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

2016

Open to Public Inspection

For calendar year 2016, or tax year beginning 01-01-2016 , and ending 12-31-2016

Name of foundation
THE DANIEL K THORNE FOUNDATION INC

% DANIEL K THORNE

Number and street (or P O box number if mail is not delivered to street address) Room/suite
PO BOX 308 - STAR LAKE FARM

City or town, state or province, country, and ZIP or foreign postal code
GEORGES MILLS, NH 03751

A Employer identification number
13-3857951

B Telephone number (see instructions)
(212) 806-6187

C If exemption application is pending, check here ▶ ☐

D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

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

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

H Check type of organization ☑ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)*▶$ 6,569,132

J Accounting method ☑ Cash ☐ Accrual ☐ Other (specify) *(Part I, column (d) must be on cash basis)*

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)	0			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	555	555		
	4	Dividends and interest from securities	88,104	85,250		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	483,905			
	b	Gross sales price for all assets on line 6a 6,620,393				
	7	Capital gain net income (from Part IV, line 2)		483,905		
	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) (attach schedule)				
	11	Other income (attach schedule)	-11,679	-23,331		
	12	**Total.** Add lines 1 through 11	560,885	546,379		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	6,472	3,236	0	3,236
	c	Other professional fees (attach schedule)	32,994	32,994		
	17	Interest	5,424	5,424		
	18	Taxes (attach schedule) (see instructions)	9,629	1,075		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings	1,165	582		583
	22	Printing and publications	250			250
	23	Other expenses (attach schedule)	35,292	32,133		2,709
	24	**Total operating and administrative expenses.** Add lines 13 through 23	91,226	75,444	0	6,778
	25	Contributions, gifts, grants paid	344,000			344,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	435,226	75,444	0	350,778
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	125,659			
	b	**Net investment income** (if negative, enter -0-)		470,935		
	c	**Adjusted net income**(if negative, enter -0-)				

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

	Line	Description	Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	347,393	173,034	173,034
	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			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	583,546	3,590,292	3,779,630
	c	Investments—corporate bonds (attach schedule)	1,430,975	965,691	939,076
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)	3,782,413	1,284,610	1,677,392
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	6,144,327	6,013,627	6,569,132
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities**(add lines 17 through 22)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here** ▶ ☐ **and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☑ **and complete lines 27 through 31.**			
	27	Capital stock, trust principal, or current funds	6,144,327		
	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)	6,144,327	0	
	31	**Total liabilities and net assets/fund balances** (see instructions)	6,144,327	0	

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	6,144,327
2	Enter amount from Part I, line 27a	2	125,659
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	6,269,986
5	Decreases not included in line 2 (itemize) ▶	5	256,359
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	6,013,627

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)
1 a	INVESTMENT SECURITIES (ARLINGTON TR CO S-T)	P	2016-01-01	2016-12-31
b	INVESTMENT SECURITIES (ARLINGTON TR CO L-T)	P	2000-01-01	2016-12-31
c	INVESTMENT SECURITIES (WEDBUSH S-T)	P	2016-01-01	2016-12-31
d	INVESTMENT SECURITIES (UBS)	P	2016-01-01	2016-12-31
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	1,840,016		1,713,160	115,599
b	4,444,165		4,315,676	124,094
c	81,356		87,349	-5,993
d			4,651	-4,651
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(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	
a				126,856
b				128,489
c				-5,993
d				-4,651
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	483,905
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))
2015	338,369	6,537,782	0 051756
2014	253,509	6,807,831	0 037238
2013	339,910	6,708,670	0 050667
2012	339,676	6,532,175	0 052
2011	334,051	6,810,832	0 049047

2	**Total** of line 1, column (d)	2	0 240708
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 048142
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	6,191,455
5	Multiply line 4 by line 3	5	298,069
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	4,709
7	Add lines 5 and 6	7	302,778
8	Enter qualifying distributions from Part XII, line 4 , ...	8	350,778

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 ▶ ☐ 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	1	4,709
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	4,709
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	4,709
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016 — 6a: 400		
b	Exempt foreign organizations—tax withheld at source — 6b:		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: 10,000		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	10,400
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	5,691
11	Enter the amount of line 10 to be **Credited to 2017 estimated tax** ▶ 4,800 **Refunded** ▶	11	891

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?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
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		No
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) ▶ NY			
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	Yes	
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*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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		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?	13	Yes	

Website address ▶

14 The books are in care of ▶DANIEL K THORNE Telephone no ▶(212) 421-6600

Located at ▶PO BOX 308-STAR LAKE FARM- GEORGES MILLS NH ZIP+4 ▶03751

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

			Yes	No
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?	16		No
	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 ▶			

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)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here. ▶ ☐			
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		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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016?. ☐ 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		No
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 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).*	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 2016?	4b		No

