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Return of Private Foundation

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

OMB No. 1545-0052

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

For calendar year 2016 or tax year beginning January 1, 2016, and ending December 31, 2016

Name of foundation MC Scholarship Foundation		A Employer identification number 22-6078909
Number and street (or P.O. box number if mail is not delivered to street address) c/o Susan Daly 360 Gibbs Ave #7	Room/suite	B Telephone number (see instructions) 401-862-0356
City or town, state or province, country, and ZIP or foreign postal code Newport, RI 02840		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input checked="" type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input checked="" type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 893,087	J Accounting method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total 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 <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	24	24	24	
	4 Dividends and interest from securities	18350	18350	18350	
	5a Gross rents	0	0	0	
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	25693			
	b Gross sales price for all assets on line 6a 131,043				
	7 Capital gain net income (from Part IV, line 2)		25693		
	8 Net short-term capital gain			187	
	9 Income modifications			0	
	10a Gross sales less returns and allowances	0			
b Less: Cost of goods sold	0				
c Gross profit or (loss) (attach schedule)	0		0		
11 Other income (attach schedule)	0	0	0		
12 Total. Add lines 1 through 11	44067	44067	18561		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0	0	0	0
	14 Other employee salaries and wages	0	0	0	0
	15 Pension plans, employee benefits	0	0	0	00
	16a Legal fees (attach schedule)	0	0	0	
	b Accounting fees (attach schedule)	650	0	0	0
	c Other professional fees (attach schedule)	10498	10498	10498	0
	17 Interest	0	0	0	0
	18 Taxes (attach schedule) (see instructions)	359	359	285	0
	19 Depreciation (attach schedule) and depletion	0	0	0	
	20 Occupancy	0	0	0	00
	21 Travel, conferences, and meetings	0	0	0	00
	22 Printing and publications	0	0	0	0
	23 Other expenses (attach schedule)	0	0	0	0
	24 Total operating and administrative expenses. Add lines 13 through 23	11507	10857	10783	0
	25 Contributions, gifts, grants paid	35000			35000
26 Total expenses and disbursements. Add lines 24 and 25	46507	10857	10783	35000	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	(2440)				
b Net investment income (if negative, enter -0-)		33210			
c Adjusted net income (if negative, enter -0-)			7778		

Part II Balance Sheets		Beginning of year (a) Book Value	End of year	
			(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	38	40	40
	2 Savings and temporary cash investments	75628	42212	42212
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶	0	0	0
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶	0	0	0
	5 Grants receivable	0	0	0
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)	0	0	0
	7 Other notes and loans receivable (attach schedule) ▶	0		
	Less: allowance for doubtful accounts ▶	0	0	0
	8 Inventories for sale or use	0	0	0
	9 Prepaid expenses and deferred charges	0	0	0
	10a Investments—U.S. and state government obligations (attach schedule)	0	0	0
	b Investments—corporate stock (attach schedule)	0	0	0
	c Investments—corporate bonds (attach schedule)	0	0	0
Liabilities	11 Investments—land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶	0	0	0
	12 Investments—mortgage loans	0	00	0
	13 Investments—other (attach schedule)	0	0	0
	14 Land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶	0	0	0
	15 Other assets (describe ▶ see attached schedule)	723443	754938	850835
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item f)	799109	797190	893087
	17 Accounts payable and accrued expenses	0	0	
	18 Grants payable	0	0	
	19 Deferred revenue	0	0	
	20 Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21 Mortgages and other notes payable (attach schedule)	0	0	
	22 Other liabilities (describe ▶)	0	0	
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	0	0	
	25 Temporarily restricted	0	0	
	26 Permanently restricted	0	0	
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0	0	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0	0	
	29 Retained earnings, accumulated income, endowment, or other funds	799109	797190	
	30 Total net assets or fund balances (see instructions)	799109	797190	
	31 Total liabilities and net assets/fund balances (see instructions)	799109	797190	

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	799109
2 Enter amount from Part I, line 27a	2	(2440)
3 Other increases not included in line 2 (itemize) ▶ unrealized gain on investments	3	521
4 Add lines 1, 2, and 3	4	797190
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	797190

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a see attached document				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) 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				
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	25,693
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	187

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	60001	892369	067
2014	63764	939054	067
2013	57673	921399	063
2012	54393	836485	065
2011	45868	851727	054
2 Total of line 1, column (d)			2 316
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			3 063
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5			4 868881
5 Multiply line 4 by line 3			5 54739
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 332
7 Add lines 5 and 6			7 57071
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			8 45498

