

Form **990-PF**
 Department of the Treasury
 Internal Revenue Service

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

OMB No 1545-0052

2017

Open to Public Inspection

▶ 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.

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

Name of foundation The Karese Foundation		A Employer identification number 47-5125279	
% Foundation Source		B Telephone number (see instructions) (800) 839-1754	
Number and street (or P O box number if mail is not delivered to street address) Room/suite Foundation Source 501 Silverside Rd		C If exemption application is pending, check here <input type="checkbox"/>	
City or town, state or province, country, and ZIP or foreign postal code Wilmington, DE 198091377		D 1. Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 1,586,533		J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)	0			
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	264	264		
	4 Dividends and interest from securities	31,690	31,690		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	17,713			
	b Gross sales price for all assets on line 6a 721,469				
	7 Capital gain net income (from Part IV, line 2)		17,713		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	11,829	11,829			
12 Total. Add lines 1 through 11	61,496	61,496			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)	11,978	11,978		
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	1,104			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	4,022			4,022
	22 Printing and publications				
	23 Other expenses (attach schedule)	12,506	164		12,342
	24 Total operating and administrative expenses. Add lines 13 through 23	29,610	12,142		16,364
	25 Contributions, gifts, grants paid	549,740			549,740
26 Total expenses and disbursements. Add lines 24 and 25	579,350	12,142		566,104	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-517,854				
b Net investment income (if negative, enter -0-)		49,354			
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	131,399	92,413	92,413
	3 Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4 Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ _____ 291,087 Less allowance for doubtful accounts ▶ _____	298,188	291,087	291,087
	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)	641,261	653,984	834,360
	c Investments—corporate bonds (attach schedule)	851,844	367,354	368,673
	11 Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15 Other assets (describe ▶ _____)				
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	1,922,692	1,404,838	1,586,533	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable.			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule).			
	22 Other liabilities (describe ▶ _____)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> 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 ▶ <input checked="" type="checkbox"/> 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	1,922,692	1,404,838		
30 Total net assets or fund balances (see instructions)	1,922,692	1,404,838		
31 Total liabilities and net assets/fund balances (see instructions) .	1,922,692	1,404,838		

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	1,922,692
2 Enter amount from Part I, line 27a	2	-517,854
3 Other increases not included in line 2 (itemize) ▶ _____	3	
4 Add lines 1, 2, and 3	4	1,404,838
5 Decreases not included in line 2 (itemize) ▶ _____	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	1,404,838

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1 a Publicly-traded Securities			
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 721,469		703,756	17,713
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			17,713
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	2	17,713
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	114,599	2,050,915	0.055877
2015		247,482	
2014	0	0	0.0
2013	0	0	0.0
2012	0	0	0.0

2 Total of line 1, column (d)	2	0.055877
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	0.027939
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	1,921,326
5 Multiply line 4 by line 3	5	53,680
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	494
7 Add lines 5 and 6	7	54,174
8 Enter qualifying distributions from Part XII, line 4	8	566,104

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)

Table with 11 rows for excise tax calculations. Includes fields for exempt foundations, tax under section 511, subtitle A tax, and credits/payments. Total amount owed is 334, with 334 refunded.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political campaigns, political expenditures, and state reporting. Yes/No columns for each question.

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 Foundation Source Telephone no (800) 839-1754
Located at 501 Silverside Road Suite 123 Wilmington DE ZIP+4 198091377
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 -Check here 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? 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)
(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
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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions).	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b	If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here. ▶			5b
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? <i>If "Yes," attach the statement required by Regulations section 53.4945–5(d)</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <i>If "Yes" to 6b, file Form 8870</i>			6b
				No
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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
Brenda Jo Chase Foundation Source 501 Silverside Rd Wilmington, DE 198091377	Dir, Sec, Treas 1 0	0	0	0
Foster H Chase Jr Foundation Source 501 Silverside Rd Wilmington, DE 198091377	Pres, Dir 1 0	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	Title, and average hours per week (b) devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation

