



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form

990-PF

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2015

Open to Public Inspection

For calendar year 2015, or tax year beginning 01-01-2015 , and ending 12-31-2015

Name of foundation SAGEBRUSH HABITAT CONSERVATION FUND INC		A Employer identification number 27-2961250	
Number and street (or P O box number if mail is not delivered to street address) PO BOX 1643		B Telephone number (see instructions) (719) 520-4455	
City or town, state or province, country, and ZIP or foreign postal code HAILEY, ID 83333		C If exemption application is pending, check here ▶ ☐	
G Check all that apply ☐ Initial return ☐ Final return ☐ Address change ☒ Initial return of a former public charity ☐ Amended return ☐ Name change		D 1. Foreign organizations, check here ▶ ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐	
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 12,089,939		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐	
J Accounting method ☐ Cash ☒ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis.)			

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</i>		Revenue and expenses per books (a)	Net investment income (b)	Adjusted net income (c)	Disbursements for charitable purposes (d) (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)	6,406,312			
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	189	189		
	4 Dividends and interest from securities	151,490	151,490		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a _____				
	7 Capital gain net income (from Part IV, line 2) . . .		0		
	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	6,557,991	151,679	0	
	13 Compensation of officers, directors, trustees, etc	30,000	9,000	0	21,000
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule).	127,267	0	0	127,267
	b Accounting fees (attach schedule).	14,864	2,404	0	12,460
	c Other professional fees (attach schedule)	5,110	0	0	5,110
	17 Interest				
	18 Taxes (attach schedule) (see instructions) . . .	3,417	1,709	0	1,708
	19 Depreciation (attach schedule) and depletion . . .	13,919	0	0	
	20 Occupancy				
	21 Travel, conferences, and meetings.	1,240	0	0	1,240
	22 Printing and publications				
	23 Other expenses (attach schedule).	434,117	1,047	0	433,070
	24 Total operating and administrative expenses. Add lines 13 through 23	629,934	14,160	0	601,855
	25 Contributions, gifts, grants paid	100,000			100,000
	26 Total expenses and disbursements. Add lines 24 and 25	729,934	14,160	0	701,855
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	5,828,057			
	b Net investment income (if negative, enter -0-)		137,519		
	c Adjusted net income (if negative, enter -0-) . . .			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	56,145	160,804	160,804
	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		2,910	2,910
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)			
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans.			
	13	Investments—other (attach schedule)	4,083,976	9,565,778	9,565,778
	Liabilities	14	Land, buildings, and equipment basis ▶ 2,421,223 Less accumulated depreciation (attach schedule) ▶ 60,776		
15		Other assets (describe ▶ _____)			
16		Total assets(to be completed by all filers—see the instructions Also, see page 1, item I)	6,514,488	12,089,939	12,089,939
17		Accounts payable and accrued expenses	1,500	82	
Liabilities	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)	1,500	82	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☒ and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	6,512,988	12,089,857	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances(see instructions)	6,512,988	12,089,857	
	31	Total liabilities and net assets/fund balances(see instructions)	6,514,488	12,089,939	

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	6,512,988
2	Enter amount from Part I, line 27a	2	5,828,057
3	Other increases not included in line 2 (itemize) ▶ _____	3	0
4	Add lines 1, 2, and 3	4	12,341,045
5	Decreases not included in line 2 (itemize) ▶ _____	5	251,188
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	12,089,857

Part IV

Capital Gains and Losses for Tax on Investment Income

List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)		How acquired P—Purchase (b) D—Donation	Date acquired (c) (mo , day, yr)	Date sold (d) (mo , day, yr)
1a				
b				
c				
d				
e				

(e) Gross sales price	Depreciation allowed (f) (or allowable)	Cost or other basis (g) plus expense of sale	Gain or (loss) (h) (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) F M V as of 12/31/69	Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	Gains (Col (h) gain minus col (k), but not less than -0-) or (l) 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	
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 }		3	

Part V

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

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)
If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2014			
2013			
2012			
2011			
2010			

2	Total of line 1, column (d).	2	
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	
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5.	4	
5	Multiply line 4 by line 3.	5	
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	
7	Add lines 5 and 6.	7	
8	Enter qualifying distributions from Part XII, line 4.	8	

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 page 18 of the instructions)

1a

Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1
Date of ruling or determination letter _____
(attach copy of letter if necessary—see instructions)

b

Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b

c

All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)

2

Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)

2

0

3

Add lines 1 and 2.

3

2,750

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

2,750

6

Credits/Payments

a

2015 estimated tax payments and 2014 overpayment credited to 2015

6a

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

0

8

Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached.

8

66

9

Tax due. If the total of lines 5 and 8 is more than line 7, enter **amount owed**

9

2,816

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 2015 estimated tax** ☐ **Refunded** ☐

11

Part VII-A

Statements Regarding Activities

1a

During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?

1a

No

b

Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.

1b

No

c

Did the foundation file **Form 1120-POL** for this year?