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

			Yes	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)?	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? ☐ 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		No
	If "Yes" to 6b, file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	7b		

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

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

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation (**If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
See Additional Data Table				

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

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances

Total number of other employees paid over $50,000. ▶

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

Part IX-A Summary of Direct Charitable Activities

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

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	6,248,045
b	Average of monthly cash balances		1b	37,696
c	Fair market value of all other assets (see instructions)		1c	0
d	**Total** (add lines 1a, b, and c)		1d	6,285,741
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e		
2	Acquisition indebtedness applicable to line 1 assets		2	0
3	Subtract line 2 from line 1d		3	6,285,741
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	94,286
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	6,191,455
6	**Minimum investment return.** Enter 5% of line 5		6	309,573

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	309,573
2a	Tax on investment income for 2016 from Part VI, line 5	2a	4,709		
b	Income tax for 2016 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	4,709
3	Distributable amount before adjustments Subtract line 2c from line 1			3	304,864
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	304,864
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	304,864

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	350,778
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	0
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	350,778
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	4,709
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	346,069

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 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7					304,864
2 Undistributed income, if any, as of the end of 2016					
a Enter amount for 2015 only.				3,183	
b Total for prior years 2014 , 2013 , 2012			0		
3 Excess distributions carryover, if any, to 2016					
a From 2011.					
b From 2012.					
c From 2013.					
d From 2014.					
e From 2015.	0				
f **Total** of lines 3a through e.		0			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ $ 350,778					
a Applied to 2015, but not more than line 2a				3,183	
b Applied to undistributed income of prior years (Election required—see instructions).					
c Treated as distributions out of corpus (Election required—see instructions).					
d Applied to 2016 distributable amount.					304,864
e Remaining amount distributed out of corpus		42,731			
5 Excess distributions carryover applied to 2016					
(If an amount appears in column (d), the same amount must be shown in column (a))					
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		42,731			
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.					
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 instructions					
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)					
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions) . . .					
9 **Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a		42,731			
10 Analysis of line 9					
a Excess from 2012. . . .					
b Excess from 2013. . . .					
c Excess from 2014. . . .					
d Excess from 2015. . . .	0				
e Excess from 2016. . . .	42,731				

Part XIV **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 2016, 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)

	Tax year	Prior 3 years			
	(a) 2016	**(b)** 2015	**(c)** 2014	**(d)** 2013	**(e) Total**
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

DANIEL K THORNE

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

NONE

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

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

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

DANIEL K THORNE
PO BOX 308 - STAR LAKE FARM
GEORGES MILLS, NH 03751
(212) 806-6187

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

A WRITTEN REQUEST DESCRIBING THE PETITIONING ORGANIZATION AND THE PURPOSE FOR WHICH A GRANT IS BEING SOLICITED

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

ELIGIBLE RECIPIENTS ARE LIMITED TO PUBLIC CHARITIES AND PRIVATE OPERATING FOUNDATIONS

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 Additional Data Table				
Total . . . . ▶ **3a**				344,000
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income (See instructions)
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					
4 Dividends and interest from securities. . . .			14	88,659	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			18	483,905	
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). .				560,885	

13 **Total.** Add line 12, columns (b), (d), and (e). **13** 560,885

(See worksheet in line 13 instructions to verify calculations)

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

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

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

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

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

(a) Line No	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements

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

b If "Yes," complete the following schedule

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

Sign Here

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

******	2017-08-10	******	May the IRS discuss this return with the preparer shown below (see instr)? ☑ Yes ☐ No
Signature of officer or trustee	Date	Title	

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ▶ ☐	PTIN
DONALD BROPHY				P00237126
Firm's name ▶ CPI ASSOCIATES INC				Firm's EIN ▶
Firm's address ▶ 32 EAST 57TH STREET 14TH FLOOR NEW YORK, NY 10022				Phone no (212) 421-6600

Form 990PF Part VIII Line 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
DANIEL K THORNE PO BOX 308 GEORGES MILLS, NH 03751	DIRECTOR & PRESIDENT 0 5	0	0	0
ALEXANDRA T THORNE 135 MIANUS RIVER RD BEDFORD, NY 10506	DIRECTOR 0 5	0	0	0
JOSIAH HORNBLOWER 3317 BOWMAN AVE AUSTIN, TX 78703	DIRECTOR & TREASURER 0 5	0	0	0
ROBERT LYNCH PO BOX 2119 GALVESTON, TX 77553	DIRECTOR 0 5	0	0	0
MICHAEL S FORSMAN 110 WEST 7TH ST - SUITE 900 TULSA, OK 74119	DIRECTOR 0 5	0	0	0
DAVID W LOWDEN C/O STROOCK STROOCK LAVAN NEW YORK, NY 10038	SECRETARY 0 5	0	0	0

