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

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

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning FEB 1, 2016, and ending JAN 31, 2017

Name of foundation
**CHARLES M BAIR MEMORIAL TRUST
US BANK TRUST DEPT**

Number and street (or P O box number if mail is not delivered to street address) Room/suite
555 SW OAK PLAZA 7TH FLOOR

City or town, state or province, country, and ZIP or foreign postal code
PORTLAND, OR 97204

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) **\$ 10,273,014.** J Accounting method: ☒ Cash ☐ Accrual
☐ Other (specify)

A Employer identification number **50302210**
81-0370774

B Telephone number
503-464-3578

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 ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received		1,100,000.			
2 Check ☒ if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		137,836.	137,836.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		114,675.			
b Gross sales price for all assets on line 6a		2,870,268.			
7 Capital gain net income (from Part IV, line 2)			114,675.	03102017	03172017
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		1,690.	1,690.	0.	STATEMENT 2
12 Total. Add lines 1 through 11		1,354,201.	254,201.	0.	
13 Compensation of officers, directors, trustees, etc.		0.	0.	0.	0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 3		4,350.	2,175.	0.	2,175.
c Other professional fees STMT 4		61,608.	30,804.	0.	30,804.
17 Interest					
18 Taxes STMT 5		5,493.	0.	0.	0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 6		215.	215.	0.	0.
24 Total operating and administrative expenses. Add lines 13 through 23		71,666.	33,194.	0.	32,979.
25 Contributions, gifts, grants paid		1,208,819.			1,208,819.
26 Total expenses and disbursements. Add lines 24 and 25		1,280,485.	33,194.	0.	1,241,798.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		73,716.			
b Net investment income (if negative, enter -0-)			221,007.		
c Adjusted net income (if negative, enter -0-)				0.	

17

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CHARLES M BAIR MEMORIAL TRUST

Form 990-PF (2016)

US BANK TRUST DEPT

81-0370774

Page 2

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing		2.	2.
	2 Savings and temporary cash investments	477,300.	426,005.	426,005.
	3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶ Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	5,678.	5,483.	5,483.
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 7	2,637,964.	2,674,221.	3,636,827.
	c Investments - corporate bonds STMT 8	1,684,950.	1,747,300.	1,755,868.
	11 Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 9	232,523.	259,120.	256,451.
	14 Land, buildings, and equipment basis ▶ Less accumulated depreciation ▶			
15 Other assets (describe ▶ STATEMENT 10)	4,192,378.	4,192,378.	4,192,378.	
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	9,230,793.	9,304,509.	10,273,014.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	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	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	9,230,793.	9,304,509.	
	30 Total net assets or fund balances	9,230,793.	9,304,509.	
	31 Total liabilities and net assets/fund balances	9,230,793.	9,304,509.	

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	9,230,793.
2 Enter amount from Part I, line 27a	2	73,716.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	9,304,509.
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	9,304,509.

Form 990-PF (2016)

CHARLES M BAIR MEMORIAL TRUST

Form 990-PF (2016)

US BANK TRUST DEPT

81-0370774

Page 3

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 PUBLICLY TRADED SECURITIES				
b ADJUSTMENTS PUBLICLY TRADED SECURITIES				
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 2,870,131.		2,755,593.	114,538.
b 137.			137.
c			
d			
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			114,538.
b			137.
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	114,675.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

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	1,215,894.	5,739,330.	.211853
2014	1,142,690.	5,831,336.	.195957
2013	1,040,969.	5,537,199.	.187996
2012	694,628.	4,937,158.	.140694
2011	1,060,307.	4,650,223.	.228012

2 Total of line 1, column (d)	2	.964512
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	.192902
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	5,768,977.
5 Multiply line 4 by line 3	5	1,112,847.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,210.
7 Add lines 5 and 6	7	1,115,057.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	1,241,798.

CHARLES M BAIR MEMORIAL TRUST

Form 990-PF (2016)

US BANK TRUST DEPT

81-0370774

Page 4

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	2,210.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	2,210.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	2,210.
6 Credits/Payments:			
a 2016 estimated tax payments and 2015 overpayment credited to 2016	6a	5,483.	
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	5,483.	
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	3,273.	
11 Enter the amount of line 10 to be: Credited to 2017 estimated tax ☒ 3,273. Refunded ☐	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.	2	X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3	X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	X
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	X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	X
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☒ MT		
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	X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? If "Yes," complete Part XIV	9	X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10	X

Form 990-PF (2016)

CHARLES M BAIR MEMORIAL TRUST

Form 990-PF (2016)

