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Form 990-PF

Department of the Treasury
Internal Revenue Service

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

Do not enter social security numbers on this form as it may be made public.
Information about Form 990-PF and its instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2017

Open to Public Inspection

For calendar year 2017, or tax year beginning 01-01-2017, and ending 12-31-2017

Name of foundation
BHBT & JK PETTY TTEES RICHARD S PETTY CHARF

A Employer identification number
01-0525593

Number and street (or P O box number if mail is not delivered to street address)
135 HIGH STREET PO BOX 1100

Room/suite

B Telephone number (see instructions)
(207) 667-3883

City or town, state or province, country, and ZIP or foreign postal code
ELLSWORTH, ME 046051100

C If exemption application is pending, check here

G Check all that apply

Initial return

Initial return of a former public charity

Final return

Amended return

Address change

Name change

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

H Check type of organization

Section 501(c)(3) exempt private foundation

Section 4947(a)(1) nonexempt charitable trust

Other taxable private foundation

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16)918,907

J Accounting method

Cash

Accrual

Other (specify)

(Part I, column (d) must be on cash basis)

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)

Revenue

1 Contributions, gifts, grants, etc , received (attach schedule)

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

5a Gross rents

b Net rental income or (loss)

6a Net gain or (loss) from sale of assets not on line 10

b Gross sales price for all assets on line 6a

7 Capital gain net income (from Part IV, line 2)

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

13 Compensation of officers, directors, trustees, etc

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees (attach schedule)

b Accounting fees (attach schedule)

c Other professional fees (attach schedule)

17 Interest

18 Taxes (attach schedule) (see instructions)

19 Depreciation (attach schedule) and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses (attach schedule)

24 Total operating and administrative expenses. Add lines 13 through 23

25 Contributions, gifts, grants paid

26 Total expenses and disbursements. Add lines 24 and 25

27 Subtract line 26 from line 12

a Excess of revenue over expenses and disbursements

b Net investment income (if negative, enter -0-)

c Adjusted net income(if negative, enter -0-)

Operating and Administrative Expenses

13 Compensation of officers, directors, trustees, etc

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees (attach schedule)

b Accounting fees (attach schedule)

c Other professional fees (attach schedule)

17 Interest

18 Taxes (attach schedule) (see instructions)

19 Depreciation (attach schedule) and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses (attach schedule)

24 Total operating and administrative expenses. Add lines 13 through 23

25 Contributions, gifts, grants paid

26 Total expenses and disbursements. Add lines 24 and 25

27 Subtract line 26 from line 12

a Excess of revenue over expenses and disbursements

b Net investment income (if negative, enter -0-)

c Adjusted net income(if negative, enter -0-)

For Paperwork Reduction Act Notice, see instructions.

Cat No 11289X

Form 990-PF (2017)

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions.)			
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
Assets	1	Cash—non-interest-bearing	237	175	175
	2	Savings and temporary cash investments	76,474	75,060	75,060
	3	Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____		0	0
	4	Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____ 0			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	440,343	443,577	623,583
	c	Investments—corporate bonds (attach schedule)	223,049	181,321	182,815
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____	59,888		
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)		37,274	37,274
	14	Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15	Other assets (describe ▶ _____)				
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	799,991	737,407	918,907	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ _____)			
	23	Total liabilities (add lines 17 through 22)		0	
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	799,991	737,407	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
30	Total net assets or fund balances (see instructions)	799,991	737,407		
31	Total liabilities and net assets/fund balances (see instructions) .	799,991	737,407		

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	799,991
2	Enter amount from Part I, line 27a	2	-43,076
3	Other increases not included in line 2 (itemize) ▶ _____	3	1,998
4	Add lines 1, 2, and 3	4	758,913
5	Decreases not included in line 2 (itemize) ▶ _____	5	21,506
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	737,407

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a See Additional Data Table			
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 See Additional Data Table			
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) 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 See Additional Data Table			
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	22,553
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2016	73,763	849,652	0 086816
2015	79,690	938,270	0 084933
2014	86,580	1,183,791	0 073138
2013	64,967	1,190,267	0 054582
2012	75,115	1,183,033	0 063494

