

Form 990-PF

OMB No 1545-0052

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

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning 8/01, 2016, and ending 7/31, 2017

SEA CHANGE FOUNDATION
ONE EMBARCADERO CENTER, 22ND FLOOR
SAN FRANCISCO, CA 94111

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, column (c), line 16) ▶ \$ 225,076,693.
J Accounting method: ☐ Cash ☒ Accrual
Other (specify) (Part I, column (d) must be on cash basis)

A Employer identification number 20-4952986
B Telephone number (see instructions) 415-830-9330
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) (see instructions))		(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 (attach schedule)	25,516,132.			
2	Check ☐ if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	552.	552.	N/A	
4	Dividends and interest from securities				
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	65,865,759.			
b	Gross sales price for all assets on line 6a 198289267.				
7	Capital gain net income (from Part IV, line 2)		66,628,583.		
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)				
12	Total Add lines 1 through 11	91,382,443.	65,866,311.		
13	Compensation of officers, directors, trustees, etc	0.			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule) SEE ST 1	40,402.	STATUTE UNIT	40,470.	
b	Accounting fees (attach sch) SEE ST 2	82,229.	RECEIVED	83,934.	
c	Other professional fees (attach sch) SEE ST 3	1,800.		1,813.	
17	Interest	492,806.		492,806.	
18	Taxes (attach schedule) (see instrs) SEE STM 4	1,774,048.		1,048.	
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) SEE STATEMENT 5	17,167.		34,695.	
24	Total operating and administrative expenses Add lines 13 through 23	2,408,452.		654,766.	
25	Contributions, gifts, grants paid PART XV	43,110,000.		46,730,832.	
26	Total expenses and disbursements Add lines 24 and 25	45,518,452.	0.	47,385,598.	
27	Subtract line 26 from line 12.				
a	Excess of revenue over expenses and disbursements	45,863,991			
b	Net investment income (if negative, enter -0-)		65,866,311.		
c	Adjusted net income (if negative, enter -0-)				

BAA For Paperwork Reduction Act Notice, see instructions.

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No Statute Expires 6-22-21

SCANNED JUN 25 2021

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17-22-21

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ENVELOPE POSTMARK DATE MAY 12 2021

REVENUE

ADMINISTRATIVE AND EXPENSES

RECEIVED

JUN 08 2021

TPR BRANCH

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Part II Balance Sheets		Beginning of year	End of year	
			(a) Book Value	(b) Book Value
ASSETS	1 Cash — non-interest-bearing	26.	26.	26.
	2 Savings and temporary cash investments	5,360,885.	17,277,770.	17,277,770.
	3 Accounts receivable ▶ 645,512.			
	Less allowance for doubtful accounts ▶		645,512.	645,512.
	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 sch) ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	3,943.	20,162.	20,162.
	10a Investments — U S and state government obligations (attach schedule)			
	b Investments — corporate stock (attach schedule)			
	c Investments — corporate bonds (attach schedule)			
	11 Investments — land, buildings, and equipment basis ▶			
LIABILITIES	Less accumulated depreciation (attach schedule) ▶			
	12 Investments — mortgage loans			
	13 Investments — other (attach schedule) STATEMENT 6	220,950,706.	207,051,412.	207,051,412.
	14 Land, buildings, and equipment basis ▶ 81,811.			
	Less accumulated depreciation (attach schedule) SEE STMT 7 ▶	81,811.	81,811.	81,811.
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers — see the instructions. Also, see page 1, item I)	226,397,371.	225,076,693.	225,076,693.
	17 Accounts payable and accrued expenses	4,050.	3,778.	
	18 Grants payable	8,262,500.	4,641,668.	
	19 Deferred revenue			
NET ASSETS OR FUND BALANCES	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ SEE STATEMENT 8)	12,677,286.	901,832.	
	23 Total liabilities (add lines 17 through 22)	20,943,836.	5,547,278.	
	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ☐			
NET ASSETS OR FUND BALANCES	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			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	205,453,535.	219,529,415.	
	30 Total net assets or fund balances (see instructions)	205,453,535.	219,529,415.	
NET ASSETS OR FUND BALANCES	31 Total liabilities and net assets/fund balances (see instructions)	226,397,371.	225,076,693.	