1c

No

d

Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:
(1) On the foundation ☐ \$ _____ 0 (2) On foundation managers ☐ \$ _____ 0

e

Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ _____ 0

2

Has the foundation engaged in any activities that have not previously been reported to the IRS?
If "Yes," attach a detailed description of the activities.

2

No

3

Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes.*

3

Yes

4a

Did the foundation have unrelated business gross income of \$1,000 or more during the year?

4a

No

b

If "Yes," has it filed a tax return on **Form 990-T** for this year?

4b

5

Was there a liquidation, termination, dissolution, or substantial contraction during the year?
If "Yes," attach the statement required by General Instruction T.

5

No

6

Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:
• By language in the governing instrument, or
• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?

6

Yes

7

Did the foundation have at least \$5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*

7

Yes

8a

Enter the states to which the foundation reports or with which it is registered (see instructions)
☐ ID _____

b

If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation.*

8b

No

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 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)?
If "Yes," complete Part XIV.

9

No

10

Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses.*

10

Yes

Part VII-A

Statements Regarding Activities *(continued)*

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶SAGEBRUSHFUND.ORG	13	Yes	
14	The books are in care of ▶TOM BLANCHARD Located at ▶PO BOX 1643 HAILEY ID ZIP+4 ▶83333 Telephone no ▶(208) 315-2827			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the year ▶	15		
16	At any time during calendar year 2015, 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 instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes", enter the name of the foreign country ▶	16	Yes	No

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a	During the year did the foundation (either directly or indirectly) (1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☒ No			
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. ▶ ☐	1b		
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2015?	1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? ☐ Yes ☒ No If "Yes," list the years ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2015 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2015.</i>)	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2015?	4b		No

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

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

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

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

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions). ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

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

Organizations relying on a current notice regarding disaster assistance check here. 

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ **Yes** ☐ **No**
If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

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

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

(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
FLOYD ROBERTSON	PRESIDENT 13 30	0	0	0
PO BOX 1643 HAILEY, ID 83333				
JON MARVEL	VICE-PRESIDENT 13 30	15,000	0	0
PO BOX 1643 HAILEY, ID 83333				
TOM BLANCHARD	SECRETARY/TREASURER 13 30	15,000	0	0
PO BOX 1643 HAILEY, ID 83333				

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

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

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

Part VIII

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services. 		0

Part IX-A

Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1	
2	
3	
4	

Part IX-B

Summary of Program-Related Investments (see instructions)

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

Part X

Minimum Investment Return

(All domestic foundations must complete this part. Foreign foundations,see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	5,301,773
b	Average of monthly cash balances.	1b	0
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	5,301,773
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	0
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	5,301,773
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	79,527
5	Net value of noncharitable-use assets.Subtract line 4 from line 3 Enter here and on Part V, line 4	5	5,222,246
6	Minimum investment return.Enter 5% of line 5.	6	261,112

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	261,112
2a	Tax on investment income for 2015 from Part VI, line 5.	2a	2,750
b	Income tax for 2015 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	2,750
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	258,362
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	258,362
6	Deduction from distributable amount (see instructions).	6	0
7	Distributable amountas adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	258,362

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	701,855
b	Program-related investments—total from Part IX-B.	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	
b	Cash distribution test (attach the required schedule).	3b	
4	Qualifying distributions.Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	701,855
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	701,855

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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				258,362
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only.			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2015				
a From 2010.				
b From 2011.				
c From 2012.				
d From 2013.				
e From 2014.				
f Total of lines 3a through e.	0			
4 Qualifying distributions for 2015 from Part XII, line 4 ▶ \$ 701,855				
a Applied to 2014, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see instructions).		0		
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2015 distributable amount.				258,362
e Remaining amount distributed out of corpus	443,493			
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	443,493			
b Prior years' undistributed income Subtract line 4b from line 2b.		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2014 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015.				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions).	0			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7 (see instructions). . .	0			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a.	443,493			
10 Analysis of line 9				
a Excess from 2011.				
b Excess from 2012.				
c Excess from 2013.				
d Excess from 2014.				
e Excess from 2015.	443,493			

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2015, enter the date of the ruling.	
--	--

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

2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
		(a) 2015	(b) 2014	(c) 2013	(d) 2012	

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 (1)(3)(B)(i)

b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. . . .

c "Support" alternative test—enter

(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties). . . .

(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii). . . .

(3) Largest amount of support from an exempt organization

(4) Gross investment income

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

1 Information Regarding Foundation Managers:

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

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

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

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

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

FLOYD ROBERTSON PRESIDENT
PO BOX 1643
HAILEY, ID 83333
(719) 520-4455
WWW.SAGEBRUSHFUND.ORG

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

ONE TO THREE PAGE LETTER OF INQUIRY

c Any submission deadlines

NONE

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

IRC SECTION 501(C)3 ORGANIZATIONS

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Form **990-PF** (2015)

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	189	
4	Dividends and interest from securities.			14	151,490	
5	Net rental income or (loss) from real estate					
a	Debt-financed property.					
b	Not debt-financed property.					
6	Net rental income or (loss) from personal property					
7	Other investment income.					
8	Gain or (loss) from sales of assets other than inventory					
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).		0		151,679	0
13	Total. Add line 12, columns (b), (d), and (e). (See worksheet in line 13 instructions to verify calculations)			13		151,679

[illegible]

4. 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?

