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Revenue

Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2012

Open to public inspection

For calendar year 2012 or tax year beginning **MAY 1, 2012**, and ending **APR 30, 2013**

| | | |
|---|--|--|
| Name of foundation CHARLES M. BAIR FAMILY TRUST C/O U.S. BANK TRUST TAX DEPARTMENT | | A Employer identification number 81-6075761 |
| Number and street (or P.O. box number if mail is not delivered to street address) P.O. BOX 3168 | Room/suite | B Telephone number (406) 657-8139 |
| City or town, state, and ZIP code PORTLAND, OR 97208-3168 | | C If exemption application is pending, check here <input type="checkbox"/> |
| G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change | | D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> |
| H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation | | E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> |
| I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 38,765,239. | J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ | F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/> |

| Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a)) | | (a) Revenue and expenses per books | (b) Net investment income | (c) Adjusted net income | (d) Disbursements for charitable purposes (cash basis only) |
|--|---|------------------------------------|---------------------------|-------------------------|---|
| 1 | Contributions, gifts, grants, etc., received | 1,000,182. | | N/A | |
| 2 | Check <input type="checkbox"/> if the foundation is not required to attach Sch. B | | | | |
| 3 | Interest on savings and temporary cash investments | 55,084. | 55,084. | | STATEMENT 1 |
| 4 | Dividends and interest from securities | 188,239. | 188,239. | | STATEMENT 2 |
| 5a | Gross rents | | | | |
| b | Net rental income or (loss) | | | | |
| 6a | Net gain or (loss) from sale of assets not on line 10 | 310,904. | | | |
| b | Gross sales price for all assets on line 6a | 2,229,382. | | | |
| 7 | Capital gain net income (from Part IV, line 2) | | 310,904. | | |
| 8 | Net short-term capital gain | | | | |
| 9 | Income modifications | | | | |
| 10a | Gross sales less returns and allowances | | | | |
| b | Less: Cost of goods sold | | | | |
| c | Gross profit or (loss) | | | | |
| 11 | Other income | 24,531. | 3,861. | | STATEMENT 3 |
| 12 | Total. Add lines 1 through 11 | 1,578,940. | 558,088. | | |
| 13 | Compensation of officers, directors, trustees, etc. | 225,673. | 112,837. | | 112,836. |
| 14 | Other employee salaries and wages | 149,136. | 74,568. | | 74,568. |
| 15 | Pension plans, employee benefits | 8,236. | 4,118. | | 4,118. |
| 16a | Legal fees | 10,846. | 2,169. | | 8,677. |
| b | Accounting fees | 6,150. | 1,230. | | 4,920. |
| c | Other professional fees | 573. | 0. | | 573. |
| 17 | Interest | | | | |
| 18 | Taxes | 96,656. | 49,579. | | 47,077. |
| 19 | Depreciation and depletion | | | | |
| 20 | Occupancy | 196,717. | 0. | | 196,717. |
| 21 | Travel, conferences, and meetings | 2,171. | 0. | | 2,171. |
| 22 | Printing and publications | 5,969. | 0. | | 5,969. |
| 23 | Other expenses | 47,426. | 0. | | 47,426. |
| 24 | Total operating and administrative expenses. Add lines 13 through 23 | 749,553. | 244,501. | | 505,052. |
| 25 | Contributions, gifts, grants paid | 200,000. | | | 200,000. |
| 26 | Total expenses and disbursements. Add lines 24 and 25 | 949,553. | 244,501. | | 705,052. |
| 27 | Subtract line 26 from line 12 | 629,387. | | | |
| a | Excess of revenue over expenses and disbursements | | 313,587. | | |
| b | Net investment income (if negative, enter -0-) | | | | |
| c | Adjusted net income (if negative, enter -0-) | | | N/A | |

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LHA For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2012)

2/11/13

CHARLES M. BAIR FAMILY TRUST

Form 990-PF (2012)

C/O U.S. BANK TRUST TAX DEPARTMENT

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

| | | Beginning of year | | End of year | |
|------------------------------------|---|-------------------|----------------|-----------------------|--|
| | | (a) Book Value | (b) Book Value | (c) Fair Market Value | |
| Assets | 1 Cash - non-interest-bearing | 73,440. | 131,583. | 131,583. | |
| | 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 | | | | |
| | 7 Other notes and loans receivable ▶ | | | | |
| | Less allowance for doubtful accounts ▶ | | | | |
| | 8 Inventories for sale or use | | 4,726. | 4,726. | |
| | 9 Prepaid expenses and deferred charges | | | | |
| | 10a Investments - U.S. and state government obligations STMT 11 | 2,304,523. | 2,497,483. | 2,653,863. | |
| | b Investments - corporate stock STMT 12 | 5,380,830. | 5,682,632. | 7,626,179. | |
| | c Investments - corporate bonds | | | | |
| Liabilities | 11 Investments - land, buildings, and equipment basis ▶ | | | | |
| | Less accumulated depreciation ▶ | | | | |
| | 12 Investments - mortgage loans | | | | |
| | 13 Investments - other | | | | |
| | 14 Land, buildings, and equipment basis ▶ 3,422,500. | | | | |
| | Less accumulated depreciation ▶ | | | | |
| | 15 Other assets (describe ▶ STATEMENT 13) | 3,422,500. | 3,422,500. | 3,012,000. | |
| | | 17,888,833. | 17,965,618. | 25,336,888. | |
| | 16 Total assets (to be completed by all filers) | 29,070,126. | 29,704,542. | 38,765,239. | |
| | 17 Accounts payable and accrued expenses | | | | |
| Net Assets or Fund Balances | 18 Grants payable | | | | |
| | 19 Deferred revenue | | | | |
| | 20 Loans from officers, directors, trustees, and other disqualified persons | | | | |
| | 21 Mortgages and other notes payable | | | | |
| | 22 Other liabilities (describe ▶) | | | | |
| | 23 Total liabilities (add lines 17 through 22) | 0. | 0. | | |
| | Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/> | | | | |
| Net Assets or Fund Balances | 24 Unrestricted | | | | |
| | 25 Temporarily restricted | | | | |
| | 26 Permanently restricted | | | | |
| | Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/> | | | | |
| | 27 Capital stock, trust principal, or current funds | 29,070,126. | 29,704,542. | | |
| | 28 Paid-in or capital surplus, or land, bldg., and equipment fund | 0. | 0. | | |
| | 29 Retained earnings, accumulated income, endowment, or other funds | 0. | 0. | | |
| Net Assets or Fund Balances | 30 Total net assets or fund balances | 29,070,126. | 29,704,542. | | |
| | 31 Total liabilities and net assets/fund balances | 29,070,126. | 29,704,542. | | |

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 | 29,070,126. |
| 2 Enter amount from Part I, line 27a | 2 | 629,387. |
| 3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 10 | 3 | 5,029. |
| 4 Add lines 1, 2, and 3 | 4 | 29,704,542. |
| 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 | 29,704,542. |

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Part IV Capital Gains and Losses for Tax on Investment Income

| (a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.) | (b) How acquired P - Purchase D - Donation | (c) Date acquired (mo., day, yr.) | (d) Date sold (mo., day, yr.) |
|---|--|--------------------------------------|----------------------------------|
| 1a PUBLICLY TRADED SECURITIES | P | | |
| b CAPITAL GAINS DIVIDENDS | | | |
| 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 2,132,551. | | 1,918,478. | 214,073. |
| b 96,831. | | | 96,831. |
| c | | | |
| d | | | |
| e | | | |

| Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69 | | | (i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h)) |
|---|--------------------------------------|---|---|
| (i) FMV as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col. (i) over col. (j), if any | |
| a | | | 214,073. |
| b | | | 96,831. |
| 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 | 310,904. |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8 | | 3 | N/A |

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

| (a) Base period years Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio (col. (b) divided by col. (c)) |
|---|---------------------------------------|---|--|
| 2011 | 1,269,971. | 9,108,157. | .139432 |
| 2010 | 3,391,614. | 10,618,881. | .319395 |
| 2009 | 2,385,692. | 11,413,609. | .209022 |
| 2008 | 1,367,394. | 12,175,578. | .112306 |
| 2007 | 1,450,127. | 13,499,060. | .107424 |

| | | |
|---|----------|------------|
| 2 Total of line 1, column (d) | 2 | .887579 |
| 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 | .177516 |
| 4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5 | 4 | 9,873,343. |
| 5 Multiply line 4 by line 3 | 5 | 1,752,676. |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) | 6 | 3,136. |
| 7 Add lines 5 and 6 | 7 | 1,755,812. |
| 8 Enter qualifying distributions from Part XII, line 4 | 8 | 705,052. |

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.

