

For calendar year 2018, or tax year beginning 01-01-2018, and ending 12-31-2018

Name of foundation HAWTHORNDEN LITERARY RETREAT		A Employer identification number 52-1324746	
Number and street (or P O box number if mail is not delivered to street address) ONE PPG PLACE NO 1700		Room/suite	B Telephone number (see instructions) (412) 392-2220
City or town, state or province, country, and ZIP or foreign postal code PITTSBURGH, PA 152225416		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) \$ 79,933,448	J Accounting method ☐ Cash ☐ Accrual ☒ Other (specify) <u>Modified cash basis</u> (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))		(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)	29,852,451			
	2 Check ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	207,654	207,654	207,654	
	4 Dividends and interest from securities	416,454	416,454	416,454	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	207,164			
	b Gross sales price for all assets on line 6a 3,357,367				
	7 Capital gain net income (from Part IV, line 2)		207,164		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	30,683,723	831,272	624,108	
	13 Compensation of officers, directors, trustees, etc	0	0	0	0
	14 Other employee salaries and wages	246,442	0	0	246,442
	15 Pension plans, employee benefits	131,475	0	0	131,475
	16a Legal fees (attach schedule)	15,160	0	0	15,160
	b Accounting fees (attach schedule)	93,891	8,370	0	85,521
	c Other professional fees (attach schedule)	113,522	55,252	0	58,270
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	23,806	0	0	23,806
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy	349,940	0	0	349,940
	21 Travel, conferences, and meetings	45,756	0	0	45,756
	22 Printing and publications	19,925	0	0	19,925
	23 Other expenses (attach schedule)	74,900	0	0	74,900
	24 Total operating and administrative expenses. Add lines 13 through 23	1,114,817	63,622	0	1,051,195
	25 Contributions, gifts, grants paid	24,044			24,044
	26 Total expenses and disbursements. Add lines 24 and 25	1,138,861	63,622	0	1,075,239
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	29,544,862			
	b Net investment income (if negative, enter -0-)		767,650		
c Adjusted net income (if negative, enter -0-)				624,108	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions.)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	206,266	198,942	198,942
	2 Savings and temporary cash investments	428,683	14,701,939	14,701,939
	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)	4,874,278	19,735,306	19,735,306
	b Investments—corporate stock (attach schedule)	8,163,102	16,188,521	16,188,521
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶ _____ 28,918,481 Less accumulated depreciation (attach schedule) ▶ _____	28,862,374	28,918,481	28,918,481
15 Other assets (describe ▶ _____)	190,259	190,259	190,259	
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	42,724,962	79,933,448	79,933,448	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ _____)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ☒ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	42,724,962	79,933,448	
	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			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see instructions)	42,724,962	79,933,448	
31 Total liabilities and net assets/fund balances (see instructions) .	42,724,962	79,933,448		

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	42,724,962
2 Enter amount from Part I, line 27a	2	29,544,862
3 Other increases not included in line 2 (itemize) ▶ _____	3	8,705,578
4 Add lines 1, 2, and 3	4	80,975,402
5 Decreases not included in line 2 (itemize) ▶ _____	5	1,041,954
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	79,933,448

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 LT CAPITAL GAINS				
b ST CAPITAL GAINS				
c CAPITAL GAINS DIVIDENDS		P		
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 2,851,332		2,649,834	201,498
b 500,363		500,369	-6
c 5,672			5,672
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			201,498
b			-6
c			5,672
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	207,164
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	-6

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))
2017	981,838	20,821,994	0 047154
2016	947,787	19,396,602	0 048864
2015	1,006,413	20,063,682	0 050161
2014	1,185,367	20,143,948	0 058845
2013	1,050,517	18,522,143	0 056717

2 Total of line 1, column (d)	2	0 261741
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5 0, or by the number of years the foundation has been in existence if less than 5 years	3	0 052348
4 Enter the net value of noncharitable-use assets for 2018 from Part X, line 5	4	27,384,091
5 Multiply line 4 by line 3	5	1,433,502
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	7,677
7 Add lines 5 and 6	7	1,441,179
8 Enter qualifying distributions from Part XII, line 4	8	1,131,346

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	15,353
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	15,353
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	15,353
6	Credits/Payments		
a	2018 estimated tax payments and 2017 overpayment credited to 2018	6a	25,080
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	0
d	Backup withholding erroneously withheld	6d	0
7	Total credits and payments. Add lines 6a through 6d.	7	25,080
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	0
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	9,727
11	Enter the amount of line 10 to be Credited to 2019 estimated tax ☐ 9,727 Refunded ☐	11	0

Part VII-A Statements Regarding Activities

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	Yes	No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? (see Instructions for 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	1b		No
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	Yes	
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) ☐ PA _____			
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 2018 or the taxable year beginning in 2018? See the instructions for Part XIV. If "Yes," complete Part XIV	9	Yes	
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)

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? Website address ► N/A	13	Yes	
14	The books are in care of ► SCHNEIDER DOWNS & CO INC Telephone no ► (412) 261-3644			

Located at **►** ONE PPG PL STE 1700 PITTSBURGH PA ZIP+4 **►** 152225416

15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —check here ► ☐			
	and enter the amount of tax-exempt interest received or accrued during the year ► 15			
16	At any time during calendar year 2018, 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	Yes	No
	See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes", enter the name of the foreign country ► UK		Yes	

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.