Form 990PF Part XV Line 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*				
PRESERVATION TRUST OF VERMONT 104 CHURCH STREET BURLINGTON, VT 05401	NONE	PC	GENERAL SUPPORT	10,000
GLOBAL HERITAGE FUND 625 EMERSON STREET - SUITE 200 PALO ALTO, CA 94301	NONE	PC	GENERAL SUPPORT	102,000
GALVESTON HISTORICAL FOUNDATION 2228 BROADWAY GALVESTON, TX 77550	NONE	PC	GENERAL SUPPORT	25,000
DIANA FOSSEY GORILLA FD 800 CHEROKEE AVE SE ATLANTA, GA 30315	NONE	PC	GENERAL SUPPORT	40,000
NATURE CONSERVANCY 14 MAINE STREET 401 BRUNSWICK, ME 04011	NONE	PC	GENERAL SUPPORT	25,000
Total . . . . ▶ **3a**				344,000

Form 990PF Part XV Line 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*				
WORLD OCEAN OBSERVATORY PO BOX 1 SEDGWICK, ME 04676	NONE	PC	GENERAL SUPPORT	6,000
TALL SHIPS AMERICA 221 THIRD ST - BLDG 2 STE 101 NEWPORT, RI 02840	NONE	PC	GENERAL SUPPORT	1,000
ALL SAINTS EPISCOPAL DAY SCHOOL 1425 CHEROKEE RD FLORENCE, SC 29501	NONE	PC	GENERAL SUPPORT	2,000
MYSTIC SEAPORT MUSEUM 75 GREENMANVILLE AVE PO BOX 6000 MYSTIC, CT 06355	NONE	PC	GENERAL SUPPORT	1,000
TURTLE ISLAND RESTORATION NETWORK PO BOX 370 FOREST KNOLLS, CA 94933	NONE	PC	GENERAL SUPPORT	2,000
Total . . . . ▶ **3a**				344,000

Form 990PF Part XV Line 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*				
NEW HAMPSHIRE PRESERVATION ALLIANCE 7 EAGLE SQ PO BOX 268 CONCORD, NH 03302	NONE	PC	GENERAL SUPPORT	10,000
NAT'L TRUST FOR HISTORIC PRESERVATION 2600 VIRGIANA AVE NW SUITE 1100 WASHINGTON, DC 22037	NONE	PC	GENERAL SUPPORT	20,000
WILDLIFE PRESERVATION INT'L 460 WEST 34TH ST NEW YORK, NY 10001	NONE	PC	GENERAL SUPPORT	100,000
Total . . . . ▶ 3a				344,000

TY 2016 Accounting Fees Schedule

Name: THE DANIEL K THORNE FOUNDATION INC

EIN: 13-3857951

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAX PREPARATION FEES	6,472	3,236		3,236

TY 2016 Depreciation Schedule

Name: THE DANIEL K THORNE FOUNDATION INC

EIN: 13-3857951

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93491237000087

TY 2016 Investments Corporate Bonds Schedule

Name: THE DANIEL K THORNE FOUNDATION INC

EIN: 13-3857951

Name of Bond	End of Year Book Value	End of Year Fair Market Value
ARLINGTON TRUST COMPANY	26	26
UBS	965,665	939,050

TY 2016 Investments Corporate Stock Schedule

Name: THE DANIEL K THORNE FOUNDATION INC

EIN: 13-3857951

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ARLINGTON TRUST COMPANY	0	0
UBS	2,867,219	2,925,368
WEDBUSH	723,073	854,262

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TY 2016 Other Assets Schedule

Name: THE DANIEL K THORNE FOUNDATION INC

EIN: 13-3857951

Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
ALLARD GROWTH FD	349,129	0	0
ANCHORAGE ILLIQUID OFFSHORE IV	21,131	23,546	23,546
ARLINGTON DIVERSIFIED FUND LLC	1,289,491	0	0
ARLINGTON GLOBAL VALUE FD LP	1,004,916	0	0
KABOUTER FD I (QP) LLC	470,898	329,907	503,126
LAKEWOOD CAPITAL PTRS	646,848	499,861	719,424
P&I HAMMERHEAD LP	0	431,296	431,296

TY 2016 Other Decreases Schedule

Name: THE DANIEL K THORNE FOUNDATION INC

EIN: 13-3857951

Description	Amount
LP & LLC BOOK TO TAX DIFFERENCES	256,359

TY 2016 Other Expenses Schedule

Name: THE DANIEL K THORNE FOUNDATION INC

EIN: 13-3857951

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
AIO IV AIV LP	586	586		
ARLINGTON DIVERSIFIED FD LLC	15,512	15,512		
ARLINGTON GLOBAL VALUE FUND LP	7,494	7,494		
KABOUTER FD I QP LLC	5,588	5,588		
MICROEDGE LLC	5,418	2,709		2,709
P&I HAMMERHEAD	244	244		
NON-DEDUCTIBLE K-1 EXPENSES	450			