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

| | | | |
|----|---|----|---------|
| 1a | Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions) | 1 | 6,272. |
| b | Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b | | |
| c | All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b) | | |
| 2 | Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-) | 2 | 0. |
| 3 | Add lines 1 and 2 | 3 | 6,272. |
| 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 | 6,272. |
| 6 | Credits/Payments | | |
| a | 2012 estimated tax payments and 2011 overpayment credited to 2012 | 6a | 35,873. |
| 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 | 35,873. |
| 8 | Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached | 8 | |
| 9 | Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed | 9 | |
| 10 | Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid | 10 | 29,601. |
| 11 | Enter the amount of line 10 to be Credited to 2013 estimated tax <input type="checkbox"/> 29,601. Refunded <input type="checkbox"/> | 11 | 0. |

Part VII-A Statements Regarding Activities

| | Yes | No |
|--|-----|----|
| 1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? | | X |
| 1b 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. | | X |
| 1c Did the foundation file Form 1120-POL for this year? | | X |
| d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0. | | |
| e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0. | | |
| 2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities. | | X |
| 3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes | | X |
| 4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? | X | |
| 4b If "Yes," has it filed a tax return on Form 990-T for this year? | X | |
| 5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T. | | X |
| 6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? | X | |
| 7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV. | X | |
| 8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> MT | | |
| b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation | X | |
| 9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV | | X |
| 10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses | | X |

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C/O U.S. BANK TRUST TAX DEPARTMENT

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Part VII-A Statements Regarding Activities (continued)

| | | | | |
|----|---|----|---|----------------|
| 11 | At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) | | | X |
| 12 | Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) | | | X |
| 13 | Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>WWW.CHARLESMBAIRTRUSTS.ORG</u> | | X | |
| 14 | The books are in care of ► <u>U.S. BANK TRUST TAX DEPARTMENT</u> Telephone no ► <u>503-275-6746</u> Located at ► <u>P.O. BOX 3168, PORTLAND, OR</u> ZIP+4 ► <u>97208-3168</u> | | | |
| 15 | Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year | 15 | | N/A |
| 16 | At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ► | 16 | | Yes No X |

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

| | Yes | No |
|---|---|----|
| 1a During the year did the foundation (either directly or indirectly) | | |
| (1) Engage in the sale or exchange, or leasing of property with a disqualified person? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here | | X |
| c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012? | | X |
| 2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)) | | |
| a At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? If "Yes," list the years ► | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) | N/A | |
| c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► | | |
| 3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| b If "Yes," did it have excess business holdings in 2012 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 2012.) | N/A | |
| 4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | | X |
| b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012? | | X |

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

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

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?

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

6b

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

If "Yes" to 6b, file Form 8870.

☐ Yes ☒ No

7b

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

N/A

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

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

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

| (a) Name and address | (b) Title, and average hours per week devoted to position | (c) Compensation (If not paid, enter -0-) | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|----------------------|---|---|---|---------------------------------------|
| SEE STATEMENT 14 | | 225,673. | 0. | 0. |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

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

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

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

0

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

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

| (a) Name and address of each person paid more than \$50,000 | (b) Type of service | (c) Compensation |
|---|---------------------|------------------|
| NONE | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

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

| | |
|-----------|---|
| Part IX-A | Summary of Direct Charitable Activities |
|-----------|---|

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

Expenses

| | | |
|---|-----|--|
| 1 | N/A | |
| | | |
| | | |
| 2 | | |
| | | |
| | | |
| 3 | | |
| | | |
| | | |
| 4 | | |
| | | |
| | | |

| | |
|------------------|---|
| Part IX-B | Summary of Program-Related Investments |
|------------------|---|

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

Amount

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

Total. Add lines 1 through 3

0.

Form **990-PF** (2012)

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 | 9,814,632. |
| b | Average of monthly cash balances | 1b | 209,066. |
| c | Fair market value of all other assets | 1c | |
| d | Total (add lines 1a, b, and c) | 1d | 10,023,698. |
| e | Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) | 1e | SEE STATEMENT 15 14,486,187. |
| 2 | Acquisition indebtedness applicable to line 1 assets | 2 | 0. |
| 3 | Subtract line 2 from line 1d | 3 | 10,023,698. |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) | 4 | 150,355. |
| 5 | Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4 | 5 | 9,873,343. |
| 6 | Minimum investment return. Enter 5% of line 5 | 6 | 493,667. |

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 | 493,667. |
| 2a | Tax on investment income for 2012 from Part VI, line 5 | 2a | 6,272. |
| b | Income tax for 2012 (This does not include the tax from Part VI) | 2b | |
| c | Add lines 2a and 2b | 2c | 6,272. |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1 | 3 | 487,395. |
| 4 | Recoveries of amounts treated as qualifying distributions | 4 | 0. |
| 5 | Add lines 3 and 4 | 5 | 487,395. |
| 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 | 487,395. |

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 | 705,052. |
| 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 | 705,052. |
| 5 | Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b | 5 | 0. |
| 6 | Adjusted qualifying distributions. Subtract line 5 from line 4 | 6 | 705,052. |

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.

Form 990-PF (2012)

Part XIII Undistributed Income (see instructions)

| | (a) Corpus | (b) Years prior to 2011 | (c) 2011 | (d) 2012 |
|---|---------------|----------------------------|-------------|-------------|
| 1 Distributable amount for 2012 from Part XI, line 7 | | | | 487,395. |
| 2 Undistributed income, if any, as of the end of 2012 | | | | |
| a Enter amount for 2011 only | | | 0. | |
| b Total for prior years | | 0. | | |
| 3 Excess distributions carryover, if any, to 2012 | | | | |
| a From 2007 | | | | |
| b From 2008 | | | | |
| c From 2009 | | | | |
| d From 2010 | | | | 883,447. |
| e From 2011 | | | | 1,269,971. |
| f Total of lines 3a through e | 2,153,418. | | | |
| 4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 705,052. | | | | |
| a Applied to 2011, 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 2012 distributable amount | 217,657. | | | 487,395. |
| e Remaining amount distributed out of corpus | 0. | | | 0. |
| 5 Excess distributions carryover applied to 2012 (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: | 2,371,075. | | | |
| a Corpus Add lines 3f, 4c, and 4e Subtract line 5 | | | | |
| b Prior years' undistributed income Subtract line 4b from line 2b | | 0. | | |
| c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed | | 0. | | |
| d Subtract line 6c from line 6b Taxable amount - see instructions | | 0. | | |
| e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount - see instr | | | 0. | |
| f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013 | | | | 0. |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) | 1,000,000. | | | |
| 8 Excess distributions carryover from 2007 not applied on line 5 or line 7 | 0. | | | |
| 9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a | 1,371,075. | | | |
| 10 Analysis of line 9 | | | | |
| a Excess from 2008 | | | | |
| b Excess from 2009 | | | | |
| c Excess from 2010 | | | | |
| d Excess from 2011 | 1,153,418. | | | |
| e Excess from 2012 | 217,657. | | | |

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling ▶

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

| | Tax year | Prior 3 years | | | (e) Total |
|--|----------|---------------|----------|----------|-----------|
| | (a) 2012 | (b) 2011 | (c) 2010 | (d) 2009 | |
| 2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed | | | | | |
| b 85% of line 2a | | | | | |
| c Qualifying distributions from Part XII, line 4 for each year listed | | | | | |
| d Amounts included in line 2c not used directly for active conduct of exempt activities | | | | | |
| e Qualifying distributions made directly for active conduct of exempt activities | | | | | |
| 3 Subtract line 2d from line 2e. Complete 3a, b, or c for the alternative test relied upon | | | | | |
| a "Assets" alternative test - enter | | | | | |
| (1) Value of all assets | | | | | |
| (2) Value of assets qualifying under section 4942(j)(3)(B)(i) | | | | | |
| b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed | | | | | |
| c "Support" alternative test - enter | | | | | |
| (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) | | | | | |
| (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) | | | | | |
| (3) Largest amount of support from an exempt organization | | | | | |
| (4) Gross investment income | | | | | |

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

1 Information Regarding Foundation Managers:

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

NONE

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

NONE

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

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

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

SEE SCHEDULE II

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

SEE SCHEDULE II

- c** Any submission deadlines

SEE SCHEDULE II

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

SEE SCHEDULE II

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 | | | | |
| ALBERTA BAIR THEATER PO BOX 1556 BILLINGS, MT 59103 | NONE | PUBLIC CHARITY | EXPANSION OF EDUCATION AREA FOR CHILDREN. | 7,500. |
| AMERICAN LUTHERAN CHURCH 40 10TH STREET WEST BILLINGS, MT 59101 | NONE | PUBLIC CHARITY | INTERFAITH HOSPITALITY NETWORK | 5,000. |
| BILLINGS CLINIC FOUNDATION 2917 10TH AVENUE NORTH BILLINGS, MT 59101 | NONE | PUBLIC CHARITY | CLINICAL SIMULATION LAB | 25,000. |
| BILLINGS FAMILY YMCA 402 NORTH 32ND STREET BILLINGS, MT 59101 | NONE | PUBLIC CHARITY | REPLACE OUTDATED TECHNOLOGY. | 10,000. |
| BILLINGS FOOD BANK, INC. PO BOX 1158 BILLINGS, MT 59103 | NONE | PUBLIC CHARITY | GARDEN PROJECT | 3,500. |
| Total | SEE CONTINUATION SHEET(S) | | | 200,000. |
| b Approved for future payment | | | | |
| NONE | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total | | | | 0. |