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	205,453,535.
2	Enter amount from Part I, line 27a	2	45,863,991.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	251,317,526.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 9	5	31,788,111.
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	219,529,415.

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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1 a SEE STATEMENT 10				
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			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
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	66,628,583.
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	0.

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.

(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	43,763,712.	207,873,805.	0.210530
2014	36,681,154.	179,410,789.	0.204453
2013	47,665,107.	154,709,262.	0.308095
2012	44,112,986.	133,851,290.	0.329567
2011	58,000,653.	146,046,070.	0.397139

2 Total of line 1, column (d)	2	1.449784
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	0.289957
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	223,704,157.
5 Multiply line 4 by line 3	5	64,864,586.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	658,663.
7 Add lines 5 and 6	7	65,523,249.
8 Enter qualifying distributions from Part XII, line 4	8	47,385,598.

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)

1 a 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	1,317,326.
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	1,317,326.
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	1,317,326.
6 Credits/Payments			
a 2016 estimated tax pmts and 2015 overpayment credited to 2016	6 a	1,282,464.	
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7	1,282,464.	
8 Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	585.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	35,447.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2017 estimated tax ☐ Refunded ☐	11		

Part VII-A Statements Regarding Activities

	Yes	No
1 a 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)? <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>		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? <i>If 'Yes,' attach a detailed description of the activities</i>		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? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	X	
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>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, col (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) CA		
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>	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)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

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Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' attach schedule (see instructions)	11	X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12	X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>WWW.SEACHANGE.ORG</u>	13	X
14 The books are in care of <u>THOMAS E. STEINBACH</u> Telephone no <u>415-830-9330</u> Located at <u>SAN FRANCISCO CA</u> ZIP + 4 <u>94111</u>		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <u>N/A</u> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u> <u>N/A</u>		
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	X
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
1 a 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)? ☐	1 b	N/A
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? ☐	1 c	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 <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
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)	2 b	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 <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
3 a 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)	3 b	N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4 b	X

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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 N/A

Organizations relying on a current notice regarding disaster assistance check here

☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?N/A ☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53.4945–5(d)

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

6b X

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?

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 (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
NATHANIEL SIMONS ONE EMBARCADERO CENTER 22ND FL SAN FRANCISCO, CA 94111	PRESIDENT 2.00	0.	0.	0.
LAURA BAXTER-SIMONS ONE EMBARCADERO CENTER 22ND FL SAN FRANCISCO, CA 94111	SEC. & TREAS 2.00	0.	0.	0.
THOMAS STEINBACH ONE EMBARCADERO CENTER 22ND FL SAN FRANCISCO, CA 94111	EXEC DIR 10.00	0.	0.	0.

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

0

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

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

Part IX:A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
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 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	0.

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Part IX 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	1 a	
b	Average of monthly cash balances	1 b	31,174,812.
c	Fair market value of all other assets (see instructions)	1 c	195,936,007.
d	Total (add lines 1a, b, and c)	1 d	227,110,819.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	227,110,819.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	3,406,662.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	223,704,157.
6	Minimum investment return. Enter 5% of line 5	6	11,185,208.

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	11,185,208.
2a	Tax on investment income for 2016 from Part VI, line 5	2 a	1,317,326.
b	Income tax for 2016 (This does not include the tax from Part VI)	2 b	
c	Add lines 2a and 2b	2 c	1,317,326.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	9,867,882.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	9,867,882.
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	9,867,882.

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	1 a	47,385,598.
b	Program-related investments — total from Part IX-B	1 b	
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)	3 a	
b	Cash distribution test (attach the required schedule)	3 b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	47,385,598.
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	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	47,385,598.

