

Form **990-PF**

**Return of Private Foundation**

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

OMB No 1545-0052

**2017**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.  
Go to [www.irs.gov/Form990PF](http://www.irs.gov/Form990PF) for instructions and the latest information.

1804

For calendar year 2017 or tax year beginning **MAY 1, 2017**, and ending **APR 30, 2018**

Name of foundation  
**Charles M. Bair Family Trust  
C/O U.S. Bank**

Number and street (or P.O. box number if mail is not delivered to street address) Room/suite  
**P.O. Box 30678**

City or town, state or province, country, and ZIP or foreign postal code  
**Billings, MT 59115**

G Check all that apply  
 Initial return  
 Final return  
 Address change  
 Initial return of a former public charity  
 Amended return  
 Name change

H Check type of organization  
 Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  
 Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16)  
**\$ 38,126,671.**

J Accounting method:  
 Cash  
 Accrual  
 Other (specify)

A Employer identification number  
**81-6075761**

B Telephone number  
**(406) 657-8139**

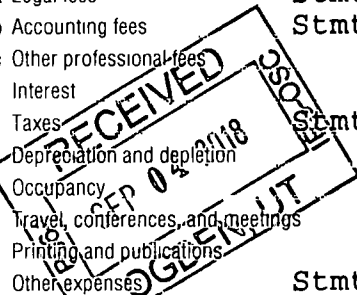
C If exemption application is pending, check here

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		(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	1,250,600.		N/A	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	33,236.	33,236.		Statement 1
	4 Dividends and interest from securities	317,442.	317,442.		Statement 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	779,451.			
	b Gross sales price for all assets on line 6a	3,134,309.			
	7 Capital gain net income (from Part IV, line 2)		779,451.		
	8 Net short-term capital gain				
	9 Income modifications Gross sales less returns and allowances				
	10a Less: Cost of goods sold				
c Gross profit or (loss)					
11 Other income	28,431.	13,260.		Statement 3	
12 Total. Add lines 1 through 11	2,409,160.	1,143,389.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	217,252.	55,001.		162,252.
	14 Other employee salaries and wages	224,528.	0.		224,528.
	15 Pension plans, employee benefits	18,191.	0.		18,191.
	16a Legal fees Stmt 4	11,750.	5,875.		5,875.
	b Accounting fees Stmt 5	5,020.	625.		4,395.
	c Other professional fees				
	17 Interest				
	18 Taxes Stmt 6	87,407.	4,126.		83,281.
	19 Depreciation and depletion				
	20 Occupancy	142,509.	0.		142,509.
	21 Travel, conferences, and meetings	2,400.	250.		2,150.
	22 Printing and publications				
23 Other expenses Stmt 7	23,918.	0.		23,918.	
24 Total operating and administrative expenses. Add lines 13 through 23	732,975.	65,877.		667,099.	
25 Contributions, gifts, grants paid	1,100,338.			1,100,338.	
26 Total expenses and disbursements. Add lines 24 and 25	1,833,313.	65,877.		1,767,437.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	575,847.				
b Net investment income (if negative, enter -0-)		1,077,512.			
c Adjusted net income (if negative, enter -0-)			N/A		



Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value			
Assets	1	Cash - non-interest-bearing		29,562.	337,118.	337,118.	
	2	Savings and temporary cash investments					
	3	Accounts receivable ▶					
		Less: allowance for doubtful accounts ▶					
	4	Pledges receivable ▶					
		Less: allowance for doubtful accounts ▶					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees, and other disqualified persons					
	7	Other notes and loans receivable ▶					
		Less: allowance for doubtful accounts ▶					
	8	Inventories for sale or use					
	9	Prepaid expenses and deferred charges					
	10a	Investments - U.S. and state government obligations Stmt 9			3,710,371.	4,158,037.	4,092,955.
	b	Investments - corporate stock Stmt 10			5,543,077.	5,420,296.	8,522,284.
	c	Investments - corporate bonds					
	11	Investments - land, buildings and equipment basis ▶					
	Less: accumulated depreciation ▶						
12	Investments - mortgage loans						
13	Investments - other						
14	Land, buildings, and equipment, basis ▶ 3,422,498.						
	Less: accumulated depreciation ▶			3,422,499.	3,422,498.	3,665,451.	
15	Other assets (describe ▶ Statement 11)			18,456,697.	18,379,366.	21,508,863.	
16	<b>Total assets</b> (to be completed by all filers - see the instructions. Also, see page 1, item I)			31,162,206.	31,717,315.	38,126,671.	
Liabilities	17	Accounts payable and accrued expenses					
	18	Grants payable					
	19	Deferred revenue					
	20	Loans from officers, directors, trustees, and other disqualified persons					
	21	Mortgages and other notes payable					
	22	Other liabilities (describe ▶)					
	23	<b>Total liabilities</b> (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			31,162,206.	31,717,315.		
28	Paid-in or capital surplus, or land, bldg., and equipment fund			0.	0.		
29	Retained earnings, accumulated income, endowment, or other funds			0.	0.		
30	<b>Total net assets or fund balances</b>			31,162,206.	31,717,315.		
31	<b>Total liabilities and net assets/fund balances</b>			31,162,206.	31,717,315.		

