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Form **990-PF****Return of Private Foundation**

OMB No 1545-0052

2013Department of the Treasury
Internal Revenue Serviceor Section 4947(a)(1) Trust Treated as Private Foundation
Do not enter Social Security numbers on this form as it may be made public.Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf**Open to Public Inspection**

For calendar year 2013 or tax year beginning , 2013, and ending , 20

Name of foundation BHBT & JK PETTY TTEES RICHARD S. PETTY CHAR.F		A Employer identification number 01-0525593
Number and street (or P O box number if mail is not delivered to street address) 135 HIGH STREET, P.O. BOX 1100		B Telephone number (see instructions) 207-667-3883
City or town, state or province, country, and ZIP or foreign postal code ELLSWORTH, ME 04605-1100		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) \$ 1,250,394.		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)		

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)				
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	14,205.	14,006.		STMT 1
	5a Gross rents	6,500.	6,500.	6,500.	
	b Net rental income or (loss)	6,500.			
	6a Net gain or (loss) from sale of assets not on line 10	58,402.			
	b Gross sales price for all assets on line 6a	421,591.			
	7 Capital gain net income (from Part IV, line 2)		58,402.		
	8 Net short-term capital gain				
	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	79,107.	78,908.	6,500.	
	13 Compensation of officers, directors, trustees, etc.	11,523.	5,762.		5,762.
	14 Other employee salaries and wages		NONE	NONE	
	15 Pension plans, employee benefits		NONE	NONE	
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) STMT 3	410.	205.	NONE	205.
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) STMT 4	2,779.	2,436.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings		NONE	NONE	
	22 Printing and publications		NONE	NONE	
	23 Other expenses (attach schedule) STMT 5	795.	795.		
	24 Total operating and administrative expenses. Add lines 13 through 23	15,507.	9,198.	NONE	5,967.
	25 Contributions, gifts, grants paid	59,000.			59,000.
	26 Total expenses and disbursements. Add lines 24 and 25	74,507.	9,198.	NONE	64,967.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	4,600.			
	b Net investment income (if negative, enter -0-)		69,710.		
	c Adjusted net income (if negative, enter -0-)			6,500.	

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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			
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule) . .			
	b	Investments - corporate stock (attach schedule)	981,356.	985,957.	1,050,894.
	c	Investments - corporate bonds (attach schedule)			
	11	Investments - land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule) ▶	59,888.	59,888.	199,500.
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule)			
	14	Land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶)				
16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	1,041,244.	1,045,845.	1,250,394.	
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)		NONE		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, . . . ▶ <input checked="" type="checkbox"/> check here and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds	1,041,244.	1,045,845.	
	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)	1,041,244.	1,045,845.	
	31	Total liabilities and net assets/fund balances (see instructions)	1,041,244.	1,045,845.	

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	1,041,244.
2	Enter amount from Part I, line 27a	2	4,600.
3	Other increases not included in line 2 (itemize) ▶ <u>ROUNDING</u>	3	1.
4	Add lines 1, 2, and 3	4	1,045,845.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,045,845.

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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					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a 421,591.		363,189.	58,402.		
b					
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			58,402.		
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)			2	58,402.	
If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7					
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):			3		
If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8					

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))
2012	75,115.	1,183,033.	0.063494
2011	83,425.	1,197,878.	0.069644
2010	102,529.	1,198,682.	0.085535
2009	99,085.	1,117,821.	0.088641
2008	66,557.	1,255,631.	0.053007
2 Total of line 1, column (d)			0.360321
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			0.072064
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5			1,190,267.
5 Multiply line 4 by line 3			85,775.
6 Enter 1% of net investment income (1% of Part I, line 27b)			697.
7 Add lines 5 and 6			86,472.
8 Enter qualifying distributions from Part XII, line 4			64,967.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1		
	Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	1,394.
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	
3	Add lines 1 and 2	3	1,394.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	NONE
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	1,394.
6	Credits/Payments		
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	408.
b	Exempt foreign organizations - tax withheld at source	6b	NONE
c	Tax paid with application for extension of time to file (Form 8868)	6c	NONE
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d	7	408.
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	986.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be Credited to 2014 estimated tax <input type="checkbox"/> NONE Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		
c Did the foundation file Form 1120-POL for this year?		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"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?		X
If "Yes," attach a detailed description of the activities		
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
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?		X
If "Yes," attach the statement required by General Instruction T		
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"/> ME		
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 2013 or the taxable year beginning in 2013 (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