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				9,867,882.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			0.	
b Total for prior years 20__, 20__, 20__		0.		
3 Excess distributions carryover, if any, to 2016				
a From 2011	58,680,290.			
b From 2012	44,112,986.			
c From 2013	47,665,107.			
d From 2014	36,681,154.			
e From 2015	43,763,712.			
f Total of lines 3a through e	230,903,249.			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ 47,385,598.				
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				9,867,882.
e Remaining amount distributed out of corpus	37,517,716.			
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	268,420,965.			
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 instructions			0.	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required — see instructions)	0.			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)	58,680,290.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	209,740,675.			
10 Analysis of line 9				
a Excess from 2012	44,112,986.			
b Excess from 2013	47,665,107.			
c Excess from 2014	36,681,154.			
d Excess from 2015	43,763,712.			
e Excess from 2016	37,517,716.			

BAA

Form 990-PF (2016)

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
<i>a Paid during the year</i> SEE STATEMENT SEE STATEMENT SEE STATEMENT CA 94111	NONE	PUBLIC		46,730,832.
Total			3 a	46,730,832.
<i>b Approved for future payment</i> SEE STATEMENT SEE STATEMENT SEE STATEMENT CA 94111	NONE	PUBLIC		4,641,668.
Total			3 b	4,641,668.

Part XVI-A	Analysis of Income-Producing Activities
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Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	552.	
4	Dividends and interest from securities					
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	900001	4,771,417.	18	61,094,342.	
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)		4,771,417.		61,094,894.	
13	Total. Add line 12, columns (b), (d), and (e)					

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No 1545-0047

2016

Name of the organization

SEA CHANGE FOUNDATION

Employer identification number

20-4952986

Organization type (check one)

Filers of:

Form 990 or 990-EZ

Section:

- ☐ 501(c)() (enter number) organization
☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
☐ 527 political organization

Form 990-PF

- ☒ 501(c)(3) exempt private foundation
☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
☐ 501(c)(3) taxable private foundation

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

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

General Rule

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

Special Rules

☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year. ► \$ _____

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

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

Name of organization

Employer identification number

SEA CHANGE FOUNDATION

20-4952986

Part I Contributors (see instructions) Use duplicate copies of Part I if additional space is needed

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	NATHANIEL & LAURA SIMONS ONE EMBARCADERO CENTER 22ND FL SAN FRANCISCO, CA 94111	\$ 9,790,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
2	NATHANIEL SIMONS DE TRUST I 500 STANTON CHRISTIANA RD NEWARK, DE 19713	\$ 14,870,500.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
3	NATHANIEL SIMONS DE TRUST II 500 STANTON CHRISTIANA RD NEWARK, DE 19713	\$ 478,046.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
4	NATHANIEL SIMONS RENAISSANCE TRUST 500 STANTON CHRISTIANA RD NEWARK, DE 19713	\$ 377,586.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)

Name of organization

Employer identification number

SEA CHANGE FOUNDATION

20-4952986

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

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

BAA

Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

Name of organization

SEA CHANGE FOUNDATION

Employer identification number

20-4952986

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

Use duplicate copies of Part III if additional space is needed.

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

2016

FEDERAL STATEMENTS

PAGE 1

SEA CHANGE FOUNDATION

20-4952986

STATEMENT 1
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES - GENERAL	\$ 40,402.			\$ 40,470.
TOTAL	<u>\$ 40,402.</u>	<u>\$ 0.</u>		<u>\$ 40,470.</u>

STATEMENT 2
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES - BOOKKEEPING/AUDITING	\$ 82,229.			\$ 83,934.
TOTAL	<u>\$ 82,229.</u>	<u>\$ 0.</u>		<u>\$ 83,934.</u>

STATEMENT 3
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
HR PROFESSIONAL FEES	\$ 1,800.			\$ 1,813.
TOTAL	<u>\$ 1,800.</u>	<u>\$ 0.</u>		<u>\$ 1,813.</u>

STATEMENT 4
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAX	\$ 875,000.			
SF CITY PERSONAL PROPERTY TAXES	970.			\$ 1,048.
DEFERRED TAXES	898,078.			
TOTAL	<u>\$ 1,774,048.</u>	<u>\$ 0.</u>		<u>\$ 1,048.</u>

SEA CHANGE FOUNDATION

20-4952986

STATEMENT 5
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OTHER INSURANCE	\$ 15,907.			\$ 33,435.
MISCELLANEOUS	1,260.			1,260.
TOTAL	\$ 17,167.	\$ 0.		\$ 34,695.

