

EXTENDED TO NOVEMBER 15, 2017  
Return of Private Foundation

OMB No. 1545-0052

2016

Open to Public Inspection

Form 990-PF

Department of the Treasury  
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.

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

For calendar year 2016 or tax year beginning , and ending

Name of foundation: **WATSON-BROWN FOUNDATION, INC.**  
 Number and street (or P.O. box number if mail is not delivered to street address): **310 TOM WATSON WAY**  
 City or town, state or province, country, and ZIP or foreign postal code: **THOMSON, GA 30824-0037**

A Employer identification number: **23-7097393**

B Telephone number: **(706) 595-8886**

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

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): **\$ 143,385,147.**  
 J Accounting method:  Cash  Accrual  
 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).)		(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	619.		N/A	
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	89.	89.		STATEMENT 2
	4 Dividends and interest from securities	2,485,490.	2,485,490.		STATEMENT 3
	5a Gross rents	17,735.	17,735.		STATEMENT 4
	b Net rental income or (loss)	17,735.			
	6a Net gain or (loss) from sale of assets not on line 10	3,780,348.			STATEMENT 1
	b Gross sales price for all assets on line 6a	4,318,286.			
	7 Capital gain net income (from Part IV, line 2)		3,772,834.		
	8 Net short-term capital gain				
	9 Income modifications				
10a Gross sales less returns and allowances	513.			STATEMENT 5	
b Less: Cost of goods sold	783.				
c Gross profit or (loss)	-270.				
11 Other income	73,895.	93,148.		STATEMENT 6	
12 Total. Add lines 1 through 11	6,357,906.	6,369,296.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	216,754.	21,675.		195,079.
	14 Other employee salaries and wages	501,527.	28,438.		473,089.
	15 Pension plans, employee benefits	15,363.	1,322.		14,041.
	16a Legal fees				
	b Accounting fees	STMT 7 38,080.	28,560.		9,520.
	c Other professional fees	STMT 8 238,452.	222,342.		15,928.
	17 Interest	129,154.	128,748.		0.
	18 Taxes	STMT 9 227,699.	61,561.		51,138.
	19 Depreciation and depletion	536,670.	0.		
	20 Occupancy				
	21 Travel, conferences, and meetings	22,156.	5,539.		16,617.
	22 Printing and publications	74,861.	18,715.		56,146.
	23 Other expenses	STMT 10 1,238,295.	571,573.		666,423.
	24 Total operating and administrative expenses. Add lines 13 through 23	3,239,011.	1,088,473.		1,497,981.
	25 Contributions, gifts, grants paid	2,862,246.			2,862,246.
26 Total expenses and disbursements. Add lines 24 and 25	6,101,257.	1,088,473.		4,360,227.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	256,649.				
b Net investment income (if negative, enter -0-)		5,280,823.			
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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	2,404,863.	9,337,558.	9,337,558.
	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	8,321.	4,606.	4,606.
	9	Prepaid expenses and deferred charges			
	10a	Investments - U.S. and state government obligations	537,937.		
	b	Investments - corporate stock			
	c	Investments - corporate bonds			
	11	Investments - land, buildings, and equipment: basis			
	Less: accumulated depreciation				
12	Investments - mortgage loans				
13	Investments - other	STMT 11 122,312,975.	116,444,852.	121,116,788.	
14	Land, buildings, and equipment: basis	21,252,226.			
	Less: accumulated depreciation	STMT 12 4,732,828.	16,785,859.	16,519,398.	
	Other assets (describe)	STATEMENT 13 510,148.	509,272.	433,389.	
16	<b>Total assets</b> (to be completed by all filers - see the instructions. Also, see page 1, item I)	142,560,103.	142,815,686.	143,385,147.	
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	4,000,000.	4,000,000.	
22	Other liabilities (describe)	STATEMENT 14 3,443.	2,377.		
23	<b>Total liabilities</b> (add lines 17 through 22)	4,003,443.	4,002,377.		
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	138,556,660.	138,813,309.	
	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>	138,556,660.	138,813,309.		
31	<b>Total liabilities and net assets/fund balances</b>	142,560,103.	142,815,686.		

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	138,556,660.
2	Enter amount from Part I, line 27a	2	256,649.
3	Other increases not included in line 2 (itemize)	3	0.
4	Add lines 1, 2, and 3	4	138,813,309.
5	Decreases not included in line 2 (itemize)	5	0.
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) - Part II, column (b), line 30	6	138,813,309.

