

Extended to November 15, 2017
Return of Private Foundation

Form 990-PF

Department of the Treasury
Internal Revenue Service

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 separate instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning

, and ending

Name of foundation

DONALD C BRACE FOUNDATION

A Employer identification number

13-3442680

Number and street (or P O box number if mail is not delivered to street address)

Room/suite

c/o ROBERT A BEER 30 MALTBIE ROAD

B Telephone number

City or town, state or province, country, and ZIP or foreign postal code

NEWTOWN, CT 06470

C If exemption application is pending, check here

G Check all that apply:

☐ Initial return

☐ Initial return of a former public charity

☐ Final return

☐ Amended return

☐ Address change

☐ Name change

D 1. Foreign organizations, check here

2. Foreign organizations meeting the 85% test, check here and attach computation

H Check type of organization:

☒ Section 501(c)(3) exempt private foundation

☐ Section 4947(a)(1) nonexempt charitable trust

☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here

I Fair market value of all assets at end of year

J Accounting method:

☒ Cash

☐ Accrual

(from Part II, col. (c), line 16)

☐ Other (specify)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

\$ 20640421. (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received	5142435.			
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	703408.	703408.	703408.	Statement 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	1953146.			
b	Gross sales price for all assets on line 6a	6803198.			
7	Capital gain net income (from Part IV, line 2)		1953146.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss)				
11	Other income				
12	Total. Add lines 1 through 11	7798989.	2656554.	703408.	
13	Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees				
c	Other professional fees Stmt 2	217881.	217881.	217881.	0.
17	Interest				
18	Taxes Stmt 3	33845.	23845.	23845.	0.
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses Stmt 4	166758.	166758.	166758.	0.
24	Total operating and administrative expenses. Add lines 13 through 23	418484.	408484.	408484.	0.
25	Contributions, gifts, grants paid	812000.			812000.
26	Total expenses and disbursements. Add lines 24 and 25	1230484.	408484.	408484.	812000.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	6568505.			
b	Net investment income (if negative, enter -0-)		2248070.		
c	Adjusted net income (if negative, enter -0-)			294924.	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1 Cash - non-interest-bearing	57975.	3418224.	3418224.	
	2 Savings and temporary cash investments				
	3 Accounts receivable ▶				
	Less: allowance for doubtful accounts ▶				
	4 Pledges receivable ▶				
	Less: allowance for doubtful accounts ▶				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons				
	7 Other notes and loans receivable ▶				
	Less: allowance for doubtful accounts ▶				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments - U.S. and state government obligations				
	b Investments - corporate stock				
	c Investments - corporate bonds				
		11 Investments - land, buildings, and equipment basis ▶			
Less: accumulated depreciation ▶					
12 Investments - mortgage loans					
13 Investments - other					
14 Land, buildings, and equipment: basis ▶					
Less: accumulated depreciation ▶					
15 Other assets (describe ▶ INVESTMENTS)		11881012.	15089252.	17222197.	
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		11938971.	18507476.	20640421.	
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				
	22 Other liabilities (describe ▶)				
	23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>				
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>				
	27 Capital stock, trust principal, or current funds	4734431.	4734431.		
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	8982304.	8982304.		
	29 Retained earnings, accumulated income, endowment, or other funds	-1777764.	4790741.		
	30 Total net assets or fund balances	11938971.	18507476.		
31 Total liabilities and net assets/fund balances	11938971.	18507476.			

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	11938971.
2 Enter amount from Part I, line 27a	2	6568505.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	18507476.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	18507476.

Form 990-PF (2016)

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			
b See Attached Statement			
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 6803198.		4850052.	1953146.

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	(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			1953146.

2 Capital gain net income or (net capital loss)	<div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div>	2	1953146.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	-85367.