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TY 2016 Other Income Schedule

Name: THE DANIEL K THORNE FOUNDATION INC

EIN: 13-3857951

Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
ALLARD GROWTH FUND	747	747	
ARLINGTON DIVERSIFIED FUND	-17,235	-17,235	
ARLINGTON GLOBAL VALUE FUND LP			
ARLINGTON TRUST COMPANY 1099	7,613	7,613	
IRS 2015 FEDERAL TAX OVERPAYMENT	11,652	0	
KABOUTER FUND I QP LLC	-150	-150	
LAKEWOOD CAPITAL PTRS	-14,306	-14,306	

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TY 2016 Other Professional Fees Schedule

Name: THE DANIEL K THORNE FOUNDATION INC

EIN: 13-3857951

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ATCO ADMINISTRATION FEE	75	75		
ATCO CUSTODY FEES	6,367	6,367		
ATCO INVESTMENT MGMT FEES	26,552	26,552		

TY 2016 Taxes Schedule

Name: THE DANIEL K THORNE FOUNDATION INC

EIN: 13-3857951

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN W/H TAX	1,075	1,075		
FOUNDATION EXCISE TAX	8,554	0		

ARLINGTON®
TRUST COMPANY

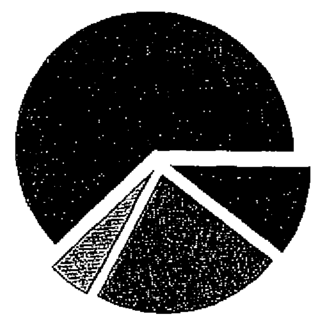
DECEMBER 01, 2015 TO DECEMBER 31, 2015
ACCOUNT NAME: THORN FDN ALL
ACCOUNT NUMBER· M83238

ARLINGTON TRUST COMPANY, INC
2000 MORRIS AVENUE
SUITE 1210
BIRMINGHAM, AL 35203

ACCOUNT NAME.	**THE DANIEL K THORNE FOUNDATION ALL ACCOUNTS**
ACCOUNT NUMBER·	**M83238**
CONTACT INFORMATION:	**ARLINGTON TRUST COMPANY 205-488-4300**

INVESTMENT PORTFOLIO SUMMARY

	TAX COST	MARKET VALUE	PERCENT
ALTERNATIVE INVESTMENTS	3, 705, 869 08	3, 932, 970 36	62 3%
CASH EQUIVALENTS	314, 921 44	314, 921 44	5 0%
FIXED INCOME	1, 430, 974 77	1, 398, 923 74	22 1%
GLOBAL EQUITY	583, 546 32	667, 349 66	10 6%
TOTAL ASSETS	6,035,311 61	6,314,165 20	100 0%
ACCRUED INCOME			
EQUITIES	387.18	387 18	
CASH AND EQUIVALENTS	28 10	28 10	
OTHER	195.98	195 98	
TOTAL ACCRUED INCOME	611 26	611 26	
TOTAL ASSETS & ACCRUALS	6,035,922.87	6,314,776 46	



BEGINNING MARKET VALUE	6,497,144.13
ENDING MARKET VALUE	6 314,776.46

MARKET PRICES SHOWN HAVE BEEN OBTAINED FROM PRICING SOURCES WHICH WE BELIEVE ARE RELIABLE; HOWEVER, WE CANNOT GUARANTEE THEIR ACCURACY OR THAT SECURITIES CAN BE BOUGHT OR SOLD FOR THESE PRICES. IN SOME INSTANCES, CERTAIN ILLIQUID ASSETS HAVE BEEN VALUED ACCORDING TO A CLIENT'S DIRECTION AND PRICES HAVE NOT BEEN OBTAINED FROM A THIRD PARTY WE WILL BE GLAD TO PROVIDE FURTHER DETAILS UPON REQUEST

COST BASIS AND RESULTING GAIN OR LOSS ON SALES OF PARTNERSHIP INTERESTS SHOULD NOT BE USED IN DETERMINING CAPITAL GAIN OR LOSS FOR TAX PURPOSES TAX PREPARERS SHOULD DETERMINE COST BASIS AND RESULTING GAIN OR LOSS ON PARTNERSHIP DISPOSITIONS BY A THOROUGH ANALYSIS OF THE K-1S FOR EACH YEAR THE CLIENT WAS INVESTED IN THE PARTNERSHIP.