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

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 _____	

2 _____	

3 _____	

4 _____	

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

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

	Amount
1 _____	

2 _____	

All other program-related investments See instructions	
3 _____	

Total. Add lines 1 through 3 ▶

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities.	1a	1,353,187
b	Average of monthly cash balances.	1b	306,311
c	Fair market value of all other assets (see instructions).	1c	291,087
d	Total (add lines 1a, b, and c).	1d	1,950,585
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	1,950,585
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	29,259
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,921,326
6	Minimum investment return. Enter 5% of line 5.	6	96,066

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	96,066
2a	Tax on investment income for 2017 from Part VI, line 5.	2a	494
b	Income tax for 2017 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	494
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	95,572
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	95,572
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	95,572

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	566,104
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	566,104
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	494
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	565,610

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				95,572
2 Undistributed income, if any, as of the end of 2017				
a Enter amount for 2016 only.				
b Total for prior years 2015, 2014, 2013				
3 Excess distributions carryover, if any, to 2017				
a From 2012.				
b From 2013.				
c From 2014.				
d From 2015.				
e From 2016.				8,944
f Total of lines 3a through e.	8,944			
4 Qualifying distributions for 2017 from Part XII, line 4 ▶ \$ <u>566,104</u>				
a Applied to 2016, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).				
d Applied to 2017 distributable amount.				95,572
e Remaining amount distributed out of corpus	470,532			
5 Excess distributions carryover applied to 2017 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	479,476			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2016 Subtract line 4a from line 2a Taxable amount—see instructions				
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).				
8 Excess distributions carryover from 2012 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	479,476			
10 Analysis of line 9				
a Excess from 2013.				
b Excess from 2014.				
c Excess from 2015.				
d Excess from 2016.				8,944
e Excess from 2017.				470,532

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2017, enter the date of the ruling. ▶

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

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

	Tax year	Prior 3 years			(e) Total
	(a) 2017	(b) 2016	(c) 2015	(d) 2014	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					

3 Complete 3a, b, or c for the alternative test relied upon

a "Assets" alternative test—enter

(1) Value of all assets

(2) Value of assets qualifying under section 4942(j)(3)(B)(i)

b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.

c "Support" alternative test—enter

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

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

(3) Largest amount of support from an exempt organization

(4) Gross investment income

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

1 Information Regarding Foundation Managers:

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

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

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

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

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

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

c Any submission deadlines

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

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> See Additional Data Table				
Total			▶ 3a	549,740
b <i>Approved for future payment</i>				
Total			▶ 3b	

Form 990PF Part XV Line 1a - List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000).

Foster H Chase Jr

BRENDA JO CHASE

Form 990PF Part XV Line 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>				
BPN FOUNDATION - USAPO BOX 1842 LAKE OSWEGO, OR 97035	N/A	PC	General & Unrestricted	15,000
COLLEGE SUCCESS FOUNDATION 15500 SE 30TH PL STE 200 BELLEVUE, WA 98007	N/A	PC	General & Unrestricted	25,000
GORDON COLLEGE 255 GRAPEVINE RD WENHAM, MA 01984	N/A	PC	General & Unrestricted	350,000
NEW CREATION FELLOWSHIP A NORTHWEST CONSERVATIVE B 1515 E FARWELL RD SPOKANE, WA 99208	N/A	PC	General & Unrestricted	50,000
NORTHWEST CHRISTIAN SCHOOLS INC 5104 E BERNHILL RD COLBERT, WA 99005	N/A	PC	General & Unrestricted	25,000
Total 3a				549,740

Form 990PF Part XV Line 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>				
SPOKANE GUILDS SCHOOL AND NEUROMUSCULAR CENTER 2118 W GARLAND AVE SPOKANE, WA 99205	N/A	PC	General & Unrestricted	5,740
STEWARDS JOURNEY 21816 BUCKEYE LAKE LN COLBERT, WA 99005	N/A	PC	General & Unrestricted	10,000
STEWARDS JOURNEY 21816 BUCKEYE LAKE LN COLBERT, WA 99005	N/A	PC	Insight Out Project	5,000
STEWARDS JOURNEY 21816 BUCKEYE LAKE LN COLBERT, WA 99005	N/A	PC	SLS Project	14,000
THE BIG TABLEPO BOX 372 SPOKANE VALLEY, WA 99210	N/A	PC	General & Unrestricted	50,000
Total ▶ 3a				549,740