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

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)	
1a					
b	<b>SEE ATTACHED STATEMENTS</b>				
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e	4,318,286.	545,452.	3,772,834.		
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
b					
c					
d					
e			3,772,834.		
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	3,772,834.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	}		3	N/A

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))	
2015	4,612,854.	128,305,045.	.035952	
2014	5,095,389.	108,913,095.	.046784	
2013	5,439,000.	94,206,320.	.057735	
2012	5,987,613.	94,207,249.	.063558	
2011	5,162,229.	92,013,271.	.056103	
2	Total of line 1, column (d)		2	.260132
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	.052026
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5		4	129,586,578.
5	Multiply line 4 by line 3		5	6,741,871.
6	Enter 1% of net investment income (1% of Part I, line 27b)		6	52,808.
7	Add lines 5 and 6		7	6,794,679.
8	Enter qualifying distributions from Part XII, line 4		8	4,630,436.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <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 type="checkbox"/> and enter 1% of Part I, line 27b		1	105,616.
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	105,616.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	105,616.
6 Credits/Payments:			
a 2016 estimated tax payments and 2015 overpayment credited to 2016	6a	217,089.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	75,000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	292,089.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	186,473.	
11 Enter the amount of line 10 to be: Credited to 2017 estimated tax <input type="checkbox"/> 186,473. Refunded <input type="checkbox"/>	11	0.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.	2	X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3	X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	X
b If "Yes," has it filed a tax return on Form 990-T for this year? N/A	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5	X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	X
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> GA		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? If "Yes," complete Part XIV	9	X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10	X

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)
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)
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address WWW.WATSON-BROWN.ORG
14 The books are in care of THOMAS W. BROWN, JR. Telephone no. 706-595-8886 Located at 310 TOM WATSON WAY, THOMSON, GA ZIP+4 30824-0037
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 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country

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?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(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)?
(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.)
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
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? 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.)
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?
b If "Yes," did it have excess business holdings in 2016 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016.)
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?

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

5a During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?  Yes  No
- (3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)  Yes  No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?  Yes  No  
 Organizations relying on a current notice regarding disaster assistance check here  N/A

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No  
 If "Yes," attach the statement required by Regulations section 53.4945-5(d).

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No  
 If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?  Yes  No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 15		216,754.	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."

Table with 3 columns: (a) Name and address of each person paid more than \$50,000, (b) Type of service, (c) Compensation. Row 1 contains '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.

Table with 2 columns: Description of activity, Expenses. Row 1 contains 'N/A'.

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.

Table with 2 columns: Description of investment, Amount. Row 1 contains 'N/A'.

Total. Add lines 1 through 3 0.

**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	358,793.
b	Average of monthly cash balances	1b	1,677,781.
c	Fair market value of all other assets	1c	129,523,404.
d	Total (add lines 1a, b, and c)	1d	131,559,978.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	131,559,978.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	1,973,400.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	129,586,578.
6	Minimum investment return. Enter 5% of line 5	6	6,479,329.

**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	6,479,329.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	105,616.
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	105,616.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	6,373,713.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	6,373,713.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	6,373,713.

**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	4,360,227.
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	270,209.
3 Amounts set aside for specific charitable projects that satisfy the:			
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	4,630,436.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	4,630,436.

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



**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				6,373,713.
2 Undistributed income, if any, as of the end of 2016:				
a Enter amount for 2015 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2016:				
a From 2011	381,670.			
b From 2012	1,391,503.			
c From 2013	848,700.			
d From 2014				
e From 2015				
f Total of lines 3a through e	2,621,873.			
4 Qualifying distributions for 2016 from Part XII, line 4: ▶ \$	4,630,436.			
a Applied to 2015, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2016 distributable amount				4,630,436.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (c), the same amount must be shown in column (a).)	1,743,277.			1,743,277.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	878,596.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	878,596.			
10 Analysis of line 9:				
a Excess from 2012	29,896.			
b Excess from 2013	848,700.			
c Excess from 2014				
d Excess from 2015				
e Excess from 2016				

**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 2016, 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)

	Tax year				(e) Total
	(a) 2016	(b) 2015	Prior 3 years		
	(c) 2014	(d) 2013			
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test - enter:					
<b>(1)</b> Value of all assets					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> "Support" alternative test - enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> Gross investment income					

