Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ Do not enter social security numbers on this form as it may be made public.
▶ Information about Form 990-PF and its instructions is at *www.irs.gov/form990pf*.

OMB No 1545-0052

2016

Open to Public Inspection

For calendar year 2016, or tax year beginning 01-01-2016 , and ending 12-31-2016

Name of foundation
PEGGY AND BRIAN SASSI
CHARITABLE FOUNDATION INC

A Employer identification number
46-1431230

Number and street (or P O box number if mail is not delivered to street address)
1884 MIDLOTHIAN DRIVE

Room/suite

B Telephone number (see instructions)
(818) 209-1389

City or town, state or province, country, and ZIP or foreign postal code
ALTADENA, CA 91001

C If exemption application is pending, check here ▶ ☐

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)*▶$ 721,404

J Accounting method ☑ Cash ☐ Accrual
☐ Other (specify)
(Part I, column (d) must be on cash basis)

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

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)	91,697			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	49,814	49,814		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	36,909			
	b	Gross sales price for all assets on line 6a 175,551				
	7	Capital gain net income (from Part IV, line 2)		36,909		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	1,485	556		
	12	**Total.** Add lines 1 through 11	179,905	87,279		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0	0		0
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)	2,662	1,200		1,462
	b	Accounting fees (attach schedule)	1,575	1,000		575
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	1,830	0		0
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	381	181		200
	24	**Total operating and administrative expenses.** Add lines 13 through 23	6,448	2,381		2,237
	25	Contributions, gifts, grants paid	63,900			63,900
	26	**Total expenses and disbursements.** Add lines 24 and 25	70,348	2,381		66,137
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	109,557			
	b	**Net investment income** (if negative, enter -0-)		84,898		
	c	**Adjusted net income**(if negative, enter -0-)				

Part II	Balance Sheets — Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
1	Cash—non-interest-bearing	42,735	22,005	22,005
2	Savings and temporary cash investments			
3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
5	Grants receivable			
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10a	Investments—U S and state government obligations (attach schedule)			
b	Investments—corporate stock (attach schedule)			
c	Investments—corporate bonds (attach schedule)			
11	Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
12	Investments—mortgage loans			
13	Investments—other (attach schedule)	623,170	753,457	699,399
14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶)			
16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	665,905	775,462	721,404
17	Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ▶)			
23	**Total liabilities**(add lines 17 through 22)	0	0	
	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
24	Unrestricted			
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☑ and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds	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	665,905	775,462	
30	**Total net assets or fund balances** (see instructions)	665,905	775,462	
31	**Total liabilities and net assets/fund balances** (see instructions)	665,905	775,462	

Side labels: Assets (lines 1–16); Liabilities (lines 17–23); Net Assets or Fund Balances (lines 24–31).

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	665,905
2	Enter amount from Part I, line 27a	2	109,557
3	Other increases not included in line 2 (itemize) ▶	3	0
4	Add lines 1, 2, and 3	4	775,462
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	775,462

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)
1 a	SCHEDULE ATTACHED	P		
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	175,551		138,642	36,909
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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				36,909
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 } **2** 36,909

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)
If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 . . . . } **3**

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 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	26,519	522,736	0 050731
2014	39,868	379,589	0 105029
2013	25,645	420,837	0 060938
2012	0	246,856	0 000000
2011			

2 Total of line 1, column (d)	2	0 216698
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 054175
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	710,138
5 Multiply line 4 by line 3	5	38,472
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	849
7 Add lines 5 and 6	7	39,321
8 Enter qualifying distributions from Part XII, line 4	8	66,137

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ______ **(attach copy of letter if necessary–see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b			1	849
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	849
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	849
6	Credits/Payments				
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	900		
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	900
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	5
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	46
11	Enter the amount of line 10 to be **Credited to 2017 estimated tax** ▶ 46 **Refunded** ▶			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?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b		No
	*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*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ 0 **(2)** On foundation managers ▶ $ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		No
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		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
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		No
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	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ IL			
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	Yes	
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		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10	Yes	