2 Total of line 1, column (d)	2	0 362963
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 072593
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	857,615
5 Multiply line 4 by line 3	5	62,257
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	356
7 Add lines 5 and 6	7	62,613
8 Enter qualifying distributions from Part XII, line 4	8	80,916

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1	356
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	356
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	356
6	Credits/Payments		
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	116
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	116
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	0
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	240
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 2018 estimated tax ☐ 0 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?	1a	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for 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>	1b	No
c Did the foundation file Form 1120-POL for this year?	1c	No
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ☐ \$ _____ (2) On foundation managers ☐ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>	2	No
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3	No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	No
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>	5	No
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ ME		
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> .	8b	Yes
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2017 or the taxable year beginning in 2017 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	No

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ►	13	Yes	
14	The books are in care of ► <u>BAR HARBOR TRUST SERVICES</u> Telephone no ► <u>(207) 667-3883</u>			

Located at ► 135 HIGH ST PO BOX 1100 ELLSWORTH ME ZIP+4 ► 046051100

15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here	☐		
	and enter the amount of tax-exempt interest received or accrued during the year	► 15		
16	At any time during calendar year 2017, 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	Yes	No
	See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country ►			

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

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

1a	During the year did the foundation (either directly or indirectly)		Yes	No
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days).	☐ Yes ☒ No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		1b	No
	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 2017?		1c	No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017?	☐ Yes ☒ No		
	If "Yes," list the years ► 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions).		2b	No
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No		
b	If "Yes," did it have excess business holdings in 2017 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 2017).		3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a	No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2017?		4b	No

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

5a	During the year did the foundation pay or incur any amount to				
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No			
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions).	☐ Yes ☒ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No			
b	If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?		5b		
	Organizations relying on a current notice regarding disaster assistance check here.	☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	☐ Yes ☐ No			
	<i>If "Yes," attach the statement required by Regulations section 53.4945–5(d)</i>				
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b	No	
	<i>If "Yes" to 6b, file Form 8870</i>				
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?		7b		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
BAR HARBOR TRUST SERVICES  135 HIGH STREET P O BOX 1100 ELLSWORTH, ME 04605	TRUSTEE 8	8,685		
JOHN KIMBALL PETTY  PO BOX 67 LITTLE DEAR, ME 04650	TRUSTEE 5	8,671		

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	Title, and average hours per week (b) devoted to position	(c) Compensation	Contributions to employee benefit plans and deferred compensation (d)	Expense account, (e) other allowances
NONE				

Total number of other employees paid over \$50,000. **0**

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	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities.	1a	814,543
b	Average of monthly cash balances.	1b	56,132
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	870,675
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	0
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	870,675
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	13,060
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	857,615
6	Minimum investment return. Enter 5% of line 5.	6	42,881

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	42,881
2a	Tax on investment income for 2017 from Part VI, line 5.	2a	356
b	Income tax for 2017 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	356
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	42,525
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	42,525
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	42,525

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	80,916
b	Program-related investments—total from Part IX-B.	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes.	2	0
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	0
b	Cash distribution test (attach the required schedule).	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	4	80,916
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	356
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	80,560

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 2016	(c) 2016	(d) 2017
1 Distributable amount for 2017 from Part XI, line 7				42,525
2 Undistributed income, if any, as of the end of 2017				
a Enter amount for 2016 only.			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2017				
a From 2012.	16,370			
b From 2013.	6,848			
c From 2014.	29,515			
d From 2015.	34,094			
e From 2016.	31,510			
f Total of lines 3a through e.	118,337			
4 Qualifying distributions for 2017 from Part XII, line 4 ▶ \$ 80,916				
a Applied to 2016, 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 2017 distributable amount.				42,525
e Remaining amount distributed out of corpus	38,391			
5 Excess distributions carryover applied to 2017 (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	156,728			
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 2016 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2017 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2018				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 2012 not applied on line 5 or line 7 (see instructions).	16,370			
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	140,358			
10 Analysis of line 9				
a Excess from 2013.	6,848			
b Excess from 2014.	29,515			
c Excess from 2015.	34,094			
d Excess from 2016.	31,510			
e Excess from 2017.	38,391			

