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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**

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

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Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2013

Open to Public Inspection

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

Name of foundation STANLEY W. WATSON FOUNDATION C/O WILLIAM K. MACKEY		A Employer identification number 22-3100750
Number and street (or P O box number if mail is not delivered to street address) 220 MAIN STREET, SUITE 202 PO BOX 901	Room/suite	B Telephone number (see instructions) (508) 548-1155
City or town, state or province, country, and ZIP or foreign postal code FALMOUTH, MA 02541		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply. <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change	D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 36,661,788.	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)	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 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	26.	26.		ATCH 1
4	Dividends and interest from securities	617,638.	641,005.		ATCH 2
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	1,879,025.			
b	Gross sales price for all assets on line 6a	2,011,473.			
7	Capital gain net income (from Part IV, line 2)		2,011,473.		
8	Net short-term capital gain				
9	Income modifications				
10 a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule) ATCH 3	5,453.	809.		
12	Total. Add lines 1 through 11	2,502,142.	2,653,313.		
Operating and Administrative Expenses					
13	Compensation of officers, directors, trustees, etc.	0			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule) ATCH 4	11,500.	5,750.		
c	Other professional fees (attach schedule)	237,232.	273,738.		
17	Interest . ATCH 6		28,087.		
18	Taxes (attach schedule) (see instructions) ATCH 7	36,815.	37,658.		250.
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule)				
24	Total operating and administrative expenses. Add lines 13 through 23	285,547.	345,233.		250.
25	Contributions, gifts, grants paid	1,610,000.			1,610,000.
26	Total expenses and disbursements. Add lines 24 and 25	1,895,547.	345,233.	0	1,610,250.
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	606,595.			
b	Net investment income (if negative, enter -0-)		2,308,080.		
c	Adjusted net income (if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	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		1,356,310.	1,605,967.	1,605,967.
	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), **		1,009,917.	1,009,917.	1,151,462.
	b	Investments - corporate stock (attach schedule) ATCH 9		22,054,955.	23,161,794.	28,861,906.
	c	Investments - corporate bonds (attach schedule),				
	11	Investments - land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶				
	12	Investments - mortgage loans				
	13	Investments - other (attach schedule) ATCH 10		3,415,451.	2,665,551.	2,613,264.
	14	Land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶				
15	Other assets (describe ▶ ATCH 11)		705,000.	705,000.	2,429,189.	
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)		28,541,633.	29,148,229.	36,661,788.	
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons .				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
23	Total liabilities (add lines 17 through 22)		0	0		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted		28,541,633.	29,148,229.	
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, . . . ▶ <input type="checkbox"/> check here and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds . .				
	30	Total net assets or fund balances (see instructions),		28,541,633.	29,148,229.	
	31	Total liabilities and net assets/fund balances (see instructions)		28,541,633.	29,148,229.	

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	28,541,633.
2	Enter amount from Part I, line 27a	2	606,595.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	29,148,228.
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	29,148,228.

**ATCH 8

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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 SEE PART IV SCHEDULE					
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					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2	2,011,473.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8			3	0	

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	1,548,750.	32,239,844.	0.048038
2011	1,649,043.	32,412,202.	0.050877
2010	1,332,750.	31,446,161.	0.042382
2009	1,310,250.	28,389,186.	0.046153
2008	1,816,505.	33,812,388.	0.053723
2 Total of line 1, column (d)			2 0.241173
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.048235
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5			4 34,649,672.
5 Multiply line 4 by line 3			5 1,671,327.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 23,081.
7 Add lines 5 and 6			7 1,694,408.
8 Enter qualifying distributions from Part XII, line 4 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.			8 1,610,250.