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2017 Depreciation Schedule

Name: The Karese Foundation

EIN: 47-5125279

TY 2017 Investments Corporate Bonds Schedule

Name: The Karese Foundation

EIN: 47-5125279

Investments Corporate Bonds Schedule

Name of Bond	End of Year Book Value	End of Year Fair Market Value
HSBC FINANCE CORP - 6.676% - 0	3,348	3,335
GOLDMAN SACHS GP INC - 5.950%	4,591	4,673
INTERNATIONAL BUSINESS MACHS B	7,514	7,484
TARGET BOND - 3.500% - 07/10/2	7,299	7,298
POTASH CORP - 3.625% - 03/15/2	7,037	7,175
UNITEDHEALTH GROUP INC - 3.450	7,117	7,241
GENERAL MTRS FINL COINC NOTE -	7,035	7,280
KINDER MORGAN - 4.300% - 06/01	7,370	7,291
WAL MART STORES INC NT - 4.250	8,949	8,502
INTEL CORP NOTE - 3.300% - 10/	8,482	8,296
BERKSHIRE HATHAWAY FIN CORP -	8,231	8,184
KRAFT FOODS GROUP INC - 3.500%	8,224	8,186
ORACLE CORP - 3.400% - 07/08/2	8,396	8,306
AVALONBAY COMMUNITIES - 3.500%	8,240	8,228
CATERPILLAR FINL SVCS - 3.250%	8,107	8,207
CVS HEALTH - 3.875% - 07/20/20	8,563	8,239
CELGENE CORP SR UNSECD - 3.875	8,241	8,281
DISNEY WALT CO - 3.000% - 02/1	8,314	8,029
BOSTON PROPERTIES LP - 3.650%	8,094	8,115
HOME DEPOT INC - 2.700% - 04/0	8,181	8,077

Investments Corporate Bonds Schedule

Name of Bond	End of Year Book Value	End of Year Fair Market Value
NBC UNIVERSAL MEDIA LLC - 2.87	8,264	8,081
UNITED PARCEL SERVICE - 2.450%	8,190	7,981
STARBUCKS CORP - 2.100% - 02/0	8,047	7,949
HARTFORD FINL SVC - 5.125% - 0	8,840	8,730
REYNOLDS AMERICAN - 4.450% - 0	8,726	8,530
TYCO ELECTRONICS - 3.700% - 02	8,170	8,309
JOHN DEERE CAP - 2.800% - 03/0	8,200	8,083
TIME WARNER INC - 3.875% - 01/	8,090	8,076
SOUTHERN POWER - 4.150% - 12/0	8,058	8,431
SIMON PROPERTIES GROUP - 2.500	8,053	8,020
DOMINION RESOURCE - 3.625% - 1	7,962	8,280
CISCO SYSTEMS - 2.600% - 02/28	8,101	8,015
DUKE ENERGY CORP - 3.950% - 10	8,343	8,398
DR PEPPER SNAPPLE - 2.700% - 1	7,980	7,974
BP CAP MKTS PLC NOTE - 3.017%	7,630	7,928
GENERAL MLS INC NOTE - 3.200%	7,926	7,981
REALTY INCOME CORP NOTE - 3.00	7,579	7,655
TOYOTA MOTOR CREDIT CORP MTN -	7,752	7,820
ECOLAB - 2.700% - 11/01/2026	7,775	7,669
NEWMONT MINING CORP NT - 3.500	8,985	9,188

Investments Corporate Bonds Schedule

Name of Bond	End of Year Book Value	End of Year Fair Market Value
BANK AMER CORP FR - 4.200% - 0	8,986	9,479
AT&T INC BOND - 3.400% - 05/15	8,818	8,848
CITIGROUP INC - 4.300% - 11/20	8,857	9,412
FEDEX CORP - 3.200% - 02/01/20	8,924	9,115
INTERNATIONAL PAPER - 3.800% -	8,946	9,325
MCKESSON CORP - 2.850% - 03/15	8,819	8,969

TY 2017 Investments Corporate Stock Schedule**Name:** The Karese Foundation**EIN:** 47-5125279