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)Form **990-PF** (2017)

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

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i> MAINE FARMLAND TRUST 97 MAIN STREET BELFAST, ME 04915	NONE	PC	COMMUNITY FOOD PROG /	72,000
Total			▶ 3a	72,000
b <i>Approved for future payment</i>				
Total			▶ 3b	

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2017)

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

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

d If the answer to any of the above is "Yes," complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

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

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

b If "Yes," complete the following schedule

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

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.	***** 2018-05-09 Date	***** Title	May the IRS discuss this return with the preparer shown below (see instr.)? ☒ Yes ☐ No
	Signature of officer or trustee			

Paid Preparer Use Only	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
	JOSEPH B HULL		2018-05-09		P00135850
	Firm's name ▶ ERNST & YOUNG US LLP				Firm's EIN ▶ 34-6565596
	Firm's address ▶ 800 YARD STREET STE 200 GRANDVIEW HEIGHTS, OH 43212				Phone no (614) 232-7290

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e g , real estate, (a) 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)
275 PROCTER & GAMBLE CO COM		2009-02-10	2017-01-05
650 NUVEEN MUN VALUE FD INC		2013-12-06	2017-01-10
328 CA INC		2016-05-24	2017-01-26
212 CA INC		2016-05-25	2017-01-26
19 NATIONAL GENERAL HOLDING CO		2015-06-10	2017-02-08
20 NATIONAL GENERAL HOLDING CO		2015-06-10	2017-02-09
44 NATIONAL GENERAL HOLDING CO		2015-06-10	2017-02-10
13 NATIONAL GENERAL HOLDING CO		2015-06-10	2017-02-14
29 NATIONAL GENERAL HOLDING CO		2015-06-10	2017-02-15
93 NATIONAL GENERAL HOLDING CO		2015-06-11	2017-02-27

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
23,392		14,254	9,138
6,276		5,701	575
10,273		10,315	-42
6,640		6,740	-100
485		476	9
511		501	10
1,123		1,102	21
332		326	6
736		726	10
2,365		2,328	37

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) 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	
			9,138
			575
			-42
			-100
			9
			10
			21
			6
			10
			37

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e g , real estate, (a) 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)
97 NATIONAL GENERAL HOLDING CO		2015-06-11	2017-02-28
5000 MURPHY OIL CORP 4% 06/01/22		2014-12-10	2017-03-03
116 OMEGA HEALTHCARE INVS INC		2016-03-04	2017-03-14
72 OMEGA HEALTHCARE INVS INC		2016-03-08	2017-03-14
82 OMEGA HEALTHCARE INVS INC		2016-03-10	2017-03-14
70 OMEGA HEALTHCARE INVS INC		2016-06-16	2017-03-14
10000 IAMGOLD CORP 6 75% 10/01/20		2016-06-03	2017-04-03
170 W P CAREY INC		2016-03-30	2017-04-10
74 MEAD JOHNSON NUTRITION CO		2015-08-28	2017-05-11
52 MEAD JOHNSON NUTRITION CO		2015-08-31	2017-05-11

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(e) Gross sales price	Depreciation allowed (f) (or allowable)	Cost or other basis (g) plus expense of sale	Gain or (loss) (h) (e) plus (f) minus (g)
2,451		2,428	23
4,859		4,769	90
3,587		3,752	-165
2,226		2,378	-152
2,535		2,674	-139
2,164		2,286	-122
10,338		8,990	1,348
10,634		10,372	262
6,588		5,786	802
4,630		4,048	582

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) 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	Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	
			23
			90
			-165
			-152
			-139
			-122
			1,348
			262
			802
			582