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))
2015	375000.	5484000.	.068381
2014	210500.	4854502.	.043362
2013	283580.	4459955.	.063584
2012	263500.	4044902.	.065144
2011	526984.	4141387.	.127248

2 Total of line 1, column (d)	2	.367719
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	.073544
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	15591816.
5 Multiply line 4 by line 3	5	1146685.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	22481.
7 Add lines 5 and 6	7	1169166.
8 Enter qualifying distributions from Part XII, line 4	8	812000.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	44961.
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	44961.
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	44961.
6 Credits/Payments:			
a 2016 estimated tax payments and 2015 overpayment credited to 2016	6a	11134.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	60000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	71134.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	234.	
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	25939.	
11 Enter the amount of line 10 to be: Credited to 2017 estimated tax <input type="checkbox"/> 25939. Refunded <input type="checkbox"/>	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
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"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> CT		
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 2016 or the taxable year beginning in 2016 (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

Form 990-PF (2016)

Part VII-A Statements Regarding Activities (continued)

	Yes	No
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? Website address ► N/A	13	X
14 The books are in care of ► ROBERT A BEER Telephone no. ► 203-426-3093 Located at ► 30 MALTBIE ROAD, NEWTOWN, CT ZIP+4 ► 06470		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A		
16 At any time during calendar year 2016, 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 FinCEN Form 114. If "Yes," enter the name of the foreign country ►	16	X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly): (1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input 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 N/A	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 2016?	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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? <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.) N/A c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►	2b	
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 2016 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 2016) N/A	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 2016?	4b	X

Form 990-PF (2016)

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 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)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

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

6b

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

X

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?

N/A

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.

(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
KATHARINE BUTLER 251 WEST 89th ST. APT 8A NEW YORK, NY 10024	TRUSTEE 0.00	0.	0.	0.
KAREN SCHEID 351 SOUTH 350 WEST DRIGGS, ID 83422	TRUSTEE 0.00	0.	0.	0.
ROBERT A BEER 30 MALTBIE ROAD NEWTOWN, CT 06470	TRUSTEE 0.00	0.	0.	0.

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

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

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

0

Form 990-PF (2016)

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

0

Expenses

2

3

4

Amount

1	N/A
---	-----

2

All other program-related investments. See instructions.

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	14965914.
b	Average of monthly cash balances	1b	863341.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	15829255.
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	15829255.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	237439.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	15591816.
6	Minimum investment return. Enter 5% of line 5	6	779591.

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	779591.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	44961.
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	44961.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	734630.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	734630.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	734630.

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	812000.
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	812000.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	812000.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Form 990-PF (2016)

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				734630.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2016:				
a From 2011	319947.			
b From 2012	67589.			
c From 2013	63294.			
d From 2014				
e From 2015	108447.			
f Total of lines 3a through e	559277.			
4 Qualifying distributions for 2016 from Part XII, line 4: ► \$	812000.			
a Applied to 2015, 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 2016 distributable amount				734630.
e Remaining amount distributed out of corpus	77370.			
5 Excess distributions carryover applied to 2016 (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	636647.			
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 2015. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				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 2011 not applied on line 5 or line 7	319947.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	316700.			
10 Analysis of line 9:				
a Excess from 2012	67589.			
b Excess from 2013	63294.			
c Excess from 2014				
d Excess from 2015	108447.			
e Excess from 2016	77370.			

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
SEE SCHEDULE ANNEXED				812000.
Total			▶ 3a	812000.
b Approved for future payment				
None				
Total			▶ 3b	0.