(1) Cash.

(2) Other assets.

- (1)** Sales of assets to a noncharitable exempt organization.
- (2)** Purchases of assets from a noncharitable exempt organization.
- (3)** Rental of facilities, equipment, or other assets.
- (4)** Reimbursement arrangements.
- (5)** Loans or loan guarantees.
- (6)** Performance of services or membership or fundraising solicitations.

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.

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

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

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.

***** 2016-08-23 *****

Signature of officer or trustee Date Title

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

Print/Type preparer's name
KELLY D
SONNICHSEN CPA

Date

Check If self-employed ☐

PTIN P00482643

Firm's name
TRAVIS JEFFRIES PA

Firm's EIN 82-0358530

Firm's address 590 W WASHINGTON ST BOISE, ID 837025953

Phone no (208) 345-5383

TY 2015 Accounting Fees Schedule

Name: SAGEBRUSH HABITAT CONSERVATION FUND INC

EIN: 27-2961250

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	14,864	2,404	0	12,460

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2015 Depreciation Schedule

Name: SAGEBRUSH HABITAT CONSERVATION FUND INC

EIN: 27-2961250

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
BUILDINGS	2011-08-24	177,216	40,366	SL	15 0000000000000	11,814	0	11,814	
VEHICLE	2011-12-13	10,525	6,491	SL	5 0000000000000	2,105	0	2,105	
LAND	2011-08-24	2,233,482		L	15 0000000000000	0	0	0	

TY 2015 Explanation of Non-Filing with Attorney General Statement

Name: SAGEBRUSH HABITAT CONSERVATION FUND INC

EIN: 27-2961250

Statement: THE IDAHO ATTORNEY GENERAL REQUIRES ONLY THAT THE 990-PF IS AVAILABLE UPON REQUEST AND DOES NOT REQUIRE A COPY OF FORM 990-PF.

TY 2015 Investments - Other Schedule**Name:** SAGEBRUSH HABITAT CONSERVATION FUND INC**EIN:** 27-2961250

Category / Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
MONEY MARKET	FMV	4,246,847	4,246,847
MUTUAL FUNDS	FMV	5,318,931	5,318,931

TY 2015 Land, Etc. Schedule

Name: SAGEBRUSH HABITAT CONSERVATION FUND INC

EIN: 27-2961250

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
BUILDINGS	177,216	52,180	125,036	125,036
VEHICLE	10,525	8,596	1,929	1,929
LAND	2,233,482	0	2,233,482	2,233,482

TY 2015 Legal Fees Schedule

Name: SAGEBRUSH HABITAT CONSERVATION FUND INC

EIN: 27-2961250

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL FEES	127,267	0	0	127,267

TY 2015 Other Decreases Schedule

Name: SAGEBRUSH HABITAT CONSERVATION FUND INC

EIN: 27-2961250

Description	Amount
UNREALIZED LOSS ON INVESTMENTS	251,188

TY 2015 Other Expenses Schedule**Name:** SAGEBRUSH HABITAT CONSERVATION FUND INC**EIN:** 27-2961250

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PERMIT BUY-OUT	425,000	0	0	425,000
INSURANCE	8,153	815	0	7,338
WEB PAGE	514	0	0	514
OFFICE EXPENSES	218	0	0	218
BANK CHARGES	232	232	0	0

TY 2015 Other Professional Fees Schedule

Name: SAGEBRUSH HABITAT CONSERVATION FUND INC

EIN: 27-2961250

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
OUTSIDE CONTRACTORS	5,110	0	0	5,110

TY 2015 Substantial Contributors
Schedule

Name: SAGEBRUSH HABITAT CONSERVATION FUND INC

EIN: 27-2961250

Name	Address
RUBY PIPELINE AGREEMENT	2 NORTH NEVADA AVENUE SUITE 1418 COLORADO SPRINGS,CA 80903

TY 2015 Taxes Schedule

Name: SAGEBRUSH HABITAT CONSERVATION FUND INC

EIN: 27-2961250

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PAYROLL TAXES	3,417	1,709	0	1,708

Schedule B (Form 990, 990-EZ, or 990-PF) Department of the Treasury Internal Revenue Service	Schedule of Contributors ▶ Attach to Form 990, 990-EZ, or 990-PF. ▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.	OMB No 1545-0047 2015
---	--	---

Name of the organization SAGEBRUSH HABITAT CONSERVATION FUND INC	Employer identification number 27-2961250
--	---

Organization type (check one)

Filers of: Form 990 or 990-EZ Form 990-PF	Section: ☐ 501(c)() (enter number) organization ☐ 4947(a)(1) nonexempt charitable trust not treated as a private foundation ☐ 527 political organization ☒ 501(c)(3) exempt private foundation ☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation ☐ 501(c)(3) taxable private foundation
--	---