**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).)

**THOMAS W. BROWN, JR.**

**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. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

**a** The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:

**THOMAS W. BROWN, JR., 310 TOM WATSON WAY, THOMSON, GA 30824**

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

**APPLICATIONS ARE WEB BASED AND PROVIDED BY FOUNDATION AS NEEDED**

**c** Any submission deadlines:

**GRANTS DUE APRIL 15/SCHOLARSHIPS DUE FEBRUARY 15**

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

**SEE STATEMENT 24**

**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>				
STATEMENT C-1 (CONTRIBUTIONS)	N/A	PUBLIC	GENERAL FUNDS	551,767.
STATEMENT C-2 (SCHOLARSHIPS)	N/A	PUBLIC	EDUCATION	2,310,479.
<b>Total</b> <span style="float: right;">▶ 3a</span>				
<b>b Approved for future payment</b>				
NONE				
<b>Total</b> <span style="float: right;">▶ 3b</span>				

2,862,246.

0.







Department of the Treasury  
Internal Revenue Service  
Ogden UT 84201

Notice	CP211A
Tax period	December 31, 2016
Notice date	June 5, 2017
Employer ID number	23-7097393
To contact us	Phone 1 877 829-5500 FAX 801-620-5555

167356.761091.214272.12195 1 AB 0.403 370



WATSON-BROWN FOUNDATION INC  
310 TOM WATSON WAY  
THOMSON GA 30824-1836



167356

Page 1 of 1

Important information about your December 31, 2016 Form 990PF

## We approved your Form 8868, Application for Extension of Time To File an Exempt Organization Return

We approved the Form 8868 for your  
December 31, 2016 Form 990PF.

Your new due date is November 15, 2017.

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### What you need to do

File your December 31, 2016 Form 990PF by November 15, 2017. We encourage you to use electronic filing—the fastest and easiest way to file.

Visit [www.irs.gov/charities](http://www.irs.gov/charities) to learn about approved e-File providers, what types of returns can be filed electronically, and whether you are required to file electronically.

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### Additional information

- Visit [www.irs.gov/cp211a](http://www.irs.gov/cp211a)
- For tax forms, instructions, and publications, visit [www.irs.gov](http://www.irs.gov) or call 1-800-TAX-FORM (1-800-829-3676).
- Keep this notice for your records.

If you need assistance, please don't hesitate to contact us.

# Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

► **File a separate application for each return.**

► **Information about Form 8868 and its instructions is at [www.irs.gov/form8868](http://www.irs.gov/form8868).**

**Electronic filing (e-file).** You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile), click on Charities & Non-Profits, and click on e-file for Charities and Non-Profits.

**Automatic 6-Month Extension of Time. Only submit original (no copies needed).**

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print  <small>File by the due date for filing your return. See instructions.</small>	Name of exempt organization or other filer, see instructions.  <b>WATSON-BROWN FOUNDATION, INC.</b>	Enter filer's identifying number Employer identification number (EIN) or  <b>23-7097393</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>310 TOM WATSON WAY</b>	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>THOMSON, GA 30824-0037</b>	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**THOMAS W. BROWN, JR.**

• The books are in the care of ► **310 TOM WATSON WAY - THOMSON, GA 30824-0037**  
 Telephone No. ► **706-595-8886** Fax No. ► \_\_\_\_\_

• If the organization does not have an office or place of business in the United States, check this box    
 • If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the whole group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

**1** I request an automatic 6-month extension of time until **NOVEMBER 15, 2017**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

►  calendar year **2016** or  
 ►  tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

**2** If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	<b>292,089.</b>
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$	<b>217,089.</b>
<b>c</b> Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	<b>75,000.</b>

**Caution:** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

**Depreciation and Amortization**  
(Including Information on Listed Property) **990-PF**

Department of the Treasury  
Internal Revenue Service (99)

▶ **Information about Form 4562 and its separate instructions is at [www.irs.gov/form4562](http://www.irs.gov/form4562).**

▶ Attach to your tax return.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

**WATSON-BROWN FOUNDATION, INC.**

**FORM 990-PF PAGE 1**

**23-7097393**

**Part I Election To Expense Certain Property Under Section 179** Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,010,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2015 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2017. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	536,670.