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e.g., real estate, (a) 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.)
124 MEAD JOHNSON NUTRITION CO		2015-09-01	2017-05-11
10000 CB TARGA RES PARTNERS 6 375% 8/1/22		2016-06-15	2017-06-26
46 INSPERITY INC		2016-04-27	2017-06-27
62 INSPERITY INC		2016-04-28	2017-06-27
10 INSPERITY INC		2016-05-02	2017-06-27
97 INSPERITY INC		2016-05-02	2017-06-28
14 INSPERITY INC		2016-05-03	2017-06-28
PUDA COAL INC			2017-06-28
153 ALLIED WRLD ASSUR COM HLDG A		2016-01-22	2017-07-01
287 ALLIED WRLD ASSUR COM HLDG A		2016-01-25	2017-07-01

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
11,040		9,480	1,560
10,319		10,161	158
3,300		2,411	889
4,448		3,250	1,198
717		566	151
6,939		5,492	1,447
1,002		845	157
392			392
7,354		5,391	1,963
13,794		10,176	3,618

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

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	
			1,560
			158
			889
			1,198
			151
			1,447
			157
			392
			1,963
			3,618

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e g , real estate, (a) 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)
10000 MURPHY OIL CORP 4% 06/01/22		2014-12-10	2017-08-10
350 GOODYEAR TIRE & RUBBER CO		2016-11-30	2017-09-01
85 MONSANTO COMPANY		2016-12-09	2017-09-05
186 AMERICAN HOMES 4 RENT 1 25%		2014-08-26	2017-09-20
CLASS ACTION - NON SPECIFIED			2017-09-25
344 AMERICAN HOMES 4 RENT 1 25%		2014-08-26	2017-09-29
627 GENERAL ELEC CO COM		2017-09-08	2017-11-15
173 GENERAL ELEC CO COM		2017-09-11	2017-11-15
CAPITAL GAIN DIVIDENDS	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
9,850		9,577	273
10,703		10,781	-78
9,957		8,891	1,066
5,313		4,559	754
15			15
9,811		8,431	1,380
11,299		14,910	-3,611
3,118		4,112	-994
			22

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) 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	
			273
			-78
			1,066
			754
			15
			1,380
			-3,611
			-994

TY 2017 Accounting Fees Schedule**Name:** BHBT & JK PETTY TTEES RICHARD S PETTY CHARF**EIN:** 01-0525593**Accounting Fees Schedule**

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAX PREPARATION FEE (NON-ALLOC	475	238		238

TY 2017 Compensation Explanation**Name:** BHBT & JK PETTY TTEES RICHARD S PETTY CHARF**EIN:** 01-0525593

Person Name	Explanation
BAR HARBOR TRUST SERVICES	TRUSTEE FEE
JOHN KIMBALL PETTY	CO-TRUSTEE FEE

TY 2017 Investments Corporate Bonds Schedule

Name: BHBT & JK PETTY TTEES RICHARD S PETTY CHARF

EIN: 01-0525593

Investments Corporate Bonds Schedule

Name of Bond	End of Year Book Value	End of Year Fair Market Value
AMERICAN HOMES 4 RENT 1.25%		
BLOCK FINL 4.125% 10/01/20	10,025	10,308
CITIZENS BANK 2.45% 12/04/19	9,936	10,007
DOUBLELINE TOTAL RETURN BOND F	77,059	74,335
LKQ CORP 4.75% 05/15/23	14,400	15,338
MEAD JOHNSON 3% 11/15/20	10,043	10,150
MURPHY OIL CORP 4% 06/01/22		
NUVEEN MUN VALUE FD INC	35,264	37,633
WELLS-OQUNQUIT CMNTY SCH GO 3.	14,640	15,161
CB TARGA RES PARTNERS 6.375% 8		
IAMGOLD CORP 6.75% 10/01/20		
BAARCLAYS BANK PLC 2% 7/27/22	9,954	9,883