Check if your organization is covered by the **General Rule** or a **Special Rule**.
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or other property) from any one contributor Complete Parts I and II See instructions for determining a contributor's total contributions

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33¹/₃% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals Complete Parts I, II, and III
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc , purposes, but no such contributions totaled more than \$1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc , contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer “No” on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization	Employer identification number
SAGEBRUSH HABITAT CONSERVATION FUND INC	27-2961250

Part I Contributors (see instructions) Use duplicate copies of Part I if additional space is needed			
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	RUBY PIPELINE LLC	\$ 6,406,312	Person ☒
	2 NORTH NEVADA AVENUE SUITE 1418		Payroll ☐
	COLORADO SPRINGS, CO 80903		Noncash ☐ (Complete Part II for noncash contributions)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	Person ☐
			Payroll ☐
			Noncash ☐ (Complete Part II for noncash contributions)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	Person ☐
			Payroll ☐
			Noncash ☐ (Complete Part II for noncash contributions)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	Person ☐
			Payroll ☐
			Noncash ☐ (Complete Part II for noncash contributions)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	Person ☐
			Payroll ☐
			Noncash ☐ (Complete Part II for noncash contributions)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	Person ☐
			Payroll ☐
			Noncash ☐ (Complete Part II for noncash contributions)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	Person ☐
			Payroll ☐
			Noncash ☐ (Complete Part II for noncash contributions)

Name of organization SAGEBRUSH HABITAT CONSERVATION FUND INC	Employer identification number 27-2961250
--	---

Part II **Noncash Property**
(see instructions) Use duplicate copies of Part II if additional space is needed

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

Name of organization SAGEBRUSH HABITAT CONSERVATION FUND INC	Employer identification number 27-2961250
--	---

Part III

Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$ _____

Use duplicate copies of Part III if additional space is needed

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

BYLAWS OF
SAGEBRUSH HABITAT CONSERVATION FUND, INC.

(As amended on December 29, 2015)

1. OFFICES.

1.1 Principal Office. The principal office of Sagebrush Habitat Conservation Fund, Inc., an Idaho non-profit corporation (“Corporation” or “Fund”), shall be located at the address designated in the Corporation’s Articles of Incorporation. The Corporation may have such other offices as the Board of Directors may designate or as the business of the Corporation may require from time to time.

1.2 Registered Office. The registered office of the Corporation required by the Idaho Nonprofit Corporation Act, Chapter 3, Title 30, Idaho Code (“Act”), to be maintained in the State of Idaho shall be located at the address designated in the Corporation’s Articles of Incorporation, and may be changed from time to time by the Board of Directors.

2. BOARD OF DIRECTORS.

2.1 General Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Directors except as may be otherwise provided in the Act, the Articles, or as specifically set forth in these Bylaws. Without limiting the foregoing, the Board of Directors shall be responsible for all management of monies, funds, and other assets that may be contributed to, or earned by, the Corporation, including all expenditures for the acquisition, on a willing-seller basis, of livestock grazing permits or leases; purchases of land or other acquisition of interests in land; and operational expenses.

2.2 Mission and Guiding Principles for Management. The Board of Directors shall exercise their powers and authority in accordance with the Fund’s mission (“Mission”) and the following guiding principles (“Guiding Principles”):

2.2.1 Mission. The Fund’s Mission is to protect and restore sagebrush habitats in the American West to benefit bird, fish, and wildlife species, through the acquisition of livestock grazing permits on a willing seller basis through livestock grazing retirements and related measures to mitigate the effects of livestock grazing. The Fund may also be used to support federal legislative efforts to permit the voluntary retirement of federal grazing permits to the extent such efforts are consistent with the Fund’s tax-exempt status.

2.2.2 Amendment of Mission and Articles of Incorporation. In accordance with the Amended and Restated Settlement Agreement (“Agreement”), dated October 22, 2015, between the Fund, Western Watersheds Project, Inc. (“WWP”), an Idaho non-profit corporation, and Ruby Pipeline, LLC (“Ruby”), a Delaware limited liability company, the Fund will not modify or amend its Mission or any of the provisions

of Article III (Purpose) or Article V (Limitations) of its Articles of Incorporation without the prior written consent of Ruby.

2.2.3 Guiding Principles for Management.

(a) The Fund will seek the voluntary retirement of livestock grazing permits on federal, state, and/or private lands within sagebrush habitats located in the western United States, particularly habitats of high value to sage-grouse and other sagebrush-obligate species.

(b) The Fund will actively solicit the voluntary retirement of livestock grazing from federal public land allotments through the acquisition on a willing-seller basis of livestock grazing permits.

(c) The Fund will work cooperatively, if appropriate, with the Bureau of Land Management ("BLM") and other federal, state or local agencies and/or non-governmental organizations to ensure that lands from which livestock grazing is retired will be managed so as to protect and restore proper functioning of native vegetation and other ecological values.