Part XVI-A **Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated

| Enter gross amounts unless otherwise indicated | | Unrelated business income | | Excluded by section 512, 513, or 514 | | (e) Related or exempt function income |
|--|--|---------------------------|---------------|--------------------------------------|---------------|---|
| | | (a) Business code | (b) Amount | (c) Exclu- sion code | (d) Amount | |
| 1 | Program service revenue | | | | | |
| a | GIFT SHOP INCOME | 453220 | 7,074. | | | |
| b | MUSEUM ADMISSIONS | | | 41 | 13,596. | |
| c | | | | | | |
| d | | | | | | |
| e | | | | | | |
| f | | | | | | |
| g | Fees and contracts from government agencies | | | | | |
| 2 | Membership dues and assessments | | | | | |
| 3 | Interest on savings and temporary cash investments | | | 14 | 55,084. | |
| 4 | Dividends and interest from securities | | | 14 | 188,239. | |
| 5 | Net rental income or (loss) from real estate | | | | | |
| a | Debt-financed property | | | | | |
| b | Not debt-financed property | | | | | |
| 6 | Net rental income or (loss) from personal property | | | | | |
| 7 | Other investment income | | | | | |
| 8 | Gain or (loss) from sales of assets other than inventory | | | 18 | 310,904. | |
| 9 | Net income or (loss) from special events | | | | | |
| 10 | Gross profit or (loss) from sales of inventory | | | | | |
| 11 | Other revenue | | | | | |
| a | ROYALTY INCOME | | | 15 | 3,861. | |
| b | | | | | | |
| c | | | | | | |
| d | | | | | | |
| e | | | | | | |
| 12 | Subtotal. Add columns (b), (d), and (e) | | 7,074. | | 571,684. | 0. |
| 13 | Total. Add line 12, columns (b), (d), and (e) | | | | | 578,758. |

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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 | | X |
| | (2) Other assets | | X |
| b | Other transactions | | |
| | (1) Sales of assets to a noncharitable exempt organization | | X |
| | (2) Purchases of assets from a noncharitable exempt organization | | X |
| | (3) Rental of facilities, equipment, or other assets | | X |
| | (4) Reimbursement arrangements | | X |
| | (5) Loans or loan guarantees | | X |
| | (6) Performance of services or membership or fundraising solicitations | | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | | X |
| 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. | | |

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

☐ Yes ☒ No

b If "Yes," complete the following schedule

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

**Sign
Here**

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

Signature of officer or trustee Caroleen O'Malley

9-11-13
Date

▶ **TRUSTEE**
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

JEREMY G. HAUK

Preparer's signature

Jeremy Hawk

Date

9/9/13

Check ☐ self-employed

| | |
|------|--|
| PTIN | |
|------|--|

P00626792

Firm's name ► EIDE BAILLY LLP

Firm's EIN ► 45-0250958

Firm's address ► 401 N 31ST ST STE 1120, PO BX 7112
BILLINGS, MT 59103-7112

Phone no 406-896-2400

Form **990-PF** (2012)

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2012

Name of the organization

CHARLES M. BAIR FAMILY TRUST
C/O U.S. BANK TRUST TAX DEPARTMENT

Employer identification number

81-6075761

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, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization 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) and received from any one contributor, during the year, a contribution 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 a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to 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 of \$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 Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2012)

Name of organization

CHARLES M. BAIR FAMILY TRUST
C/O U.S. BANK TRUST TAX DEPARTMENT

Employer identification number

81-6075761

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 | BAIR RANCH FOUNDATION U.S. BANK TRUST, P.O. BOX 30678 BILLINGS, MT 59115-0678 | \$ 1,000,000. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |

Name of organization

Employer identification number

CHARLES M. BAIR FAMILY TRUST
C/O U.S. BANK TRUST TAX DEPARTMENT

81-6075761

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 |
|------------------------------|--|--|----------------------|
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |

Name of organization

Employer identification number

CHARLES M. BAIR FAMILY TRUST
C/O U.S. BANK TRUST TAX DEPARTMENT

81-6075761

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. 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.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed

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

CHARLES M. BAIR FAMILY TRUST
C/O U.S. BANK TRUST TAX DEPARTMENT

81-6075761

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

| Recipient Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|--|--|--------------------------------------|--|----------|
| BILLINGS STUDIO THEATRE 1500 RIMROCK ROAD BILLINGS, MT 59102 | NONE | PUBLIC CHARITY | LIGHTING UPGRADE | 5,000. |
| BILLINGS SYMPHONY SOCIETY 2721 SECOND AVENUE NORTH, #350 BILLINGS, MT 59101 | NONE | PUBLIC CHARITY | EXPLORE MUSIC PROGRAM FOR CHILDREN. | 7,500. |
| BOYS & GIRLS CLUB OF YELLOWSTONE COUNTY 505 ORCHARD LANE BILLINGS, MT 59107 | NONE | PUBLIC CHARITY | REPLACEMENT OF CARPET. | 10,000. |
| EAGLE MOUNT BILLINGS 2822 3RD AVENUE NORTH BILLINGS, MT 59101 | NONE | PUBLIC CHARITY | GENERAL OPERATIONS | 6,000. |
| FRIENDSHIP HOUSE OF CHRISTIAN SERVICE 3123 8TH AVENUE SOUTH BILLINGS, MT 59101 | NONE | PUBLIC CHARITY | GENERAL OPERATIONS | 6,500. |
| HABITAT FOR HUMANITY MID-YELLOWSTONE VALLEY 1617 1ST AVENUE MID-YELLOWSTONE VALLEY BILLINGS, MT 59101 | NONE | PUBLIC CHARITY | GENERAL OPERATIONS | 3,500. |
| HARLOWTON PUBLIC SCHOOLS 304 DIVISION STREET HARLOWTON, MT 59036 | NONE | PUBLIC CHARITY | DIGITAL CONVERSION OF THEATER | 20,000. |
| MEAGHER COUNTY HEALTH DEPARTMENT PO BOX 309 WHITE SULPHUR SPRING, MT 59645 | NONE | PUBLIC CHARITY | IMMUNIZATIONS | 10,000. |
| MONTANA BIG SKY MARCH OF DIMES 643 GRAND AVENUE, SUITE B BILLINGS, MT 59101 | NONE | PUBLIC CHARITY | FUNDING ASSISTANCE. | 3,500. |
| ST. VINCENT HEALTHCARE FOUNDATION 1106 NORTH 30TH STREET BILLINGS, MT 59101 | NONE | PUBLIC CHARITY | SUPPORT FOR PEDIATRICS | 25,000. |
| Total from continuation sheets | | | | 149,000. |

CHARLES M. BAIR FAMILY TRUST
C/O U.S. BANK TRUST TAX DEPARTMENT

81-6075761

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

| Recipient Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|--|--|--------------------------------------|---------------------------------------|---------|
| UPPER MUSSELSHELL HISTORICAL SOCIETY PO BOX 1020 HARLOWTON, MT 59036 | NONE | PUBLIC CHARITY | WINDOW REPLACEMENT | 8,500. |
| WHEATLAND COUNTY - CITY COUNTY PRESERVATION COMMITTEE PO BOX 1020 HARLOWTON, MT 59036 | NONE | PUBLIC CHARITY | 20 X 40 STORAGE SHED | 10,000. |
| WHEATLAND COUNTY MEMORIAL HEALTHCARE PO BOX 1020 HARLOWTON, MT 59036 | NONE | PUBLIC CHARITY | LOW COST PURCHASES | 20,000. |
| YELLOWSTONE ART MUSEUM 401 NORTH 27TH STREET BILLINGS, MT 59101 | NONE | PUBLIC CHARITY | 50TH ANNIVERARY FUND | 7,500. |
| YELLOWSTONE CASA, INC. 3203 3RD AVENUE NORTH, SUITE 203 BILLINGS, MT 59101 | NONE | PUBLIC CHARITY | FUNDING FOR NEW VOLUNTEER PROGRAM. | 6,000. |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total from continuation sheets | | | | |