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		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions).	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address <u>N/A</u>				
14	The books are in care of <u>BAR HARBOR TRUST SERVICES</u> Telephone no <u>(207) 667-3883</u> Located at <u>135 HIGH ST., PO BOX 1100, ELLSWORTH, ME</u> ZIP+4 <u>04605-1100</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			
16	At any time during calendar year 2013, 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 Form TD F 90-22.1 If "Yes," enter the name of the foreign country <u></u>				

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)? <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2013? <input type="checkbox"/>	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years <u></u>		
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) <input type="checkbox"/>	2b	X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u></u>		
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 2013 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 2013) <input type="checkbox"/>	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/>	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013? <input type="checkbox"/>	4b	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)? (see instructions) ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ NoOrganizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No
If "Yes" to 6b, file Form 8870**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (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 STATEMENT 6		11,523.		

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		NONE	NONE	NONE

Total number of other employees paid over \$50,000 ☐ NONE

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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 (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		NONE
Total number of others receiving over \$50,000 for professional services		NONE

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 NONE	
2	
3	
4	

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

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

Amount

1 NONE	
2	
All other program-related investments See instructions	
3 NONE	
Total. Add lines 1 through 3	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	1,208,279.
b	Average of monthly cash balances	1b	114.
c	Fair market value of all other assets (see instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	1,208,393.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	1,208,393.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	18,126.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,190,267.
6	Minimum investment return. Enter 5% of line 5	6	59,513.

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	59,513.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	1,394.
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,394.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	58,119.
4	Recoveries of amounts treated as qualifying distributions	4	NONE
5	Add lines 3 and 4	5	58,119.
6	Deduction from distributable amount (see instructions)	6	NONE
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	58,119.

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	64,967.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	4	64,967.
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	N/A
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	64,967.

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 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				58,119.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			NONE	
b Total for prior years: 20 <u>11</u> , 20 <u> </u> , 20 <u> </u>		NONE		
3 Excess distributions carryover, if any, to 2013				
a From 2008	4,405.			
b From 2009	43,676.			
c From 2010	43,577.			
d From 2011	24,473.			
e From 2012	16,370.			
f Total of lines 3a through e	132,501.			
4 Qualifying distributions for 2013 from Part XII, line 4 ► \$ <u>64,967.</u>				
a Applied to 2012, but not more than line 2a			NONE	
b Applied to undistributed income of prior years (Election required - see instructions)		NONE		
c Treated as distributions out of corpus (Election required - see instructions)	NONE			
d Applied to 2013 distributable amount				58,119.
e Remaining amount distributed out of corpus	6,848.			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	139,349.			
b Prior years' undistributed income Subtract line 4b from line 2b		NONE		
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		NONE		
d Subtract line 6c from line 6b Taxable amount - see instructions		NONE		
e Undistributed income for 2012 Subtract line 4a from line 2a Taxable amount - see instructions			NONE	
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				NONE
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	NONE			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)	4,405.			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	134,944.			
10 Analysis of line 9				
a Excess from 2009	43,676.			
b Excess from 2010	43,577.			
c Excess from 2011	24,473.			
d Excess from 2012	16,370.			
e Excess from 2013	6,848.			