(d) The Fund will pursue the enactment of federal legislation to permit the voluntary retirement of federal grazing permits but only to the extent such efforts are consistent with the Fund's tax-exempt status at the time. Such legislative efforts further the purposes of the Fund by creating a definitive mechanism for the voluntary retirement of such permits, thereby securing the habitat protection benefits the Fund seeks.

(e) The Fund may employ various methods to achieve its Mission, including but not limited to:

1. soliciting and paying for voluntary relinquishment of federal or state grazing permits or leases, on a willing seller/willing buyer basis;
2. acquiring leases, permits, easements or other contractual instruments that may be used to conserve sagebrush habitats from the adverse effects of livestock grazing and other impacts; and
3. purchasing or otherwise acquiring interests in private lands of high value as habitat for sage-grouse or other sagebrush-obligate species, and private lands which serve as the "base property" for grazing permits or leases on federal lands which possess high value as habitat for sage grouse or other sagebrush obligate species.
4. directly support other organizations whose mission and activities aid the accomplishment of the Fund's Mission.

(f) The Fund will not prosecute nor encourage others to prosecute litigation with respect to accomplishment of the Fund's Mission. The Fund may,

however, actively defend its activities consistent with its Mission in the event such activities are challenged in court or otherwise, provided that such activities comply with applicable limitations on “lobbying” activities applicable to a section 501(c)(3) charitable organization.

(g) The Fund and the Board of Directors will accept, handle, and expend such sums as are available and appropriate to achieve the Fund’s goals, as determined by the Board of Directors in its sole discretion, in accordance with its Mission.

2.3 Standard of Care. A Director shall perform such Director’s duties as a Director, including such Director’s duties as a member of any committee of the Board upon which such Director may serve, in good faith, in a manner such Director reasonably believes to be in the best interests of the Corporation, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In performing such Director’s duties, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(a) one (1) or more officers, consultants, or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;

(b) counsel, public accountants or other person as to matters that the Director reasonably believes to be within such person’s professional or expert competence;

(c) the Advisory Panel described in Section 2.9 below; or

(d) a committee of the Board upon which such Director does not serve, duly designated in accordance with a provision of these Bylaws, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence; but such Director shall not be considered to be acting in good faith if such Director has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A person who performs such duties shall have no liability by reason of being or having been a Director of the Corporation.

2.4 Presumption of Assent. A Director of the Corporation who is present at a meeting of its Board of Directors at which any action on any corporate matter is taken shall be presumed to have assented to the action unless such Director’s dissent shall be entered in the minutes of the meeting or unless such Director shall file such Director’s written dissent to such action with the Secretary of the meeting before the adjournment thereof or shall forward such dissent by certified or registered mail to the Secretary of the Corporation within three (3) days after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

2.5 Number, Appointment, and Qualification of Directors.

2.5.1 Number. The number of Directors serving on the Board of Directors shall be three (3), as set forth in Article VII of the Articles of Incorporation.

2.5.1 Board Structure. The Fund has three Board members. One of the members of the Board of Directors shall be appointed by WWP (the “WWP Director”). The other two members of the Board of Directors are referred to herein as “Independent Directors.”

2.5.2 Appointment. When a Director completes his or her term, his or her successor shall be appointed as follows. WWP shall appoint the successor to the WWP Director by providing written notice to the existing Directors. The successor to an Independent Director position shall be appointed by agreement of the remaining Director(s), subject to the written approval of WWP.

2.5.3 Dissolution of WWP. In the event that WWP is dissolved or ceases organizational existence, then the WWP Director shall select a replacement organization of comparable interests and activities to take the place of WWP in the WWP Director selection process set forth in this Section, as well as the process for filling any vacancies and removing and approving Directors as set forth in Sections 2.6 and 2.7.

2.5.4 Term. Each Director shall serve a term of three (3) years, unless any Director resigns by giving written notice to the other Directors or is removed prior to the end of his or her term pursuant to Section 2.7. Each Director shall hold office for the term for which such Director is appointed and until such Director's successor shall have been appointed and qualified. Directors need not be residents of the State of Idaho. A Director may serve multiple, successive terms.

2.5.5 Staggered Terms. Notwithstanding Section 2.5.4, in order to ensure continuity of management, Directors shall henceforth be appointed for staggered terms that expire on the date of the Corporation's annual meeting three years after their appointment. The positions of the Directors serving as of December 31, 2015, shall expire as follows. The Director position occupied by Floyd Robertson shall expire on the date of the 2017 annual meeting. The Director position occupied by Tom Blanchard shall expire on the date of the 2018 annual meeting. The term of the current WWP Director shall expire on the date of the 2019 annual meeting.

2.5.6. Qualifications. Each Director appointed under Section 2.5 or 2.6 shall be knowledgeable in the matters in which the Corporation will be engaged and shall affirm his or her commitment to adhere to the Guiding Principles

2.6 Vacancies. If there is a vacancy for the WWP Director position, then WWP shall fill it by providing written notice to the existing Directors. If there is a vacancy for an Independent Director, it shall be filled by the agreement of the remaining Director(s), subject to the written approval of WWP. A Director appointed to fill a vacancy shall be appointed for the unexpired term of such Director's predecessor in office.