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

1 a 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	46,162.
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	46,162.
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	46,162.
6 Credits/Payments			
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a	65,655.	
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	65,655.	
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	19,493.	
11 Enter the amount of line 10 to be Credited to 2014 estimated tax <input type="checkbox"/> 19,493. Refunded <input type="checkbox"/> <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input 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? 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
4 a 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?	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	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> MA, _____		
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

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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).	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 N/A				
14	The books are in care of WILLIAM K. MACKEY, TRUSTEE Telephone no 508-548-1155			
Located at 220 MAIN ST., BOX 901, FALMOUTH, MA ZIP+4 02541				
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.	15		
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? 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <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?	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		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here		
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)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	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?	4b	

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 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 ☒ No

Organizations relying on a current notice regarding disaster assistance check here ☐ **5b**

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 **6b** X

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 **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(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
ATCH 12		0	0	0

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

(a) Name and address of each employee paid more than \$50,000	(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 ☐

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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
ATCH 13		169,539.
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 (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	30,860,185.
b	Average of monthly cash balances	1b	2,035,501.
c	Fair market value of all other assets (see instructions)	1c	2,281,646.
d	Total (add lines 1a, b, and c)	1d	35,177,332.
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	
3	Subtract line 2 from line 1d	3	35,177,332.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	527,660.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	34,649,672.
6	Minimum investment return. Enter 5% of line 5	6	1,732,484.

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	1,732,484.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	46,162.
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	46,162.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,686,322.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,686,322.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	1,686,322.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,610,250.
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	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,610,250.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,610,250.

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.

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Page **9****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				1,686,322.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			889,842.	
b Total for prior years 20 <u>11</u> , 20 <u>10</u> , 20 <u>09</u>				
3 Excess distributions carryover, if any, to 2013:				
a From 2008				
b From 2009				
c From 2010				
d From 2011				
e From 2012				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ \$ <u>1,610,250.</u>				
a Applied to 2012, but not more than line 2a			889,842.	
b Applied to undistributed income of prior years (Election required - see instructions),				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2013 distributable amount				720,408.
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2013. (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount - see instructions				
e Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount - see instructions				
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				965,914.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions),				
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9:				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013				

Form **990-PF** (2013)

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 ATCH 14				
Total			▶ 3a	1,610,000.
b Approved for future payment				
Total			▶ 3b	

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 (See instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments				14	26.	
4 Dividends and interest from securities		900000		14	641,005.	
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		900000	-926.	01	809.	
8 Gain or (loss) from sales of assets other than inventory		900000	38,610.	18	1,973,789.	
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory . .						
11 Other revenue a _____						
b _____						
c _____						
d _____						
e _____						
12 Subtotal Add columns (b), (d), and (e)			37,684.		2,615,629.	
13 Total. Add line 12, columns (b), (d), and (e)						2,653,313.

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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

[illegible]

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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

Print/Type preparer's name DONALD ANDERSON		Preparer's signature <i>Donald F. Anderson</i>		Date 11/10/14	Check <input type="checkbox"/> if self-employed	PTIN P00237591
Firm's name ▶ KPMG LLP					Firm's EIN ▶ 13-5565207	
Firm's address ▶ 60 SOUTH STREET BOSTON, MA 02111					Phone no 617-988-1000	

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FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
-215,105.		FIDELITY INVESTMENTS - ST					-215,105.	
12,467.		POLARIS CAPITAL MGMT - ST					12,467.	
14,484.		FIDUCIARY TRUST COMPANY-ST					14,484.	
49,689.		TIFF MULTI ASSET FUND-ST					49,689.	
125.		TD AMERITRADE - VANGUARD INFL. PROT. ADM					125.	
852.		TD AMERITRADE - VANGUARD SHORT TERM INV.					852.	
182.		TD AMERITRADE - VANGUARD INFL. PROT. SEC					182.	
479,644.		FIDELITY INVESTMENTS - LT					479,644.	
980,758.		POLARIS CAPITAL MGMT - LT					980,758.	
408,540.		FIDUCIARY TRUST COMPANY - LT					408,540.	
137,860.		TIFF MULTI ASSET FUND - LT					137,860.	
1,726.		TD AMERITRADE - VANGUARD INFL. PROT. ADM					1,726.	