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

NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, 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) 2013	(b) 2012	(c) 2011	(d) 2010	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i).					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties).					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					
(3) Largest amount of support from an exempt organization.					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the 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))

N/A

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

N/A

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

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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 Paid during the year				
MAINE FARMLAND TRUST 97 MAIN STREET BELFAST ME 04915	NONE	PC	SUPPORT	55,000.
THE BAY SCHOOL 1026 CAPITOLA ROAD SANTA CRUZ CA 95062	NONE	PC	SUPPORT	4,000.
Total			3a	59,000.
b Approved for future payment				
Total			3b	

[illegible]

(See worksheet in line 13 instructions to verify calculations)

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

Line No.	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions.)
▼	

NOT APPLICABLE

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

- | | | Yes | No |
|---|--|-------|----|
| 1 | Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | |
| a | Transfers from the reporting foundation to a noncharitable exempt organization of: | | |
| | (1) Cash | 1a(1) | X |
| | (2) Other assets | 1a(2) | X |
| b | Other transactions: | | |
| | (1) Sales of assets to a noncharitable exempt organization | 1b(1) | X |
| | (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | X |
| | (3) Rental of facilities, equipment, or other assets | 1b(3) | X |
| | (4) Reimbursement arrangements | 1b(4) | X |
| | (5) Loans or loan guarantees | 1b(5) | X |
| | (6) Performance of services or membership or fundraising solicitations | 1b(6) | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | 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

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.		
		05/01/2014	
	Signature of officer or trustee	Date	Title

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

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
---	-----------------------------

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	RON SHOEMAKER		05/01/2014		P00021964
	Firm's name ▶ ERNST & YOUNG U.S. LLP	Firm's EIN ▶ 34-6565596			
	Firm's address ▶ 1100 HUNTINGTON CENTER, 41 S HIGH COLUMBUS, OH 43215	Phone no 419-321-6096			

RENT AND ROYALTY INCOME

Taxpayer's Name BHBT & JK PETTY TTEES RICHARD S. PETTY CHAR.F	Identifying Number 01-0525593
---	---

DESCRIPTION OF PROPERTY
 SURRY LOT 13-2 MAP 10 PROPERTY

<input type="checkbox"/> Yes	<input type="checkbox"/> No	Did you actively participate in the operation of the activity during the tax year?
------------------------------	-----------------------------	--

TYPE OF PROPERTY: 4 - COMMERCIAL

RENTAL INCOME	6,500.	
OTHER INCOME:		

TOTAL GROSS INCOME	6,500.	
---------------------------	--------	--

OTHER EXPENSES:		

DEPRECIATION (SHOWN BELOW)		
LESS: Beneficiary's Portion		
AMORTIZATION		
LESS: Beneficiary's Portion		
DEPLETION		
LESS: Beneficiary's Portion		

TOTAL EXPENSES		
TOTAL RENT OR ROYALTY INCOME (LOSS)		6,500.

Less Amount to

Rent or Royalty		
Depreciation		
Depletion		
Investment Interest Expense		
Other Expenses		
Net Income (Loss) to Others		

Net Rent or Royalty Income (Loss)		6,500.
--	--	--------

Deductible Rental Loss (if Applicable)

SCHEDULE FOR DEPRECIATION CLAIMED									
(a) Description of property	(b) Cost or unadjusted basis	(c) Date acquired	(d) ACRS des	(e) Bus %	(f) Basis for depreciation	(g) Depreciation in prior years	(h) Method	(i) Life or rate	(j) Depreciation for this year
Totals									