ARLINGTON®
TRUST COMPANY

DECEMBER 01, 2015 TO DECEMBER 31, 2015
ACCOUNT NAME: THORN FDN ALL
ACCOUNT NUMBER: M83238

ACCOUNT ACTIVITY SUMMARY

	THIS PERIOD	YEAR TO DATE
BEGINNING MARKET VALUE	**6,497,144.13**	**6,875,739.70**
PRIOR ACCRUALS	1,178 68-	943 05-
CONTRIBUTIONS	0 00	14,702 42
INTEREST	33 24	479 96
DIVIDENDS	6,643.81	45,580.63
CASH DISTRIBUTIONS	100,074.76-	460,459.28-
NON CASH DISTRIBUTIONS	0 00	2,314.51-
REALIZED GAIN/LOSS	3,442.13	45,328.89-
CHANGE IN MARKET VALUE	91,844 67-	113,291 78-
CURRENT ACCRUAL	611 26	611 26
ENDING MARKET VALUE	**6,314,776.46**	**6,314,776.46**

PORTFOLIO STATEMENT

QUANTITY	DESCRIPTION	MARKET VALUE	YIELD TO MKT	COST BASIS
CASH EQUIVALENTS				
MISCELLANEOUS				
294,716.350	IBERIA BANK	294,716 35	0 10	294,716 35
19,628 110	SERVIS FIRST BANK MMDA	19,628 11	0 10	19,628 11
	CASH	576 98		576 98
TOTAL	MISCELLANEOUS	314,921.44	0 10	314,921 44
TOTAL	**CASH EQUIVALENTS**	314,921 44	0.10	314,921 44
FIXED INCOME				
CORE				
16,027.329	FPA NEW INCOME	159,471.92	1 87	167,187 48
7,780.231	GUGGENHEIM TOTAL RETURN BOND INSTL	202,986.23	4 65	205,000 00
4,212 373	METROPOLITAN WEST TOTAL RETURN BOND I	44,735 40	1 83	45,620 00
6,425 734	PERFORMANCE TRUST STRATEGIC BOND	144,900 30	4 87	141,494 66
4,231.911	VANGUARD TOTAL BOND MARKET INDEX I	45,027 53	2 49	45,620 00
TOTAL	CORE	597,121 38	3 58	604,922 14
TAX FREE				
15,266.961	VANGUARD SHORT-TERM TX-EX ADM	241,217.98	0 78	242,256 48
TOTAL	TAX FREE	241,217.98	0.78	242,256 48
SHORT DURATION				
24,776 560	ONE-YEAR FIXED INCOME PORTFOLIO	254,703 04	0 46	255,941 87
18,420 990	FEDERATED ULTRASHORT BOND INSTL	166,894.17	1 08	168,736 27
TOTAL	SHORT DURATION	421,597 21	0 70	424,678 14
MISCELLANEOUS				
12,054 395	TEMPLETON GLOBAL BOND ADV	138,987 17	3 38	159,118 01
TOTAL	MISCELLANEOUS	138,987 17	3 38	159,118 01
TOTAL	**FIXED INCOME**	1,398,923.74	2.21	1,430,974 77

ARLINGTON® TRUST COMPANY

DECEMBER 01, 2015 TO DECEMBER 31, 2015

ACCOUNT NAME: THORN FDN ALL
ACCOUNT NUMBER: M83238

PORTFOLIO STATEMENT (CONTINUED)