1a	During the year did the foundation (either directly or indirectly)		Yes	No
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions. ☐	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 2018? ☐	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 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018? ☐ Yes ☒ No			
	If "Yes," list the years ► 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions). ☐	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2018 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 2018). ☐	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 2018?	4b		No

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

		Yes	No
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? If "Yes," attach the statement required by Regulations section 53.4945–5(d)	☐ Yes ☐ No		
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No	6b	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			
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No	7b	
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?			
8 Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment during the year?	☐ Yes ☒ No		

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

1 List all officers, directors, trustees, foundation managers and their compensation. See instructions				
(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Additional Data Table				
2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."				
(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000.			▶	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".

[illegible]

Total number of others receiving over \$50,000 for professional services.	▶	0
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Part IX-A	Summary of Direct Charitable Activities
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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
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1	HAWTHORNDEN CASTLE (SCOTLAND) - INTERNATIONAL RETREAT FOR WRITERS	557,227
2	CASA ECCO (ITALY) - INTERNATIONAL RETREAT FOR WRITERS	518,012
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	22,561,862
b	Average of monthly cash balances.	1b	5,239,246
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	27,801,108
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	27,801,108
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	417,017
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	27,384,091
6	Minimum investment return. Enter 5% of line 5.	6	1,369,205

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	
2a	Tax on investment income for 2018 from Part VI, line 5.	2a	
b	Income tax for 2018 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	
6	Deduction from distributable amount (see instructions).	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	

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	1,075,239
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	56,107
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	1,131,346
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	1,131,346

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 2017	(c) 2017	(d) 2018
1 Distributable amount for 2018 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2018				
a Enter amount for 2017 only.				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2018				
a From 2013.				
b From 2014.				
c From 2015.				
d From 2016.				
e From 2017.				
f Total of lines 3a through e.				
4 Qualifying distributions for 2018 from Part XII, line 4 ▶ \$ _____				
a Applied to 2017, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).				
d Applied to 2018 distributable amount.				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2018 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2017 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2018 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2019				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions).				
8 Excess distributions carryover from 2013 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2014.				
b Excess from 2015.				
c Excess from 2016.				
d Excess from 2017.				
e Excess from 2018.				

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 2018, enter the date of the ruling. 1985-07-01

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				(e) Total
	(a) 2018	(b) 2017	(c) 2016	(d) 2015	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	624,108	453,419	457,235	387,261	1,922,023
b 85% of line 2a	530,492	385,406	388,650	329,172	1,633,720
c Qualifying distributions from Part XII, line 4 for each year listed	1,131,346	981,838	947,787	1,006,413	4,067,384
d Amounts included in line 2c not used directly for active conduct of exempt activities	0	0	0	0	0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	1,131,346	981,838	947,787	1,006,413	4,067,384
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.	912,803	694,067	646,553	668,789	2,922,212
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:

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

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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. to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.

a The name, address, and telephone number or email 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	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i> EDINBURGH INTERNATIONAL BOOK FESTIVAL 5A CHARLOTTE SQUARE EDINBURGH EH2 4DR UK		FOREIGN	EDINBURGH BOOK FESTIVAL GRANT	24,044
Total ▶ 3a				
b <i>Approved for future payment</i>				
Total ▶ 3b				

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2018)

Part XVII

- | | Yes | No |
|-------|-----|----|
| 1a(1) | | No |
| 1a(2) | | No |
| 1b(1) | | No |
| 1b(2) | | No |
| 1b(3) | | No |
| 1b(4) | | No |
| 1b(5) | | No |
| 1b(6) | | No |
| 1c | | No |

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) (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**

**Paid
Preparer
Use Only**

May the IRS discuss this return with the preparer shown below

(see instr)? ☒ Yes ☐ No

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(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	Expense account, (e) other allowances
DRUE HEINZ DECEASED 318	PRESIDENT 8 00	0	0	0
C/O LBHM 1001 LIBERTY AVE STE 1150 PITTSBURGH, PA 15222				
JULIA V SHEA	TREASURER 4 00	0	0	0
PO BOX 68 FDR STATION NEW YORK, NY 10150				
MARY LOU ROSENFELDER	SECRETARY (THRU 12/31/18) 4 00	0	0	0
C/O LBHM 1001 LIBERTY AVE STE 1150 PITTSBURGH, PA 15222				
MR DAVID CAMPBELL	TRUSTEE 1 00	0	0	0
C/O LBHM 1001 LIBERTY AVE STE 1150 PITTSBURGH, PA 15222				
VICTORIA GRAY	TRUSTEE 1 00	0	0	0
C/O LBHM 1001 LIBERTY AVE STE 1150 PITTSBURGH, PA 15222				