US BANK TRUST DEPT

81-0370774

Page 5

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)		X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>WWW.GUIDESTAR.ORG/ORGANIZATIONS/81-0108184</u>	X	
14 The books are in care of ► <u>US BANK TRUST NAT'L ASSOC MT</u> Telephone no. ► <u>406-657-8127</u> Located at ► <u>P.O. BOX 30678, BILLINGS, MT</u> ZIP+4 ► <u>59115</u>		
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		N/A
16 At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►		X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly): (1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	
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?		X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)): a At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ Yes ☒ No If "Yes," list the years ► b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) N/A c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.		
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.) N/A		
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?		X

Form 990-PF (2016)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No(3) Provide a grant to an individual for travel, study, or other similar purposes? ☒ Yes ☐ No(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?Organizations relying on a current notice regarding disaster assistance check here ☐**5b****X****c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A** ☐ Yes ☐ No

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

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

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

6b**X****7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A****7b****Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
N/A				
	0.00	0.	0.	0.

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

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

Total number of other employees paid over \$50,000**0**Form **990-PF** (2016)

Form 990-PF (2016)

US BANK TRUST DEPT

81-0370774

Page 7

Part VIII

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
US BANK TRUST NATIONAL ASSOC MT		
PO BOX 30678, BILLINGS, MT 59115	TRUST ADMINISTRATION	61,608.
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities	
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List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

Expenses

1 N/A

2

3

4

Part IX-B	Summary of Program-Related Investments
------------------	---

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

Amount

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

2

All other program-related investments. See instructions.

3

Total. Add lines 1 through 3

0.

Form **990-PF** (2016)

CHARLES M BAIR MEMORIAL TRUST

Form 990-PF (2016)

US BANK TRUST DEPT

81-0370774

Page 8

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	5,395,012.
b Average of monthly cash balances	1b	451,653.
c Fair market value of all other assets	1c	10,164.
d Total (add lines 1a, b, and c)	1d	5,856,829.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	SEE STATEMENT 11 4,192,378.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	5,856,829.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	87,852.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,768,977.
6 Minimum investment return. Enter 5% of line 5	6	288,449.

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	288,449.
2a Tax on investment income for 2016 from Part VI, line 5	2a	2,210.
b Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	2,210.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	286,239.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	286,239.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	286,239.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,241,798.
b Program-related investments - total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,241,798.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	2,210.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,239,588.

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

Form 990-PF (2016)

CHARLES M BAIR MEMORIAL TRUST
US BANK TRUST DEPT

Form 990-PF (2016)

81-0370774 Page 9

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				286,239.
2 Undistributed income, if any, as of the end of 2016:				
a Enter amount for 2015 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2016:				
a From 2011				
b From 2012				
c From 2013				
d From 2014				
e From 2015	88,770.			
f Total of lines 3a through e	88,770.			
4 Qualifying distributions for 2016 from Part XII, line 4: ▶ \$ 1,241,798.				
a Applied to 2015, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2016 distributable amount				286,239.
e Remaining amount distributed out of corpus	955,559.			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5.	1,044,329.			
b Prior years' undistributed income. Subtract line 4b from line 2b.		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions.		0.		
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017.				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	1,000,000.			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	44,329.			
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	44,329.			

CHARLES M BAIR MEMORIAL TRUST

Form 990-PF (2016)

US BANK TRUST DEPT

81-0370774 Page 11

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				
BILLINGS CLINIC FOUNDATION 801 N 29TH ST BILLINGS, MT 59101		EXEMPT PRIVATE FOUNDATION	PASS THROUGH TO HEALTHCARE FACILITY	360,000.
FIRST CHURCH OF CHRIST, SCIENTIST 7 BURLINGTON AVE BILLINGS, MT 59101		CHURCH	GENERAL EXPENSE OR CAPITAL EXPENDITURES	30,000.
FIRST CHURCH OF CHRIST, SCIENTIST MOTHER CHURCH 175 HUNTINGTON AVE BOSTON, MA 021153117		CHURCH	GENERAL EXPENSE OR CAPITAL EXPENDITURES	60,000.
MOUNTAINVIEW MEDICAL CENTER INC 16 W MAIN ST WHITE SULPHUR SPRINGS, MT 59645		HEALTHCARE FACILITY	SUSTAIN REGIONAL HEALTHCARE	80,000.
SCHOLARSHIPS TO VARIOUS RECIPIENTS PO BOX 30678 BILLINGS, MT 59101	NONE	N/A	SCHOLARSHIP	598,819.
Total	SEE CONTINUATION SHEET(S)			1,208,819.
b Approved for future payment				
NONE				
Total				0.

Form 990-PF (2016)

Enter gross amounts unless otherwise indicated.

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

12
2016.02060 CHARLES M BAIR MEMORIAL TRU 130066 1

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

[illegible]

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

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

**Sign
Here**

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

Signature of officer or trustee

✓ 3-10-17
Date

OFFICER

May the IRS discuss this return with the preparer shown below (see instr. 1)?