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
ABERDEEN ASIA PACIFIC PRIME INCOME	1,541.	1,541.
AUTOMATIC DATA PROCESSING IN COM	522.	522.
BERKLEY W R CORP	177.	177.
BAR HARBOR BANK & TRUST INST MONEY MARKE	28.	28.
BAR HARBOR BANK & TRUST INST MONEY MKT I	112.	112.
CHESAPEAKE ENERGY CORP	66.	66.
CHICAGO BRIDGE & IRON CO N V NY REGISTR	87.	87.
CISCO SYSTEMS	459.	459.
COVANTA HOLDINGS CORP	522.	417.
DEVON ENERGY CORPORATION	66.	66.
DOUBLELINE TOTAL RETURN BOND FUND	1,635.	1,635.
EVERCORE PARTNERS INC	195.	195.
FAIRFAX FINANCIAL HOLDING	350.	350.
IAC INTERACTIVECORP COM PAR \$.001	180.	180.
INTERNATIONAL BUSINESS MACHINES CORP	248.	248.
JOHNSON & JOHNSON COM	971.	971.
KENNEDY-WILSON HLDGS INC	94.	
LOEWS CORP	138.	138.
MICROSOFT CORP	679.	679.
NUVEEN MUN VALUE FD INC	48.	48.
PEBBLEBROOK HOTELS	760.	760.
PROCTER & GAMBLE CO COM	651.	651.
ROCHE HLDG LTD SPON ADR	650.	650.
ROYAL GOLD INC	80.	80.
SANDRIDGE ENERGY PREP 8.5%	723.	723.
SYSCO CORP	666.	666.
TJX COMPANIES INC	174.	174.
UNITED PARCEL SERVICE	605.	605.
VANGUARD INFLATION PROTECTED SECURITIES	106.	106.
VANGUARD SCOTTSDALE FDS SHRT-TERM CORP	577.	577.
WAL-MART	699.	699.
WISDOMTREE TRUST EMERG MKTS ETF	396.	396.

BHBT & JK PETTY TTEES RICHARD S. PETTY CHAR.F

01-05255593

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----		NET INVESTMENT INCOME -----	
	-----		-----	
TOTAL	14,205.		14,006.	
	=====		=====	

FORM 990PF, PART I - ACCOUNTING FEES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
TAX PREPARATION FEE (NON-ALLOC	410.	205.		205.
TOTALS	410.	205.	NONE	205.
	=====	=====	=====	=====

FORM 990PF, PART I - TAXES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
FOREIGN TAXES	63.	63.
REAL ESTATE TAX ON NON-RENTAL	2,317.	2,317.
FEDERAL ESTIMATES - PRINCIPAL	343.	
FOREIGN TAXES ON QUALIFIED FOR	24.	24.
FOREIGN TAXES ON NONQUALIFIED	32.	32.
	-----	-----
TOTALS	2,779.	2,436.
	=====	=====

BHBT & JK PETTY TTEES RICHARD S. PETTY CHAR.F

01-0525593

FORM 990PF, PART I - OTHER EXPENSES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
OTHER NON-ALLOCABLE EXPENSE -	787.	787.
OTHER NONALLOCABLE EXPENSES -	8.	8.
TOTALS	----- 795. =====	----- 795. =====

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

OFFICER NAME:

BAR HARBOR TRUST SERVICES

ADDRESS:

135 HIGH STREET, P O BOX 1100

ELLSWORTH, ME 04605

TITLE:

TRUSTEE

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 8

COMPENSATION 11,523.

COMPENSATION EXPLANATION:

TRUSTEE FEES

TOTAL COMPENSATION: 11,523.

=====

RENT AND ROYALTY SUMMARY

=====

PROPERTY -----	TOTAL INCOME -----	DEPLETION/ DEPRECIATION -----	OTHER EXPENSES -----	ALLOWABLE NET INCOME -----
SURRY LOT 13-2 MAP 1	6,500.			6,500.
	-----	-----	-----	-----
TOTALS	6,500.			6,500.
	=====	=====	=====	=====

Report Date. *January 13, 2014*

BAR HARBOR TRUST SERVICES

Time Prepared *01:19:04 PM*Requested By *LARA HORNER*Includes Account: *[REDACTED] BHBT & JK PETTY TTEES RICHARD S. PETTY CHAR.FDN***Account Holdings as of 12/31/2013**