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	31,162,206.
2	Enter amount from Part I, line 27a	2	575,847.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	31,738,053.
5	Decreases not included in line 2 (itemize) ▶ See Statement 8	5	20,738.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	31,717,315.

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**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (for example, real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a Publicly Traded Securities		P	Various	Various
b Publicly Traded Securities		P	Various	Various
c Capital Gains Dividends				
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 865,752.		871,165.	<5,413.>	
b 2,178,677.		1,483,693.	694,984.	
c 89,880.			89,880.	
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			<5,413.>	
b			694,984.	
c			89,880.	
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	779,451.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A	

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

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

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

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

If "Yes," the foundation doesn't qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2016	1,499,982.	12,769,474.	.117466
2015	1,236,373.	12,252,153.	.100911
2014	1,132,133.	12,330,592.	.091815
2013	1,047,762.	11,333,918.	.092445
2012	705,052.	9,873,343.	.071410
2 Total of line 1, column (d)			.474047
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5.0, or by the number of years the foundation has been in existence if less than 5 years			.094809
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5			14,046,858.
5 Multiply line 4 by line 3			1,331,769.
6 Enter 1% of net investment income (1% of Part I, line 27b)			10,775.
7 Add lines 5 and 6			1,342,544.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions			1,767,437.

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	10,775.
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	10,775.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)	4	0.
5	<b>Tax based on investment income</b> Subtract line 4 from line 3. If zero or less, enter -0-	5	10,775.
6	Credits/Payments		
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	6,000.
b	Exempt foreign organizations - tax withheld at source	6b	0.
c	Tax paid with application for extension of time to file (Form 8868)	6c	0.
d	Backup withholding erroneously withheld	6d	0.
7	Total credits and payments Add lines 6a through 6d	7	6,000.
8	Enter any <b>penalty</b> for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	0.
9	<b>Tax due</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9	4,775.
10	<b>Overpayment</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10	
11	Enter the amount of line 10 to be <b>Credited to 2018 estimated tax</b> <input type="checkbox"/> Refunded <input checked="" type="checkbox"/>	11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a	Enter the states to which the foundation reports or with which it is registered. See instructions. <u>MT</u>	
8b	X	
9		X
10		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		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement See instructions		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>www.charlesmbairtrusts.org</u>	X	
14	The books are in care of ► <u>U.S. Bank Trust Tax Department PL7</u> Telephone no. ► <u>503-464-3578</u> Located at ► <u>555 SW Oak, Portland, OR</u> ZIP+4 ► <u>97204</u>		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - check here and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A		
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? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►		X

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

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

		Yes	No
1a	During the year, did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions Organizations relying on a current notice regarding disaster assistance, check here ► <input type="checkbox"/>	1b	X
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	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 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► _____, _____, _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) N/A	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. ► _____, _____, _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 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) N/A	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	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 2017?	4b	X

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

<b>5a</b> During the year, did the foundation pay or incur any amount to:			<b>Yes</b>	<b>No</b>
(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>b</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	N/A	<b>5b</b>	
<b>c</b>	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? If "Yes," attach the statement required by Regulations section 53.4945-5(d).	N/A		
<b>6a</b>	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>b</b>	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870		<b>6b</b>	<b>X</b>
<b>7a</b>	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>b</b>	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	<b>7b</b>	

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

**1 List all officers, directors, trustees, and foundation managers and their compensation.**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 12		217,252.	0.	0.

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

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

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

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

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

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

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	
3 All other program-related investments. See instructions.	

Total. Add lines 1 through 3 0.