TY 2017 Investments Corporate Stock Schedule

Name: BHBT & JK PETTY TTEES RICHARD S PETTY CHARF
EIN: 01-0525593

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ABERDEEN ASIA PACIFIC INCOM	12,720	10,248
AMERICAN TOWER CORP NEW	19,759	31,387
BECTON DICKINSON & CO	18,359	27,828
CISCO SYS INC	20,322	26,810
JOHNSON & JOHNSON COM	12,553	27,245
MEAD JOHNSON NUTRITION CO		
MICROSOFT CORP	19,634	59,878
NATIONAL GENERAL HOLDING CO		
PROCTER & GAMBLE CO COM		
AIR LEASE CORP CL A	13,247	20,679
AMERICAN EXPRESS CO COM	13,103	19,862
ARCHER DANIELS MIDLAND CO COM	15,336	18,076
ARCONIC INC	18,158	26,296
BAYER AG-SP ADR	8,718	11,192
CIT GROUP INC	18,034	23,877
CA INC		
EQUITY COMWLTH CUM PFD S D 6.5	5,395	5,331
GOODYEAR TIRE & RUBBER CO		
INSPERITY INC		
LVMH MOET HENNESSYLOUIS VUITTO	14,463	26,415
MEREDITH CORP	16,028	24,439
MONSANTO COMPANY		
OMEGA HEALTHCARE INVS INC		
VANGUARD PRECIOUS METAL & MINI	5,887	6,256
VANGUARD EMERGING MKT STOCK IN	23,257	29,774
VISA INC	14,880	21,664
VIVENDI SA	17,561	23,602
W.P. CAREY INC		
EATON CORP PLC	15,000	22,913
ALLIED WRLD ASSUR COM HLDG A		

Name of Stock	End of Year Book Value	End of Year Fair Market Value
LYONDELLBASELL INDUSTRIES N	16,290	22,616
AMERICAN INTL GROUP INC	5,596	4,439
AMERICAN INTEL GROUP INC	10,581	9,831
CORNING INC	19,657	19,834
FAIRFAX FINANCIAL HOLDING	21,035	24,926
LAFARGEHOLCIM LTD	17,860	19,315
PRIMORIS SVCS CORP	14,380	16,314
LAZARD LTD	19,336	22,313
MILLICOM INTL CELLULAR NEW	16,428	20,223

TY 2017 Investments - Other Schedule**Name:** BHBT & JK PETTY TTEES RICHARD S PETTY CHARF**EIN:** 01-0525593**Investments Other Schedule 2**

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
CYNTHIA CARROLL NOTE	AT COST	37,274	37,274

TY 2017 Legal Fees Schedule**Name:** BHBT & JK PETTY TTEES RICHARD S PETTY CHARF**EIN:** 01-0525593

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL FEES - PRINCIPAL (ALLOCA	750	750		

TY 2017 Other Decreases Schedule**Name:** BHBT & JK PETTY TTEES RICHARD S PETTY CHARF**EIN:** 01-0525593

Description	Amount
2016 ROC ADJUSTMENT IN 2017	1,097
2017 INCOME POSTED IN 2018	520
ROUNDING	1
ADJUSTMENT FOR SALE OF PROPERTY	19,888

TY 2017 Other Expenses Schedule**Name:** BHBT & JK PETTY TTEES RICHARD S PETTY CHARF**EIN:** 01-0525593**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
OTHER NONALLOCABLE EXPENSES -	147	73		0
Rent and Royalty Expense	186			

TY 2017 Other Increases Schedule**Name:** BHBT & JK PETTY TTEES RICHARD S PETTY CHARF**EIN:** 01-0525593

Description	Amount
2017 RETURN OF CAPITAL	1,349
LP INCOME ADJUSTMENT	162
2016 INCOME POSTED IN 2017	465
ADJUSTMENT WP CAREY ROC ADJ	22

TY 2017 Taxes Schedule**Name:** BHBT & JK PETTY TTEES RICHARD S PETTY CHARF**EIN:** 01-0525593

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAXES	475	475		0
FOREIGN TAXES ON QUALIFIED FOR	35	35		0
FOREIGN TAXES ON NONQUALIFIED	63	63		0