TY 2018 Accounting Fees Schedule**Name:** HAWTHORNDEN LITERARY RETREAT**EIN:** 52-1324746

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	83,698	8,370	0	75,328
ACCOUNTING FEES - ITALY	6,631	0	0	6,631
ACCOUNTING FEES - SCOTLAND	3,562	0	0	3,562

TY 2018 Investments Corporate Stock Schedule**Name:** HAWTHORNDEN LITERARY RETREAT**EIN:** 52-1324746**Investments Corporation Stock Schedule**

Name of Stock	End of Year Book Value	End of Year Fair Market Value
EQUITY SECURITIES	16,188,521	16,188,521

TY 2018 Investments Government Obligations Schedule**Name:** HAWTHORNDEN LITERARY RETREAT**EIN:** 52-1324746**US Government Securities - End
of Year Book Value:**

0

**US Government Securities - End
of Year Fair Market Value:**

0

**State & Local Government
Securities - End of Year Book
Value:**

19,735,306

**State & Local Government
Securities - End of Year Fair
Market Value:**

19,735,306

TY 2018 Legal Fees Schedule**Name:** HAWTHORNDEN LITERARY RETREAT**EIN:** 52-1324746

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL FEES	1,458	0	0	1,458
LEGAL FEES - ITALY	10,583	0	0	10,583
LEGAL FEES - SCOTLAND	3,119	0	0	3,119

TY 2018 Other Assets Schedule

Name: HAWTHORNDEN LITERARY RETREAT

EIN: 52-1324746

Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
FURNISHINGS	190,259	190,259	190,259

TY 2018 Other Decreases Schedule**Name:** HAWTHORNDEN LITERARY RETREAT**EIN:** 52-1324746

Description	Amount
FOREIGN CURRENCY TRANSLATION	23,793
CHANGE IN UNREALIZED GAIN/LOSS	1,018,161

TY 2018 Other Expenses Schedule**Name:** HAWTHORNDEN LITERARY RETREAT**EIN:** 52-1324746**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INSURANCE	32,031	0	0	32,031
SECURITY EXPENSE	6,637	0	0	6,637
COMPUTER EXPENSE	417	0	0	417
HAWTHORNE PRIZE EXPENSE	35,161	0	0	35,161
MISCELLANEOUS	654	0	0	654

TY 2018 Other Increases Schedule

Name: HAWTHORNDEN LITERARY RETREAT
EIN: 52-1324746

Description	Amount
ADJUSTMENT FOR 2017 INVESTMENTS RECORDED AT COST	8,705,578

TY 2018 Other Professional Fees Schedule**Name:** HAWTHORNDEN LITERARY RETREAT**EIN:** 52-1324746

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PROFESSIONAL FEES - ITALY	27,861	0	0	27,861
PROFESSIONAL FEES - SCOTLAND	30,409	0	0	30,409
INVESTMENT FEES	55,252	55,252	0	0

**TY 2018 Substantial Contributors
Schedule****Name:** HAWTHORNDEN LITERARY RETREAT**EIN:** 52-1324746

Name	Address
DRUE HEINZ REVOCABLE TRUST NO 1	1001 LIBERTY AVE SUITE 1150 PITTSBURGH, PA 15222
DRUE HEINZ TRUST	1001 LIBERTY AVE SUITE 1150 PITTSBURGH, PA 15222
DRUE AND HJ HEINZ II EXEMPT CHARITABLE TRUST	1001 LIBERTY AVE SUITE 1150 PITTSBURGH, PA 15222

TY 2018 Taxes Schedule**Name:** HAWTHORNDEN LITERARY RETREAT**EIN:** 52-1324746

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAX WITHHELD & PAID	6,306	0	0	6,306
NET INVESTMENT EXCISE TAXES	17,500	0	0	17,500

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 ▶ Go to <u>www.irs.gov/Form990</u> for the latest information	OMB No 1545-0047 2018
	Name of the organization HAWTHORNDEN LITERARY RETREAT	Employer identification number 52-1324746

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 33¹/₃% 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 990PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization HAWTHORNDEN LITERARY RETREAT	Employer identification number 52-1324746
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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	DRUE HEINZ REVOCABLE TRUST NO 1 1001 LIBERTY AVE SUITE 1150 PITTSBURGH, PA 15222	\$ 1,500,000	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
2	DRUE HEINZ TRUST 1001 LIBERTY AVE SUITE 1150 PITTSBURGH, PA 15222	\$ 26,352,451	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
3	DRUE AND HJ HEINZ II EXEMPT CHARITABLE TRUST 1001 LIBERTY AVE SUITE 1150 PITTSBURGH, PA 15222	\$ 2,000,000	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)

Employer identification number

52-1324746

Part II	Noncash Property
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Schedule B (Form 990, 990-EZ, or 990-PF) (2018)

Name of organization HAWTHORNDEN LITERARY RETREAT	Employer identification number 52-1324746
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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 information once. See instructions.) ► \$ _____ Use duplicate copies of Part III if additional space is needed
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(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