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	13,475,548.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	785,222.
<b>c</b>	Fair market value of all other assets	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	14,260,770.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) <b>See Statement 13</b>	<b>1e</b>	14,486,187.
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	14,260,770.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	213,912.
<b>5</b>	<b>Net value of noncharitable-use assets</b> . Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	14,046,858.
<b>6</b>	<b>Minimum investment return</b> . Enter 5% of line 5	<b>6</b>	702,343.

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	702,343.
<b>2a</b>	Tax on investment income for 2017 from Part VI, line 5	<b>2a</b>	10,775.
<b>b</b>	Income tax for 2017. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	10,775.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	691,568.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	0.
<b>5</b>	Add lines 3 and 4	<b>5</b>	691,568.
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	0.
<b>7</b>	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	691,568.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	1,767,437.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	0.
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions</b> . Add lines 1a through 3b. Enter here and on Part V, line 8; and Part XIII, line 4	<b>4</b>	1,767,437.
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	<b>5</b>	10,775.
<b>6</b>	<b>Adjusted qualifying distributions</b> . Subtract line 5 from line 4	<b>6</b>	1,756,662.

**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
<b>1</b> Distributable amount for 2017 from Part XI, line 7				<b>691,568.</b>
<b>2</b> Undistributed income, if any, as of the end of 2017				
<b>a</b> Enter amount for 2016 only			<b>222,862.</b>	
<b>b</b> Total for prior years:		<b>0.</b>		
<b>3</b> Excess distributions carryover, if any, to 2017:				
<b>a</b> From 2012				
<b>b</b> From 2013				
<b>c</b> From 2014				
<b>d</b> From 2015				
<b>e</b> From 2016				
<b>f</b> Total of lines 3a through e	<b>0.</b>			
<b>4</b> Qualifying distributions for 2017 from Part XII, line 4: ▶ <b>\$ 1,767,437.</b>				
<b>a</b> Applied to 2016, but not more than line 2a			<b>222,862.</b>	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		<b>0.</b>		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions) **	<b>1,250,000.</b>			
<b>d</b> Applied to 2017 distributable amount				<b>294,575.</b>
<b>e</b> Remaining amount distributed out of corpus	<b>0.</b>			
<b>5</b> Excess distributions carryover applied to 2017 (If an amount appears in column (d), the same amount must be shown in column (a))	<b>0.</b>			<b>0.</b>
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus: Add lines 3f, 4c, and 4e. Subtract line 5	<b>1,250,000.</b>			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		<b>0.</b>		
<b>c</b> 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		<b>0.</b>		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions		<b>0.</b>		
<b>e</b> Undistributed income for 2016. Subtract line 4a from line 2a. Taxable amount - see instr.			<b>0.</b>	
<b>f</b> Undistributed income for 2017. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2018				<b>396,993.</b>
<b>7</b> 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)	<b>1,250,000.</b>			
<b>8</b> Excess distributions carryover from 2012 not applied on line 5 or line 7	<b>0.</b>			
<b>9</b> Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	<b>0.</b>			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2013				
<b>b</b> Excess from 2014				
<b>c</b> Excess from 2015				
<b>d</b> Excess from 2016				
<b>e</b> Excess from 2017				

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

N/A

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

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

Table with 5 columns: (a) 2017, (b) 2016, (c) 2015, (d) 2014, (e) Total. Rows include 2b, 2c, 2d, 2e, 3a, 3b, 3c, 3d, 3e, 3f, 3g, 3h, 3i, 3j, 3k, 3l, 3m, 3n, 3o, 3p, 3q, 3r, 3s, 3t, 3u, 3v, 3w, 3x, 3y, 3z.

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

1 Information Regarding Foundation Managers:

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

None

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

None

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

Check here [ ] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc., 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:

See Schedule 2

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

See Schedule 2

c Any submission deadlines:

See Schedule 2

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

See Schedule 2

Charles M. Bair Family Trust

Form 990-PF (2017)

C/O U.S. Bank

81-6075761 Page 11

**Part XV** Supplementary Information (continued)

**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<b>a Paid during the year</b>				
Alberta Bair Theater PO Box 1556 Billings, MT 59103	None	PC	Grant for education outreach for grades K-12	500,000.
Alberta Bair Theater PO Box 1556 Billings, MT 59103	NONE	PC	Grant for outreach program support.	10,000.
Big Brothers & Sisters of Yellowstone County, Inc. 3203 3rd Ave. North #301 Billings, MT 59101	None	PC	Grant support for one on one mentoring.	5,000.
Big Sky Science Education Enhancement, Inc. 3945 Teal Street Billings, MT 59102	none	PC	Grant for Rocket Camp.	1,000.
Big Sky Senior Services 937 Grand Ave Billings, MT 59102	NONE	PC	Grant for operating support to keep elders safe.	3,000.
<b>Total See continuation sheet(s)</b>				<b>▶ 3a 1,100,338.</b>
<b>b Approved for future payment</b>				
None				
<b>Total ▶ 3b 0.</b>				