CHARLES M BAIR FAMILY TRUST

This statement is for the period from
May 1, 2012 to April 30, 2013

ASSET DETAIL

| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|-------------------------------------|---|------------------------|------------------------|---|--|
| Cash & Equivalents | | | | | |
| Cash/Money Market | | | | | |
| 133,652.480 | First American Government Obligation Fund Cl Y | 133,652.48 1.0000 | 133,652.48 1.00 | 0.00 21.42 | 0.3 0.02 |
| Total Cash/Money Market | | \$133,652.48 | \$133,652.48 | \$0.00 \$21.42 | 0.3 |
| Cash | | | | | |
| | Principal Cash | - 1,148,130.71 | - 1,148,130.71 | | - 2.4 |
| | Income Cash | 1,146,061.47 | 1,146,061.47 | | 2.4 |
| Total Cash | | - \$2,069.24 | - \$2,069.24 | \$0.00 \$0.00 | 0.0 |
| Total Cash & Equivalents | | \$131,583.24 | \$131,583.24 | \$0.00 \$21.42 | 0.3 |
| Taxable Bonds | | | | | |
| US Government Issues | | | | | |
| 50,000.000 | F H L M C M T N 5.000 07/15/2014 | 52,900.50 105.8010 | 49,968.10 99.94 | 2,932.40 2,500.00 | 0.1 4.73 |
| 25,000.000 | Federal Home Loan Bks M T N 5.500 08/13/2014 | 26,726.00 106.9040 | 25,153.20 100.61 | 1,572.80 1,375.00 | 0.1 5.14 |
| 21,489.010 | F H L M C Gold Partn Cert Pool #G12528 5.000 02/01/2022 | 22,835.73 106.2670 | 21,781.12 101.36 | 1,054.61 1,074.45 | 0.0 4.70 |
| 24,004.370 | F N M A Partn Cert Pool #918552 5.000 06/01/2022 | 25,786.21 107.4230 | 24,334.44 101.38 | 1,451.77 1,200.22 | 0.1 4.65 |
| Total US Government Issues | | \$128,248.44 | \$121,238.86 | \$7,011.58 \$6,149.67 | 0.3 |



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ASSET DETAIL (continued)

| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|--------------------------|---|------------------------|------------------------|---|--|
| Corporate Issues | | | | | |
| 100,000.000 | Cisco Sys Inc 5.500 02/22/2016 | 113,604.00 113.6040 | 101,488.00 101.49 | 12,116.00 5,500.00 | 0.2 4.84 |
| 100,000.000 | Du Pont E I De Nemours & Co 5.250 12/15/2016 | 115,374.00 115.3740 | 98,246.00 98.25 | 17,128.00 5,250.00 | 0.2 4.55 |
| 50,000.000 | Wells Fargo Company Medium Term Note 2.625 12/15/2016 | 52,699.50 105.3990 | 51,225.00 102.45 | 1,474.50 1,312.50 | 0.1 2.49 |
| 25,000.000 | Wells Fargo Company Medium Term Note 2.100 05/08/2017 | 25,921.00 103.6840 | 25,042.50 100.17 | 878.50 525.00 | 0.1 2.02 |
| 25,000.000 | Intel Corp 1.350 12/15/2017 | 25,170.00 100.6800 | 25,001.56 100.01 | 168.44 337.50 | 0.1 1.34 |
| 100,000.000 | Glaxosmithkline Cap Inc 5.650 05/15/2018 | 121,247.00 121.2470 | 100,645.00 100.65 | 20,602.00 5,650.00 | 0.3 4.66 |
| 150,000.000 | Pepsico Inc 5.000 08/01/2018 | 176,394.00 117.5960 | 149,089.50 99.39 | 27,304.50 7,500.00 | 0.4 4.25 |
| 25,000.000 | Texas Instruments Inc 1.650 08/03/2019 | 25,106.50 100.4260 | 25,018.00 100.07 | 88.50 412.50 | 0.1 1.64 |
| 50,000.000 | Deere Company 4.375 10/16/2019 | 58,247.50 116.4950 | 50,311.50 100.62 | 7,936.00 2,187.50 | 0.1 3.76 |
| 25,000.000 | Caterpillar Inc 3.900 05/27/2021 | 28,076.25 112.3050 | 24,989.75 99.96 | 3,086.50 975.00 | 0.1 3.47 |
| 25,000.000 | Walt Disney Company The Medium Term Note 2.750 08/16/2021 | 26,356.25 105.4250 | 25,815.00 103.26 | 541.25 687.50 | 0.1 2.61 |
| 25,000.000 | Verizon Communications 3.500 11/01/2021 | 26,577.50 106.3100 | 26,131.50 104.53 | 446.00 875.00 | 0.1 3.29 |



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ASSET DETAIL (continued)

| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|-------------------------------|--|------------------------|------------------------|---|--|
| 25,000.000 | Pepsico Inc 2.750 03/05/2022 | 25,783.50 103.1340 | 25,447.50 101.79 | 338.00 687.50 | 0.1 2.67 |
| Total Corporate Issues | | \$820,557.00 | \$728,450.81 | \$92,106.19 \$31,900.00 | 1.7 |
| Foreign Issues | | | | | |
| 25,000.000 | Barclays 5Yr Spx Kl 04/10/2015 Zero Cpn | 35,058.75 140.2350 | 25,000.00 100.00 | 10,058.75 0.00 | 0.1 0.00 |
| Total Foreign Issues | | \$35,058.75 | \$25,000.00 | \$10,058.75 \$0.00 | 0.1 |
| Fixed Income Funds | | | | | |
| 16,615.473 | American Centy Intl Bond Fd Instl #392 AIDIX | 236,272.03 14.2200 | 240,000.00 14.44 | - 3,727.97 4,718.79 | 0.5 2.00 |
| 11,484.377 | Credit Suisse Comm Ret ST Co CRSOX | 88,429.70 7.7000 | 105,000.00 9.14 | - 16,570.30 0.00 | 0.2 0.00 |
| 19,518.271 | Driehaus Active Income Fund #640 LCMAX | 210,602.14 10.7900 | 210,000.00 10.76 | 602.14 4,469.68 | 0.4 2.12 |
| 2,300.000 | Ishares S&p Pref Stk Indx Fd PFF | 93,771.00 40.7700 | 82,696.04 35.96 | 11,074.96 5,375.10 | 0.2 5.73 |
| 12,505.103 | Loomis Sayles Abs Strat Y LASYX | 131,053.48 10.4800 | 130,000.00 10.40 | 1,053.48 4,139.19 | 0.3 3.16 |
| 34,130.017 | Nuveen High Income Bond Fd Cl I FJSYX | 321,163.46 9.4100 | 287,500.00 8.42 | 33,663.46 24,164.05 | 0.7 7.52 |
| 23,737.580 | Oppenheimer Sr Float Rate Y OOSYX | 199,633.05 8.4100 | 195,000.00 8.22 | 4,633.05 10,420.80 | 0.4 5.22 |



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This statement is for the period from
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ASSET DETAIL (continued)

| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|---------------------------------|--|------------------------|------------------------|---|--|
| 13,273.407 | Pimco Total Return Fund Inst #35 PTTRX | 150,520.44 11.3400 | 147,599.69 11.12 | 2,920.75 4,433.32 | 0.3 2.94 |
| 10,532.797 | Principal Preferred Sec Ins PPSIX | 113,122.24 10.7400 | 105,000.00 9.97 | 8,122.24 6,298.61 | 0.2 5.57 |
| 13,429.484 | Tcw Emerging Markets Income Fund TGEIX | 125,431.38 9.3400 | 120,000.00 8.94 | 5,431.38 7,050.48 | 0.3 5.62 |
| Total Fixed Income Funds | | \$1,669,998.92 | \$1,622,795.73 | \$47,203.19 \$71,070.02 | 3.6 |
| Total Taxable Bonds | | \$2,653,863.11 | \$2,487,483.40 | \$156,378.71 \$108,119.69 | 5.5 |

Stocks**Common Stocks**

| | | | | | |
|-----------|--------------------------------|------------------------|--------------------|------------------------|-------------|
| 1,441.000 | Abbvie Inc ABBV | 66,358.05 46.0500 | 38,837.36 26.95 | 27,520.69 2,305.60 | 0.1 3.47 |
| 575.000 | Allergan Inc AGN | 65,291.25 113.5500 | 52,020.81 90.47 | 13,270.44 115.00 | 0.1 0.18 |
| 889.000 | Anadarko Petroleum Corp APC | 75,351.64 84.7600 | 59,811.87 67.28 | 15,539.77 320.04 | 0.2 0.42 |
| 275.000 | Apple Inc AAPL | 121,764.50 442.7800 | 9,845.00 35.80 | 111,919.50 3,355.00 | 0.3 2.75 |
| 850.000 | Att Inc T | 31,841.00 37.4600 | 28,271.48 33.26 | 3,569.52 1,530.00 | 0.1 4.80 |
| 5,425.000 | Bank Of America Corp BAC | 68,781.75 12.3100 | 50,597.62 9.33 | 16,184.13 217.00 | 0.1 0.32 |



