - 10,000.000 SHS	P		01/27/16
i	NXP SEMICONDUCTORS - 1,000.000 SHS	P	10/27/16	11/17/16
j	INTELSAT SA - 5,000.000 SHS	P		05/04/16
k	INTELSAT SA - 8,050.000 SHS	P		05/10/16
l	INTELSAT SA - 2,941.000 SHS	P	03/16/15	05/11/16
m	QUICKSILVER RESOURCES - 500,000.000 SHS	P	04/08/14	10/11/16
n	INTELSAT SA - 0.790 SHS	P		05/25/16
o	QUICKSILVER RESOURCES - 250,000.000 SHS	P	10/03/13	11/07/16

	(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	148,377.		84,225.	64,152.
b	99,878.		56,150.	43,728.
c	241,195.		140,375.	100,820.
d	130,024.		70,188.	59,836.
e	157,896.		152,877.	5,019.
f	126,261.		121,531.	4,730.
g	49,219.		48,380.	839.
h	108,580.		100,713.	7,867.
i	97,942.		99,230.	-1,288.
j	19,328.		94,808.	-75,480.
k	30,912.		114,137.	-83,225.
l	11,361.		35,266.	-23,905.
m	7,580.		497,500.	-489,920.
n	3.			3.
o			238,750.	-238,750.

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			64,152.
b			43,728.
c			100,820.
d			59,836.
e			5,019.
f			4,730.
g			839.
h			7,867.
i			-1,288.
j			-75,480.
k			-83,225.
l			-23,905.
m			-489,920.
n			3.
o			-238,750.

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 NETFLIX INC - 5.000 SHS		P	05/19/16	05/24/16
b NETFLIX INC - 5.000 SHS		P	04/19/16	04/28/16
c LOSS ON INVESTMENT - TONE MOBILE		P	07/27/15	12/22/16
d				
e				
f				
g				
h				
i				
j				
k				
l				
m				
n				
o				

(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 2,535.		5,515.	-2,980.
b 1,985.		1,090.	895.
c		75,000.	-75,000.
d			
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

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			-2,980.
b			895.
c			-75,000.
d			
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

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	-702,659.
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

THE KESTREL FOUNDATION F/K/A
ARMSTRONG-NICKOLL FAMILY FOUNDATION

13-4007198

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)				
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
NORTHWEST CT ARTS COUNCIL 40 MAIN STREET, SUITE 1 TORRINGTON, CT 06790	NONE	PUBLIC	GENERAL UNRESTRICTED	1,000.
PILOBOLUS 18 EAST 16TH STREET, STE 308 NEW YORK, NY 10003	NONE	PUBLIC	GENERAL UNRESTRICTED	5,000.
THE GUNNERY 22 KIRBY RD WASHINGTON, CT 06793	NONE	PUBLIC	GENERAL UNRESTRICTED	55,000.
UCLA FOUNDATION 10920 WILSHIRE BLVD #900 LOS ANGELES, CA 90024	NONE	PUBLIC	GENERAL UNRESTRICTED	200,000.
WASHINGTON ART ASSOCIATION 4 BRYAN HALL PLAZA WASHINGTON DEPOT, CT 06794	NONE	PUBLIC	GENERAL UNRESTRICTED	3,000.
WASHINGTON MONTESSORI SCHOOL 240 LITCHFIELD TPKE NEW PRESTON, CT 06777	NONE	PUBLIC	GENERAL UNRESTRICTED	700.
WEANTINOGE HERITAGE LAND TRUST PO BOX 821 KENT, CT 06757	NONE	PUBLIC	GENERAL UNRESTRICTED	40,150.
WESTERN CONECTICUT HEALTH NETWORK 24 HOSPITAL AVENUE DANBURY, CT 06810	NONE	PUBLIC	GENERAL UNRESTRICTED	100,000.
STEEP ROCK ASSOCIATION P.O. BOX 279 WASHINGTON DEPOT, CT 06794	NONE	PUBLIC	GENERAL UNRESTRICTED	25,000.
THE UNIVERSITY OF ARIZONA CANCER CENTER 1111 NORTH CHERRY AVENUE, P.O. BOX 210109 TUCSON, AZ 85721	NONE	PUBLIC	GENERAL UNRESTRICTED	500.
Total from continuation sheets				623,214.