Form 990-PF (2016)

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

<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>		Yes	No
<p>a Transfers from the reporting foundation to a noncharitable exempt organization of:</p>			
<p>(1) Cash</p>		1a(1)	X
<p>(2) Other assets</p>		1a(2)	X
<p>b Other transactions:</p>			
<p>(1) Sales of assets to a noncharitable exempt organization</p>		1b(1)	X
<p>(2) Purchases of assets from a noncharitable exempt organization</p>		1b(2)	X
<p>(3) Rental of facilities, equipment, or other assets</p>		1b(3)	X
<p>(4) Reimbursement arrangements</p>		1b(4)	X
<p>(5) Loans or loan guarantees</p>		1b(5)	X
<p>(6) Performance of services or membership or fundraising solicitations</p>		1b(6)	X
<p>c Sharing of facilities, equipment, mailing lists, other assets, or paid employees</p>		1c	X
<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>			

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.		
(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		May the IRS discuss this return with the preparer shown below (see instr.)? <input type="checkbox"/> Yes <input type="checkbox"/> No
▶	Robert A. Beer	11-12-17	▶ TRUSTEE
	Signature of officer or trustee	Date	Title

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Robert A Beer	Robert A Beer	11-12-17		PO1466472
	Firm's name ▶ Robert A Beer Attorney at Law LLC			Firm's EIN ▶ 56-2498505	
	Firm's address ▶ 30 Maltbie Road Newtown, CT 06470			Phone no. 203-426-3093	

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and
its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Name of the organization

Employer identification number

DONALD C BRACE FOUNDATION

13-3442680

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or 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 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year. ▶ \$ _____

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

Name of organization

Employer identification number

DONALD C BRACE FOUNDATION**13-3442680****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
<u>1</u>	<u>ESTATE OF DONNA BRACE OGILVIE</u> <u>30 MALTBIE ROAD</u> <u>NEWTOWN , CT 06470</u>	\$ <u>5142435.</u>	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)

Form 990-PF	Dividends and Interest from Securities				Statement 1
Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
MERRILL LYNCH 840-17959	388729.	0.	388729.	388729.	388729.
EST --DBO 47-7328804	314407.	0.	314407.	314407.	314407.
MERRILL LYNCH 840-96405	272.	0.	272.	272.	272.
To Part I, line 4	703408.	0.	703408.	703408.	703408.

Form 990-PF	Other Professional Fees				Statement 2
Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Merrill Lynch	217881.	217881.	217881.		
To Form 990-PF, Pg 1, ln 16c					

Form 990-PF	Taxes				Statement 3
Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
GREENWICH REAL ESTATE TAX	21175.	21175.	21175.	0.	
FOREIGN INCOME TAX PAID	2670.	2670.	2670.	0.	
CODE SEC 4940 EXCISE TAX	10000.	0.	0.	0.	
To Form 990-PF, Pg 1, ln 18	33845.	23845.	23845.	0.	

Form 990-PF	Other Expenses			Statement	4
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
SEE SCHEDULE ANNEXED	166758.	166758.	166758.	0.	
To Form 990-PF, Pg 1, ln 23	166758.	166758.	166758.	0.	

Donald C. Brace Foundation
Identification No. 13-3442680
2016 Form 990-PF

Page 1, Part I, Line (23)

**Maintenance Expenses With Respect to Rockledges Which Was Specifically Devised
by Donna Brace Ogilive to the Donbald C. Brace Foundation**

Mark Dawson Property Management	\$ 85,468.00
Chubb Insurance and First Niagara Risk Management/Property Insurance	\$ 37,079.00
Connecticut Tank Removal - Removing Leaking Oil Tank	\$ 15,107.00
Bruni and Campisi Plumbing and Heating	\$ 5,551.00
Protection One Alarm Monitor	\$ 1,495.00
Fairfield Co. Roofing and Siding - Roof Repair	\$ 650.00
Henn Pools	\$ 4,888.00
Sun Rise Tree Care	\$ 5,840.00
Tax Colletctor - Town of Greenwich	\$ 319.00
Willomore Association Inc.	\$ 1,243.00
Farm TEK Growers Supply	\$ 633.00
Eversource	\$ 2,414.00
Connecticut Natural Gas	\$ 3,383.00
Michaels Sanitation Services	\$ 540.00
Verizon Wireless and Cablevision	\$ 634.00
Acquarion Water	\$ 414.00
Frontier Citizens and Misc.	<u>\$ 1,100.00</u>
TOTAL	\$ 166,758.00