Cusip No	Security Name	Shares / Par	Investment	Unit Price	Market Value	Price Date
053015103	AUTOMATIC DATA PROCE	300 0000	10,166 61	80 799	24,239 70	12/31/2013
084423102	BERKLEY W R CORP	455 0000	17,453 03	43 39	19,742 45	12/31/2013
084670702	BERKSHIRE HATHWY CLB	250 0000	19,384 62	118 56	29,640.00	12/31/2013
089000996	BHBT INST MM	22,696 5000	22,696 50	1 00	22,696 50	12/03/2013
089000991	BHBT INST MM INC	134,231 8900	134,231 89	1 00	134,231 89	12/03/2013
165167107	CHESAPEAKE ENERGY	750 0000	20,185 80	27 14	20,355.00	12/31/2013
167250109	CHICAGO BRIDGE &IRON	450 0000	18,360 55	83 14	37,413 00	12/31/2013
23331A109	D R HORTON INC	875 0000	20,055 00	22 32	19,530.00	12/31/2013
25179M103	DEVON ENERGY CORP	300 0000	19,044 72	61 87	18,561.00	12/31/2013
25389M877	DIGITALGLOBE INC	550 0000	16,127 05	41 15	22,632 50	12/31/2013
25490A309	DIRECTV	330 0000	17,529 37	69 06	22,789 80	12/31/2013
258620103	DOUBLELINE	5,336 6320	60,000 00	10 78	57,528 89	12/31/2013
29977A105	EVERCORE PARTNERS	415 0000	19,334 73	59 78	24,808 70	12/31/2013
30219G108	EXPRESS SCRIPTS	300 0000	20,288 51	70 24	21,072 00	12/31/2013
44267D107	HOWARD HUGHES CORP	400 0000	19,775 23	120 10	48,040 00	12/31/2013
44919P508	IAC INTERACTIVECORP	375 0000	19,453 43	68 651	25,744 12	12/31/2013
478160104	JOHNSON & JOHNSON	375 0000	24,140 55	91 59	34,346 25	12/31/2013
489398107	KENNEDY-WILSON HLDGS	1,260 0000	17,002 86	22 25	28,035 00	12/31/2013
540424108	LOEWS CORP	550 0000	12,593 72	48 24	26,532.00	12/31/2013
584688105	MEDICINES CO	500 0000	18,351 90	38 62	19,310 00	12/31/2013
594918104	MICROSOFT CORP	700 0000	19,634 44	37 41	26,187 00	12/31/2013
644535122	NEW GOLD INC - CW17	1,150 0000	1,688 75	0 994	1,143 10	12/31/2013
670928100	NUVEEN MUN VALUE	1,245 0000	10,918 65	9 04	11,254 80	12/31/2013
691000996	PARKER PT BLUE HILL	1 0000	265,000 00	144,700 00	144,700 00	08/05/2010
70509V308	PEBBLEBROOK HOTELS	380 0000	9,934 80	25 02	9,507 60	12/31/2013
742718109	PROCTER & GAMBLE CO	275 0000	14,253 99	81 41	22,387 75	12/31/2013
771195104	ROCHE HLDG	400 0000	13,402 60	70 20	28,080 00	12/31/2013
867001992	SURRY LOT13-2 MAP 10	1 0000	59,887 72	199,500 00	199,500 00	08/05/2010
871829107	SYSCO CORP	595 0000	17,116 96	36 10	21,479 50	12/31/2013
872540109	TJX COMPANIES INC	400 0000	18,047 88	63 73	25,492 00	12/31/2013
92206C409	VG SHRT-TERM CORP	579 0000	46,668 67	79 78	46,192 62	12/31/2013
931142103	WAL MART STORES	496 0000	23,898 57	78 69	39,030 24	12/31/2013
97717W315	WISDOMTREE EMERG	350 0000	18,884 92	51 03	17,860 50	12/31/2013
Total Securities		177,272.0220	1,045,514.02		1,250,063.91	
Income Cash			226.34		226.34	
Principal Cash			104.22		104.22	
Account Total			1,045,844.58		1,250,394.47	