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This statement is for the period from
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ASSET DETAIL (continued)

| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|--------------------------|-----------------------------------|------------------------|------------------------|---|--|
| 880.000 | Baxter Intl Inc BAX | 61,485.60 69.8700 | 50,477.26 57.36 | 11,008.34 1,584.00 | 0.1 2.58 |
| 568.000 | Capital One Financial Corp COF | 32,819.04 57.7800 | 23,260.39 40.95 | 9,558.65 113.60 | 0.1 0.35 |
| 750.000 | Chevron Corporation CVX | 91,507.50 122.0100 | 71,972.26 95.96 | 19,535.24 3,000.00 | 0.2 3.28 |
| 968.000 | Cigna Corp CI | 64,052.56 66.1700 | 63,834.90 65.95 | 217.66 38.72 | 0.1 0.06 |
| 2,357.000 | Cisco Sys Inc CSCO | 49,308.44 20.9200 | 49,189.78 20.87 | 118.66 1,602.76 | 0.1 3.25 |
| 1,405.000 | Citigroup Inc C | 65,557.30 46.6600 | 60,927.42 43.37 | 4,629.88 56.20 | 0.1 0.09 |
| 950.000 | Coach Inc COH | 55,917.00 58.8600 | 39,845.50 41.94 | 16,071.50 1,140.00 | 0.1 2.04 |
| 2,078.000 | Coca Cola Company KO | 87,961.74 42.3300 | 72,765.59 35.02 | 15,196.15 2,327.36 | 0.2 2.65 |
| 675.000 | Comcast Corp Cl A CMCSA | 27,877.50 41.3000 | 11,109.28 16.46 | 16,768.22 526.50 | 0.1 1.89 |
| 1,177.000 | Cvs Caremark Corp CVS | 68,477.86 58.1800 | 51,163.15 43.47 | 17,314.71 1,059.30 | 0.1 1.55 |
| 769.000 | Devon Energy Corporation DVN | 42,341.14 55.0600 | 41,258.70 53.65 | 1,082.44 676.72 | 0.1 1.60 |
| 1,400.000 | Disney Walt Co DIS | 87,976.00 62.8400 | 50,693.21 36.21 | 37,282.79 1,050.00 | 0.2 1.19 |



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ASSET DETAIL (continued)

| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|--------------------------|---|------------------------|------------------------|---|--|
| 1,429.000 | Dover Corp DOV | 98,572.42 68.9800 | 85,493.78 59.83 | 13,078.64 2,000.60 | 0.2 2.03 |
| 472.000 | E M C Corporation EMC | 10,586.96 22.4300 | 10,320.47 21.87 | 266.49 0.00 | 0.0 0.00 |
| 900.000 | Ecolab Inc ECL | 76,158.00 84.6200 | 27,922.60 31.03 | 48,235.40 828.00 | 0.2 1.09 |
| 1,205.000 | Edison Intl EIX | 64,829.00 53.8000 | 53,757.75 44.61 | 11,071.25 1,626.75 | 0.1 2.51 |
| 1,550.000 | Emerson Elec Co EMR | 86,040.50 55.5100 | 80,636.72 52.02 | 5,403.78 2,542.00 | 0.2 2.95 |
| 1,475.000 | Exxon Mobil Corp XOM | 131,260.25 88.9900 | 21,562.65 14.62 | 109,697.60 3,717.00 | 0.3 2.83 |
| 4,600.000 | General Electric Co GE | 102,534.00 22.2900 | 52,758.69 11.47 | 49,775.31 3,496.00 | 0.2 3.41 |
| 1,584.000 | Gilead Sciences Inc GILD | 80,213.76 50.6400 | 34,582.27 21.83 | 45,631.49 0.00 | 0.2 0.00 |
| 120.000 | Goldman Sachs Group Inc GS | 17,528.40 146.0700 | 17,977.56 149.81 | - 448.16 240.00 | 0.0 1.37 |
| 120.000 | Google Inc Cl A GOOG | 98,948.40 824.5700 | 48,481.80 404.02 | 50,466.60 0.00 | 0.2 0.00 |
| 1,287.000 | Intel Corp INTC | 30,823.85 23.8500 | 5,791.50 4.50 | 25,032.15 1,158.30 | 0.1 3.76 |
| 325.000 | International Business Machines Corp IBM | 65,825.50 202.5400 | 60,619.99 186.52 | 5,205.51 1,235.00 | 0.1 1.88 |



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ASSET DETAIL (continued)

| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|--------------------------|---|------------------------|------------------------|---|--|
| 1,861.000 | J P Morgan Chase Co JPM | 91,207.61 49.0100 | 70,633.62 37.96 | 20,573.99 2,233.20 | 0.2 2.45 |
| 750.000 | Johnson Johnson JNJ | 63,922.50 85.2300 | 32,342.43 43.12 | 31,580.07 1,980.00 | 0.1 3.10 |
| 745.000 | Kraft Foods Group Inc KRFT | 38,360.05 51.4900 | 31,402.06 42.15 | 6,957.99 1,490.00 | 0.1 3.88 |
| 130.000 | Mastercard Inc MA | 71,880.90 552.9300 | 32,288.20 248.37 | 39,592.70 312.00 | 0.2 0.43 |
| 1,012.000 | Maxim Integrated Prods Inc MXIM | 31,301.16 30.9300 | 27,594.15 27.27 | 3,707.01 971.52 | 0.1 3.10 |
| 750.000 | McDonalds Corp MCD | 76,605.00 102.1400 | 40,327.62 53.77 | 36,277.38 2,310.00 | 0.2 3.01 |
| 1,800.000 | Microsoft Corp MSFT | 59,580.00 33.1000 | 18,509.65 10.28 | 41,070.35 1,656.00 | 0.1 2.78 |
| 1,325.000 | Mondelez International W I MDLZ | 41,671.25 31.4500 | 33,452.09 25.25 | 8,219.16 689.00 | 0.1 1.65 |
| 1,481.000 | Morgan Stanley MS | 32,361.15 22.1500 | 31,731.46 21.72 | 629.69 292.20 | 0.1 0.90 |
| 1,196.000 | Nike Inc NKE | 76,065.60 63.6000 | 51,731.25 43.25 | 24,334.35 1,004.64 | 0.2 1.32 |
| 550.000 | Occidental Petroleum Corporation OXY | 49,093.00 89.2600 | 51,458.67 93.56 | - 2,365.67 1,408.00 | 0.1 2.87 |
| 2,025.000 | Oracle Corporation ORCL | 66,379.50 32.7800 | 35,338.80 17.45 | 31,040.70 486.00 | 0.1 0.73 |



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ASSET DETAIL (continued)

| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|--------------------------|---|------------------------|------------------------|---|--|
| 600 000 | P G E Corp PCG | 29,084.00 48.4400 | 25,551.30 42.59 | 3,512.70 1,092.00 | 0.1 3.76 |
| 604.000 | P N C Financial Services Group Inc PNC | 40,999.52 67.8800 | 32,117.15 53.17 | 8,882.37 1,083.04 | 0.1 2.59 |
| 655.000 | Pepsico Inc PEP | 54,017.85 82.4700 | 28,498.75 43.51 | 25,519.10 1,408.25 | 0.1 2.61 |
| 3,100 000 | Pfizer Inc PFE | 90,117.00 29.0700 | 86,337.93 27.85 | 3,779.07 2,976.00 | 0.2 3.30 |
| 875 000 | Praxair Inc PX | 100,012.50 114.3000 | 40,678.99 46.49 | 59,333.51 2,100.00 | 0.2 2.10 |
| 1,000.000 | Procter & Gamble Co PG | 76,770.00 76.7700 | 43,682.28 43.68 | 33,087.72 2,406.00 | 0.2 3.13 |
| 482.000 | Prudential Financial Inc PRU | 29,122.44 60.4200 | 26,920.93 55.85 | 2,201.51 771.20 | 0.1 2.65 |
| 1,450 000 | Qualcomm Inc QCOM | 89,320.00 61.6000 | 21,592.00 14.89 | 67,728.00 2,030.00 | 0.2 2.27 |
| 1,375.000 | Starbucks Corp SBUX | 83,655.00 60.8400 | 45,668.73 33.21 | 37,988.27 1,155.00 | 0.2 1.38 |
| 1,325.000 | State Str Corp STT | 77,472.75 58.4700 | 52,794.07 39.85 | 24,678.68 1,378.00 | 0.2 1.78 |
| 1,100 000 | Target Corporation TGT | 77,818.00 70.5600 | 31,315.31 28.47 | 46,300.69 1,584.00 | 0.2 2.04 |
| 258.000 | United Parcel Service Inc Cl B UPS | 22,148.72 85.8400 | 12,860.06 49.07 | 9,488.66 839.84 | 0.0 2.89 |