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	664	00
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	00
3	Add lines 1 and 2	3	664	00
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0	00
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	664	00
6	Credits/Payments:			
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a		
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7	0	00
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	0	00
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	664	00
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0	00
11	Enter the amount of line 10 to be: Credited to 2017 estimated tax Refunded	11	0	00

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1a			✓
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?		✓
	<i>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.</i>		
c	Did the foundation file Form 1120-POL for this year?		✓
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? <i>If "Yes," attach a detailed description of the activities.</i>		✓
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? <i>If "Yes," attach a conformed copy of the changes</i>		✓
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
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? <i>If "Yes," attach the statement required by General Instruction T.</i>		✓
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?		✓
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>		✓
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ 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? <i>If "No," attach explanation</i>		✓
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)? <i>If "Yes," complete Part XIV</i>		✓
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

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)		✓
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)		✓
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	✓	
Website address ▶ _____		
14 The books are in care of ▶ Susan Daly Telephone no. ▶ 401-862-0356		
Located at ▶ 360 Gibbs Ave #7, Newport, RI ZIP+4 ▶ 02840		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here.		<input type="checkbox"/>
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15		
16 At any time during calendar year 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 ▶ _____		

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 ▶ <input type="checkbox"/>		
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?		✓
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 ▶ 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.)		
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? <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.)		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		✓
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?		✓

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)? **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**

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
Susan Daly 360 Gibbs Ave #7 Newport, RI 02840	Trustee			
Timothy Bingham Allentown, PA	Trustee			

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

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

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

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

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 The income generated is used to make grants to educational institutions for scholarships. The Foundation does not engage in any direct charitable activities as defined in Regs 53.4922(b)-1(b)(2).	
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 The Foundation engages in grant making activities rather than direct charitable contributions.	
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	823193
b	Average of monthly cash balances	1b	58920
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	882113
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	882113
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	13232
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	868881
6	Minimum investment return. Enter 5% of line 5	6	43444

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	
2a	Tax on investment income for 2016 from Part VI, line 5	2a	
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
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	

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	35000
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	10498
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	45498
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	45498

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				
2 Undistributed income, if any, as of the end of 2016:				
a Enter amount for 2015 only				
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2016:				
a From 2011				
b From 2012				
c From 2013				
d From 2014				
e From 2015				
f Total of lines 3a through e				
4 Qualifying distributions for 2016 from Part XII, line 4: ► \$_____				
a Applied to 2015, but not more than line 2a				
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				
e Remaining amount distributed out of corpus				
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				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions				
e Undistributed income for 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				
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				
10 Analysis of line 9:				
a Excess from 2012				
b Excess from 2013				
c Excess from 2014				
d Excess from 2015				
e Excess from 2016				

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 foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2016	(b) 2015	(c) 2014	(d) 2013	
33210	7260	8755	7627	56852
28229	6171	7442	6483	48324
45498	60075	63764	57673	227010
0	0	0	0	0
45498	60075	63764	57673	227010

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 $\frac{2}{3}$ of minimum investment return shown in Part X, line 6 for each year listed

c "Support" alternative test—enter:

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

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

(3) Largest amount of support from an exempt organization

(4) Gross investment income

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

1 Information Regarding Foundation Managers:

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

NONE

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:

Susan Daly, 360 Gibbs Ave #7, Newport, RI 0840, 401-862-0356

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

There is no formal application process. Grants are made to institutions to support scholarships.

c Any submission deadlines:

see 2b above

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

NONE

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 <i>Paid during the year</i>				
Groton school, Groton MA			scholarship	8750
VA Theological Seminary, Alexandria VA			scholarship	2750
Episcopal School of Jacksonville, FL, Jacksonville FL			scholarship	6000
Yale University, New Haven, CT			scholarship	10000
Taft School, Watertown, CT			scholarship	5000
Sail Newport, Newport, RI			scholarship	1500
IYRS, Newport, RI			scholarship	1000
Total			3a	35000
b <i>Approved for future payment</i>				
Total			3b	

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

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
(2)	Other assets
b	Other transactions:
(1)	Sales of assets to a noncharitable exempt organization
(2)	Purchases of assets from a noncharitable exempt organization
(3)	Rental of facilities, equipment, or other assets
(4)	Reimbursement arrangements
(5)	Loans or loan guarantees
(6)	Performance of services or membership or fundraising solicitations
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees
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

2b If "Yes," complete the following schedule.