QUANTITY	DESCRIPTION	MARKET VALUE	YIELD TO MKT	COST BASIS
GLOBAL EQUITY				
DOMESTIC EQUITY				
105 000	APPLE INC	11,052 30	1 98	5,996.77
115.000	BAXALTA INC COM	4,488 45	0 72	3,679 12
115 000	BAXTER INTERNATIONAL INC	4,387 25	1 21	4,317.36
110.000	BECTON DICKINSON & CO	16,949 90	1 71	7,548 41
60 000	BERKSHIRE HATHAWAY INC B	7,922 40	0 00	5,428 97
145.000	C H ROBINSON WORLDWIDE INC	8,992 90	2 77	8,293 84
645 000	CISCO SYSTEMS INC	17,514 98	3 09	12,239 25
165.000	COACH INC	5,400.45	4.12	8,518.66
375.000	COCA COLA CO	16,110.00	3.07	7,977.59
160 000	COGNIZANT TECHNOLOGY SOLUTIONS CORP CLASS A	9,603.20	0 00	2,935 91
130 000	COLGATE-PALMOLIVE CO	8,660.60	2 28	3,587 04
190 000	EXPEDITORS INTERNATIONAL WASHINGTON INC	8,569.00	1 60	7,908 01
8,779 631	GOTHAM NEUTRAL INSTITUTIONAL	86,128 18	0 00	100,000 00
75 000	INTERNATIONAL BUSINESS MACHINES	10,321 50	3 78	15,749 46
150 000	JOHNSON AND JOHNSON	15,408 00	2 92	7,757 73
105 000	MCCORMICK & CO INC NON VOTING	8,983 80	2 01	4,546 77
420 000	MICROSOFT CORP	23,301 60	2 60	485 10
210 000	OMNICOM GROUP INC	15,888 60	2 64	10,900 87
415 000	ORACLE CORP	15,159 95	1.64	12,883 66
40 000	PRECISION CASTPARTS CORP	9,280 40	0.05	8,015.17
185 000	PROCTER & GAMBLE CO	14,690 85	3 34	12,797 86
3,006 000	ENERGY SELECT SECTOR SPDRR (MKT)	181,321.92	3 39	192,682 50
220 000	SYSCO CORP	9,020.00	3 02	4,809 89
95 000	3M CO	14,310.80	2.72	8,988.57
130.000	UNITED TECHNOLOGIES CORP	12,489 10	2.66	10,188.39
190 000	VARIAN MEDICAL SYSTEMS INC	15,352 00	0.00	12,368.28
275 000	WAL-MART STORES INC	16,857 50	3.20	13,956.84
TOTAL	DOMESTIC EQUITY	568,165 63	2.27	494,562.02
INTERNATIONAL				
26 752	ARTISAN INTERNATIONAL VALUE INSTL	850.98	1.11	1,000 00
3,407 314	IVA INTERNATIONAL I	53,085.95	3.33	54,750 84
330 000	NOVO NORDISK A/S SPONS ADR	19,166 40	0.92	10,949 33
95 000	ACCENTURE PLC A (ISIN #IE00B4BNMY34 SEDOL #B4BNMY3)	9,927.50	2.11	6,509 98
210 000	MEDTRONIC PLC SHS	16,153 20	1 98	15,774 15
TOTAL	INTERNATIONAL	99,184 03	2.50	88,984 30
TOTAL	**GLOBAL EQUITY**	667,349.66	2 31	583,546.32
ALTERNATIVE INVESTMENTS				
PRIVATE EQUITY				
144 506	ANCHORAGE ILLIQUID OFFSHORE IV	176,995 64	0.00	155,094.05
TOTAL	PRIVATE EQUITY	176,995.64	0.00	155,094.05
HEDGE FUNDS				
904 300	ARLINGTON DIVERSIFIED FND LLC	1,293,411.25	0 00	
460.737	LAKEWOOD CAPITAL PARTNERS, LP	646,845.86	0 00	
TOTAL	HEDGE FUNDS	1,940,257.11	0 00	
GLOBAL EQUITY				
335.858	KABOUTER FUND I QP LLC	470,783 61	0 00	

ARLINGTON®
TRUST COMPANY

DECEMBER 01, 2015 TO DECEMBER 31, 2015

ACCOUNT NAME: THORN FDN ALL
ACCOUNT NUMBER: M83238

PORTFOLIO STATEMENT (CONTINUED)

QUANTITY	DESCRIPTION	MARKET VALUE	YIELD TO MKT	COST BASIS
GLOBAL EQUITY				
5,501.773	ALLARD GROWTH FUND	340,582.87	0.00	329,502.60
627 641	ARLINGTON GLOBAL VALUE FUND LP	1,004,351.13	0.00	
TOTAL	GLOBAL EQUITY	1,815,717 61	0.00	
TOTAL	**ALTERNATIVE INVESTMENTS**	3,932,970 36	0 00	
GRAND TOTAL ASSETS		**6,314,165.20**	**0.74**	

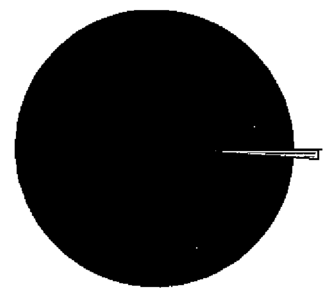
ARLINGTON®
TRUST COMPANY

JANUARY 01, 2016 TO DECEMBER 31, 2016

ACCOUNT NAME: THORN FDN OTH
ACCOUNT NUMBER: 8340007407

INVESTMENT PORTFOLIO SUMMARY

	TAX COST	MARKET VALUE	PERCENT
ALTERNATIVE INVESTMENTS	965, 239. 74	1, 387, 529. 21	98. 8%
CASH EQUIVALENTS	17, 060. 47	17, 060. 47	1. 2%
FIXED INCOME	25. 55	25. 55	0. 0%
TOTAL ASSETS	982,325 76	1,404,615 23	100 0%
ACCRUED INCOME			
FIXED INCOME SECURITIES	0.01	0.01	
CASH AND EQUIVALENTS	1.15	1.15	
TOTAL ACCRUED INCOME	1 16	1.16	
TOTAL ASSETS & ACCRUALS	982,326.92	1,404,616.39	



BEGINNING MARKET VALUE	5,783,782.90
ENDING MARKET VALUE	1,404,616 39

MARKET PRICES SHOWN HAVE BEEN OBTAINED FROM PRICING SOURCES WHICH WE BELIEVE ARE RELIABLE; HOWEVER, WE CANNOT GUARANTEE THEIR ACCURACY OR THAT SECURITIES CAN BE BOUGHT OR SOLD FOR THESE PRICES. IN SOME INSTANCES, CERTAIN ILLIQUID ASSETS HAVE BEEN VALUED ACCORDING TO A CLIENT'S DIRECTION AND PRICES HAVE NOT BEEN OBTAINED FROM A THIRD PARTY. WE WILL BE GLAD TO PROVIDE FURTHER DETAILS UPON REQUEST.