Name of Stock	End of Year Book Value	End of Year Fair Market Value
STAMPS.COM INC	232	564
LITTELFUSE, INC	802	791
ALPHABET INC CL A	3,613	5,267
CHILDREN'S PLACE	666	872
ICU MEDICAL, INC	581	1,296
PRICELINE.COM INCORPORATED	6,351	10,426
EASTGROUP PROPERTIES INC	647	619
COOPER STANDARD HOLDINGS INC	693	858
ADVANCED ENERGY IND INC	512	472
LIGAND PHARMACEUTICALS INC	871	959
META FINANCIAL GROUP, INC	653	649
ESTERLINE CORP	628	598
IBERIABANK CORPORATION	621	620
J2 GLOBAL INC	769	675
POST HOLDINGS INC	489	713
ANIKA THERAPEUTICS INC	453	485
LCI INDUSTRIES	943	1,170
NEENAH PAPER INC	578	907
U.S CONCRETE INC	662	837
CANTEL MEDICAL CORPORATION	583	1,029
AMERICAN WOODMARK CORP	738	1,433
EURONET WORLDWIDE INC	817	927
DAVE AND BUSTERS ENTERTAINMENT	549	607
LIVANOVA PLC	622	879
DCT INDUSTRIAL TRUST INC	526	705
MONOLITHIC POWER SYSTEMS, INC	719	1,348
PROOFPOINT INC	666	1,066
MEDIDATA SOLUTIONS, INC	848	824
WERNER ENTERPRISES INC	542	541
HEALTH EQUITY INC	682	653

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ALPHABET INC CL C	9,828	14,650
ASPEN TECHNOLOGY, INC	495	993
WINTRUST FINANCIAL CORPORATION	633	1,236
DELEK US HLDGS INC	472	524
NATUS MEDICAL INCORPORATED	556	573
NUVASIVE, INC	765	936
INSTALLED BUILDING PRODUCTS IN	852	1,215
SILICON MOTION TECHNOLOGY CORP	873	900
BIG LOTS INC (EX CONSOLIDATED	860	955
OTTER TAIL CORP	667	756
EAGLE BANCORP INC	806	984
ASHTEAD GROUP PLC	952	1,850
RPC INC	321	460
HEARTLAND FINANCIAL USA, INC.	878	966
MADDEN STEVEN LTD	563	841
AMN HEALTHCARE SERVICES INC	494	887
POLYONE CORP	507	783
BARNES GPOUP INC	943	1,202
SELECTIVE INS GROUP INC	719	1,115
LYDALL INC	707	964
REGENERON PHARMACEUTICALS INC	8,120	7,519
SAIA, INC	437	1,415
LAKELAND FINANCIAL CORPORATION	551	970
TOOTSIE ROLL INDS INC	668	764
ON ASSIGNMENT, INC	777	1,350
METHODE ELECTRONICS, INC	605	842
TIMKEN CO COM	1,000	1,081
PATRICK IND INC	490	1,528
BRYN MAWR BANK CORP	588	1,017
NORTHROP GRUMMAN CORP	4,304	7,366

Name of Stock	End of Year Book Value	End of Year Fair Market Value
RYANAIR HOLDINGS PLC-ADR COM	2,133	2,501
KAO CORP ADR	1,595	1,690
ORBOTECH LTD	517	1,256
AON PLC	2,247	3,484
SHIRE PLC	4,819	4,033
G III APPAREL GRP LTD	1,038	959
BOTTOMLINE TECHNOLOGIES, INC	752	902
FCB FINANCIAL HOLDINGS INC	956	1,321
CONTROL4 CORPORATION	601	774
CANADIAN NATL RAILWAY CO	1,711	2,228
HILLTOP HOLDINGS	805	709
SOUTH JERSEY INDS INC	672	874
SCHNITZER STEEL INDUSTRIES, IN	708	972
BIOTELEMETRY INC	896	867
HILLENBRAND, INC	760	1,296
INTER PARFUMS INC	747	1,260
ANHEUSER BUSCH COS INC	3,916	3,570
WRIGHT MEDICAL GROUP, INC	639	710
COMFORT SYSTEMS USA INC	913	1,397
MASTERCARD INC	2,818	4,995
CHATHAM LODGING TRUST	620	774
INTEGRATED DEVICE TECHNOLOGY I	887	1,100
ALIGN TECHNOLOGY, INC	3,047	8,221
RAYTHEON CO	4,529	7,138
UNITED COMMUNITY BANKS, INC	901	1,069
O'REILLY AUTOMOTIVE INC	9,163	9,381
MATADOR RESOURCES COMPANY	550	1,214
ENTEGRIS INC MINNESOTA	466	1,248
CONTL AG SPONS ADR	1,714	2,209
DBS GROUP HLDGS SPON ADR	2,257	3,136