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		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶BRIAN SASSI Telephone no ▶(818) 209-1389

Located at ▶1884 MIDLOTHIAN DRIVE ALTADENA CA ZIP+4 ▶91001

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

			Yes	No
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?	16		No
	See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ▶			

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies. Yes No

1a During the year did the foundation (either directly or indirectly)

(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No

(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?. ☐ Yes ☑ No

(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No

(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☑ No

(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?. ☐ Yes ☑ No

(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☑ No

			Yes	No
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here. ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?.	1c		No

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?. ☐ Yes ☑ No
If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____

			Yes	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)	2b		

c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here
▶ 20____ , 20____ , 20____ , 20____

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?. ☐ Yes ☑ No

			Yes	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).*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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		No

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (Continued)

5a	During the year did the foundation pay or incur any amount to				
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?.	☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions).	☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?.	☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?		**5b**		
	Organizations relying on a current notice regarding disaster assistance check here. . . . . ▶ ☐				
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?.	☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53 4945–5(d)				
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?.	☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?. . . .		**6b**		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?		**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 (see instructions).

(a) Name and address	Title, and average hours per week **(b)** devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
PEGGY SASSI 1884 MIDLOTHIAN DRIVE ALTADENA, CA 91001	CO-CEO 5 00	0	0	0
BRIAN SASSI 1884 MIDLOTHIAN DRIVE ALTADENA, CA 91001	CO-CEO 5 00	0	0	0
JEFFREY DVORAK 2041 MADRONA DRIVE PALM SPRINGS, CA 92264	OFFICER 5 00	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	Title, and average hours per week **(b)** devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
NONE				

Total number of other employees paid over $50,000. . . . . ▶ 0

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)***

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		
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	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes			
a	Average monthly fair market value of securities.		1a	688,313
b	Average of monthly cash balances.		1b	32,639
c	Fair market value of all other assets (see instructions).		1c	0
d	**Total** (add lines 1a, b, and c).		1d	720,952
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	720,952
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).		4	10,814
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	710,138
6	**Minimum investment return.** Enter 5% of line 5.		6	35,507

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	35,507
2a	Tax on investment income for 2016 from Part VI, line 5.	2a 849		
b	Income tax for 2016 (This does not include the tax from Part VI).	2b		
c	Add lines 2a and 2b.		2c	849
3	Distributable amount before adjustments Subtract line 2c from line 1.		3	34,658
4	Recoveries of amounts treated as qualifying distributions.		4	0
5	Add lines 3 and 4.		5	34,658
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	34,658

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	66,137
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	66,137
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions).	5	849
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4.	6	65,288

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					34,658
2 Undistributed income, if any, as of the end of 2016					
a Enter amount for 2015 only.				0	
b Total for prior years 20___ , 20___ , 20___			0		
3 Excess distributions carryover, if any, to 2016					
a From 2011.					
b From 2012.					
c From 2013.	3,293				
d From 2014.	22,053				
e From 2015.	1,516				
f **Total** of lines 3a through e.		26,862			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ $ 66,137					
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.					34,658
e Remaining amount distributed out of corpus		31,479			
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		58,341			
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 instructions				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 (see instructions) . . .		0			
9 **Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a		58,341			
10 Analysis of line 9					
a Excess from 2012. . . .					
b Excess from 2013. . . .	3,293				
c Excess from 2014. . . .	22,053				
d Excess from 2015. . . .	1,516				
e Excess from 2016. . . .	31,479				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling. . . . . . . ▶

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2016	**(b)** 2015	**(c)** 2014	**(d)** 2013	
2a 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 organization 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 Additional Data Table