STATEMENT 6
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
<u>OTHER INVESTMENTS</u>			
MEDALLION CAPITAL INV. LTD.	MKT VAL	\$ 312,527.	\$ 312,527.
MERITAGE HOLDINGS LTD. - CLASS A	MKT VAL	86,120,602.	86,120,602.
MERITAGE HOLDINGS LTD. - CLASS C	MKT VAL	0.	0.
MENDOCINO LONG OFFSHORE LTD.	MKT VAL	35,261,176.	35,261,176.
RENAISSANCE INST. DIVER. ALPHA FUND LLC	MKT VAL	60,423,763.	60,423,763.
RENAISSANCE INST. DIVER. ALPHA FUND LLC	MKT VAL	24,933,344.	24,933,344.
TOTAL		\$ 207,051,412.	\$ 207,051,412.

STATEMENT 7
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
FURNITURE AND FIXTURES	\$ 81,811.	\$ 0.	\$ 81,811.	\$ 81,811.
TOTAL	\$ 81,811.	\$ 0.	\$ 81,811.	\$ 81,811.

STATEMENT 8
FORM 990-PF, PART II, LINE 22
OTHER LIABILITIES

ACCRUED EXPENSES	\$ 3,753.
DEFERRED TAX LIABILITY	898,079.
TOTAL	\$ 901,832.

SEA CHANGE FOUNDATION

20-4952986

STATEMENT 9
FORM 990-PF, PART III, LINE 5
OTHER DECREASES

NET UNREALIZED LOSSES

TOTAL \$ 31,788,111.
\$ 31,788,111.

STATEMENT 10
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	8194.3342 MEDALLION CAPITAL INV. LTD	PURCHASED	VARIOUS	VARIOUS
2	58488.9114 MERITAGE HOLDINGS LTD CLASS A	PURCHASED	VARIOUS	VARIOUS
3	251898.2582 MERITAGE HOLDINGS LTD CLASS C	PURCHASED	VARIOUS	VARIOUS
4	RENAISSANCE INSTITUTIONAL DIV ALPHA FUND	PURCHASED	VARIOUS	VARIOUS
5	RENAISSANCE INSTITUTIONAL DIV ALPHA FUND	PURCHASED	VARIOUS	VARIOUS
6	240.2015 MEDALLION CAPITAL INV. LTD	PURCHASED	1/01/2017	3/31/2017
7	19.2467 MEDALLION CAPITAL INV. LTD	PURCHASED	1/01/2017	6/30/2017

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	51659428.		1157078.	50502350.				\$ 50502350.
2	4671970.		3096791.	1575179.				1575179.
3	95987971.		86669238.	9318733.				9318733.
4	2465733.		0.	2465733.				2465733.
5	0.		2004829.	-2004829.				-2004829.
6	40043767.		35859428.	4184339.				4184339.
7	3460398.		2873320.	587,078.				587,078.
							TOTAL	<u>\$ 66628583.</u>