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

Sign Here

 Signature of officer or trustee

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.

 Date 11/5/17 Title MANAGING TRUSTEE

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

Paid Preparer Use Only	Firm's name ▶ Heather Abati	Preparer's signature 	Date 4/28/2017	Check <input type="checkbox"/> if self-employed	PTIN
Firm's address ▶			Firm's EIN ▶		
			Phone no.	203-415-5412	

MC Scholarship Foundation EIN 22-6078909 Schedule of Information, Form 990-PF

Part 1, Lines 16b, 18, 23

	16b Accounting Fees	16c Professional Fees	18 Taxes	23 Other
Tax Preparation Fees	650.00			
IRS Tax Payment			74.00	
Bank Fees				-
Miscellaneous Fees				-
Account Management Fees		10,498.27		
Foreign Income Tax Paid			284.93	
	650.00	10,498.27	358.93	-

* Expenses paid to produce income

Part IV, Line 1 - Capital Gains/Losses for Tax on Investment Income

Units	Description	How Acquired	Date Acquired	Date Sold	Sale Price	Cost	Gain / (Loss)
Long Term Gain or Loss							
1,118.76	DFA International Core Equity Port Inst Class NL	P	12/3/2015	12/6/2016	13,000.00	13,033.57	(33.57)
2,336.45	Hartford Total Return Bond Fund Class I NL	P	11/17/2014	12/6/2016	23,855.14	24,930.83	(1,075.69)
1,029.41	Hartford Total Return Bond Fund Class I NL	P	12/3/2015	12/6/2016	10,510.30	10,469.50	40.80
515.08	Gavekal Knowledge Leaders Fund Inst Class NL	P	8/8/2013	12/6/2016	7,000.00	6,948.49	51.51
711.68	Pimco Real Return Fund Class P NL	P	12/3/2015	12/6/2016	7,800.00	7,522.19	277.81
162.51	Smallcap World Fund Class F2 American funds NL	P	12/3/2015	12/6/2016	7,608.99	7,700.00	(91.01)
295.75	Capital World Bond Fund Class F	P	2/13/2006	5/16/2016	5,882.57	5,514.71	367.86
220.59	Capital World Bond Fund Class F	P	9/5/2006	5/16/2016	4,387.59	4,179.74	207.85
917.59	Davis New York Venture Fund Class A M/F	P	3/24/2009	5/16/2016	28,225.13	19,287.77	8,937.36
140.47	First Eagle Global Fund Class A M/F	P	10/16/2008	12/6/2016	8,000.00	4,813.37	3,186.63
12.62	Smallcap World Fund Class F2 American funds NL	P	4/1/2004	12/6/2016	591.01	371.28	219.73
422.11	Thornburg Investment Income Builder Fund	P	1/8/2010	12/6/2016	8,400.00	7,711.81	688.19
					125,260.73	112,483.26	12,777.47
Short Term Gain or Loss							
2454.42	Federated High Inc Bond Fund class A M/F	P	12/3/2015	5/16/2016	17647.27	17500	147.27
100.27	Pimco Real Return Fund Class P N/L	P	12/3/2015	5/16/2016	1,100.00	1,059.85	40.15
					18,747.27	18,559.85	187.42
Capital Gain Distribution							
	Champlain Small Company Fund Advisor Class N/L	LT		12/22/2016			747.80
	Capital World Growth & Income Fund Class F2 American Funds	LT		12/22/2016			652.05
	DFA International Core Equity Port Inst Cls N/L	LT		12/15/2016			305.10
	Dodge & Cox Income Fund N/L	LT		3/28/2016			62.04
	First Eagle Global Fund Class I NL	LT		12/15/2016			1,034.20
	Fundamental Investors Fund Class F2 American Funds	LT		6/16/2016			273.04
	Fundamental Investors Fund Class F2 American Funds	LT		12/22/2016			1,067.02
	Growth Fund of America Class F2 - American Funds	LT		12/22/2016			2,584.24
	Gavekal Knowledge Leaders Fund Institutional Class	LT		12/5/2016			482.54
	Gavekal Knowledge Leaders Fund Institutional Class	ST		12/5/2016			41.50
	Franklin Mutual Shares Fund Class Z N/L	LT		12/27/2016			703.80
	Franklin Mutual Shares Fund Class Z N/L	ST		12/27/2016			113.34
	Franklin Mutual Shares Fund Class A M/F	LT		9/7/2016			407.45
	Franklin Mutual Shares Fund Class A M/F	ST		9/7/2016			36.61
	New Prospective Fund Class F2-American Funds	LT		12/23/2016			489.83
	Royce Total Return Fund Investment Class N/L	LT		12/16/2016			1,662.86
	Vanguard Dividend Growth Fund Investor Class N/L	LT		3/17/2016			123.39
	Vanguard Dividend Growth Fund Investor Class N/L	LT		12/27/2016			258.47
	Vanguard Dividend Growth Fund Investor Class N/L	ST		12/27/2016			5.87
	Vanguard Reit Index Fund Admiral Shares	LT		3/21/2016			73.27
	Vanguard Reit Index Fund Admiral Shares	LT		6/21/2016			60.90
	Vanguard Reit Index Fund Admiral Shares	LT		9/13/2016			47.67
	Vanguard Reit Index Fund Admiral Shares	LT		12/22/2016			135.13
	Vanguard Equity Income Fund	LT		12/27/2016			556.86
	Vanguard Explorer Fund	LT		12/27/2016			803.60
					12,728.38		
Total Gain / (Loss)					25,693.27		