☒ Yes ☐ No**Paid
Preparer
Use Only**

Print/Type preparer's name

DANIEL S. MILLER,
CPA

Preparer's signature

DANIEL S. MILLER, CPA

Date

02/18/17

Check ☐ if
self-employed

PTIN

P00031554

Firm's name ► **ANDERSON ZURMUEHLEN & CO., P.C.**

Firm's EIN ► 81-0385940

Firm's address ► P.O. BOX 20435
BILLINGS, MT 59104-0435

Phone no. **406-245-5136**

Form **990-PF** (2016)

81-0370774

3 Grants and Contributions Paid During the Year (Continuation)

623831
04-01-16

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
DIVIDENDS FROM SECURITIES	111,767.	0.	111,767.	111,767.	111,767.
INTEREST FROM SECURITIES	26,069.	0.	26,069.	26,069.	26,069.
TO PART I, LINE 4	137,836.	0.	137,836.	137,836.	137,836.

FORM 990-PF	OTHER INCOME	STATEMENT	2
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
ROYALTY INCOME	1,690.	1,690.	0.
TOTAL TO FORM 990-PF, PART I, LINE 11	1,690.	1,690.	0.

FORM 990-PF	ACCOUNTING FEES	STATEMENT	3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	4,350.	2,175.	0.	2,175.
TO FORM 990-PF, PG 1, LN 16B	4,350.	2,175.	0.	2,175.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TRUST FEES	61,608.	30,804.	0.	30,804.
TO FORM 990-PF, PG 1, LN 16C	61,608.	30,804.	0.	30,804.

FORM 990-PF	TAXES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	5,493.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	5,493.	0.	0.	0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MINERAL FEES	215.	215.	0.	0.
TO FORM 990-PF, PG 1, LN 23	215.	215.	0.	0.

FORM 990-PF	CORPORATE STOCK	STATEMENT	7
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
VARIOUS CORPORATE STOCK HOLDINGS	2,674,221.	3,636,827.
TOTAL TO FORM 990-PF, PART II, LINE 10B	2,674,221.	3,636,827.

FORM 990-PF	CORPORATE BONDS	STATEMENT	8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
INVEST - FIXED INCOME BONDS	1,747,300.	1,755,868.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1,747,300.	1,755,868.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	9
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
ROYALTY INTERESTS	FMV	6,052.	6,642.
INVEST - REAL ESTATE FUNDS	FMV	157,880.	178,062.
INVEST - COMMODITIES	FMV	69,231.	65,152.
INVEST - COAST DIVERSIFIED	FMV	25,957.	6,595.
TOTAL TO FORM 990-PF, PART II, LINE 13		259,120.	256,451.

FORM 990-PF	OTHER ASSETS	STATEMENT	10
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DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
BAIR RANCH FOUNDATION MEMBERSHIP INTEREST	4,192,378.	4,192,378.	4,192,378.
TO FORM 990-PF, PART II, LINE 15	4,192,378.	4,192,378.	4,192,378.

FORM 990-PF

REDUCTION EXPLANATION
PART X, LINE 1E

STATEMENT 11

EXPLANATION FOR REDUCTION CLAIMED FOR BLOCKAGE OR OTHER FACTORS

THE CHARLES M BAIR MEMORIAL TRUST HAS A MEMBERSHIP INTEREST IN ANOTHER PRIVATE FOUNDATION, THE BAIR RANCH FOUNDATION. THE BAIR RANCH FOUNDATION MAKES ANNUAL DISTRIBUTIONS BASED ON THE VALUE OF ITS ASSETS. THE CONTRIBUTIONS MADE TO THE CHARLES M BAIR MEMOPRIAL TRUST FROM THE BAIR RANCH FOUNDATION ARE TREATED AS PASS THROUGH CONTRIBUTIONS. ACCORDINGLY, THE VALUE OF THE MEMBERSHIP INTEREST IS NOT INCLUDED AS IT IS CONSIDERED AN EXEMPT ASSET AND TO INCLUDE THE VALUE HERE WOULD RESULT IN DUPLICATION.

AS TO THE VALUE OF THE MEMBERSHIP INTEREST, BOOK VALUE HAS BEEN UTILIZED. THE MEMBERSHIP INTEREST IS NOT TRANSFERABLE OR SELLABLE AND THESE RESTRICTIONS CREATE A SITUATION WHEREBY THE TRUE VALUE IS NOT EASILY DETERMINABLE. SINCE IT IS AN EXEMPT ASSET THE VALUE IS NOT A SIGNIFICANT ISSUE. ACCORDINGLY, BOOK VALUE HAS BEEN UTILIZED.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 12

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTEDUS BANK TRUST NATIONAL ASSOCIATION OF MONTANA
BOX 30678
BILLINGS, MT 59115TELEPHONE NUMBER