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
5,250.		TD AMERITRADE - VANGUARD SHORT TERM INV.					5,250.	
2,553.		TD AMERITRADE - VANGUARD INFL. PROT. SEC					2,553.	
132,448.		GAIN/LOSS VIA K-1S					132,448.	
TOTAL GAIN (LOSS)					<u>2,011,473.</u>	

ATTACHMENT 1

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
TD BANKNORTH	26.	26.
TOTAL	<u>26.</u>	<u>26.</u>

ATTACHMENT 2FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
DIVIDENDS:		
FIDELITY INVESTMENTS	106,932.	106,932.
POLARIS CAPITAL MANAGEMENT	298,211.	298,211.
FIDUCIARY TRUST COMPANY	114,031.	114,031.
TIFF MULTI ASSET FUND	20,325.	20,325.
TIFF INTERNATIONAL EQUITIES FUND		
TD AMERITRADE	62,185.	62,185.
INTEREST:		
FIDELITY INVESTMENTS	765.	765.
TD AMERITRADE	15,083.	15,083.
POLARIS	106.	106.
FIDUCIARY TRUST		
SCHEDULE K-1S:		
DIVIDEND/INTEREST VIA A.W. JONES		18,252.
DIVIDEND/INTEREST VIA THRIFT INVESTORS		3,357.
DIVIDEND/INTEREST VIA WAN LI FUND, LP		1,758.
TOTAL	<u>617,638.</u>	<u>641,005.</u>

ATTACHMENT 3FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
CENDANT CORP SETTLEMENT FUND	65.	65.
MOTOROLLA SETTLEMENT FUND	13.	13.
FDELITY INVESTMENTS - MISC DEPOSIT	436.	436.
LAS SALLE PROPERTY TRUST DISTRIBUTION	663.	663.
LA SALLE PROPERTY TRUST DISTRIBUTION	663.	663.
LA SALLE PROPERTY TRUST DISTRIBUTION	663.	663.
LA SALLE PROPERTY TRUST DISTRIBUTION	663.	663.
FIDUCIARY TRUST	2,287.	2,287.
OTHER INCOME: A.W. JONES		33,091.
OTHER INCOME: WAN LI FUND, LP		-51.
INCOME REPORTED ON 990-T		-37,684.
TOTALS	<u>5,453.</u>	<u>809.</u>

ATTACHMENT 4

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ACCOUNTING SERVICES	11,500.	5,750.		
TOTALS	<u>11,500.</u>	<u>5,750.</u>		

ATTACHMENT 5FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
CUSTODIAL FEE	116,226.	116,226.
INVESTMENT MANAGEMENT SERVICES	109,964.	109,964.
ADMINISTRATIVE SERVICES	10,000.	
MISCELLANEOUS BANK FEES	170.	170.
VIA A.W. JONES		39,778.
VIA THIRFT INVESTORS		4,131.
VIA WAN LI FUND, LP		2,966.
WILLIAM MACKEY STATIONARY REIM	369.	
TIFF MULTI-ASSET FUND REDEMP.	503.	503.
TOTALS	<u>237,232.</u>	<u>273,738.</u>

ATTACHMENT 6

FORM 990PF, PART I - INTEREST EXPENSE

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
INTEREST VIA PARTNERSHIP K-1		28,087.
TOTALS		<u>28,087.</u>

ATTACHMENT 7

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>CHARITABLE PURPOSES</u>
FEDERAL EXCISE TAX PAYMENT			
FOREIGN TAXES	36,565.	36,565.	
MASS CHARITIES BUREAU	250.		
FOREIGN TAXES A.W. JONES		1,087.	250.
FOREIGN TAXES WAN LI FUND		6.	
TOTALS	<u>36,815.</u>	<u>37,658.</u>	<u>250.</u>