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) (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
a Transfers from the reporting foundation to a noncharitable exempt organization of:
(1) Cash
(2) Other assets
b Other transactions:
(1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities, equipment, or other assets
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

Table with columns Yes and No. Rows 1a(1) through 1c. All 'No' boxes are checked (X).

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A'.

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

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains 'N/A'.

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. Signature of officer or trustee: Jeremy G. Hauk, Date: 8/31/2018, Title: Trustee.

May the IRS discuss this return with the preparer shown below? See instr. [X] Yes [ ] No

Table with 4 columns: Print/Type preparer's name, Preparer's signature, Date, Check self-employed if. Row 1: Jeremy G. Hauk, Signature, 8/27/18, No. Firm's name: Eide Bailly LLP, Firm's EIN: 45-0250958, Firm's address: 401 N 31st St Ste 1120, PO Box 7112 Billings, MT 59103-7112, Phone no: 406-896-2400.

**Part XV** Supplementary Information

**3 Grants and Contributions Paid During the Year (Continuation)**

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
Billings Catholic Schools 120 S 34th St Billings, MT 59101	None	PC	Grant toward pledge of 250,000	33,500.
Billings Clinic Foundation 2917 10th Ave. North Billings, MT 59101	None	PC	Grant for pediatric expansion campaign.	25,000.
Billings Park Recreation & Preservation Foundation 214 North Broadway Billings, MT 59101	none	PC	Grant for the songbird community garden.	6,200.
Billings Pregancy Center, Inc. 44 Wicks Lane Billings, MT 59105	NONE	PC	Grant for the STI Program.	2,500.
Billings Public Library Foundation 510 North Broadway Billings, MT 59101	none	PC	Grant for pedal powered library program.	4,000.
Billings Studio Theatre 1500 Rimrock Road Billings, MT 59102	none	PC	Grant for studio locks and security.	3,000.
Billings Symphony Society 201 N Broadway Suite 350 Billings, MT 59101	None	PC	Education & outreach for explore music	7,500.
Boys and Girls Club of Billings and Yellowstone County 505 Orchard Lane Billings, MT 59107	None	PC	Grant for funding for the clubhouse gymnasium improvements.	25,000.
Cine Billings 2456 Central Ave Billings, MT 59102	NONE	PC	Grant for additional theater screens	12,000.
City County Preservation Committee PO Box 144 Harlowton, MT 59036	None	PC	Grant to provide insulation in the Harlowton Depot.	10,000.
<b>Total from continuation sheets</b>				<b>581,338.</b>

**Part XV Supplementary Information**

**3 Grants and Contributions Paid During the Year (Continuation)**

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
City of Harlowton PO Box 292 Harlowton, MT 59036	None	PC	Grant for handicap door at library.	4,405.
Community Leadership Development Inc. 109 1/2 S 32nd St Billings, MT 59101	NONE	PC	Grant for mattresses for the Hannah House.	2,500.
Dress for Success 110 East 9th Street Suite A1104 Los Angeles, CA 90079	none	PC	Grant for a women one on one mentoring program at camp career center.	15,000.
Education Foundation of Billings Schools 415 N 30th St Billings, MT 59101	NONE	PC	Grant for program for agriculture education.	6,000.
Family Promise of Yellowstone Valley 40 10th Street West Billings, MT 59102	None	PC	Grant award for support of families in poverty.	10,000.
Family Services, Inc. PO Box 1020 Billings, MT 59103	none	PC	Grant for program expenses intended to provide housing for at risk familes.	10,000.
Friendship House of Christian Service 3123 8th Ave South Billings, MT 59101	None	PC	Grant for Parking Lot.	10,000.
Habitat for Humanity Mid Yellowstone Valley 180 24th St. W, STE H Billings, MT 59102	None	PC	Grant for the home building expenses at 1120 Meghan Circle.	10,000.
Meagher County Library Foundation PO Box s White Sulphur Spring, MT 59645	None	PC	Grant for new building.	40,000.
Meagher County Senior Center PO Box 309 White Sulphur Spring, MT 59645	None	PC	Grant for Meagher County Senior Center.	5,000.
<b>Total from continuation sheets</b>				