Donald C. Brace Foundation
Identification No. 13-3442680
2016 Form 990-PF

Page 2, Part 11, Balance Sheets
Lines 10b and 10c Investments

Merrill Lynch Account No. 840-96405

			(b)	(c)
Corporate Bonds				
250,000	Morgan Stanley GLB 01.875% Due January 5, 2018	\$	250,510.00	\$ 250,372.50
250,000	JP Morgan Chase & Co. GLB 6.000% Due on January 15, 2018	\$	261,120.00	\$ 260,782.50
	Total Bonds	\$	511,630.00	\$ 511,155.00
8,016 shs.	Abbott Labs	\$	338,159.82	\$ 307,894.56
1,403 shs.	Abbvie Inc.	\$	75,078.32	\$ 87,855.86
300 shs.	Alphabet Inc.	\$	231,001.83	\$ 231,546.00
8,364 shs.	Altria Group Inc.	\$	474,747.50	\$ 565,573.68
1,000 shs.	Amgen Inc.	\$	149,783.24	\$ 146,210.00
1,873 shs.	Anheuser Busch Inbev ADR	\$	212,846.03	\$ 197,489.12
1,479 shs.	Apple Inc.	\$	162,826.91	\$ 171,297.78
15,938 shs.	Applied Material Inc.	\$	330,764.43	\$ 514,319.26
5,000 shs.	Astrazeneca Plc. ADR	\$	137,425.00	\$ 136,600.00
3,278 shs.	Berkshire Hathaway Inc.	\$	415,048.91	\$ 534,248.44
1,700 shs.	Cardinal Health	\$	133,606.40	\$ 122,349.00
3,889 shs.	Caterpillar Inc.	\$	283,942.01	\$ 360,665.86
6,545 shs.	Coca Cola Com.	\$	268,706.34	\$ 271,355.70
4,250 shs.	CSX Corp.	\$	102,674.06	\$ 152,702.50

2,465 shs.	Danaher Corp.	\$	191,184.94	\$	191,875.60
5,313 shs.	Walt Disney Co.	\$	525,269.79	\$	553,720.86
6,588 shs.	Eaton Corp. PLC	\$	365,895.08	\$	441,988.92
1,275 shs.	Emerson Elec.	\$	56,493.65	\$	71,081.25
9,053 shs.	Exxon Mobile Corp.	\$	719,282.65	\$	817,123.78
18,955 shs.	Ford Motor Co.	\$	244,656.92	\$	229,924.15
1,120 shs.	Fortiv Corp.	\$	52,744.15	\$	60,065.60
29,197 shs.	General Electric	\$	785,312.92	\$	922,625.20
3,698 shs.	Honeywell Intl. Inc.	\$	371,973.69	\$	428,413.30
8,069 shs.	Intel Corp.	\$	239,961.55	\$	292,662.63
7,013 shs.	Johnson and Johnson Com.	\$	706,504.98	\$	807,967.73
13,000 shs.	JPMorgan Chase & Co.	\$	838,600.99	\$	1,121,770.00
3,128 shs.	KLA Tencor Corp.	\$	179,644.71	\$	246,111.04
1,564 shs.	Kraft (The) Heinz Co.	\$	112,177.21	\$	136,568.48
2,444 shs.	Lyondellbasell Ind.	\$	193,635.36	\$	209,303.20
3,698 shs.	McDonalds Corp.	\$	385,391.86	\$	450,120.56
6,090 shs.	Merck and Co. Inc.	\$	335,415.22	\$	358,518.30
4,824 shs.	Microsoft Corp.	\$	196,977.66	\$	299,763.36
5,780 shs.	Mondelez Intl. Inc.	\$	234,203.79	\$	256,227.40
7,055 shs.	Nike Inc.	\$	304,170.61	\$	358,605.65
4,475 shs.	Nucor Corp.	\$	194,747.90	\$	266,352.00
4,973 shs.	Occidental Pete Corp. CAL	\$	352,332.17	\$	354,226.79
4,017 shs.	Paccar Inc.	\$	202,883.46	\$	256,686.30
16,490 shs.	Pfizer Inc.	\$	518,985.28	\$	535,595.20