**Part III MACRS Depreciation (Don't include listed property.) (See instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2016	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

**Section B - Assets Placed in Service During 2016 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

**Section C - Assets Placed in Service During 2016 Tax Year Using the Alternative Depreciation System**

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	40-year	/	40 yrs.	MM	S/L	

**Part IV Summary (See instructions.)**

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	536,670.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	



Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

Table with columns (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost. Includes rows 25-29.

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table with columns (a) through (f) Vehicle. Rows 30-36 covering miles driven and personal use availability.

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons.

Table with rows 37-41 regarding written policy statements and employee information. Includes Yes/No columns.

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

Table with columns (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Includes rows 42-44.

FORM 990-PF DEPRECIATION AND AMORTIZATION DETAIL

	Placed in Service	Life or rate	Cost or other basis	BOY	
				Accum Deprec	Current year deduction
Foundation House	1997	S/L 39 YRS	200,000.00	92,520.73	5,128.21
Hickory Hill Houses	2000	S/L 39 YRS	178,202.00	68,729.52	4,569.28
TRR Cobb House	Various	S/L 39 YRS	400,000.00	83,760.68	10,256.41
Goodrum House	2009	S/L 39 YRS	732,944.00	86,136.60	18,793.44
Building & Equipment	Pre 1993		20,848.00	20,848.00	
Bldg. Imp. Foundation	Various	S/L 39 YRS	734,928.27	229,374.93	18,844.33
Bldg. Imp. Hickory Hill	Various	S/L 39 YRS	2,634,977.73	908,476.89	67,857.25
Bldg. Imp. - Cottages	Various	S/L 39 YRS	517,581.57	145,839.57	13,271.31
Bldg. Imp. - Cottages	2016	S/L 39 YRS	4,934.10		42.17
Bldg. Imp.- Goodrum	Various	S/L 39 YRS	5,768,547.01	221,191.55	148,222.40
Bldg. Imp.- Goodrum	2016	S/L 39 YRS	218,775.30		3,219.42
Bldg. Imp. - Radio Station	Various	S/L 39 YRS	8,450.00	1,977.86	216.67
Bldg. Imp. - TRR Cobb House	Various	S/L 39 YRS	2,977,167.00	666,250.45	76,337.60
Bldg. Imp. - TRR Cobb House	2016	S/L 39 YRS	12,647.24		157.92
Furniture & Fixtures	Various	S/L 10 YRS	468,024.48	455,332.84	6,625.63
Furniture & Fixtures-Goodrum House	Various	S/L 10 YRS	667,500.00	157,124.99	66,750.00
Furniture & Fixtures - TRRC House	Various	S/L 10 YRS	182,189.14	124,536.70	17,795.12
Landscape Improvements	Various	S/L 15 YRS	190,565.21	156,622.91	11,297.48
Landscape Imp.-Monroe	Various	S/L 15 YRS	615,256.11	536,951.64	29,997.84
Landscape Imp.-Monroe (buildings)	2016	S/L 39 YRS	13,730.00		252.63
Landscape Imp. - Trrc House	Various	S/L 15 YRS	29,242.22	17,382.86	1,949.48
Landscape Imp. - Trrc House	2016	S/L 15 YRS	8,145.00		45.25
Landscape Imp. - Goodrum	Various	S/L 15 YRS	351,589.12	33,902.71	23,439.26
Computer/Equipment	Various	S/L 5 YRS	101,990.02	87,487.24	4,419.05
Computer/Equipment	2016	S/L 5 YRS	11,976.97*		3,796.16
Lawn Equipment and other	Various	S/L 10 YRS	96,716.93	90,362.09	3,385.30
Computer/Equipment - TRR	Various	S/L 5 YRS	11,347.61*	11,347.61	
<b>TOTAL</b>			<b>17,158,275.03</b>	<b>4,196,158.37</b>	<b>536,669.61</b>

4,732,827.98

2016 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1

990-PF

Asset No.	Description	Date Acquired	Method	Life	C o n v	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
1	SEE SCHEDULE ATTACHED	VARIOUS		.000		HY16	17158275.				17158275.	4,196,159.		536,670.	4,732,829.
2	LAND		L				4,093,951.				4,093,951.	0.		0.	
	* TOTAL 990-PF PG 1 DEPR						21252226.				21252226.	4,196,159.		536,670.	4,732,829.
	CURRENT YEAR ACTIVITY														
	BEGINNING BALANCE						17158275.			0.	17158275.	4,196,159.			4,732,829.
	ACQUISITIONS						4,093,951.			0.	4,093,951.	0.			0.
	DISPOSITIONS						0.			0.	0.	0.			0.
	ENDING BALANCE						21252226.			0.	21252226.	4,196,159.			4,732,829.
	ENDING ACCUM DEPR										4,732,829.				
	ENDING BOOK VALUE										16519397.				

**Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund**

OMB No. 1545-1002

Attachment  
 Sequence No. **69**

▶ Information about Form 8621 and its separate instructions is at [www.irs.gov/form8621](http://www.irs.gov/form8621)

Name of shareholder <b>WATSON-BROWN FOUNDATION, INC.</b>	Identifying number (see instructions) <b>23-7097393</b>
Number, street, and room or suite no. (If a P.O. box, see instructions.) <b>310 TOM WATSON WAY</b>	Shareholder tax year: calendar year <b>2016</b> or other tax year beginning and ending
City or town, state, and ZIP code or country <b>THOMSON, GA 30824-0037</b>	
Check type of shareholder filing the return: <input type="checkbox"/> Individual <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> S Corporation <input type="checkbox"/> Nongrantor Trust <input type="checkbox"/> Estate	
Check if any Excepted Specified Foreign Financial Assets are Reported on this Form (see instructions) <input type="checkbox"/>	
Name of passive foreign investment company (PFIC) or qualified electing fund (QEF) <b>ASF PRINCE CO-INVEST SLP</b>	Employer identification number (if any)
Address (Enter number, street, city or town, and country.) <b>AZTEC GROUP HOUSE, 11-15 SEATON PLACE ST. HELIER, JERSEY, JERSEY JE4 0QH</b>	Reference ID number (see instructions)
	Tax year of PFIC or QEF: calendar year <b>2016</b> or other tax year beginning and ending

**Part I Summary of Annual Information (See instructions.)**

Provide the following information with respect to all shares of the PFIC held by the shareholder:

- 1 Description of each class of shares held by the shareholder:  
 Check if shares jointly owned with spouse.
- 2 Date shares acquired during the taxable year, if applicable: \_\_\_\_\_
- 3 Number of shares held at the end of the taxable year: \_\_\_\_\_
- 4 Value of shares held at the end of the taxable year (check the appropriate box, if applicable):  
 (a)  \$0-50,000    (b)  \$50,001-100,000    (c)  \$100,001-150,000    (d)  \$150,001-200,000  
 (e) If more than \$200,000, list value: \_\_\_\_\_
- 5 Type of PFIC and amount of any excess distribution or gain treated as an excess distribution under section 1291, inclusion under section 1293, or inclusion or deduction under section 1296:  
 (a)  Section 1291 \$ 789.  
 (b)  Section 1293 (Qualified Electing Fund) \$ \_\_\_\_\_  
 (c)  Section 1296 (Mark to Market) \$ \_\_\_\_\_

**Part II Elections (See instructions.)**

- A  Election To Treat the PFIC as a QEF. I, a shareholder of a PFIC, elect to treat the PFIC as a QEF. Complete lines 6a through 7c of Part III.
- B  Election To Extend Time For Payment of Tax. I, a shareholder of a QEF, elect to extend the time for payment of tax on the undistributed earnings and profits of the QEF until this election is terminated. Complete lines 8a through 9c of Part III to calculate the tax that may be deferred.  
 Note: If any portion of line 6a or line 7a of Part III is includible under section 951, you maynot make this election. Also, see sections 1294(c) and 1294(f) and the related regulations for events that terminate this election.
- C  Election To Mark-to-Market PFIC Stock. I, a shareholder of a PFIC, elect to mark-to-market the PFIC stock that is marketable within the meaning of section 1296(e). Complete Part IV.
- D  Deemed Sale Election. I, a shareholder on the first day of a PFIC's first tax year as a QEF, elect to recognize gain on the deemed sale of my interest in the PFIC. Enter gain or loss on line 15f of Part V.
- E  Deemed Dividend Election. I, a shareholder on the first day of a PFIC's first tax year as a QEF that is a controlled foreign corporation (CFC), elect to treat an amount equal to my share of the post-1986 earnings and profits of the CFC as an excess distribution. Enter this amount on line 15e of Part V. If the excess distribution is greater than zero, also complete line 16 of Part V.
- F  Election To Recognize Gain on Deemed Sale of PFIC. I, a shareholder of a former PFIC or a PFIC to which section 1297(d) applies, elect to treat as an excess distribution the gain recognized on the deemed sale of my interest in the PFIC on the last day of its last tax year as a PFIC under section 1297(a). Enter gain on line 15f of Part V.
- G  Deemed Dividend Election With Respect to a Section 1297(e) PFIC. I, a shareholder of a section 1297(e) PFIC, within the meaning of Regulations section 1.1297-3(a), elect to make a deemed dividend election with respect to the Section 1297(e) PFIC. My holding period in the stock of the Section 1297(e) PFIC includes the CFC qualification date, as defined in Regulations section 1.1297-3(d). Enter the excess distribution on line 15e, Part V. If the excess distribution is greater than zero, also complete line 16, Part V.
- H  Deemed Dividend Election With Respect to a Former PFIC. I, a shareholder of a former PFIC, within the meaning of Regulations section 1.1298-3(a), elect to make a deemed dividend election with respect to the former PFIC. My holding period in the stock of the former PFIC includes the termination date, as defined in Regulations section 1.1298-3(d). Enter the excess distribution on line 15e, Part V. If the excess distribution is greater than zero, also complete line 16, Part V.