COST BASIS AND RESULTING GAIN OR LOSS ON SALES OF PARTNERSHIP INTERESTS SHOULD NOT BE USED IN DETERMINING CAPITAL GAIN OR LOSS FOR TAX PURPOSES TAX PREPARERS SHOULD DETERMINE COST BASIS AND RESULTING GAIN OR LOSS ON PARTNERSHIP DISPOSITIONS BY A THOROUGH ANALYSIS OF THE K-1S FOR EACH YEAR THE CLIENT WAS INVESTED IN THE PARTNERSHIP.

ARLINGTON®
TRUST COMPANY

JANUARY 01, 2016 TO DECEMBER 31, 2016

ACCOUNT NAME: THORN FDN OTH
ACCOUNT NUMBER: 8340007407

ACCOUNT ACTIVITY SUMMARY

	THIS PERIOD	YEAR TO DATE
BEGINNING MARKET VALUE	**5,783,782.90**	**5,783,782.90**
PRIOR ACCRUALS	208.44-	208.44-
CONTRIBUTIONS	213,122.84	213,122.84
INTEREST	248.30	248.30
DIVIDENDS	28,747.31	28,747.31
CASH DISTRIBUTIONS	4,964,933.78-	4,964,933.78-
NON CASH DISTRIBUTIONS	353.35-	353.35-
REALIZED GAIN/LOSS	101,150.85	101,150.85
CHANGE IN MARKET VALUE	243,058.60	243,058.60
CURRENT ACCRUAL	1.16	1.16
ENDING MARKET VALUE	**1,404,616.39**	**1,404,616.39**

PORTFOLIO STATEMENT

QUANTITY	DESCRIPTION	MARKET VALUE	YIELD TO MKT	COST BASIS
CASH EQUIVALENTS				
MISCELLANEOUS				
5,791.240	CADENCE BANK MMA	5,791.24	0.10	5,791.24
	CASH	11,269.23		11,269.23
TOTAL	MISCELLANEOUS	17,060.47	0.03	17,060.47
TOTAL	**CASH EQUIVALENTS**	17,060.47	0.03	17,060.47
FIXED INCOME				
MISCELLANEOUS				
25.540	IBERIA BANK ENHANCED YIELD	25.54	0.31	25.54
0.010	SERVISFIRST BANK ENHANCED YIELD	0.01	0.00	0.01
TOTAL	MISCELLANEOUS	25.55	0.31	25.55
TOTAL	**FIXED INCOME**	25.55	0.31	25.55
ALTERNATIVE INVESTMENTS				
PRIVATE EQUITY				
127.947	ANCHORAGE ILLIQUID OFFSHORE IV	164,979.67	0.00	135,471.83
TOTAL	PRIVATE EQUITY	164,979.67	0.00	135,471 83
HEDGE FUNDS				
460.737	LAKEWOOD CAPITAL PARTNERS, LP	719,423.57	0.00	499,861.02
TOTAL	HEDGE FUNDS	719,423.57	0.00	499,861.02
GLOBAL EQUITY				
335.858	KABOUTER FUND I QP LLC	503,125.97	0.00	329,906.89
TOTAL	GLOBAL EQUITY	503,125 97	0.00	329,906.89
TOTAL	**ALTERNATIVE INVESTMENTS**	1,387,529.21	0.00	965,239.74
GRAND TOTAL ASSETS		**1,404,615.23**	**0.00**	**982,325.76**

UBS 12/31/16 Cost

Account #	UBS	Cash	Equities	Fxd Inc	Alternative	Cost Total
46576-98	Breckinridge Fixed Income	$15,792		$477,010		$492,802
46650-98	TSW Mid Cap	$8,649	$183,168			$191,817
46651-98	Delaw Large Cap	$38,369	$604,829			$643,198
46652-98	Hard Love Int'l	$5,285	$305,123			$310,408
46653-98	Cambriar Int'l	$14,170	$288,043			$302,213
46654-98	Loomis Large Cap	$11,860	$670,261			$682,121
46655-98	Western Fixed Income	$10,249		$488,655		$498,904
46656-98	London Large Cap	$9,431	$623,745			$633,176
46659-98	Amex Small-mid Cap	$5,131	$192,050			$197,181
		$118,936	$2,867,219	$965,665		$3,951,820
						$3,951,820