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| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|-----------------------------|----------------------------------|------------------------|------------------------|---|--|
| 1,175.000 | United Technologies Corp UTX | 107,265.75 91.2900 | 53,291.37 45.35 | 53,974.38 2,514.50 | 0.2 2.34 |
| 1,775.000 | Verizon Communications Inc VZ | 95,690.25 53.9100 | 50,682.98 28.55 | 45,007.27 3,656.50 | 0.2 3.82 |
| 500.000 | Wal Mart Stores Inc WMT | 38,860.00 77.7200 | 14,584.92 29.17 | 24,275.08 940.00 | 0.1 2.42 |
| 1,192.000 | Walgreen Co WAG | 59,015.92 49.5100 | 46,586.63 39.08 | 12,429.29 1,311.20 | 0.1 2.22 |
| 2,700.000 | Wells Fargo Co WFC | 102,546.00 37.9800 | 63,811.29 23.63 | 38,734.71 3,240.00 | 0.2 3.16 |
| 400.000 | 3M Co MMM | 41,884.00 104.7100 | 24,190.00 60.48 | 17,694.00 1,018.00 | 0.1 2.43 |
| Total Common Stocks | | \$3,839,994.13 | \$2,483,560.05 | \$1,456,434.08 \$83,975.54 | 8.2 |
| Foreign Stocks | | | | | |
| 1,100.000 | Accenture Plc Cl A ACN | 89,584.00 81.4400 | 67,001.97 60.91 | 22,582.03 1,782.00 | 0.2 1.99 |
| 564.000 | Ace Ltd ACE | 50,274.96 89.1400 | 44,188.92 78.35 | 6,086.04 1,105.44 | 0.1 2.20 |
| 1,290.000 | Covidien Plc COV | 82,353.60 63.8400 | 72,248.26 56.01 | 10,105.34 1,341.60 | 0.2 1.63 |
| 1,050.000 | Schlumberger Ltd SLB | 78,151.50 74.4300 | 51,415.53 48.97 | 26,735.97 1,312.50 | 0.2 1.68 |
| Total Foreign Stocks | | \$300,364.06 | \$234,854.68 | \$65,509.38 \$5,541.54 | 0.6 |



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ASSET DETAIL (continued)

| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|--------------------------|--|------------------------|------------------------|---|--|
| Equity Funds | | | | | |
| 16,393.836 | Aberdeen Fds Emrgn Mkt Instl #5840 ABEMX | 263,940.76 16.1000 | 221,500.00 13.51 | 42,440.76 5,672.27 | 0.6 2.15 |
| 2,077.176 | American Europacific Grth F2 #616 AEPFX | 90,980.31 43.8000 | 85,000.00 40.92 | 5,980.31 1,694.98 | 0.2 1.86 |
| 6,100.000 | Ipath Dow Jones Ubs Commodity DJP | 240,767.00 39.4700 | 300,971.85 49.34 | - 60,204.85 0.00 | 0.5 0.00 |
| 2,474.000 | Ishares Msci Emerging Mkts E T F EEM | 107,099.46 43.2900 | 101,233.21 40.92 | 5,866.25 1,843.13 | 0.2 1.72 |
| 16,343.692 | Laudus Intl Marketmasters Fund Sel #1547 SWMIX | 354,494.68 21.6900 | 289,937.10 17.74 | 64,557.58 7,567.13 | 0.7 2.13 |
| 3,520.834 | Neuberger Berman Genesis Instl Fd NBGIX | 188,857.54 53.6400 | 165,000.00 46.86 | 23,857.54 890.77 | 0.4 0.47 |
| 28,347.281 | Nuveen Intl Select Fd Cl I ISYCX | 284,606.70 10.0400 | 238,967.58 8.43 | 45,639.12 3,685.15 | 0.8 1.29 |
| 8,139.478 | Nuveen Mid Cap Grwth Opp Fd Cl I FISGX | 392,241.44 48.1900 | 348,767.48 42.85 | 43,473.96 0.00 | 0.8 0.00 |
| 13,981.050 | Nuveen Real Estate Secs I FARCX | 336,384.06 24.0600 | 225,643.60 16.14 | 110,740.46 6,487.21 | 0.7 1.93 |
| 5,932.418 | Nuveen Santa Barbara Div Growth Fd I #1799 NSBRX | 176,074.17 29.6800 | 142,517.42 24.02 | 33,556.75 3,778.95 | 0.4 2.15 |
| 14,209.528 | Nuveen Small Cap Select Fd Cl I ARSTX | 203,196.25 14.3000 | 186,034.26 13.09 | 17,161.99 0.00 | 0.4 0.00 |
| 9,637.371 | Principal Gl R E Sec Ins #4905 POSIX | 89,145.68 9.2500 | 80,000.00 8.30 | 9,145.68 4,269.36 | 0.2 4.79 |



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| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|----------------------------|--|--------------------------------|------------------------------|--|--|
| 1,665.427 | Rowe T Price Mid-Cap Growth Fd #64 RPMGX | 105,571.42 63.3900 | 95,000.00 57.04 | 10,571.42 0.00 | 0.2 0.00 |
| 5,206.430 | Rowe T Price Mid-Cap Value Fd Inc #115 TRMCX | 140,833.93 27.0500 | 117,815.30 22.63 | 23,018.63 1,666.06 | 0.3 1.18 |
| 4,530.470 | Scout International Fund UMBWX | 159,744.37 35.2600 | 120,829.12 26.67 | 38,915.25 2,396.62 | 0.3 1.50 |
| 954.426 | T Rowe Price Sm Cap Val #46 PRSVX | 41,212.11 43.1800 | 40,000.00 41.91 | 1,212.11 524.93 | 0.1 1.27 |
| 13,375.960 | Tfs Market Neutral Fund TFSMX | 210,671.37 15.7500 | 205,000.00 15.33 | 5,671.37 0.00 | 0.4 0.00 |
| Total Equity Funds | | \$3,385,821.25 | \$2,964,216.82 | \$421,604.33 \$40,476.56 | 7.1 |
| Total Stocks | | \$7,626,179.44 | \$5,682,631.65 | \$1,943,547.79 \$129,893.64 | 15.9 |
| Miscellaneous | | | | | |
| Real Estate | | | | | |
| 1.000 | Single Family - Bank Managed Sfd State Highway #294 Martinsdale Meagher Cnty Montana Lot 1, Blk 1, Bair Ranch Subd.In NW1/4 & SW1/4 S11, T8N, R11E, Pm | 3,012,000.00 3,012,000.0000 | 3,422,500.00 3,422,500.00 | - 300,499.00 0.00 | 6.3 0.00 |
| 8.000 | Varlous Mineral Interest(S) | 15,010.00 1,876.2500 | 8.00 1.00 | 15,002.00 0.00 | 0.0 0.00 |
| Total Real Estate | | \$3,027,010.00 | \$3,422,509.00 | - \$285,497.00 \$0.00 | 6.3 |
| Other Miscellaneous | | | | | |
| 564,350.000 | Bair Ranch Foundation | 14,486,187.00 41.8446 | 14,486,187.00 25.67 | 9,128,819.78 0.00 | 49.3 0.00 |



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| Shares or Face Amount | Security Description | Market Value/ Price | Tax Cost/ Unit Cost | Unrealized Gain(Loss)/ Est Annual Inc | % of Total/ Estimated Curr Yield |
|----------------------------------|--|--------------------------------|------------------------------|---|--|
| 63,758.610 | Coast Diversified Fund II | 63,758.61 1.0000 | 72,526.29 1.14 | - 8,767.68 0.00 | 0.1 0.00 |
| 1.000 | Collectible Good American Indian Art *** | 534,805.00 534,805.0000 | 303,278.00 303,278.00 | 231,627.00 0.00 | 1.1 0.00 |
| 1.000 | Collectible Good Furniture And Decorations *** | 1,328,120.00 1,328,120.0000 | 557,319.00 557,319.00 | 770,801.00 0.00 | 2.8 0.00 |
| 1.000 | Collectible Good Paintings And Watercolors *** | 8,151,500.00 8,151,500.0000 | 1,815,142.00 1,815,142.00 | 6,336,358.00 0.00 | 17.0 0.00 |
| 1.000 | Collectible Good Photogravures Prints And Books *** | 50,000.00 50,000.0000 | 442,956.00 442,956.00 | - 392,956.00 0.00 | 0.1 0.00 |
| 1.000 | Collectible Good Silver And Silver-Plate *** | 703,150.00 703,150.0000 | 283,951.00 283,951.00 | 419,199.00 0.00 | 1.5 0.00 |
| Total Other Miscellaneous | | \$25,317,618.61 | \$17,961,359.29 | \$16,485,081.10 \$0.00 | 71.9 |
| Total Miscellaneous | | \$28,344,628.61 | \$21,383,868.29 | \$16,199,584.10 \$0.00 | 78.3 |
| Total Assets | | \$38,756,254 | \$29,695,557 | \$18,288,511.80 \$239,134.76 | 100.0 |
| Estimated Current Yield | | | | | .49 |

ASSET DETAIL MESSAGES

Time of trade execution and trading party (if not disclosed) will be provided upon request.