2.7 Removal of Directors. WWP may remove and replace the WWP Director at any time upon written notice by WWP to the remaining Directors. An Independent Director may be replaced upon written notice signed by the WWP Director and the remaining Director.

2.8 Committees of Directors.

2.8.1 Membership. The Board of Directors, by resolution adopted by a majority of the Directors then in office, may designate and appoint one or more Director committees, each of which shall consist of two or more Directors.

2.8.2 Authority. Director committees, to the extent provided in the resolution establishing the committee, shall have and exercise the authority of the Board of Directors in the management of the Corporation; provided, however, that no Director committee shall have the authority of the Board of Directors in reference to (i) authorize distributions, (ii) approve dissolution, merger or the sale, pledge or transfer of all or substantially all of the Corporation's assets, (iii) elect, appoint or remove directors or fill vacancies on the Board of Directors or on any of its committees, or (iv) adopt, amend or repeal the Articles or these Bylaws. The designation and appointment of any such Director committee and the delegation of authority to a Director committee shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon the Board of Directors, or any individual Director.

2.8.3 Tenure. Each member of a committee shall continue as such until the next annual meeting of the Board of Directors of the Corporation and until a successor is appointed unless (i) the committee is sooner terminated, (ii) such member is removed from the committee, or (iii) such member ceases to qualify as a member of the committee.

2.8.4 Chairperson. One member of each committee shall be appointed chairperson by the Board of Directors.

2.8.5 Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

2.8.6 Resignation. Any committee member may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary of the Corporation. Unless otherwise specified in the notice of resignation, the resignation shall take effect upon receipt. Acceptance of the resignation shall not be necessary to make the resignation effective.

2.8.7 Removal. Any committee member may be removed by the person or persons authorized to appoint such member with or without cause.

2.8.8 Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute

a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

2.9 Advisory Panel. The Board of Directors may establish an Advisory Panel to assist the Corporation in carrying out its Mission and applying the Guiding Principles. The Advisory Panel shall be comprised of independent or agency scientists, elected officials, representatives of industry and the conservation community, and others having particular knowledge or skills that may be of benefit to the Corporation. The Advisory Panel may assist the Board by taking actions such as identifying and pursuing grazing permit retirement opportunities, publicizing and promoting the activities of the Corporation, seeking legislative or administrative initiatives to aid the Corporation's efforts to the extent such efforts are consistent with the Corporation's 501(c)(3) status, and performing outreach and coordination with industry, agency, non-governmental, scientific, and other communities. The Advisory Panel shall act in an advisory capacity only and shall not have the authority of the Board of Directors in the management of the Corporation. The services of the Advisory Panel members will be solicited on a *pro bono* basis; however, Advisory Panel members may be paid reasonable reimbursement for their expenses, within the sole discretion of the Board of Directors.

2.10 Directors' and Committee Meetings. Meetings of the Board of Directors, regular or special, or meetings of any committee designated thereby, may be held either within or without the State of Idaho. Unless otherwise specified in this section or in the notice for such meeting, all meetings shall be held at the principal office of the Corporation.

Except as otherwise provided in this section, regular or special meetings of the Board of Directors or any committee designated thereby may be called by or at the request of the President, any Director or the chair of a committee, as the case may be, upon written or verbal notice thereof given to all other Directors or committee members, as the case may be. The Board of Directors shall provide, by resolution, the time and place for the holding of the annual meeting and may provide, by resolution, the time and place for the holding of additional regular meetings, without other notice than such resolution.

Members of the Board of Directors or any committee designated thereby may participate in a meeting of the Board of Directors or such committee by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and the participation by such means shall constitute presence in person at a meeting. For any meeting held by conference telephone or similar communications equipment, notice of the meeting shall be given at least one (1) hour prior thereto by telephone or other communication directly with the Directors and/or committee members.

The attendance at or participation of a Director or committee member in any meeting shall constitute a waiver of notice of such meeting, except where a Director or committee member attends or participates for the express purpose of objecting to the

transaction of any business on the ground that the meeting is not lawfully called or convened.

Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors or any committee designated thereby need be specified in the notice or waiver of notice for such meeting.

2.11 Waiver of Notice. Whenever any notice is required to be given to any Director or committee member under the provisions of the Act, the Articles or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

2.12 Quorum and Voting Requirements. A majority of the Directors (at least two (2)) shall constitute a quorum for the transaction of business at meetings of the Board of Directors. The act of at least two (2) Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, provided, however, that (i) an act of the Board of Directors to dissolve the Corporation, and/or (ii) an act of the Board of Directors to amend the Articles or Bylaws, shall require the unanimous vote of all Directors then in office. A majority of the number of committee members fixed and appointed by the Board of Directors or the President, as the case may be, shall constitute a quorum for the transaction of business at a meeting of such committee. The act of the majority of the committee members present at a meeting at which a quorum is present shall be the act of the committee.