5,272	shs.	Philip Morris Intl. Inc.	\$	460,272.37	\$	482,335.28
5,823	shs.	Procter & Gamble Co.	\$	453,525.93	\$	489,597.84
4,930	shs.	Qualcomm Inc.	\$	252,106.21	\$	321,436.00
4,250	shs.	Royal Dutch Shell Plc.	\$	225,641.30	\$	246,372.50
2,125	shs.	RPM International Inc.	\$	88,549.19	\$	114,388.75
2,040	shs.	Schlumberger Ltd.	\$	151,668.00	\$	171,258.00
6,205	shs.	Starbucks Corp.	\$	316,743.26	\$	344,501.60
2,483	shs.	Union Pacific Corp.	\$	209,126.13	\$	257,437.44
2,270	shs.	United Parcel SVC Cl.	\$	231,564.94	\$	260,232.80
1,700	shs.	Whirlpool Corp.	\$	269,158.11	\$	309,009.00
Total Shares			\$	14,283,412.78	\$	16,463,974.27

Merrill Lynch Account No. 840-96405

Additional E Securities

		Merrill Lynch Bank Deposit Program	\$	71,373.11	\$	71,373.11
1,000	shs.	Bank of America Corp.	\$	47,836.31	\$	22,100.00
7,500	shs.	SPSIOP STEPUP ISSUER CS	\$	75,000.00	\$	65,025.00
10,000	shs.	SX5E STEPUP ISSUER CS	\$	100,000.00	\$	88,570.00
Total			\$	294,209.42	\$	247,068.11
GRAND TOTAL			\$	15,089,252.20	\$	17,222,197.38

Donald C. Brace Foundation
Identification No. 13-3442680
2016 Form 990-PF

Page 1, Part I, Line (a)
Property received from the Estate of Donna Brace Ogilvie
Securities received on October 27, 2016

	(a)
2,430 shs. Abbott Labs	\$ 97,904.70
450 shs. Abbvie Inc.	\$ 27,657.00
3,240 shs. Altria Group Inc.	\$ 208,753.20
675 shs. Anheuser Busch Inbev ADR	\$ 81,985.50
540 shs. Apple Inc.	\$ 61,819.20
6,750 shs. Applied Material Inc.	\$ 194,805.00
1,106 shs. Berkshire Hathaway Inc.	\$ 159,761.70
1,575 shs. Caterpillar Inc.	\$ 130,740.75
2,700 shs. Coca Cola Com.	\$ 113,724.00
900 shs. Danaher Corp.	\$ 70,497.00
2,250 shs. Walt Disney Co.	\$ 211,545.00
2,250 shs. Eaton Corp. PLC	\$ 140,152.50
3,150 shs. Exxon Mobile Corp.	\$ 273,798.00
6,300 shs. Ford Motor Co.	\$ 73,962.00
10,350 shs. General Electric	\$ 296,320.50
1,350 shs. Gilead Sci. Inc.	\$ 102,370.50
1,350 shs. Honeywell Intl. Inc.	\$ 146,920.50
2,475 shs. Intel Corp.	\$ 86,154.75
2,250 shs. Johnson and Johnson Com.	\$ 260,325.00