ELIGIBLE CATEGORIES

Organizations that the Charles M. Bair Family Trust Board of Advisors may consider are as follows:

Educational Institutions, both public and private, that are located in Montana, with an emphasis placed upon colleges and universities.

Hospitals and organizations providing health-related services, including medical research organizations, health maintenance organizations, blood banks, and hospices.

Cultural organizations, including organizations involved in the performing or visual arts, historical centers, museums and zoos.

Civic service organizations, including organizations that promote community development and provide public services.

Human service organizations, including organizations providing services to children, senior citizens, handicapped persons and poor and distressed persons.

INELIGIBLE CATEGORIES

The Board will not generally award grants to the organizations or for the uses listed below:

- Political organizations, candidates and campaigns
- Propaganda campaigns for political causes or lobbying activities
- Churches, conventions or associations of churches
- Non-charitable organizations, even if the grant is intended to be used for charitable purposes
- Grants or loans to individuals
- Grants for conferences, symposiums or travel expenses
- Corporate memberships or contributions to associations that directly benefit corporate entities
- Supporting organizations described in Section 509(a)(3) of the Internal Revenue Code.
- Private Foundations

CHARLES M. BAIR

FAMILY TRUST

CHARLES M. BAIR

FAMILY TRUST

APPLICATIONS GUIDELINES

U.S. Bank,
National Association

303 North Broadway

P.O. Box 30678

Billings, Montana 59115

(406) 657-8139

Guidelines as of 2011

ABOUT THE TRUST

The Charles M. Bair Family Trust was established to commemorate the legacy of one of Montana's greatest and most influential families. The Bair family's dedication to philanthropic work in Montana is carried on, in accordance with the wishes of the last surviving member of the family, Alberta M. Bair, who died in May 1993.

Today, the Trust strives to continue the direction and initiatives maintained by Alberta M. Bair and her late sister, Marguerite, in granting financial contributions to qualifying organizations. Grant applications and accompanying certification of tax-exempt status are reviewed by a Board of Advisors (The Board).

The Board consists of a designee from U.S. Bank; a designee from U.S. Bank, personal trust department; a designee of the law firm of Moulton, Bellingham, Longo & Mather, P.C.; and two members at large from Meagher, Wheatland and Yellowstone Counties; but with not more than one member to be from the first two counties named above.

The Board has discretion to determine the amount of funding from the Trust available for charitable, religious, scientific, literary or educational purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code and its corresponding regulations.

The Board is also vested with the authority to select annually recipients who receive funding from the Trust. The only limitation placed on grant recipients is that charitable organizations must be located or domiciled within the State of Montana. Strong preference will also be given to applicants from Yellowstone, Meagher or Wheatland Counties in Montana.

HOW TO APPLY

Before applying, an organization should review the information in this brochure to determine the organization's eligibility for a grant from the Charles M. Bair Family Trust. The organization should carefully answer each question listed on the application.

GUIDELINES

The grant application must be accompanied by a typewritten summary of two single-sided pages or less that describes the applicant organization and the specific program or project for which it is seeking a grant.

New Provision!

Applicants must complete the certification of public charity.

Applicants must be organized under Section 501(c)(3) or Section 170(c)(1) of the Internal Revenue Code. Applicants must attach to the grant application a tax determination letter from the Internal Revenue Service verifying its organization's tax-exempt status as either a non profit entity or a government agency. Government entities must request the tax exempt status letter from the IRS. **The EIN and tax determination letter must be that of the applicant.** One organization cannot sponsor another organization's grant request or create partnership for a grant because one entity does not met requirements of IRS section 501(c)(3) or Section 170(c)(1).

If an applicant organization is a Section 501(c)(3) organization that is not a private foundation, it must also attach to the grant application a copy of its latest annual information return (Form 990 or Form 990-EZ). If the current tax return is due but not filed, and an extension has been granted by the IRS, the IRS approval of the extension of time to file must be included. **If the applicant organization is not required to file a tax return, an explanation that it is not and why must accompany the application.**

An applicant organization must submit a copy of its current operating budget and balance sheet and briefly describe how its on-going funding will be achieved

New Provision!

One Original plus One Copy of the grant application and typewritten summary pages with one set of supporting evidence as required should be mailed as directed below. **Please do not staple material.**

New Provision!

No additional brochures, CDs, pamphlets, promotional material will be accepted. Because documents will be copied, please limit material to black and white copies and do not place in binders or folders.

GRANT APPLICATION DEADLINE

March 1st Annually. If March 1st falls on a weekend, the grant applications will be due the following business day.

Applications must be postmarked by the above dates and received no later than three days afterward for consideration within the current funding cycle.

New Provision!

Grant requests are reviewed as received to determine eligibility and completeness. Every reasonable effort will be made to contact applicants if application does not meet requirements if received no later than February 25th. It is for this reason that we strongly encourage organizations to consider submitting grants early. Current grant forms request both telephone numbers and email addresses to assist in requesting any additional information needed. Additional information may be requested by email and may be submitted by scanned document attached to email reply.

Contact Information for Charles M. Bair Family Trust:

Charles M. Bair Family Trust
U.S. Bank Trust, N. A.
303 North Broadway, P.O. Box 30678
Billings, Montana 59115
Website: charlesmbairtrusts.org
Telephone: (406) 657-8139
Email: penny.doak@usbank.com

APPLICATIONS MUST INCLUDE

- The organization's IRS letter of determination
- Form 990 or 990EZ (or an explanation as to why the organization is not required to file)
- Current operating budget *and* balance sheet
- The county of service listed on application
- Separate thorough project explanation
- Certification as a public charity

INCOMPLETE APPLICATIONS

Incomplete applications will be returned to grant applicants and considered, if completed application is re-submitted by the March 1st deadline.

NOTIFICATION OF GRANT AWARDS

The Board will send a written response to grant applicants within 90 days of the grant application cycle deadline. The Board may, at its discretion, give priority to time-sensitive requests.

ANNUAL REVIEWS

Grant awards will be reviewed annually. To assist in such reviews, documentation from grant recipient's confirming the uses funds is required. **Grants must be used for the purpose as stated in the original application. Any grantee failing to timely file grant reports will become ineligible for future grant consideration.** All grant recipients must consent to The Board's use of their names and purposes in publicizing grant awards.

**CHARLES M. BAIR
FAMILY TRUST**

U S Bank, N A., Trustee
303 North Broadway
P O Box 30678
Billings, MT 59115
(406)-657-8139

GRANT APPLICATION

Name of Your Organization _____
Your Qualified Taxpayer ID _____ Email Address _____
Address _____
City _____ State _____ Zip Code _____
Contact Person's Name _____ Phone Number _____
Contact Person's Title _____

TYPE OF ORGANIZATION

☐ 501(c)(3) Organization (not a Private Foundation)

☐ Government Entity

*For all types, please include your organization's IRS determination letter with your application

PROJECT CATEGORY

☐ Educational Institution

☐ Hospitals or Organization Providing Health Related Services

☐ Cultural Organization

☐ Civic Service Organization

☐ Human Service Organization

Project Title and Brief Description _____

County of IRS determination letter _____

Client Group To Be Served _____

Size of Group _____

Type of Request:

☐ Capital

☐ Operating Support

☐ Special Project

Anticipated Project Period _____ to _____

Total Project Cost \$ _____ Total Prior Grant Awards from Trust \$ _____

Amount Requested from the Charles M. Bair Family Trust \$ _____

Amount & Source of Pledge/Commitments to Date \$ _____

Other Funding Sources (and Amounts) that Applicant has sought for this Project: _____

Signature _____ Date _____

Your application must include the following information:

- Proposed project summary
- IRS letter of determination (see guidelines for exceptions)
- Form 990 or 99EZ
- Current operating budget and balance sheet

Incomplete applications will be returned. Please review the application guidelines carefully.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

| | |
|--|---------|
| SOURCE | AMOUNT |
| INTEREST | 55,084. |
| TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A | 55,084. |