Name of Stock	End of Year Book Value	End of Year Fair Market Value
JOHNSON & JOHNSON	4,486	6,148
DEUTSCHE POST AG	1,821	2,094
NAUTILUS GROUP INC	777	614
FLOTEK INDUSTRIES INC	483	214
SAP AKTIENGESELL ADS	4,109	5,281
BRANDYWINE RLTY TR	795	873
CVS CAREMARK CORP	4,525	3,480
INNERWORKINGS, INC	515	481
IMPAX LABS INC	667	799
CALLON PETROLEUM CO	600	620
MEDTRONIC PLC	4,234	4,118
TELIGENT INC	407	185
NOVARTIS AG ADR	4,077	4,366
CHEVRON CORP	4,466	6,635
MODINE MFG CO	397	1,091
SONY CORP ADR	1,162	2,472
TOKYO ELECTRON LTD	1,563	2,544
EXTREME NETWORKS, INC	714	701
ZOETIS INC	3,912	4,034
TTM TECHNOLOGIES INC	875	893
SAFRAN SA - UNSPON ADR	1,592	1,545
CARDINAL HEALTH INC	4,989	3,737
ABB LTD	1,592	1,636
GARTNER INC	5,135	7,512
LOWES COMPANIES INC	4,403	5,855
QUEST DIAGNOSTICS	4,411	6,599
SUNCOR ENERGY INC	2,118	2,534
DOLLAR TREE INC	5,734	7,404
KOMATSU LTD	1,017	2,500
RYOHIN KEIKAKU	2,782	4,318

Name of Stock	End of Year Book Value	End of Year Fair Market Value
OCCIDENTAL PETROLEUM CORP	4,527	5,156
ROYAL DUTCH SHELL CL A	3,376	4,736
FANUC LIMITED UNSPONSORED	1,167	1,755
DOLLAR GENERAL CORP	6,046	6,883
EDISON INTL	4,483	4,680
ALLSTATE CORP	4,463	7,958
BRITISH AMERICAN TOBACCO PLC	4,249	5,225
CELGENE CORP	8,436	8,349
EQUITY RESIDENTIAL PPTYS TR	5,197	5,229
UNILEVER PLC AMER	3,536	4,593
WASTE MANAGEMENT INC	4,361	7,249
WOLTERS KLUWER S/ADR	2,906	4,383
MARSH AND MCLENNAN COMPANIES I	4,452	7,000
MAKITA CORP	2,452	3,631
EXPRESS SCRIPTS HOLDING CO	6,213	6,494
MERCK & CO INC	4,528	4,952
INFORMA PLC SPONSORED ADR	1,606	1,730
FACEBOOK INC	9,399	15,881
ADOBE SYSTEMS, INC	8,627	15,947
BHP BILLITON LIMITED	2,161	4,231
CONVATEC GROUP PLC UNSP ADR	1,578	1,040
VERIZON COMMUNICATIONS	4,609	4,975
MICHELIN CIE GEN UNSP/ADR	2,425	2,690
STATOIL ASA ADS	1,596	2,035
NESTLE S.A	7,054	8,339
ACCENTURE PLC	11,058	15,615
MICROSOFT CORP	7,490	8,811
AUTOMATIC DATA PROCESSING INC	8,898	12,422
DOWDUPONT INC	4,374	7,549
VALEO SA SPONS ADR	2,655	4,033