STATEMENT 11
FORM 990-PF, PART XV, LINE 1A
FOUNDATION MANAGERS - 2% OR MORE CONTRIBUTORS

NATHANIEL SIMONS
 LAURA BAXTER-SIMONS

Organization Official Name	Address	Foundation Status of Recipient	Purpose of Funds	Payment Amount
AMERICAN COUNCIL FOR AN ENERGY EFFICIENT ECONOMY	529 14th Street, NW Suite 600, Washington, DC 20045-1802	PC	Promote energy efficiency	\$775,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	General Operating Support	\$666,666
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Promote energy efficiency	\$550,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$416,666
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Promote clean energy	\$533,334
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Promote clean energy	\$250,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$550,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$333,334
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Promote energy efficiency	\$333,334
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	General Operating Support	\$250,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$666,666
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$625,000
THE US CLIMATE ACTION NETWORK	50 F Street, N W, Eighth Fl, Washington, DC 20001	PC	Educate public about climate and clean energy	\$375,000
WESTERN RESOURCE ADVOCATES	2260 Baseline Road, Suite 200, Boulder, CO 80302-7740	PC	Educate public about climate and clean energy	\$475,000
WORLD RESOURCES INSTITUTE	10 G Street, NE 8th Fl, Washington, DC 20002 4213	PC	Educate public about climate and clean energy	\$375,000
CARBON TRACKER INITIATIVE	40 Bermondsey Street, London, SE13UD, UNITED KINGDOM	PC	Educate public about climate and clean energy	\$375,000
CENTER FOR AMERICAN PROGRESS	1333 H St NW, Washington, DC 20005-4707	PC	Educate public about climate and clean energy	\$625,000
CERES INC	99 Chauncy Street, 6th Floor, Boston, MA 02111-1703	PC	Educate public about climate and clean energy	\$375,000
ENVIRONMENTAL DEFENSE FUND INCORPORATED	257 Park Avenue, South, New York, NY 10010-7304	PC	Educate public about climate and clean energy	\$700,000
NATURAL RESOURCES DEFENSE COUNCIL INC	40 West 20th St, New York, NY 10011-4211	PC	Promote energy efficiency	\$587,500
NATURAL RESOURCES DEFENSE COUNCIL INC	40 West 20th St, New York, NY 10011-4211	PC	Educate public about climate and clean energy	\$600,000
WORLD WILDLIFE FUND INC	1250 24th Street, NW Washington, DC 20037-1124	PC	Educate public about climate and clean energy	\$625,000
CARBON TRACKER INITIATIVE	40 Bermondsey Street London, SE13UD, UNITED KINGDOM	PC	Educate public about climate and clean energy	\$375,000
AMERICAN COUNCIL FOR AN ENERGY EFFICIENT ECONOMY	529 14th Street, NW Suite 600, Washington, DC 20045 1802	PC	Promote energy efficiency	\$775,000
CLIMATE SOLUTIONS	1402 Third Ave, Suite 1305, Seattle, WA 98101	PC	Promote clean energy	\$450,000
INTERSTATE RENEWABLE ENERGY COUNCIL	P O Box 1156, Latham, NY 12110-1156	PC	Educate public about climate and clean energy	\$375,000
NW ENERGY COALITION	811 1st Avenue, Ste 305, Seattle WA 98104-1463	PC	Promote energy efficiency	\$335,000
WESTERN RESOURCE ADVOCATES	2260 Baseline Road, Suite 200, Boulder, CO 80302-7740	PC	Educate public about climate and clean energy	\$475,000
CENTER FOR AMERICAN PROGRESS	1333 H St, NW, Washington, DC 20005-4707	PC	Educate public about climate and clean energy	\$625,000
ENVIRONMENTAL DEFENSE FUND INCORPORATED	257 Park Avenue, South New York, NY 10010-7304	PC	Educate public about climate and clean energy	\$650,000
GEORGE MASON UNIVERSITY FOUNDATION INC	4400 University Dr MS 1A3, University Hall Suite 5100, Fairfax, VA 22030-4444	PC	Educate public about climate and clean energy	\$300,000
RESOURCE MEDIA A NONPROFIT CORPORATION	155 Sansome St Suite 580, San Francisco, CA 94104	PC	Educate public about climate and clean energy	\$337,500
SOUTHWEST ENERGY EFFICIENCY PROJECT LLC	2334 North Broadway, Ste A, Boulder, CO 80304	PC	Promote energy efficiency	\$450,000
ALLIANCE TO SAVE ENERGY	1850 M ST NW, Suite 610, Washington, DC 20036	PC	Promote energy efficiency	\$300,000
PARTNERSHIP PROJECT INC	PO Box 65826, Washington DC 20035	PC	Educate public about climate and clean energy	\$1,000,000
PARTNERSHIP PROJECT INC	PO Box 65826, Washington DC 20035	PC	Educate public about climate and clean energy	\$1,000,000
PARTNERSHIP PROJECT INC	PO Box 65826, Washington, DC 20035	PC	Educate public about climate and clean energy	\$1,000,000
REGULATORY ASSISTANCE PROJECT	50 State Street Ste 3, Montpelier, VT 05602 2957	PC	Promote energy efficiency	\$500,000
LEAGUE OF CONSERVATION VOTERS EDUCATION FUND	1920 L Street NW, Ste 800, Washington, DC 20036-5045	PC	Educate public about climate and clean energy	\$1,900,000
LEAGUE OF CONSERVATION VOTERS EDUCATION FUND	1920 L Street NW, Ste 800, Washington, DC 20036-5045	PC	Educate public about climate and clean energy	\$750,000
RESOURCE MEDIA A NONPROFIT CORPORATION	155 Sansome St Suite 580, San Francisco, CA 94104	PC	Educate public about climate and clean energy	\$337,500
SIERRA CLUB FOUNDATION	2101 Webster Street, Ste 1250, Oakland, CA 94612	PC	Promote clean energy	\$800,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111 3237	PC	General Operating Support	\$2,000,000
ALLIANCE TO SAVE ENERGY	1850 M ST NW, Suite 610, Washington, DC 20036	PC	Promote energy efficiency	\$300,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Promote energy efficiency	\$550,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$666,666
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$333,333
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Promote clean energy	\$466,667
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$750,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111 3237	PC	Educate public about climate and clean energy	\$666,666
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Promote energy efficiency	\$333,333