(406)-657-8134

NAME OF GRANT PROGRAM

THE CHARLES M. BAIR MEMORIAL TRUST

FORM AND CONTENT OF APPLICATIONS

SEE STMT 13

ANY SUBMISSION DEADLINESTHE TRUSTEES WILL PROCESS SCHOLARSHIP APPLICATIONS RECEIVED AT ANY TIME
PRIOR TO APRIL FIFTEENTH. SEE STMT 12 & 13 FOR GRANT SUBMISSION DEADLINESRESTRICTIONS AND LIMITATIONS ON AWARDS

SEE STMT 13

GENERAL EXPLANATION

STATEMENT 13

FORM/LINE IDENTIFIER

SEE STMT 13

EXPLANATION:

SCHOLARSHIPS:

EACH APPLICATION MUST BE ACCOMPANIED BY A FINANCIAL ASSISTANCE QUESTIONNAIRE SIGNED BY THE APPLICANT'S PARENT OR GUARDIAN. THE DETERMINATION OF FINANCIAL NEED WILL BE MADE EXCLUSIVELY BY THE TRUSTEES OF THE CHARLES M. BAIR MEMORIAL TRUST.

GRANTS:

BEFORE APPLYING AN ORGANIZATION SHOULD REVIEW THIS DOCUMENT TO DETERMINE WHETHER IT IS THE TYPE OF ORGANIZATION THAT IS ELIGIBLE FOR A GRANT FROM THE CHARLES M. BAIR FAMILY TRUST.

IF AN ORGANIZATION BELIEVES THAT IT IS ELIGIBLE FOR A GRANT, IT SHOULD REQUEST A GRANT APPLICATION IN WRITING. THE GRANT APPLICATION MUST BE ACCOMPANIED BY A SUMMARY OF TWO PAGES OR LESS THAT DESCRIBES THE APPLICANT ORGANIZATION AND THE SPECIFIC PROGRAM OR PROJECT FOR WHICH IT IS SEEKING A GRANT.

IF AN APPLICANT ORGANIZATION IS A SECTION 501(C)(3) ORGANIZATION THAT IS NOT A PRIVATE FOUNDATION, IT MUST ATTACH TO THE GRANT APPLICATION A TAX DETERMINATION LETTER FROM THE INTERNAL REVENUE SERVICE VERIFYING ITS TAX-EXEMPT STATUS. IF AN APPLICANT ORGANIZATION IS AN INSTRUMENTALITY OF THE FEDERAL GOVERNMENT, MONTANA STATE GOVERNMENT, OR LOCAL GOVERNMENT, IT MUST ATTACH TO THE GRANT APPLICATION EVIDENCE OF ITS GOVERNMENT AGENCY STATUS UNDER SECTION 170(C)(1) OF THE INTERNAL REVENUE CODE.

IF AN APPLICANT ORGANIZATION IS A SECTION 501(C)(3) ORGANIZATION THAT IS NOT A PRIVATE FOUNDATION, IT MUST ALSO ATTACH TO THE GRANT APPLICATION A COPY OF ITS LATEST ANNUAL INFORMATION RETURN (FORM 990 OR FORM 990EZ)

AN APPLICANT ORGANIZATION MUST SUBMIT A COPY OF ITS CURRENT OPERATING BUDGET AND BALANCE SHEET AND BRIEFLY DESCRIBE HOW ITS ON-GOING FUNDING WILL BE ACHIEVED.

SEVEN COPIES OF THE GRANT APPLICATION AND SUMMARY PAGES WITH ONE SET OF SUPPORTING EVIDENCE AS REQUIRED SHOULD BE MAILED AS DIRECTED BELOW. PLEASE DO NOT STAPLE MATERIAL.

COMPLETED GRANT APPLICATION CYCLE DEADLINES ARE: THERE WILL BE ONLY 1 GRANT CYCLE PER YEAR. IF MARCH 1ST FALLS ON A WEEKEND, THE GRANT APPLICATIONS WILL BE DUE THE FOLLOWING BUSINESS DAY.

APPLICATIONS MUST BE POSTMARKED BY THE ABOVE DATE AND RECEIVED NO LATER THAN ONE WEEK AFTERWARD FOR CONSIDERATION WITHIN THE CURRENT FUNDING CYCLE.

INCOMPLETE APPLICATIONS WILL BE RETURNED TO GRANT APPLICANTS AND CONSIDERED, WHEN COMPLETED, IN THE NEXT FUNDING CYCLE.

THE BOARD WILL SEND A WRITTEN RESPONSE TO GRANT APPLICANTS WITHIN 60-90 DAYS OF THE GRANT APPLICATION CYCLE DEADLINE. THE BOARD MAY, AT ITS DISCRETION, GIVE PRIORITY TO TIME-SENSITIVE REQUESTS.