**Part III Income From a Qualified Electing Fund (QEF).** All QEF shareholders complete lines 6a through 7c. If you are making Election B, also complete lines 8a through 9c. (See instructions.)

<b>6 a</b>	Enter your pro rata share of the ordinary earnings of the QEF	<b>6a</b>		
<b>b</b>	Enter the portion of line 6a that is included in income under section 951 or that may be excluded under section 1293(g)	<b>6b</b>		
<b>c</b>	Subtract line 6b from line 6a. Enter this amount on your tax return as ordinary income			<b>6c</b>
<b>7 a</b>	Enter your pro rata share of the total net capital gain of the QEF	<b>7a</b>		
<b>b</b>	Enter the portion of line 7a that is included in income under section 951 or that may be excluded under section 1293(g)	<b>7b</b>		
<b>c</b>	Subtract line 7b from line 7a. This amount is a net long-term capital gain. Enter this amount in Part II of the Schedule D used for your income tax return. (See instructions.)			<b>7c</b>

**Complete lines 8 and 9 only if you are making a section 1294 election (Election B) for the current tax year.**

<b>8 a</b>	Add lines 6c and 7c			<b>8a</b>
<b>b</b>	Enter the total amount of cash and the fair market value of other property distributed or deemed distributed to you during the tax year of the QEF. (See instructions.)	<b>8b</b>		
<b>c</b>	Enter the portion of line 8a not already included in line 8b that is attributable to shares in the QEF that you disposed of, pledged, or otherwise transferred during the tax year	<b>8c</b>		
<b>d</b>	Add lines 8b and 8c			<b>8d</b>
<b>e</b>	Subtract line 8d from line 8a, and enter the difference (if zero or less, enter amount in brackets) <i>Important: If line 8e is greater than zero, and no portion of line 6a or 7a is includible in income under section 951, you may make Election B with respect to the amount on line 8e.</i>			<b>8e</b>
<b>9 a</b>	Enter the total tax for the tax year (See instructions.)	<b>9a</b>		
<b>b</b>	Enter the total tax for the tax year determined without regard to the amount entered on line 8e	<b>9b</b>		
<b>c</b>	Subtract line 9b from line 9a. This is the deferred tax, the time for payment of which is extended by making Election B			<b>9c</b>