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

| | | | |
|----------------------------------|--------------|----------------------------|----------------------|
| SOURCE | GROSS AMOUNT | CAPITAL GAINS DIVIDENDS | COLUMN (A) AMOUNT |
| DIVIDENDS | 285,070. | 96,831. | 188,239. |
| TOTAL TO FM 990-PF, PART I, LN 4 | 285,070. | 96,831. | 188,239. |

FORM 990-PF OTHER INCOME STATEMENT 3

| | | | |
|---------------------------------------|-----------------------------|-----------------------------------|-------------------------------|
| DESCRIPTION | (A) REVENUE PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME |
| GIFT SHOP INCOME | 7,074. | 0. | |
| MUSEUM ADMISSIONS | 13,596. | 0. | |
| ROYALTY INCOME | 3,861. | 3,861. | |
| TOTAL TO FORM 990-PF, PART I, LINE 11 | 24,531. | 3,861. | |

FORM 990-PF LEGAL FEES STATEMENT 4

| | | | | |
|----------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
| LEGAL FEES | 10,846. | 2,169. | | 8,677. |
| TO FM 990-PF, PG 1, LN 16A | 10,846. | 2,169. | | 8,677. |

| | | | |
|-------------|-----------------|-----------|---|
| FORM 990-PF | ACCOUNTING FEES | STATEMENT | 5 |
|-------------|-----------------|-----------|---|

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|------------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| ACCOUNTING FEES | 6,150. | 1,230. | | 4,920. |
| TO FORM 990-PF, PG 1, LN 16B | 6,150. | 1,230. | | 4,920. |

| | | | |
|-------------|-------------------------|-----------|---|
| FORM 990-PF | OTHER PROFESSIONAL FEES | STATEMENT | 6 |
|-------------|-------------------------|-----------|---|

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|------------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESIGN WORK | 573. | 0. | | 573. |
| TO FORM 990-PF, PG 1, LN 16C | 573. | 0. | | 573. |

| | | | |
|-------------|-------|-----------|---|
| FORM 990-PF | TAXES | STATEMENT | 7 |
|-------------|-------|-----------|---|

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|-----------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| FOREIGN TAXES | 2,502. | 2,502. | | 0. |
| PAYROLL TAXES | 94,154. | 47,077. | | 47,077. |
| TO FORM 990-PF, PG 1, LN 18 | 96,656. | 49,579. | | 47,077. |

| | | | |
|-------------|----------------|-----------|---|
| FORM 990-PF | OTHER EXPENSES | STATEMENT | 8 |
|-------------|----------------|-----------|---|

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|------------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| MISCELLANEOUS | 18,023. | 0. | | 18,023. |
| ADVERTISING | 25,703. | 0. | | 25,703. |
| OFFICE EXPENSES | 3,365. | 0. | | 3,365. |
| DUES & SUBSCRIPTIONS | 285. | 0. | | 285. |
| LICENSES & REGISTRATION FEES | 50. | 0. | | 50. |
| TO FORM 990-PF, PG 1, LN 23 | 47,426. | 0. | | 47,426. |

FOOTNOTES

STATEMENT 9

TREASURY REGULATION SECTION 53.4942(A)-3(C)(2)(IV) ELECTION
TO TREAT UNUSED PRIOR YEAR CORPUS DISTRIBUTIONS AS CURRENT
YEAR CORPUS DISTRIBUTIONS:

PERSUANT TO TREASURY REGULATION SEC. 53.4942(A)-3(C)(2)(IV),
THE CHARLES M. BAIR FAMILY TRUST HEREBY ELECTS TO TREAT AS
A CURRENT DISTRIBUTION OUT OF CORPUS THE FOLLOWING UNUSED
PRIOR TAX YEAR(S)' DISTRIBUTIONS THAT WERE TREATED AS CORPUS
DISTRIBUTIONS UNDER TREASURY REGULATION SEC.

53.4942(A)-3(D)(1)(III) IN SUCH PRIOR TAXABLE YEAR(S):

TAX YEAR: CORPUS
AMOUNT: \$1,000,000

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES STATEMENT 10

| DESCRIPTION | AMOUNT |
|---|--------|
| BEGINNING OF YEAR ACCRUAL NOT REPORTED ON BALANCE SHEET | 2,622. |
| ADJUSTMENT TO RECORD INVENTORY ON BALANCE SHEET | 2,407. |
| TOTAL TO FORM 990-PF, PART III, LINE 3 | 5,029. |

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 11

| DESCRIPTION | U.S. GOV'T | OTHER GOV'T | BOOK VALUE | FAIR MARKET VALUE |
|--|---------------|----------------|------------|----------------------|
| SEE SCHEDULE I | X | | 2,497,483. | 2,653,863. |
| TOTAL U.S. GOVERNMENT OBLIGATIONS | | | 2,497,483. | 2,653,863. |
| TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS | | | | |
| TOTAL TO FORM 990-PF, PART II, LINE 10A | | | 2,497,483. | 2,653,863. |

FORM 990-PF CORPORATE STOCK STATEMENT 12

| DESCRIPTION | BOOK VALUE | FAIR MARKET VALUE |
|---|------------|----------------------|
| SEE SCHEDULE I | 5,682,632. | 7,626,179. |
| TOTAL TO FORM 990-PF, PART II, LINE 10B | 5,682,632. | 7,626,179. |

FORM 990-PF OTHER ASSETS STATEMENT 13

| DESCRIPTION | BEGINNING OF YR BOOK VALUE | END OF YEAR BOOK VALUE | FAIR MARKET VALUE |
|----------------------------------|-------------------------------|---------------------------|----------------------|
| SEE SCHEDULE I | 17,888,833. | 17,961,359. | 25,332,629. |
| ACCRUED INCOME SECURITIES | 0. | 4,259. | 4,259. |
| TO FORM 990-PF, PART II, LINE 15 | 17,888,833. | 17,965,618. | 25,336,888. |

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 14

| NAME AND ADDRESS | TITLE AND AVRG HRS/WK | COMPEN- SATION | EMPLOYEE BEN PLAN CONTRIB | EXPENSE ACCOUNT |
|---|--------------------------|-------------------|---------------------------------|--------------------|
| BILL JONES PO BOX 3168 PORTLAND , OR 97208-3168 | CHAIRMAN 15.00 | 0. | 0. | 0. |
| KAREN FAGG PO BOX 3168 PORTLAND, OR 97208-3168 | VICE CHAIR 15.00 | 0. | 0. | 0. |
| U.S. BANK TRUSTEE CHARLES M. BAIR FAMILY TRUST, 303 N. BROADWAY BILLINGS, MT 59101 | SECRETARY 15.00 | 220,573. | 0. | 0. |
| MOULTON BELLINGHAM PO BOX 3168 PORTLAND, OR 97208-3168 | MEMBER 15.00 | 1,000. | 0. | 0. |
| ARVILLE LAMMERS PO BOX 3168 PORTLAND, OR 97208-3168 | MEMBER 15.00 | 2,550. | 0. | 0. |
| JOY CULVER PO BOX 3168 PORTLAND, OR 97208-3168 | MEMBER 15.00 | 1,550. | 0. | 0. |
| TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII | | 225,673. | 0. | 0. |

FORM 990-PF

REDUCTION EXPLANATION
PART X, LINE 1E

STATEMENT 15

EXPLANATION FOR REDUCTION CLAIMED FOR BLOCKAGE OR OTHER FACTORS

THE CHARLES M. BAIR FAMILY TRUST HAS A MEMBERSHIP INTEREST IN ANOTHER PRIVATE FOUNDATION, THE BAIR RANCH FOUNDATION. THE BAIR RANCH FOUNDATION MAKES ANNUAL DISTRIBUTIONS BASED ON THE VALUE OF ITS ASSETS. THE CONTRIBUTIONS MADE TO THE CHARLES M. BAIR FAMILY TRUST FROM THE BAIR RANCH FOUNDATION ARE TREATED AS PASS THROUGH CONTRIBUTIONS. ACCORDINGLY, THE VALUE OF THE MEMBERSHIP INTEREST IS NOT INCLUDED AS IT IS CONSIDERED AN EXEMPT ASSET AND TO INCLUDE THE VALUE HERE WOULD RESULT IN DUPLICATION.

AS TO THE VALUE OF THE MEMBERSHIP INTERESTS, BOOK VALUE HAS BEEN UTILIZED THROUGHOUT THIS RETURN OF THE PRIVATE FOUNDATION. THE MEMBERSHIP INTEREST IS NOT TRANSFERRABLE OR SELLABLE AND THESE RESTRICTIONS CREATE A SITUATION WHEREBY THE TRUE VALUE IS NOT EASILY DETERMINABLE. SINCE IT IS AN EXEMPT ASSET THE VALUE IS NOT A SIGNIFICANT ISSUE. ACCORDINGLY, BOOK VALUE HAS BEEN USED.