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

<u>DESCRIPTION</u>	<u>ATTACHMENT 8</u>	
	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
US TREASURIES	1,009,917.	1,151,462.
US OBLIGATIONS TOTAL	<u>1,009,917.</u>	<u>1,151,462.</u>

ATTACHMENT 9FORM 990PF, PART II - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
FIDELITY INV ADVISORS GROUP	6,113,748.	5,956,207.	6,349,281.
POLARIS CAPITAL MANAGEMENT	7,509,914.	8,173,979.	11,989,820.
FIDUCIARY TRUST COMPANY	6,664,368.	6,655,174.	7,842,210.
TIFF MULTI ASSET FUND	1,766,925.	1,874,296.	2,124,252.
TIFF INTERNATIONAL EQUITIES			
VANGUARD TOTAL WORLD STOCK		502,138.	556,343.
TOTALS	<u>22,054,955.</u>	<u>23,161,794.</u>	<u>28,861,906.</u>

ATTACHMENT 10FORM 990PF, PART II - OTHER INVESTMENTS

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
VANGUARD INF PRO SEC ADM	511,670.	511,670.	529,561.
VANGUARD SHORT TERM INV GR INV	1,800,461.	1,300,511.	1,324,572.
VANGUARD INFL PRO SEC FUND	1,103,320.	853,370.	759,131.
TOTALS	<u>3,415,451.</u>	<u>2,665,551.</u>	<u>2,613,264.</u>

ATTACHMENT 11FORM 990PF, PART II - OTHER ASSETS

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
A.W. JONES LP	405,000.	405,000.	1,993,600.
THRIFT INVESTORS LP	200,000.	200,000.	254,047.
WAN LI FUND LP	100,000.	100,000.	181,542.
TOTALS	<u>705,000.</u>	<u>705,000.</u>	<u>2,429,189.</u>

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 12

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION		CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
FREDERICA W. VALOIS 220 MAIN STREET, SUITE 202 PO BOX 901 FAIRMOUTH, MA 02541	TRUSTEE 1.00	0		0	0
WILLIAM K. MACKEY 220 MAIN STREET, SUITE 202 PO BOX 901 FAIRMOUTH, MA 02541	TRUSTEE 1.00	0		0	0
WILLIAM K. MACKEY IS A TRUSTEE OF THE FOUNDATION AND ALSO A PRINCIPAL WITH MACKEY & FOSTER, PA. MACKEY & FOSTER, PA PROVIDED ADMINISTRATIVE SERVICES TO THE FOUNDATION DURING 2013 AND WAS PAID \$10,000 FOR THESE SERVICES. THE FOUNDATION BELIEVES THE SERVICES PROVIDED WERE REASONABLE AND NECESSARY FOR THE CARRYING OUT OF THE FOUNDATION'S EXEMPT PURPOSE AND THE AMOUNT PAID WAS NOT EXCESSIVE. ACCORDINGLY THE FOUNDATION HAS CONCLUDED THAT THESE PAYMENTS ARE PERMISSIBLE UNDER INTERNAL REVENUE REGULATION 53.4941(D) (3).					
GRAND TOTALS		0		0	0

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALSATTACHMENT 13

<u>NAME AND ADDRESS</u>	<u>TYPE OF SERVICE</u>	<u>COMPENSATION</u>
POLARIS CAPITAL MANAGEMENT PO BOX 351 BOSTON, MA 02110	INVESTMENT MGMT	102,827.
MICHAEL J. CREW 205 WORCESTER COURT FALMOUTH, MA 02540-3919	INVESTMENT MGMT	66,712.
TOTAL COMPENSATION		<u>169,539.</u>