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

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

BRIAN SASSI
1884 MIDLOTHIAN DRIVE
ALTADEAN, CA 91001
(818) 209-1389
BSASSI@SBCGLOBAL NET

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

NONE

c Any submission deadlines

NONE

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

NONE

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*				
CITY STAGE P O BOX 292266 LOS ANGELES, CA 90029	NONE	EXEMPT	TO PROMOTE ART EDUCATION	12,000
IDYLLWILD ARTS FOUNDATION P O BOX 303 IDYLLWILD, CA 92548	NONE	EXEMPT	TO PROMOTE ART EDUCATION	51,900
Total . . . . ▶ **3a**				63,900
b *Approved for future payment*				
Total . . . . ▶ **3b**				0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See instructions)
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	49,814	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			14	1,485	
8 Gain or (loss) from sales of assets other than inventory			14	36,909	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a FEDERAL TAX REFUND			14		
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0		88,208	0

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 88,208

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
3	INTEREST ON FEDERAL TAX REFUND
4	DIVIDEND INCOME ON SECURITIES
8	INCOME (LOSS) ON SALE OF SECURITIES
11	FEDERAL TAX REFUND

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

		Yes	No
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?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash.	1a(1)		No
(2) Other assets.	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization.	1b(2)		No
(3) Rental of facilities, equipment, or other assets.	1b(3)		No
(4) Reimbursement arrangements.	1b(4)		No
(5) Loans or loan guarantees.	1b(5)		No
(6) Performance of services or membership or fundraising solicitations.	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	1c		No

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

(a) Line No	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

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

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

****** | 2017-08-23 | ******

Signature of officer or trustee | Date | Title

May the IRS discuss this return with the preparer shown below (see instr)? ☑ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ▶ ☐	PTIN
DONALD WINKLER				P00236529

Firm's name ▶ WEIL & COMPANY LLP	Firm's EIN ▶95-1775376
Firm's address ▶ 1925 CENTURY PARK EAST STE300 LOS ANGELES, CA 90067	Phone no (310) 451-9871

Form 990PF Part XV Line 1a - 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).

PEGGY SASSI
BRIAN SASSI

TY 2016 Accounting Fees Schedule

Name: PEGGY AND BRIAN SASSI
CHARITABLE FOUNDATION INC

EIN: 46-1431230

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	1,575	1,000		575

TY 2016 Investments - Other Schedule

Name: PEGGY AND BRIAN SASSI
CHARITABLE FOUNDATION INC

EIN: 46-1431230

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
COLUMBIA ACORN FUND	AT COST	129,464	70,880
HARTFORD FUND	AT COST	68,838	62,927
OPPENHEIMER MLP FUND	AT COST	87,261	74,313
FIRST EAGLE GLOBAL FUND	AT COST	45,169	47,067
IVY ASSET FUND	AT COST	0	0
MAINSTAY CUSHING MLP FUND	AT COST	29,971	69,335
UBS AG TRIGGER	AT COST	35,000	28,840
BROOKFIELD GLOBAL INF	AT COST	40,359	28,008
FIRST EAGLE OVERSEA FUND	AT COST	179,395	182,803
VIRTUS SENIOR NOTES	AT COST	13,000	13,014
JP MORGAN CHASE	AT COST	125,000	122,212

TY 2016 Legal Fees Schedule

Name: PEGGY AND BRIAN SASSI
CHARITABLE FOUNDATION INC

EIN: 46-1431230

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL FEES	2,662	1,200		1,462

TY 2016 Other Expenses Schedule

Name: PEGGY AND BRIAN SASSI
CHARITABLE FOUNDATION INC

EIN: 46-1431230

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MISCELLANEOUS	381	181		200

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TY 2016 Other Income Schedule

Name: PEGGY AND BRIAN SASSI
CHARITABLE FOUNDATION INC

EIN: 46-1431230

Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
MISCELLANEOUS	556	556	556
TAX REFUND	929	0	929