THE KESTREL FOUNDATION F/K/A
ARMSTRONG-NICKOLL FAMILY FOUNDATION

13-4007198

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
THE CANTERBURY SCHOOL 101 ASPETUCK AVE NEW MILFORD, CT 06776	NONE	PUBLIC	GENERAL UNRESTRICTED	21,000.
DIA ART FOUNDATION 535 WEST 22ND STREET NEW YORK, NY 10011	NONE	PUBLIC	GENERAL UNRESTRICTED	2,500.
FIRST ECCLESIASTICAL SOCIETY OF NEW PRESTON 10 PRESTON HILL ROAD NEW PRESTON, CT 06777	NONE	PUBLIC	GENERAL UNRESTRICTED	1,904.
HAROLD ROBINSON FOUNDATION 10008 NATIONAL BLVD #324 LOS ANGELES, CA 90034	NONE	PUBLIC	GENERAL UNRESTRICTED	500.
JERICHO PROJECT 245 WEST 29TH STREET, SUITE 902 NEW YORK, NY 10001	NONE	PUBLIC	GENERAL UNRESTRICTED	9,840.
LAKE WARAMAUG TASK FORCE, INC. 19 SACKETT HILL ROAD WARRENT, CT 06754	NONE	PUBLIC	GENERAL UNRESTRICTED	35,100.
LAND TRUST ALLIANCE 1250 H STREET NW, SUITE 600 WASHINGTON, DC 20005	NONE	PUBLIC	GENERAL UNRESTRICTED	5,000.
MET COUNCIL 77 WATER ST NEW YORK, NY 10005	NONE	PUBLIC	GENERAL UNRESTRICTED	10,000.
NATIONAL WILDLIFE FEDERATION PO BOX 1583 MERRIFIELD, VA 22116	NONE	PUBLIC	GENERAL UNRESTRICTED	20.
PEACE USA 900 CYPRUS LANE MECHANICSBURG, PA 17050	NONE	PUBLIC	GENERAL UNRESTRICTED	2,500.
Total from continuation sheets				

THE KESTREL FOUNDATION F/K/A
ARMSTRONG-NICKOLL FAMILY FOUNDATION

13-4007198

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
THE TAFT SCHOOL 110 WOODBURY ROAD WATERTOWN, CT 06795	NONE	PUBLIC	GENERAL UNRESTRICTED	50,000.
THE MICHAEL J FOX FOUNDATION GRAND CENTRAL STATION, P.O. BOX 4777 NEW YORK, NY 10163	NONE	PUBLIC	GENERAL UNRESTRICTED	10,000.
THE PHILADELPHIA SHAKESPEARE THEATER 2111 SANSOM ST PHILADELPHIA, PA 19103	NONE	PUBLIC	GENERAL UNRESTRICTED	2,500.
UNLIMITED ARTS STUDENT CHARITY 9454 WILSHIRE BLVD., 6TH FLOOR BEVERLY HILLS, CA 90212	NONE	PUBLIC	GENERAL UNRESTRICTED	1,000.
WNET 825 8TH AVE NEW YORK, NY 10019	NONE	PUBLIC	GENERAL UNRESTRICTED	10,000.
GRAMERCY PARK BLOCK ASSOCIATION 34 GRAMERCY PARK EAST NEW YORK, NY 10003	NONE	PUBLIC	GENERAL UNRESTRICTED	5,000.
SOUTH KENT SCHOOL 40 BULL'S BRIDGE ROAD SOUTH KENT, CT 06785	NONE	PUBLIC	GENERAL UNRESTRICTED	26,000.
Total from continuation sheets				

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
WELLS FARGO & CO - 3,000.000 SHS	DONATED	03/16/16	03/17/16

(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
148,377.	149,355.	0.	0.	-978.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
WELLS FARGO & CO - 2,000.000 SHS	DONATED	04/21/16	04/21/16

(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
99,878.	100,710.	0.	0.	-832.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
WELLS FARGO & CO - 5,000.000 SHS	DONATED	07/19/16	07/22/16

(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
241,195.	241,500.	0.	0.	-305.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
WELLS FARGO & CO - 2,500.000 SHS	130,024.	130,163.	0.	0.	-139.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
ALPHABET INC - 200.000 SHS	157,896.	152,877.	0.	0.	5,019.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
FACEBOOK INC - 1,050.000 SHS	126,261.	121,531.	0.	0.	4,730.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
NETFLIX INC - 500.000 SHS	49,219.	48,380.	0.	0.	839.

(A) DESCRIPTION OF PROPERTY		MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
NEW RESIDENTIAL INVESTMENT - 10,000.000 SHS		PURCHASED		01/27/16
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
108,580.	100,713.	0.	0.	7,867.

(A) DESCRIPTION OF PROPERTY		MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
NXP SEMICONDUCTORS - 1,000.000 SHS		PURCHASED	10/27/16	11/17/16
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
97,942.	99,230.	0.	0.	-1,288.