Organization Official Name	Address	Foundation Status of Recipient	Purpose of Funds	Payment Amount
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco CA 94111-3237	PC	Promote clean energy	\$500,000
EUROPEAN CLIMATE FOUNDATION	Riviermarkt 5, The Hague, 2513 AM, NETHERLANDS	PC	Promote clean energy	\$1,000,000
CLIMATEWORKS FOUNDATION	235 Montgomery Street, Ste 1300, San Francisco, CA 94104-3006	PC	Promote energy efficiency	\$5,000,000
NEW BUILDINGS INSTITUTE INC	623 SW Oak St, Third Floor, Portland, OR 97205	PC	Promote energy efficiency	\$575,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$666,667
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$333,333
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Promote clean energy	\$466,667
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$666,667
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Promote energy efficiency	\$333,333
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Promote clean energy	\$500,000
REGULATORY ASSISTANCE PROJECT	50 State Street, Ste 3, Montpelier, VT 05602 2957	PC	Promote energy efficiency	\$500,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111 3237	PC	Promote energy efficiency	\$550,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl, San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$750,000
CERES INC	99 Chauncy Street, 6th Floor, Boston, MA 02111-1703	PC	Educate public about climate and clean energy	\$375,000
GEORGE MASON UNIVERSITY FOUNDATION INC	4400 University Dr MS 1A3, University Hall Suite S100, Fairfax, VA 22030-4444	PC	Educate public about climate and clean energy	\$200,000
LEAGUE OF CONSERVATION VOTERS EDUCATION FUND	1920 L Street NW Ste 800, Washington, DC 20036-5045	PC	Educate public about climate and clean energy	\$750,000
SIERRA CLUB FOUNDATION	2101 Webster Street, Ste 1250, Oakland, CA 94612	PC	Promote clean energy	\$800,000
LEAGUE OF CONSERVATION VOTERS EDUCATION FUND	1920 L Street NW, Ste 800, Washington, DC 20036-5045	PC	Educate public about climate and clean energy	\$1,900,000
EUROPEAN CLIMATE FOUNDATION	Riviermarkt 5, The Hague, 2513 AM, NETHERLANDS	PC	Promote clean energy	\$1,000,000
TOTAL				\$46,730,832

Note: During the period of the grant, Grantees based outside the United States were determined to be the equivalent of a public charity through the NGOsource equivalency determination repository.