TY 2016 Substantial Contributors Schedule

Name: PEGGY AND BRIAN SASSI CHARITABLE FOUNDATION INC

EIN: 46-1431230

Name	Address
PEGGY BRIAN SASSI	1884 MIDLOTHIAN DRIVE ALTADENA, CA 91001

TY 2016 Taxes Schedule

Name: PEGGY AND BRIAN SASSI CHARITABLE FOUNDATION INC

EIN: 46-1431230

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FEDERAL TAX	1,830	0		0

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 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	Employer identification number
PEGGY AND BRIAN SASSI CHARITABLE FOUNDATION INC	46-1431230

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 other 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 Do not 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 is not covered by the General Rule and/or the Special Rules does not 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 990PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization
PEGGY AND BRIAN SASSI
CHARITABLE FOUNDATION INC

Employer identification number
46-1431230

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	PEGGY AND BRIAN SASSI 1884 MIDLOTHIAN DRIVE ALTADENA, CA91001	$ 91,697	Person ☑ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
-		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
-		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
-		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
-		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
-		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)

Name of organization	Employer identification number
PEGGY AND BRIAN SASSI CHARITABLE FOUNDATION INC	46-1431230

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
		$	

(a) No.from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No.from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No.from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No.from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No.from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization	**Employer identification number**
PEGGY AND BRIAN SASSI CHARITABLE FOUNDATION INC	46-1431230

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 information once. See instructions.) ▶ $ ____________

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

(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

(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

(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

	Minimum Payment Due	Payment Due Date	Credit line	Available Credit Line	Outstanding balance
UBS Visa Signature credit card(s) payment information	$0 00		$42,000 00	$42,000 00	$0 00

We provide this information on your UBS Visa Signature credit cards solely as a courtesy to you The UBS Visa Signature credit card and account are issued by UBS Bank USA UBS Bank USA sends you the official statement for this account and you should make your payment according to their instructions

We do not include your outstanding credit card balance in the value of your account with UBS Financial Services Inc

	Date	Number of days	Average loan balance ($)	Rate	Loan interest charged ($)
Loan interest daily detail	Sep 30	4	310 99	10 000%	0 36
	Oct 04	14	1,885 99	10 000%	7 28
	Total	**18**			**$7 64**

	Date	Activity	Description	Amount ($)
Money balance activities	**Sep 30**	**Balance forward**		**$0 00**
	Oct 19	Deposit	UBS BANK USA BUSINESS ACCOUNT	35,572 91
	Oct 28	Deposit	UBS BANK USA BUSINESS ACCOUNT	7 52
	Oct 31	**Closing UBS Bank USA Business Account**		**$35,580 43**

The UBS Bank USA Business Account is your primary sweep option

Realized gains and losses

The estimated realized gains and losses shown below are not for tax purposes Please note that gain or loss recognized on the sale or redemption of certain Structured Products, like Contingent Debt Securities, may be ordinary, and not capital, gain or loss Please check with your tax advisor To calculate gains and losses, we liquidate the oldest security lot first This is known as the first-in, first-out or FIFO accounting method We use this method unless you specified which tax lot to close when you placed your order This is known as a versus purchases or VSP order See *Important information about your statement* at the end of this document for more information We may not adjust gains and losses for all capital changes We automatically adjust cost basis for tax-exempt and AMT coupon municipal securities for estimated amortization of bond premiums and for accreted OID for securities issued at a discount If you requested that UBS adjust cost basis for the bond premium amortization on taxable debt securities then cost basis reflected for these securities has been adjusted Estimates in the *Unclassified* section can not be classified as short term or long term because information is missing or the product one in which the gain/loss calculation is not provided

Short-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
IVY ASSET STRATEGY FUND CLASS C	FIFO	114 641	Dec 10, 15	Oct 13 16	2,260 40	2,443 00		-182 60	

continued next page

Realized gains and losses (continued)