STANLEY W WATSON FOUNDATION

22-3100750

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 14

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
THE 300 COMMITTEE LAND TRUST 157 LOCUST STREET FALMOUTH, MA 02540	NONE EXEMPT ORGANIZATION	UNRESTRICTED	80,000
CAPE AND ISLANDS NPR STATION 157 LOCUST STREET FALMOUTH, MA 02540	NONE EXEMPT ORGANIZATION	UNRESTRICTED	10,000
CAPE COD COMMUNITY COLLEGE EDUCATIONAL FOUNDATION 2240 IYANOUGH ROAD WEST BARNSTABLE, MA 02668	NONE EXEMPT ORGANIZATION	UNRESTRICTED	30,000.
CAPE COD HEALTHCARE FOUNDATION ALLOCATED TO THE VISITING NURSE ASSOCIATION P O BOX 370 HYANNIS, MA 02601	NONE EXEMPT ORGANIZATION	ALLOCATED TO THE VISITING NURSE ASSOCIATION	150,000
CAPE COD HEALTHCARE FOUNDATION ALLOCATED TO FALMOUTH HOSPITAL 348C GIFFORD STREET FALMOUTH, MA 02540	NONE EXEMPT ORGANIZATION	ALLOCATED TO FALMOUTH HOSPITAL	200,000
THE COALITION FOR BUZZARDS BAY 620 BELLEVILLE AVE. NEW BEDFORD, MA 02745	NONE EXEMPT ORGANIZATION	UNRESTRICTED	100,000

STANLEY W WATSON FOUNDATION

22-3100750

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 14 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
COMMUNITY HEALTH CENTER OF CAPE COD 348C GIFFORD STREET FALMOUTH, MA 02450	NONE EXEMPT ORGANIZATION	UNRESTRICTED	100,000
DUFFY HEALTH CENTER 105 PARK STREET HYANNIS, MA 02601	NONE EXEMPT ORGANIZATION	UNRESTRICTED	10,000
FALMOUTH ACADEMY 7 HIGHFIELD DRIVE FALMOUTH, MA 02540	NONE EXEMPT ORGANIZATION	UNRESTRICTED	150,000
FALMOUTH EDUCATION FOUNDATION INC. P O. BOX 1061 FALMOUTH, MA 02541	NONE EXEMPT ORGANIZATION	UNRESTRICTED	20,000.
FALMOUTH HISTORICAL SOCIETY P.O. BOX 174 FALMOUTH, MA 02541	NONE EXEMPT ORGANIZATION	UNRESTRICTED	10,000
FALMOUTH SERVICE CENTER 115 SCRANTON AVENUE FALMOUTH, MA 02540	NONE EXEMPT ORGANIZATION	UNRESTRICTED	25,000

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 14 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
FRIENDS OF FAIRWINDS P O. BOX 2447 TEATICKET, MA 02536	NONE EXEMPT ORGANIZATION	UNRESTRICTED	12,000
GOSNOLD INC 200 TER HUEN DRIVE FALMOUTH, MA 02540	NONE EXEMPT ORGANIZATION	UNRESTRICTED	30,000
HISTORIC HIGHFIELD INC P.O BOX 494 60 HIGHFIELD DRIVE FALMOUTH, MA 02541	NONE EXEMPT ORGANIZATION	UNRESTRICTED	25,000
MARINE BIOLOGICAL LABORATORY 7 MBL STREET WOODS HOLE, MA 02543	NONE EXEMPT ORGANIZATION	UNRESTRICTED	300,000
WOODS HOLE COMMUNITY ASSOCIATION P.O BOX 327 WOODS HOLE, MA 02543	NONE EXEMPT ORGANIZATION	UNRESTRICTED	15,000.
WOODS HOLE FILM FESTIVAL P.O BOX 624 WOODS HOLE, MA 02543	NONE EXEMPT ORGANIZATION	UNRESTRICTED	10,000