Form 990-PF (2016) - Part XV 3b - Sea Change Foundation - 20-4952986

Organization Official Name	Address	Foundation Status of Recipient	Purpose of Funds	Payment Amount
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl , San Francisco, CA 94111-3237	PC	Promote energy efficiency	\$550,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl , San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$333,334
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl , San Francisco, CA 94111-3237	PC	Promote clean energy	\$466,666
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl , San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$666,667
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl , San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$666,667
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl , San Francisco, CA 94111-3237	PC	Promote energy efficiency	\$333,334
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl , San Francisco, CA 94111-3237	PC	Promote clean energy	\$500,000
THE ENERGY FOUNDATION	301 Battery Street, 5th Fl , San Francisco, CA 94111-3237	PC	Educate public about climate and clean energy	\$750,000
CERES INC	99 Chauncy Street, 6th Floor, Boston, MA 02111-1703	PC	Educate public about climate and clean energy	\$375,000
TOTAL				\$4,641,668



May 4, 2021

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201-0027

STATUTE UNIT
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IRS - OSC - 26

RE. Taxpayer: Sea Change Foundation
EIN: 20-4952986
Tax Year: 2016
Period: July 31, 2017
Forms: 5471 and 8865

TPR BRANCH
OGDEN

MAY 21 2021

OGDEN, UTAH

Reasonable Cause for Failure to File and Request for Penalty Abatement Pursuant to the Delinquent International Information Return Submission Procedures

To Whom It May Concern:

The following is being filed as part of a complete package of amended returns encompassing tax years 2012 through 2018

On behalf of our client, the above-referenced exempt taxpayer ("the Taxpayer"), enclosed please find 2016 Form 990-PF (for the year ended 07-30-2017) as originally together with Form 5471 (Information Return of U.S. Persons With Respect to Certain Foreign Corporations) and Form 8865 (Return of U.S. Persons with Respect to Certain Foreign Partnerships) for tax year 2016.

IRC Section 6038(a)(1) requires that a US person who holds interests in certain foreign corporations and partnerships file various informational returns with the IRS. IRC Sections 6679(a)(1) imposes a \$10,000 penalty if Form 5471 is not filed on or before the due date of the return (including extensions). The Taxpayer is filing Form 5471 as a Category 4 filer with a controlling interest of a foreign corporation for at least 30 days during the annual accounting period of the foreign corporation (Treas. Regs. 1.6038-2(a)). For a Category 4 filer, Treas. Reg. 1.6038-3(k)(4) states that no penalty shall be imposed for any failure, which is shown to be due to reasonable cause.

IRC 6038(a)(1) requires that a U.S. person who holds interests in certain foreign partnerships file Form 8865. The taxpayer is filing Form 8865 as a Category 2 filer for owning a 10 percent or greater interest in a foreign partnership during the partnerships tax year. IRC 6038(b) imposes a penalty of \$10,000 for failure to file such a form when a taxpayer is a Category 2 filer. However, these penalties can be waived for any failure which is shown to be due to reasonable cause and not due to willful neglect (IRC 6038(c)(4)(B)).

For the reasons set forth below, we respectfully request that the IRS waive any and all applicable penalties with respect to the late filing of Forms 5471 and 8865 on the basis that they are being filed late but with reasonable cause pursuant to the IRS Delinquent International Information Return Submission Procedures.

Penalty Waiver Procedure

Under the terms of the IRS Delinquent International Information Return Submission Procedures, a taxpayer who has not filed one or more international information returns will not be subject to penalties if such taxpayer:

- has reasonable cause for not timely filing the information returns,
- is not under a civil examination or a criminal investigation by the IRS, and
- has not already been contacted by the IRS about the delinquent information returns.

Further, as part of the reasonable cause statement, such taxpayer must also certify that any entity for which the information returns are being filed was not engaged in tax evasion

Internal Revenue Manual Section 20.1 1.3.2 states that "reasonable cause is based on all the facts and circumstances in each situation and allows the IRS to provide relief from a penalty that would otherwise apply. Reasonable cause relief is generally granted when the taxpayer exercises ordinary business care and prudence in determining their tax obligations but nevertheless failed to comply with those obligations." The Treasury Regulation as cited above for failure to file Forms 5471 and 8865 above provides that no penalty shall be imposed in connection with any such failure to file that is shown to be due to reasonable cause and not willful neglect on the part of the taxpayer. Willful neglect has been defined as a conscious, intentional failure or reckless indifference.