**Part XV Supplementary Information**

**3 Grants and Contributions Paid During the Year (Continuation)**

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
Meagher County PO Box 309 White Sulphur Spring, MT 59645	None	PC	Grant for DUI Task Force program in Meagher County.	4,000.
Meagher County PO Box 309 White Sulphur Spring, MT 59645	none	PC	Grant for the child immunization prgram.	6,000.
Mountainview Medical Center Inc PO Box Q White Sulphur Spring, MT 59645-0817	None	PC	Grant for recliners for acute patient care.	3,750.
MSU Billings Foundation 1500 University Dr. Billings, MT 59101	none	PC	Grant for expansion & renovation of Occupatinal Therapy Lab.	20,000.
NOVA Center for the Performing Arts 2317 Montana Ave Billings, MT 59101	NONE	PC	Grant for lighting upgrade for Theater.	2,500.
Riverstone Health Foundation PO Box 1562 Billings, MT 59103	none	PC	Grant for capital campaign for building healthy Community project.	25,000.
Rocky Mountain College 1511 Poly Drive Billings, MT 59102	None	PC	Grant for aircraft training replacement.	30,000.
St. Vincent Healthcare Foundation 1106 North 30th Billings, MT 59101	None	PC	Grant for Technology Pediatic Cardiac program.	25,000.
The Luthern Center 2902 Glenwood Lane Billings, MT 59101	NONE	PC	Grant for operational support of managment hours.	3,000.
Tumbleweed Runaway Program 505 N 24th St. Billings, MT 59101	NONE	PC	Grant to support the drop in resources center.	5,000.
<b>Total from continuation sheets</b>				



**Part XV** Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)				
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)				
Upper Musselshell Historic Society PO Box 364 Harlowton, MT 59036	none	PC	Grant for funding the Curator's Museum exhibit.	10,000.
Western Heritage Center 2822 Montana Ave Billings, MT 59101	NONE	pc	Grant for the Ben Steele Exhibit	5,500.
Wheatland County Senior Citizens Center 1st Ste SE Harlowton, MT 59036	NONE	PC	Grant for 2018 Van with Handicap Lift.	57,000.
Wheatland County PO Box 527 Harlowton, MT 59036	none	PC	Grant for renovation of rodeo arena project grandstand.	21,500.
Wheatland Memorial Healthcare PO Box 287 Harlowton, MT 59036-0287	none	PC	Grant for Qube vital monitor.	21,000.
Wise Wonders Children's Museum 110 N 29th St Billings, MT 59101	NONE	PC	Grant for exhibit supplies.	3,500.
Yellowstone Art Museum 401 North 27th Street Billings, MT 59101	None	PC	Grant for the upcoming "Bringing it Back Home" exhibit.	20,000.
Yellowstone Boys and Girls Ranch 1732 South 72nd St. W Billings, MT 59105	None	PC	Grant for repair of Boiler.	10,607.
Yellowstone Boys and Girls Ranch 1732 South 72nd St. W billings, MT 59105	None	PC	Grant for the replacement of pool decking.	12,000.
Yellowstone Casa, Inc. PO Box 688 Billings, MT 59103	None	PC	Grant for investment in advocates for youth.	16,876.
<b>Total from continuation sheets</b>				



**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.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No 1545-0047

**2017****Name of the organization**Charles M. Bair Family Trust  
C/O U.S. Bank**Employer identification number**

81-6075761

**Organization type (check one)****Filers of:****Section:**

Form 990 or 990-EZ

 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 foundationCheck 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).

**LHA 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) (2017)**

Name of organization <b>Charles M: Bair Family Trust</b> <b>C/O U.S. Bank</b>	Employer identification number <b>81-6075761</b>
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**Part I Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Bair Ranch Foundation  U.S. Bank Trust, P.O. Box 30678  Billings, MT 59115-0678	\$ 1,250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)

Name of organization <b>Charles M. Bair Family Trust</b> <b>C/O U.S. Bank</b>	Employer identification number <b>81-6075761</b>
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**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
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	

Name of organization <b>Charles M. Bair Family Trust</b> <b>C/O U.S. Bank</b>	Employer identification number <b>81-6075761</b>
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**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 info once) ▶ \$ \_\_\_\_\_  
 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

<b>(e) Transfer of gift</b>	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

<b>(e) Transfer of gift</b>	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

<b>(e) Transfer of gift</b>	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

<b>(e) Transfer of gift</b>	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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Form 990-PF Interest on Savings and Temporary Cash Investments Statement 1

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Source	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
Interest	33,236.	33,236.	
Total to Part I, line 3	33,236.	33,236.	