2.13 Action without a Meeting. Any action required by the Act to be taken at a meeting of the Board of Directors of the Corporation, or any action that may be taken at a meeting of the Directors or of a committee, may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by all of the Directors, or all of the members of the committee, as the case may be. Such consent shall have the same effect as a unanimous vote.

2.14 Compensation. No Director or committee member shall receive a salary or compensation for services in that capacity but may be reimbursed for actual expenses incurred in the performance of such services. This provision shall not preclude any Director from serving the Corporation in any other capacity and receiving compensation for services rendered.

2.15 Director Conflicts of Interest. Consistent with the Corporation's Conflict of Interest Policy, as such policy may be revised from time to time by the Board, any Director who has an actual or potential conflict of interest in a contract or other transaction presented to the Board or a committee thereof for authorization, approval, or ratification shall make a prompt and full disclosure of his or her interest to either the President for transmission to the Board of Directors or directly to each of the other members of the Board of Directors prior to the time when the Board would act on such contract or transaction. Such disclosure shall include any relevant and material facts

known to such person about the contract or transaction. Consistent with the Corporation's Conflict of Interest Policy, no Director shall cast a vote on any transaction in which the Director has an actual or potential conflict of interest.

2.16 Loans to Directors. The Corporation shall not lend money to or use its credit to assist its Directors or officers.

2.17 Liability of Directors for Wrongful Distribution of Assets. In addition to any other liabilities imposed by law upon the Directors of the Corporation, in accordance with the Act, the Directors who vote for or assent to any distribution of assets, other than in payment of its debts, when the Corporation is insolvent or when such distribution would render the Corporation insolvent, or during the liquidation of the Corporation without the payment and discharge of or making adequate provisions for all known debts, obligations and liabilities of the Corporation, shall be jointly and severally liable to the Corporation for the value of such assets which are thus distributed, to the extent that such debts, obligations and liabilities of the Corporation are not thereafter paid and discharged.

A Director shall not be liable under this section if, in the exercise of ordinary care, such Director relied and acted in good faith upon written financial statements of the Corporation represented to such Director to be correct by the President or by the officer of the Corporation having charge of its books of account, or certified by an independent licensed or certified public accountant or firm of such accountants to reflect fairly the financial condition of the Corporation, nor shall such Director be so liable if, in the exercise of ordinary care and good faith, in determining the amount available for such distribution, such Director considered the assets to be equal to their book value.

A Director shall not be liable under this section, if, in the exercise of ordinary care, such Director acted in good faith and in reliance upon the written opinion of an attorney for the Corporation.

A Director against whom a claim shall be asserted under this section and who shall be held liable thereon shall be entitled to contribution from persons who accepted or received such distribution knowing such distribution to have been made in violation of this section in proportion to the amounts received by them respectively.

3. OFFICERS.

3.1 Number. The officers of the Corporation shall consist of a President, Vice-President, Secretary, and Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers, as may be deemed necessary may be elected or appointed by the Board of Directors. Any two (2) or more offices may be held simultaneously by the same person.

3.2 Election and Term of Office. The officers of the Corporation shall be elected at the annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon as practicable thereafter. Each officer shall hold office for a term of one (1) year, until a successor shall have been duly

elected and shall have qualified, or until such officer shall resign or shall have been removed in the manner hereinafter provided.

3.3 Removal. Any officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

3.4 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

3.5 Signatory Authority. All officers have signatory authority for checks and other deposit account withdrawals for the Corporation; provided, however, that all expenditures in excess of \$5,000.00 and all agreements requiring the commitment or expenditure of funds in excess of \$5,000.00 must be approved in advance by the Board of Directors.

3.6 President. The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation. The President shall, when present, preside at all meetings of the members of the Board of Directors. The President may sign, with the Secretary or any other proper officer of the Corporation thereunto authorized by the Board of Directors, any promissory notes, deeds, mortgages, leases, contracts, or other instruments that the Board of Directors has authorized to be executed, except in the cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed. The President has the authority to sign all checks or other deposit account withdrawals, and, in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time; provided, however, that all expenditures in excess of \$5,000.00 and all agreements requiring the commitment or expenditure of funds in excess of \$5,000.00 must be approved in advance by the Board of Directors.

3.7 Vice President. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice President, if a Vice President has been elected or appointed, shall perform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President and shall perform such other duties as from time to time may be assigned to the Vice President by the President or by the Board of Directors.

3.8 Secretary. The Secretary shall attend all meetings of the Board of Directors and shall prepare and maintain proper minutes of those meetings. The Secretary shall be the custodian of the official seal of the Corporation, if any, and shall affix that seal on all

documents executed on behalf of the Corporation, pursuant to due authorization by the Board of Directors. The Secretary shall have the custody of and properly protect all executed deeds, leases, agreements and other legal documents and records to which the Corporation is a party or by which it is legally affected. The Secretary shall in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the President or the Board of Directors.