In making a reasonable cause determination, the IRS will consider mistake or ignorance of the law to constitute reasonable cause for the abatement or non-assertion of civil penalties in certain cases Internal Revenue Manual Section 20.1 1.3.2.2.4 states, in part, that information to consider when evaluating a request for an abatement or non-assertion of a penalty based on mistake or a claim of ignorance of the law includes, but is not limited to:

- when the taxpayer becomes aware of the mistake;
- the extent to which the taxpayer corrected the mistake; and
- if the taxpayer took timely steps to correct the failure after it was discovered

Furthermore, Internal Revenue Manual Section 20.1.1.3.2.2.6 states, in part, that a taxpayer may have reasonable cause for noncompliance due to ignorance of the law

- based on the level of complexity of the tax or compliance issue; and
- if the taxpayer was unaware of the requirement or could not reasonably be expected to know of the requirement

As explained herein, the Taxpayer had reasonable cause for their failure to file Forms 5471 and 8865, and is not to their knowledge under civil examination or a criminal investigation by the IRS, and they have not been contacted by the IRS about any delinquent information returns. Further, the Taxpayer certifies that the entities for which the Forms are being filed were not engaged in tax evasion

Reasonable Cause Statement

To the best of Taxpayer's knowledge, the Taxpayer has timely and diligently filed all required U S tax and reporting forms and paid all associated taxes. The Taxpayer calculated the ownership of their investments in foreign entities based upon the information provided to them. This miscalculation was exacerbated by the lack of available information and underlying details as to the foreign nature of the investments. The Taxpayer also relied on the advice of the tax preparer, who in turn relied on percentage of ownership information provided by the foreign fund managers at that time, to guide them with all foreign tax filing requirements. The complex nature of the legal structure, utilizing a master fund and a feeder fund for the foreign investments also created an absence of available information to be able to verify the accuracy of the Taxpayer's ownership percentage. It was never the intention of the Taxpayer to not comply with the tax law.

In 2019, the Taxpayer became aware that they might have missed filing additional U.S. information reporting requirements due to erroneous ownership information initially provided by the foreign fund managers. They then engaged a different CPA firm who were well experienced in foreign reporting requirements as well as Private Foundation matters, to start the process of ensuring that the Taxpayer is compliant. This new representation, along with a correction of the Taxpayer's policy to ensure responsible individuals are entrusted with the specific obligation of data collection related to all foreign investments, have been updated to prevent this oversight from recurring.

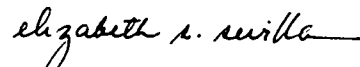
Accordingly, the Taxpayer is now filing the required forms for tax year 2016 to correct the reporting of the interest in the Controlled Foreign Corporation (U.S. Form 5471) and indirect interest in the Foreign Partnership (U.S. Form 8865) that was inadvertently not included on the original timely filed return.

Based on the facts presented above, the Taxpayer exercised ordinary business care and prudence in determining their U.S. tax obligations but was misinformed regarding compliance with the original filing of Form 990-PF. New representation and processes have subsequently been adopted to prevent such mistakes in the future as previously discussed. The Taxpayer's failure to timely file the required information reporting Forms was reasonable given the circumstances and we respectfully request that the IRS abate all penalties associated with the Taxpayer's failure to timely file such forms based on the IRS's reasonable cause.

Should you have any questions about the contents of this letter or the enclosed Forms, please call me at 650-365-4646. Thank you for your consideration.

Sincerely,

SEILER LLP



Elizabeth S. Sevilla
Enrolled Agent

Attachments:

1. 2016 Form 5471 for direct ownership in Mendocino Long-Only Offshore Ltd.
2. 2016 Form 8865 for indirect interest in Mendocino Long-Only Master LP

SEA CHANGE FOUNDATION
EIN 20-4952986
TAX YEAR 2016
REASONABLE CAUSE LETTER
PAGE 4 of 4

Taxpayer Statement

Under penalties of perjury, I declare that I have examined this document and accompanying statements, and to the best of my knowledge and belief, they are true, correct, and complete and that the entities reported on the Forms were not engaged in U.S. tax evasion

A handwritten signature in black ink, appearing to be "A. G. S.", written over a horizontal line.

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OGDEN, UTAH