	5,400 shs.	JPMorgan Chase & Co.	\$ 373,842.00
	1,080 shs.	KLA Tencor Corp.	\$ 80,697.60
	540 shs.	Kraft (The) Heinz Co.	\$ 47,352.60
	900 shs.	Lyondell Basell Ind.	\$ 72,225.00
	1,350 shs.	McDonalds Corp.	\$ 151,308.00
	2,700 shs.	Merck and Co. Inc.	\$ 165,483.00
	675 shs.	Microsoft Corp.	\$ 40,567.50
	1,800 shs.	Mondelez Intl. Inc.	\$ 79,020.00
	2,700 shs.	Nike Inc.	\$ 140,103.00
	1,800 shs.	Nucor Corp.	\$ 84,132.00
	1,350 shs.	Occidental Pete Corp. CAL	\$ 99,616.50
	1,125 shs.	Paccar Inc.	\$ 62,190.00
	5,400 shs.	Pfizer Inc.	\$ 175,392.00
	2,430 shs.	Philip Morris Intl. Inc.	\$ 232,745.40
	2,250 shs.	Procter & Gamble Co.	\$ 194,805.00
	1,800 shs.	Qualcomm Inc.	\$ 126,162.00
	900 shs.	Schlumberger Ltd.	\$ 71,640.00
	1,800 shs.	Starbucks Corp.	\$ 96,462.00
	855 shs.	Union Pacific Corp.	\$ 75,941.10
	514 shs.	United Parcel SVC Cl.	\$ 55,553.12
		TOTAL Securities received on October 27, 2016	\$ 5,164,434.62
Various Dates		Cash Items	\$ 187,933.00
12/27/2016		Cash	\$ 350,000.00
		GRAND TOTAL	\$ 5,702,367.62

Total Securities, Cash Items and Cash Distributions from the Estate of Donna Brace Ogilvie adjusted to reflect the tax character of the Dividends and Interest Income and Capital Gains carried out to the Donald C. Brace Foundation, which are included in the amounts reported on Lines 4 and 6a of Column(a) Part I of 2016 Form 990-PF.

Total distributed from the Estate of Donna Brace Ogilvie:		\$	5,702,368
---	--	----	-----------

Less Distributable Net Income carried out from the Estate of Donna Brace Ogilvie:

Dividends and Interest Income	\$	314,407	
Capital Gains	\$	<u>234,526</u>	\$ <u>548,933</u>
	\$	548,933	
Less Cash and Cash Items Received	\$	<u>537,933</u>	\$ <u>11,000</u>

Amount Reported on Line I of Column (a) Part I		\$	5,142,435
--	--	----	-----------

Donald C. Brace Foundation
Identification No. 13-3442680
2016 Form 990-PF

Page 11, Part XV, Line (3), Charitable Contributions Paid

	(a)
1/29 Assets School Scholarship Fund	\$ 5,000.00
2/17 Westhampton Cultural Consortium	\$ 15,000.00
3/7 Hopkinsville Carnegie Library	\$ 100,000.00
5/8 Slow Money Institute	\$ 100,000.00
5/27 Community Foundation of Teton Valley - TIN Cup Challenge	\$ 50,000.00
5/27 Teton Regional Land Trust - Bates Project	\$ 50,000.00
7/14 National Young Farmers Coalition	\$ 100,000.00
9/3 Torch Relay - Children's Miracle Network Hospitals	\$ 5,000.00
9/21 Sustainable Iowa Land Trust	\$ 100,000.00
9/23 Teton Reptor Center	\$ 25,000.00
9/30 Asset School - New High School Campus Building Project	\$ 100,000.00
10/4 Asset School - Second of Ten Annual Installments in Payment of \$1,000,000 Pledge for the Donald C. Brace Library	\$ 100,000.00
10/11 Matthew's Hearts of Hope	\$ 10,000.00
10/26 Headway Foundation	\$ 2,000.00
12/9 Friends of the Teton River	<u>\$ 50,000.00</u>
TOTAL	\$ 812,000.00

Note: Besides the gifts for specific purposes set forth in the above Schedule, the Brace Foundation makes gifts for the general purposes of the entities which are public charities. The funds can be used in the discretion of the institutions where the need is the greatest.