Name of Stock	End of Year Book Value	End of Year Fair Market Value
MONDELEZ INTERNATIONAL INC	4,710	4,879
ABBOTT LABS	5,214	6,620
VISA INC	8,514	13,568
PRUDENTIAL PLC SC	4,539	6,094
TELENOR ASA	2,020	2,567
FRESENIUS SE S ADR	2,036	2,370
ABN AMRO BANK NV UNSP ADR	1,890	1,974
RELX PLC	2,143	2,939
BANK NEW YORK MELLON CORP COM	4,495	6,786
AT&T, INC	4,490	4,899
CONOCOPHILLIPS	4,691	7,026
ARCHER DANIELS MDLND	4,473	5,291
NORDEA BANK AB SPON ADR	1,804	1,611
BB&T CP	4,483	7,011
DAIWA HOUSE IND LTD	3,808	5,567
CALRSBERG AS SP ADR REP B	2,550	3,540
PFIZER INC	4,532	5,361
HALLIBURTON COMPANY	4,549	7,526
KDDI CP UNSP ADR	2,027	1,942
SAMPO PLC UNSPONSORED ADR	3,715	4,424
INTEL CORP	4,838	7,478
CA INC	4,597	5,491
COMPASS GROUP PLC ADR	2,970	3,623
VINCI SA ADR	2,826	4,259
STARBUCKS CORP COM	10,101	10,050
COMPAGNIE FINANCIERE RICHEMONT	1,136	1,577
CISCO SYSTEMS INC	4,443	7,239
NIKE INC-CL B	11,401	11,947
RED ELECTRICA DE ESPANA SA	2,446	2,674
ORACLE CORP	13,233	16,595

Name of Stock	End of Year Book Value	End of Year Fair Market Value
MARATHON OIL CORP COM	3,266	6,061
KON KPN NV SPON ADR REP 1 ORD	1,400	1,271
ASSA ABLOY UNSP/ADR	4,078	4,066
FERGUSON PLC	2,030	2,918
SUMITOMO MITSUI FINCL GRP	3,021	3,824
MATTHEWS INDIA FUND	20,608	24,966
HARDING LOEVNER FRNT EMG MKT I	11,876	16,316
PRUDENTIAL SHORT DURATION HIGH	19,691	20,117
PRINCIPAL FDS, INC. MIDCAP FD	49,749	71,903
MAINSTAY CUSHING MLP PREMIER F	43,756	36,389
MAINSTAY HIGH YIELD CORPORATE	19,691	22,027

TY 2017 LiquidationExplanationStmt

Name: The Karese Foundation

EIN: 47-5125279

Statement: As explained below, the Foundation has no plans for dissolution. This statement is submitted to report the distribution of certain assets during the year. The distributions resulted in a substantial contraction of assets. The following information is submitted in accordance with Treasury Regulation Section 1.6043-3(a)(1) and the Form 990-PF instructions: During the taxable year ending December 31, 2017, the Foundation made distributions from assets from sources other than current income. Collectively, the distributions in excess of current income totaled \$549,740. This amount represents over 25% of the Foundation's net assets of \$1,991,714 (as measured by fair market value) at the beginning of the Foundation's taxable year ending December 31, 2017. Although the Foundation technically experienced a substantial contraction, it will continue in existence and has no plans for dissolution. The Foundation made distributions of cash to the grantees listed in the attachment to Part XV, Line 3a; each such grant was made solely for the charitable purpose specified therein.

TY 2017 Other Expenses Schedule**Name:** The Karese Foundation**EIN:** 47-5125279**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Administrative Fees	12,317			12,317
Bank Charges	164	164		
State or Local Filing Fees	25			25

TY 2017 Other Income Schedule**Name:** The Karese Foundation**EIN:** 47-5125279**Other Income Schedule**

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
Interest Income from Note receivable	11,829	11,829	

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TY 2017 Other Notes/Loans Receivable Long Schedule

Name: The Karese Foundation

EIN: 47-5125279

Borrower's Name	Relationship to Insider	Original Amount of Loan	Balance Due	Date of Note	Maturity Date	Repayment Terms	Interest Rate	Security Provided by Borrower	Purpose of Loan	Description of Lender Consideration	Consideration FMV
FRIENDS OF NWCS LLC			291,087				0 %				

TY 2017 Other Professional Fees Schedule**Name:** The Karese Foundation**EIN:** 47-5125279

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Investment Management Services	11,978	11,978		

TY 2017 Taxes Schedule**Name:** The Karese Foundation**EIN:** 47-5125279

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
990-PF Estimated Tax for 2017	600			
990-PF Extension for 2016	504			