(A) DESCRIPTION OF PROPERTY		MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
INTELSAT SA - 5,000.000 SHS		PURCHASED		05/04/16
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
19,328.	94,808.	0.	0.	-75,480.

(A) DESCRIPTION OF PROPERTY		MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
INTELSAT SA - 8,050.000 SHS		PURCHASED		05/10/16
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
30,912.	114,137.	0.	0.	-83,225.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
INTELSAT SA - 2,941.000 SHS	11,361.	35,266.	0.	0.	-23,905.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
QUICKSILVER RESOURCES - 500,000.000 SHS	7,580.	497,500.	0.	0.	-489,920.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
INTELSAT SA - 0.790 SHS	3.	0.	0.	0.	3.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
QUICKSILVER RESOURCES - 250,000.000 SHS	0.	238,750.	0.	0.	-238,750.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
NETFLIX INC - 5.000 SHS	2,535.	5,515.	0.	0.	-2,980.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
NETFLIX INC - 5.000 SHS	1,985.	1,090.	0.	0.	895.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
LOSS ON INVESTMENT - TONE MOBILE	0.	75,000.	0.	0.	-75,000.

CAPITAL GAINS DIVIDENDS FROM PART IV	0.
TOTAL TO FORM 990-PF, PART I, LINE 6A	-973,449.

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES				STATEMENT	2
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	
MAXIM CAPITAL FUNDING, LLC	547,819.	0.	547,819.	547,819.	547,819.	
MAXIM CAPITAL FUNDING, LLC - INTEREST REPORTED	-35,210.	0.	-35,210.	-35,210.	-35,210.	
PEGASUS CREDIT COMPANY, LLC	22,500.	0.	22,500.	22,500.	22,500.	
THROUGH GOLDMAN SACHS & CO	17.	0.	17.	17.	17.	
THROUGH JPMORGAN CHASE BANK, N.A.	8,314.	0.	8,314.	8,314.	8,314.	
TO PART I, LINE 4	543,440.	0.	543,440.	543,440.	543,440.	

FORM 990-PF	OTHER INCOME			STATEMENT	3
DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME		
ORDINARY INCOME - RIBBIT CAPITAL II	-6,997.	-6,997.	0.		
ORDINARY INCOME - LEAFLINE LABS, LLC	372.	372.	0.		
ORDINARY LOSS - CORTLAND PARTNERS FUND II, LLC	-264,775.	-264,775.	0.		
ORDINARY INCOME - BRICKMAN FUND VI LP	27,055.	27,055.	0.		
ORDINARY LOSS - BW SOLANA VISTA, LLC	-160,554.	-160,554.	0.		
ORDINARY INCOME - SR UPSTATE, LLC	141,249.	141,249.	0.		
ORDINARY LOSS - CB RIBBIT OPPORTUNITY I, LLC	-917.	-917.	0.		
ORDINARY INCOME - MD VII PE ACCESS LP	-4,755.	-4,755.	0.		
ORDINARY INCOME - EWF CAPITAL, LLC	-30.	-30.	0.		
ORDINARY INCOME - MAXIM CHAMBERS LLC	35,210.	35,210.	0.		
ORDINARY LOSS - PM23, LLC	-3,176.	-3,176.	0.		
ORDINARY INCOME - MAXIM SULLIVAN LLC	32,751.	32,751.	0.		
ORDINARY LOSS - HYPUR VENTURES, LP	-13,573.	-13,573.	0.		
ORDINARY LOSS - GPS SECURITY, LLC	-12.	-12.	0.		
TOTAL TO FORM 990-PF, PART I, LINE 11	-218,152.	-218,152.	0.		

FORM 990-PF	LEGAL FEES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	1,217.	0.	0.	1,217.
TO FM 990-PF, PG 1, LN 16A	1,217.	0.	0.	1,217.

FORM 990-PF	TAXES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	20,000.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	20,000.	0.	0.	0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEES	7,256.	7,256.	0.	0.
NONDEDUCTIBLE EXPENSES	5,326.	0.	0.	0.
INVESTMENT ADVISORY FEE	70,000.	70,000.	0.	0.
FILING FEE	250.	125.	0.	125.
TO FORM 990-PF, PG 1, LN 23	82,832.	77,381.	0.	125.

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	7
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DESCRIPTION	AMOUNT
BOOK TO TAX DIFFERENCE FROM PASSTHROUGHS	1,115,007.
PRIOR PERIOD ADJUSTMENT	248,188.
TOTAL TO FORM 990-PF, PART III, LINE 3	1,363,195.