STANLEY W WATSON FOUNDATION

22-3100750

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 14 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
WOODS HOLE FOUNDATION P O. BOX 603 WOODS HOLE, MA 02543	NONE EXEMPT ORGANIZATION	UNRESTRICTED	5,000
WOODS HOLE OCEANOGRAPHIC INSTITUTION WOODS HOLE, MA 02543	NONE EXEMPT ORGANIZATION	UNRESTRICTED	250,000
WOODS HOLE PUBLIC LIBRARY WOODS HOLE, MA 02543	NONE EXEMPT ORGANIZATION	UNRESTRICTED	10,000
THE WOODS HOLE RESEARCH CENTER P O. BOX 386 FALMOUTH, MA 02540	NONE EXEMPT ORGANIZATION	UNRESTRICTED	35,000
ZEPHYR EDUCATIONAL FOUNDATION, INC 54 WIDGEON ROAD FALMOUTH, MA 02540	NONE EXEMPT ORGANIZATION	UNRESTRICTED	3,000
FALMOUTH ARTISTS' GUILD, INC P O BOX 660 FALMOUTH, MA 02541		UNRESTRICTED	5,000

STANLEY W WATSON FOUNDATION

22-3100750

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 14 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
NEIGHBORHOOD FALMOUTH P O BOX 435 FALMOUTH, MA 02541		UNRESTRICTED	10,000
HIGHFIELD THEATER RESTORATION PROJECT 60 HIGHFIELD DRIVE FALMOUTH, MA 02540		UNRESTRICTED	15,000.
		TOTAL CONTRIBUTIONS PAID	<u>1,610,000.</u>

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

Department of the Treasury
Internal Revenue Service► **File a separate application for each return.**
► Information about Form 8868 and its instructions is at www.irs.gov/form8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒ **X**
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Enter filer's identifying number, see instructions

Type or print

File by the due date for filing your return. See instructions

Name of exempt organization or other filer, see instructions

Employer identification number (EIN) or

STANLEY W. WATSON FOUNDATION (c/o W.K. MACKEY)

22-3100750

Number, street, and room or suite no. If a P.O. box, see instructions

Social security number (SSN)

220 MAIN STREET, SUITE 202, P. O. BOX 901

City, town or post office, state, and ZIP code. For a foreign address, see instructions

FALMOUTH, MA 02541

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► WILLIAM K. MACKEY, TREASURER

Telephone No ► 508-548-1155

FAX No ►

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 2014, to file the exempt organization return for the organization named above. The extension is for the organization's return for
- ☒ calendar year 2013 or
- ☐ tax year beginning _____, 20____, and ending _____, 20____

- 2 If the tax year entered in line 1 is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a \$	65,655.00
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b \$	65,655.00
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c \$	0.00

Caution. If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions**For Privacy Act and Paperwork Reduction Act Notice, see instructions.**Form **8868** (Rev. 1-2014)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **X**

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the due date for filing your return. See instructions.	Enter filer's identifying number, see instructions	
	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	STANLEY W. WATSON FOUNDATION (c/o W.K. MACKEY)	22-3100750
	Number, street, and room or suite no. If a P.O. box, see instructions	Social security number (SSN)
	220 MAIN STREET, SUITE 202, P. O. BOX 901	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	FALMOUTH, MA 02541	

Enter the Return code for the return that this application is for (file a separate application for each return) **0 4**

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ► WILLIAM K. MACKEY, TREASURER

Telephone No ► 508-548-1155

Fax No ► _____

- If the organization does not have an office or place of business in the United States, check this box ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐ . If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until NOVEMBER 17, 20 14

5 For calendar year 2013, or other tax year beginning _____, 20 _____, and ending _____, 20 _____

6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return

☐ Change in accounting period

7 State in detail why you need the extension ADDITIONAL TIME IS NEEDED TO GATHER THE INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE TAX RETURN.

8a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a \$	65,655.00
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b \$	65,655.00
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c \$	NONE

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ►

Title ►

Date ►

Form **8868** (Rev 1-2014)

KPMG LLP

TWO FINANCIAL CENTER, 60 SOUTH STREET,
BOSTON, MA 02111