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Form 990-PF Dividends and Interest from Securities Statement 2

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Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
Dividends	407,322.	89,880.	317,442.	317,442.	
To Part I, line 4	407,322.	89,880.	317,442.	317,442.	

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Form 990-PF Other Income Statement 3

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Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
Museum Admissions & Memberships	15,171.	0.	
Gift Shop Sales	2,141.	2,141.	
Royalty Income	1,341.	1,341.	
Other Income	9,778.	9,778.	
Total to Form 990-PF, Part I, line 11	28,431.	13,260.	

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Form 990-PF Other Decreases in Net Assets or Fund Balances Statement 8

Description	Amount
Basis Adjustment on Coast Diversified Fund II	20,738.
Total to Form 990-PF, Part III, line 5	20,738.

Form 990-PF U.S. and State/City Government Obligations Statement 9

Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value
Fixed Income - See Schedule 1	X		4,158,037.	4,092,955.
Total U.S. Government Obligations			4,158,037.	4,092,955.
Total State and Municipal Government Obligations				
Total to Form 990-PF, Part II, line 10a			4,158,037.	4,092,955.

Form 990-PF Corporate Stock Statement 10

Description	Book Value	Fair Market Value
Equity - See Schedule 1	5,420,296.	8,522,284.
Total to Form 990-PF, Part II, line 10b	5,420,296.	8,522,284.

Form 990-PF Other Assets Statement 11

Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
Real Estate & Other Assets - See Schedule 1	18,456,697.	18,379,366.	21,508,863.
To Form 990-PF, Part II, line 15	18,456,697.	18,379,366.	21,508,863.

Form 990-PF Part VIII - List of Officers, Directors Trustees and Foundation Managers Statement 12

Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Expense Contrib Account	
U.S. Bank (Bill Lucas & Bill Davies) PO Box 30678 Billings, MT 59115	Trustee/Vice Chairman 15.00	205,002.	0.	0.
Moulton Bellingham (John Jones) 555 SW Oak Portland, OR 97204	Chairman 15.00	4,750.	0.	0.
Kurt Alme 555 SW Oak Portland, OR 97204	At Large Member - Meagher County 15.00	1,000.	0.	0.
Sarah Calhoun 555 SW Oak Portland, OR 97204	At Large Member - Yellowstone County 15.00	2,500.	0.	0.
Valeria Jeffries 5849 Frey Road Shepherd, MT 59079	At Large Member - Yellowstone County 15.00	2,000.	0.	0.
Dave Voldseth 256 Bonanza Creek Road Martinsdale, MT 59053	At Large Member - Meagher County 15.00	2,000.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		217,252.	0.	0.

Form 990-PF

Reduction Explanation  
Part X, Line 1e

Statement 13

Explanation for Reduction Claimed for Blockage or Other Factors

The Charles M. Bair Family Trust has a membership interest in another private foundation, The Bair Ranch Foundation. The Bair Ranch Foundation makes annual distributions based on the value of its assets. The contributions made to the Charles M. Bair Family Trust from the Bair Ranch Foundation are treated as pass through contributions. Accordingly, the value of the membership interest is not included as it is considered an exempt asset and to include the value here would result in duplication.

As to the value of the membership interests, book value has been utilized throughout this Return of the Private Foundation. The membership interest is not transferrable or sellable and these restrictions create a situation whereby the true value is not easily determinable. Since it is an exempt asset the value is not a significant issue. Accordingly, book value has been used.

Form 990-PF

Election Under Regulations Section  
53.4942(a)-3(d)(2) to Treat  
Excess Qualifying Distributions  
as Distributions out of Corpus

Statement 14

SECTION 4942(h)(2) ELECTION AS TO THE TREATMENT OF QUALIFYING  
DISTRIBUTIONS:

Pursuant to IRC Section 4942(h)(2) and Regulation 53.4942(a)-3(d)(2),  
the Charles M. Bair Family Trust hereby elects to treat \$1,250,000 of  
current year qualifying distributions in excess of the immediately  
preceding tax year's undistributed income as being made out of corpus.