3.9 Treasurer. The Treasurer shall be the principal financial officer of the Corporation and shall have charge and custody of and be responsible for all funds of the Corporation. The Treasurer shall receive and give receipts for moneys due and payable to the Corporation from any source whatsoever and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Section 5.6 of these Bylaws. The Treasurer shall keep or cause to be kept, adequate and correct accounts of the Corporation, including accounts of its assets, liabilities, receipts and disbursements. The Treasurer shall submit to the Board of Directors and the President, when required, statements of the financial affairs of the Corporation. The Treasurer shall in general perform all of the financial duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the President or the Board of Directors.

3.10 Salaries. The salaries of the officers, if any, shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that such officer is also a Director of the Corporation. All compensation paid to an officer shall be reasonable and will be based on the following factors: (1) the amount and type of compensation received by others in similar positions, (2) the compensation levels paid in our particular geographic community, (3) the amount of time the individual is spending in their position, (4) the expertise and other pertinent background of the individual, (5) the size and complexity of the organization, and (6) the need of the organization for the services of the particular individual.

3.11 Officer Conflict of Interest. Consistent with the Corporation's Conflict of Interest Policy, as such policy may be revised from time to time by the Board, any officer who has an interest in a contract or other transaction presented to the Board or a committee thereof for authorization, approval, or ratification shall make a prompt and full disclosure of such officer's interest to the Board prior to its acting on such contract or transaction. Such disclosure shall include any relevant and material facts known to such officer about the contract or transaction that might reasonably be construed to be adverse to the Corporation's interest.

4. STAFF.

4.1 Employment. The Board of Directors shall have the authority to employ an Executive Director and any other staff as the Corporation may reasonably require from time to time. If the Board elects to hire an Executive Director, such person shall work under the direction and supervision of the Board and may be either part-time or full-time, depending on the Corporation's needs and resources. The Board may delegate to the

Executive Director the responsibility for normal operational management decisions, including the employment and supervision of other staff or consultants, and negotiating or undertaking all agreements and other steps necessary to successfully fulfill the Corporation's Mission in accordance with the Guiding Principles.

4.2 Terms of Employment. All compensation paid to a staff person shall be approved by the Board of Directors.

4.3 Staff Conflict of Interest. Consistent with the Corporation's Conflict of Interest Policy, as such policy may be revised from time to time by the Board, any staff member who has an interest in a contract or other transaction presented to the Board or a committee thereof for authorization, approval, or ratification shall make a prompt and full disclosure of such interest to the Board prior to its acting on such contract or transaction. Such disclosure shall include any relevant and material facts known to such person about the contract or transaction that might reasonably be construed to be adverse to the Corporation's interest.

5. MISCELLANEOUS.

5.1 Indemnification of Officers, Directors, Employees and Agents. The Corporation may indemnify Directors, officers, employees and agents of the Corporation to the extent permitted by, and in accordance with, the Act. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability.

5.2 Books and Records. The Corporation shall keep: (i) a copy of its Articles of Incorporation as currently in effect; (ii) a copy of its Bylaws as currently in effect; (iii) minutes of all meetings of its Directors; (iv) a record of all actions taken by the Board of Directors without a meeting; (v) if ever applicable, a record of all actions taken on behalf of the Corporation by a committee of the Board of Directors in place of the Board of Directors; (vi) a record of all waivers of notices of meetings of the Board of Directors, or, if ever applicable, any meetings of committees of the Board of Directors; (vii) a list of the names and business or home addresses of its current directors and officers; (viii) a copy of the most recent annual report delivered to the Secretary of State; and (ix) appropriate accounting records. Any books, records and minutes may be in written form or in any other form capable of being converted into written form within a reasonable time.

5.3 Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

5.4 Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

5.5 Checks, Drafts, etc. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation as provided in these Bylaws or in such manner as shall from time to time be determined by the Board of Directors; provided, however, that any instrument or payment of the Corporation in excess of \$5,000.00 shall be approved in advance by the Board of Directors.

5.6 Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

5.7 Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

5.8 Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year, except that the first fiscal year shall begin on the date of incorporation.

5.9 Regulation of Internal Affairs. The internal affairs of the Corporation shall be regulated as set forth in these Bylaws to the extent that these Bylaws are lawful under the Act. With respect to any matter not covered in these Bylaws, the provisions of the Act shall be controlling so long as such provisions of the Act are not inconsistent with the lawful provisions of these Bylaws.

5.10 Amendments. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board of Directors of the Corporation at any regular or special meeting, but only upon the unanimous consent of the Directors then in office.

SECRETARY'S CERTIFICATE

I certify that I am the duly elected and acting Secretary of Sagebrush Habitat Conservation Fund, Inc., an Idaho nonprofit corporation; that these Bylaws are the Bylaws of this Corporation as adopted by the Board of Directors on July 20, 2010, and as subsequently amended on December 29, 2015.

Tom Blanchard, Secretary

664157 9