Long-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
IVY ASSET STRATEGY FUND CLASS C	FIFO	1,491 401	Dec 21, 12	Oct 13, 16	29,406 30	37,215 34		-7,809 04	
	FIFO	0 396	Dec 12, 13	Oct 13, 16	7 81	11 92		-4 11	
	FIFO	1 696	Dec 11, 14	Oct 13, 16	33 44	42 06		-8 62	
	FIFO	291 671	Dec 11, 14	Oct 13, 16	5,750 95	7,233 43		-1,482 48	
Total					**$35,198.50**	**$44,502.75**		**-$9,304.25**	
Net long-term capital gains or losses								**-$9,304 25**	
Net capital gains/losses·								**-$9,486 85**	

Account activity this month (continued)

	Date	Activity	Description	Amount ($)
Money balance activities	**Nov 30**	**Balance forward**		**$32,747.20**
	Dec 2	Withdrawal	UBS BANK USA BUSINESS ACCOUNT AS OF 12/01/16	-21,227 00
	Dec 7	Deposit	UBS BANK USA BUSINESS ACCOUNT AS OF 12/06/16	0 24
	Dec 7	Withdrawal	UBS BANK USA BUSINESS ACCOUNT	-150 00
	Dec 15	Deposit	UBS BANK USA BUSINESS ACCOUNT	11,048 04
	Dec 16	Withdrawal	UBS BANK USA BUSINESS ACCOUNT AS OF 12/15/16	-300 00
	Dec 20	Withdrawal	UBS BANK USA BUSINESS ACCOUNT	-13,000 00
	Dec 22	Deposit	UBS BANK USA BUSINESS ACCOUNT	138,092 71
	Dec 23	Deposit	UBS BANK USA BUSINESS ACCOUNT	12 40
	Dec 29	Withdrawal	UBS BANK USA BUSINESS ACCOUNT AS OF 12/28/16	-219 53
	Dec 30	Withdrawal	UBS BANK USA BUSINESS ACCOUNT	-125,000 00
	Dec 30	**Closing UBS Bank USA Business Account**		**$22,004.06**

The UBS Bank USA Business Account is your primary sweep option

Realized gains and losses

The estimated realized gains and losses shown below are not for tax purposes Please note that gain or loss recognized on the sale or redemption of certain Structured Products like Contingent Debt Securities, may be ordinary, and not capital, gain or loss Please check with your tax advisor To calculate gains and losses we liquidate the oldest security lot first This is known as the first in, first out or FIFO accounting method We use this method unless you specified which tax lot to close when you placed your order This is known as a versus purchases or VSP order See *Important information about your statement* at the end of this document for more information We may not adjust gains and losses for all capital changes We automatically adjust cost basis for tax exempt and AMT coupon municipal securities for estimated amortization of bond premiums and for accreted OID for securities issued at a discount If you requested that UBS adjust cost basis for the bond premium amortization or taxable debt securities then cost basis reflected for these securities has been adjusted Estimates in the *Unclassified* section can not be classified as short term or long term because information is missing or the product is one in which the gain/loss calculation is not provided

Short-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
ALTRIA GROUP INC	FIFO	20 000	Dec 28, 15	Dec 16, 16	1,342 37	1,165 40			176 97
	FIFO	20 000	Dec 28, 15	Dec 16, 16	1,342 38	1,166 00			176 38
CISCO SYSTEMS INC	FIFO	60 000	Dec 28, 15	Dec 16, 16	1,820 09	1 632 59			187 50
	FIFO	90 000	Dec 28, 15	Dec 16, 16	2,730 12	2,451 15			278 97
GENL ELECTRIC CO	FIFO	50 000	Dec 28, 15	Dec 16, 16	1,583 39	1,542 75			40 64
	FIFO	80 000	Dec 28, 15	Dec 16, 16	2,533 43	2,470 40			63 03
MERCK & CO INC NEW COM	FIFO	30 000	Dec 28, 15	Dec 16, 16	1,866 94	1,582 20			284 74
	FIFO	40 000	Dec 28, 15	Dec 16, 16	2,489 26	2,110 80			378 46

continued next page

Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment $	Loss $	Gain $
MICROSOFT CORP	FIFO	30 000	Dec 28, 15	Dec 16, 16	1,866 06	1,659 30			206 76
	FIFO	40 000	Dec 28, 15	Dec 16, 16	2,488 09	2,212 80			275 29
SIMON PPTY GROUP INC SBI	FIFO	10 000	Dec 28, 15	Dec 16, 16	1,808 91	1,933 00		-124 09	
Total					**$21,871.04**	**$19,926.39**		**-$124.09**	**$2,068.74**
Net short-term capital gains and losses									**$1,944.65**