FORM 990-PF	CORPORATE STOCK	STATEMENT	8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
AGRO VISION CORP	538,400.	579,999.
AZEVAN PHARMACEUTICALS	56,601.	56,601.
VISKASE COS INC	81,000.	31,000.
LENSGEN, INC	50,000.	50,000.
INTELSAT SA	0.	0.
AMAZON.COM INC	269,418.	262,455.
TOTAL TO FORM 990-PF, PART II, LINE 10B	995,419.	980,055.

FORM 990-PF	CORPORATE BONDS	STATEMENT	9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
QUICKSILVER RESOURCES	0.	0.
QUICKSILVER RESOURCES IN	0.	0.
TOTAL TO FORM 990-PF, PART II, LINE 10C	0.	0.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	10
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
GREYSTONE ROSEWOOD	COST	250,000.	250,000.
MAXIM CAPITAL FUNDING (LOAN #2067)	COST	0.	0.
MAXIM CAPITAL FUNDING (LOAN #2070)	COST	500,000.	500,000.
MAXIM CAPITAL FUNDING (LOAN #2071)	COST	0.	0.
RIBBIT CAPITAL II, L.P.	COST	257,838.	257,838.
J.P. MORGAN PEG DIGITAL GROWTH FUND	COST	452,392.	584,657.
OFFSHORE SPECIAL II LP			
WARBURG PINCUS ENERGY PRIVATE	COST	157,500.	147,744.
INVESTORS OFFSHORE 1, L.P.			
LEAFLINE LABS, LLC	COST	42,398.	42,398.
CORTLAND PARTNERS FUND II, LLC	COST	983,467.	983,467.
MAXIM CAPITAL FUNDING (LOAN #2060)	COST	0.	0.
MAXIM CAPITAL FUNDING (LOAN #2061)	COST	0.	0.
MAXIM CAPITAL FUNDING (LOAN #2062)	COST	750,000.	750,000.
BRICKMAN FUND VI, LP	COST	328,827.	328,827.
BW SOLANA VISTA, LLC	COST	136,662.	136,662.
CB RIBBIT OPP I LLC	COST	49,975.	49,975.

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EWf CAPITAL, LLC	COST	50,800.	50,800.
MD VII PE ACCESS LP	COST	35,601.	35,601.
SR UPSTATE, LLC	COST	219,931.	219,931.
TONE MOBILE LLC F/K/A WHITE LABEL PARTNERS LLC	COST	0.	0.
MAXIM CHAMBERS LLC	COST	0.	0.
MAXIM SULLIVAN LLC	COST	0.	0.
MAXIM CAPITAL FUNDING (LOAN #2078)	COST	200,000.	200,000.
MAXIM CAPITAL FUNDING (LOAN #2081)	COST	700,000.	700,000.
MAXIM CAPITAL FUNDING (LOAN #2083)	COST	0.	0.
MAXIM CAPITAL FUNDING (LOAN #2101)	COST	250,000.	250,000.
MAXIM CAPITAL FUNDING (LOAN #2109)	COST	0.	0.
MAXIM CAPITAL FUNDING (LOAN #2114)	COST	0.	0.
MAXIM CAPITAL FUNDING (LOAN #2115)	COST	0.	0.
MAXIM CAPITAL FUNDING (LOAN #2117)	COST	0.	0.
MAXIM CAPITAL FUNDING (LOAN #2129)	COST	100,000.	100,000.
MAXIM CAPITAL FUNDING (LOAN #2130)	COST	300,000.	300,000.
MAXIM CAPITAL FUNDING (LOAN #2131)	COST	300,000.	300,000.
MAXIM CAPITAL FUNDING (LOAN #2136)	COST	500,000.	500,000.
MAXIM CAPITAL FUNDING (LOAN #2142)	COST	200,000.	200,000.
MAXIM CAPITAL FUNDING (LOAN #2147)	COST	140,250.	140,250.
PEGASUS CREDIT COMPANY, LLC	COST	600,000.	600,000.
GPS SECURITY LLC	COST	50,466.	50,466.
HYPUR VENTURES, L.P.	COST	250,000.	250,000.
PM23, LLC	COST	210,824.	210,824.
TOTAL TO FORM 990-PF, PART II, LINE 13		8,016,931.	8,139,440.

FORM 990-PF	OTHER ASSETS		STATEMENT 11
DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
DUE FROM BEN NICKOLL	580.	4,390.	4,390.
REALCROWD, INC.	50,000.	50,000.	50,000.
LIQUID GENOMICS, INC.	50,000.	84,855.	84,855.
DUE FROM PEGASUS CREDIT COMPANY	0.	13,500.	13,500.
DUE FROM GPS SECURITY, LLC	0.	522.	522.
TO FORM 990-PF, PART II, LINE 15	100,580.	153,267.	153,267.