MC Scholarship Foundation EIN 22-6078909 Schedule of Information, Form 990-PF

	(A) Beg. Of Year Book Value	(B) End Of Year Book Value	(C) End Of Year FMV
Part II, Line 15 - Balance Sheet			
Investment - Mutual Funds			
BlackRock Strategic Inc Opportunities Port Instl	32,000	32,000	31,678
Bond Fund of America	36,794	36,794	42,571
Capital World Bond Fund Class F	9,694	0	0
Capital World Growth & Income	16,482	16,482	23,107
Champlain Small Company Fund	11,968	17,968	27,462
Davis New York Venture Fund Class A M/F	19,288	0	0
DFA International Core Equity Port Inst Cls N/L	20,000	22,966	23,482
DFA US Core Equity 2 Port Instit Class N/I	0	42,000	45,731
Dodge & Cox Income Fund	42,349	42,349	44,373
Eaton Vance Global Macro Absolute Return	36,305	36,305	33,170
Federated High Income Bond Fun Class A M/F	17,500	17,000	17,700
First Eagle Global Fund Class A M/F	19,390	14,576	24,880
Franklin Mutual Shares Fund	27,198	27,198	30,061
Fundamental Investors Fund American Funds	30,678	39,678	45,060
Gavekal Knowledge Leaders Fund Institutional Class	19,095	12,146	12,164
Growth Fund of America Class F	19,867	30,867	42,863
Hartford Total Return Bond Fund Class I	35,500	0	0
Lord Abbett Inflation Focused Fund Class F N/L	0	8,500	8,507
New Perspective Fund Class F	11,639	11,639	16,047
New World Fund Class F1 American Fund	23,104	23,104	25,844
Oppenheimer Developing Markets Fund Class A M/F	29,800	29,800	28,127
Pimco Income Fund Class P N/L	32,000	42,000	41,883
Pimco Real Return Fund Class P N/L	17,500	8,901	9,179
Pimco Total Return Fund Class P N/L	12,500	12,500	11,481
Pimco Short Term Fund Class	0	35,000	35,036
Royce Total Return Fund	10,735	19,235	20,858
Smallcap World Fund Class F	19,290	11,219	17,705
Templeton Global Bond Fund Class A M/F	8,684	8,684	7,956
Thornburg Investment Income Builder Fund	19,964	12,252	13,480
Vanguard Dividend Growth Fund Investor	44,000	44,000	50,720
Vanguard Equity Income Fund	40,293	40,293	53,790
Vanguard Explorer Fund	15,921	15,921	19,475
Vanguard Reit Index Fund Admiral Shares	43,907	43,561	46,445

Alternative Investment

Total Investments	723,443	754,938	850,835
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MC Scholarship Foundation EIN 22-6078909 Schedule of Information, Form 990-PF

Part X, Line 4

	2015	2016	2016 Avg FMV
FMV of Investment	795,550.00	850,835.00	823,192.50
FMV of Cash	75,628.00	42,212.00	58,920.00
			<u>882,112.50</u>
1.5% of FMV			<u>13,231.69</u>