UBS 12/31/16 Market Value

Account #	UBS	Cash	Equities	Fxd Inc	Alternative	FMV Total
46576-98	Breckinridge Fixed Income	$15,792		$464,793		$480,585
46650-98	TSW Mid Cap	$8,649	$189,895			$198,544
46651-98	Delaw Large Cap	$38,369	$634,138			$672,507
46652-98	Hard Love Int'l	$5,284	$297,526			$302,810
46653-98	Cambriar Int'l	$14,170	$291,902			$306,072
46654-98	Loomis Large Cap	$11,860	$652,190			$664,050
46655-98	Western Fixed Income	$10,249		$474,257		$484,506
46656-98	London Large Cap	$9,431	$662,313			$671,744
46659-98	Amex Small-mid Cap	$5,131	$197,404			$202,535
		$118,935	$2,925,368	$939,050		$3,983,353
						$3,983,353

DANIEL K THORNE FOUNDATION INC

ACCOUNT SUMMARY

(Unpriced Securities Excluded)	PRIOR STATEMENT	12-31-16
CASH & CASH EQUIVALENTS (In US $)	12,241.28	27,295.58
EQUITIES	659,730 00	698,457.75
ACCOUNT NET WORTH	**671,971.28**	**725,753.33**

INCOME/PRINCIPAL SUMMARY	CURRENT MONTH	YEAR TO DATE
CASH DIVIDEND	1,100.00	6,306 00
CREDIT INTEREST	.56	76.14
TOTAL INCOME/PRINCIPAL	**1,100.56**	**6,382.14**

ACCOUNT PORTFOLIO

QUANTITY	DESCRIPTION	SYMBOL/ CUSIP	CURRENT PRICE	CURRENT VALUE	COST BASIS	UNREALIZED GAIN OR LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED CURRENT YIELD %	TYPE
MONEY BALANCE (In US $): NET CREDIT				**27,295**					
EQUITIES									
1,500	AMERICAN RIVIERA BANK SANTA BARBARA	ARBV	15.10	22,650	16,661	5,988			1
1,500	AVIDBANK HOLDINGS INC	AVBH	17 95	26,925	21,155	5,769			1
2,000	BAY COMMERCIAL BANK WALNUT CREEK CA	BCML	14 86	29,720	23,405	6,314			1
600	CBBC BANCORP	CBBC	15 00	9,000	7,925	1,074			1
1,000	CASHMERE VALLEY BANK WA NEW	CSHX	47.25	47,250	39,105	8,144	1,430	3.0	1
4,000	COMMONWEALTH BUSINESS BANK LOS ANGELES CA	CWBB	12 70	50,800	41,525	9,274			1
4,000	COMMUNITY BANK BAY OAKLAND CALIF CL A	CBYAA	5 15	20,600	18,405	2,194			1
3,000	EMBASSY BANCORP INC	EMYB	12.95	38,850	32,063	6,786	390	1.0	1
2,205	F N B BANCORP CALIFORNIA	FNBG	32.55	71,772	60,191	11,580	1,411	1.9	1
2,700	FS BANCORP INC	FSBW	35.95	97,065	68,693	28,371	1,080	1.1	1
2,000	FIRST CONSTITUTION BANCORP	FCCY	18.70	37,400	25,792	11,607	100	.2	1
1,000	MALAGA FINL CORP	MLGF	25.85	25,850	22,355	3,494	1,000	3.8	1
2,000	ORITANI FINANCIAL CORP NEW	ORIT	18.75	37,500	33,185	4,314	1,400	3.7	1
17,500	PACIFIC COMMERCE BANCORP	PCBC	7.89	138,075	114,854	23,220			1
10,000	PACIFIC BUSINESS BANCORP	69403V109	Unpriced	155,805.	155,805				
3,000	SUMMIT STATE BANK SANTA ROSE CA	SSBI	15 00	45,000	41,941	3,058	1,440	3.2	1
	EQUITIES TOTAL			854,262.	**723,073**		**8,251**	**1.1**	
	ACCOUNT NET WORTH			881,558.	**723,073**		**8,251**	**1.1**	

The cost basis shown on this statement is for informational purposes only Please refer to actual purchase documentation to confirm its accuracy. You are urged to consult with your own tax advisor regarding the taxable status of any realized gain or loss.

ACCOUNT ACTIVITY

DATE	ACTIVITY	QUANTITY	DESCRIPTION	PRICE	AMOUNT CHARGED	AMOUNT CREDITED	TYPE
			OPENING BALANCE			**12,241.28**	
12-23-16	DIVIDEND		ORITANI FINANCIAL CORP NEW 122316 2,000			1,000.00	1
12-27-16	DIVIDEND		MALAGA FINL CORP 122716 1,000			100.00	1
12-29-16	CREDIT INT		INTEREST AT APPROXIMATE RATE OF 0.05%			.56	