Long-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($	Loss $	Gain $
ALTRIA GROUP INC	FIFO	70 000	Oct 25, 10	Dec 16, 16	4,698 32	1,760 16			2,938 16
	FIFO	83 000	Feb 09, 11	Dec 16, 16	5,570 86	2,000 20			3,570 66
	FIFO	80 000	Jun 14, 11	Dec 16, 16	5,369 51	2 193 60			3,175 91
	FIFO	41 000	May 23, 12	Dec 16, 16	2,751 87	1,298 47			1,453 40
CISCO SYSTEMS INC	FIFO	214 000	Nov 06, 13	Dec 16, 16	6,491 63	4,984 01			1,507 62
	FIFO	213 000	Nov 06, 13	Dec 16, 16	6,461 29	4,960 72			1,500 57
	FIFO	106 000	Nov 14, 13	Dec 16, 16	3 215 48	2,231 91			983 57
	FIFO	107 000	Nov 14, 13	Dec 16, 16	3,245 81	2,252 97			992 84
GENL ELECTRIC CO	FIFO	536 000	Aug 04, 11	Dec 16, 16	16,973 97	8,956 56			8,017 41
	FIFO	74 000	Jul 10, 15	Dec 16, 16	2,343 43	1,947 50			395 93
	FIFO	74 000	Jul 10, 15	Dec 16, 16	2,343 42	1 947 50			395 92
MERCK & CO INC NEW COM	FIFO	64 000	Nov 30, 10	Dec 16, 16	3,982 81	2,206 59			1,776 22
	FIFO	82 000	Feb 25, 11	Dec 16, 16	5,102 97	2,632 91			2,470 06
	FIFO	60 000	Jun 14, 11	Dec 16, 16	3,733 89	2,148 60			1,585 29
	FIFO	70 000	May 23, 12	Dec 16, 16	4,356 19	2,601 19			1,755 00
	FIFO	36 000	Oct 14, 13	Dec 16, 16	2,240 33	1,674 95			565 38
	FIFO	36 000	Oct 14, 13	Dec 16, 16	2,240 33	1,674 95			565 38
MICROSOFT CORP	FIFO	119 000	Dec 03, 13	Dec 16, 16	7 402 06	4,552 11			2,849 95
	FIFO	121 000	Dec 03, 13	Dec 16, 16	7,526 46	4,628 62			2 897 84
	FIFO	40 000	Apr 06, 15	Dec 16, 16	2,488 09	1,627 00			861 09

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Realized gains and losses (continued)

Long-term capital gains and losses continued

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
	FIFO	40 000	Apr 06, 15	Dec 16, 16	2,488 09	1,627 00			861 09
SIMON PPTY GROUP INC SBI	FIFO	30 000	Sep 27, 13	Dec 16, 16	5,426 74	4,218 70			1,208 04
	FIFO	30 000	Sep 27, 13	Dec 16, 16	5,426 73	4,218 70			1,208 03
	FIFO	12 000	Oct 10, 13	Dec 16, 16	2,170 69	1,712 69			458 00
	FIFO	12 000	Oct 10, 13	Dec 16, 16	2,170 70	1,712 69			458 01
Total					**$116,221.67**	**$71,770.30**			**$44,451.37**
Net long-term capital gains or losses									**$44,451.37**
Net capital gains/losses·									**$46,396.02**