**Part IV Gain or (Loss) From Mark-to-Market Election (See instructions.)**

<b>10a</b>	Enter the fair market value of your PFIC stock at the end of the tax year	<b>10a</b>	
<b>b</b>	Enter your adjusted basis in the stock at the end of the tax year	<b>10b</b>	
<b>c</b>	Subtract line 10b from line 10a. If a gain, do not complete lines 11 and 12. Include this amount as ordinary income on your tax return. If a loss, go to line 11		<b>10c</b>
<b>11</b>	Enter any unreversed inclusions (as defined in section 1296(d))		<b>11</b>
<b>12</b>	Enter the loss from line 10c, but only to the extent of unreversed inclusions on line 11. Include this amount as an ordinary loss on your tax return		<b>12</b>
<b>13</b>	<b>If you sold or otherwise disposed of any section 1296 stock (see instructions) during the tax year:</b>		
<b>a</b>	Enter the fair market value of the stock on the date of sale or disposition	<b>13a</b>	
<b>b</b>	Enter the adjusted basis of the stock on the date of sale or disposition	<b>13b</b>	
<b>c</b>	Subtract line 13b from line 13a. If a gain, do not complete line 14. Include this amount as ordinary income on your tax return. If a loss, go to line 14		<b>13c</b>
<b>14a</b>	Enter any unreversed inclusions (as defined in section 1296(d))		<b>14a</b>
<b>b</b>	Enter the loss from line 13c, but only to the extent of unreversed inclusions on line 14a. Include this amount as an ordinary loss on your tax return. If the loss on line 13c exceeds unreversed inclusions on line 14a, complete line 14c		<b>14b</b>
<b>c</b>	Enter the amount by which the loss on line 13c exceeds unreversed inclusions on line 14a. Include this amount on your tax return according to the rules generally applicable for losses provided elsewhere in the Code and regulations		<b>14c</b>

**Note:** See instructions in case of multiple sales or dispositions.

**Part V Distributions From and Dispositions of Stock of a Section 1291 Fund** (See instructions.)

Complete a separate Part V for each excess distribution and disposition (see instructions).

<p><b>15 a</b> Enter your total distributions from the section 1291 fund during the current tax year with respect to the applicable stock. If the holding period of the stock began in the current tax year, see instructions</p>	<p>15a</p>	<p>-3.</p>
<p><b>b</b> Enter the total distributions (reduced by the portions of such distributions that were excess distributions but not included in income under section 1291(a)(1)(B)) made by the fund with respect to the applicable stock for each of the 3 years preceding the current tax year (or if shorter, the portion of the shareholder's holding period before the current tax year)</p>	<p>15b</p>	
<p><b>c</b> Divide line 15b by 3. (See instructions if the number of preceding tax years is less than 3.)</p>	<p>15c</p>	
<p><b>d</b> Multiply line 15c by 125% (1.25)</p>	<p>15d</p>	
<p><b>e</b> Subtract line 15d from line 15a. This amount, if more than zero, is the excess distribution with respect to the applicable stock. If there is an excess distribution, complete line 16. If zero or less and you did not dispose of stock during the tax year, do not complete the rest of Part V. See instructions if you received more than one distribution during the current tax year. Also, see instructions for rules for reporting a nonexcess distribution on your income tax return</p>	<p>15e</p>	<p>-3.</p>
<p><b>f</b> Enter gain or loss from the disposition of stock of a section 1291 fund or former section 1291 fund. If a gain, complete line 16. If a loss, show it in brackets and do not complete line 16</p>	<p>15f</p>	<p>792.</p>
<p><b>16 a</b> If there is a positive amount on line 15e or 15f (or both), attach a statement for each excess distribution and disposition. Show your holding period for each share of stock or block of shares held. Allocate the excess distribution or gain to each day in your holding period. Add all amounts that are allocated to days in each tax year.</p>		
<p><b>b</b> Enter the total of the amounts determined in line 16a that are allocable to the current tax year and tax years before the foreign corporation became a PFIC (pre-PFIC years). Enter these amounts on your income tax return as other income</p>	<p>16b</p>	<p>SEE STATEMENT 21</p>
<p><b>c</b> Enter the aggregate increases in tax (before credits) for each tax year in your holding period (other than the current tax year and pre-PFIC years). (See instructions.)</p>	<p>16c</p>	
<p><b>d</b> Foreign tax credit. (See instructions.)</p>	<p>16d</p>	
<p><b>e</b> Subtract line 16d from line 16c. Enter this amount on your income tax return as "additional tax." (See instructions.)</p>	<p>16e</p>	
<p><b>f</b> Determine interest on each net increase in tax determined on line 16e using the rates and methods of section 6621. Enter the aggregate amount of interest here. (See instructions.)</p>	<p>16f</p>	

**Part VI Status of Prior Year Section 1294 Elections and Termination of Section 1294 Elections**

Complete a separate column for each outstanding election.

Complete lines 17 through 20 to report the status of outstanding prior year section 1294 elections.						
	(i)	(ii)	(iii)	(iv)	(v)	(vi)
17 Tax year of outstanding election .....						
18 Undistributed earnings to which the election relates						
19 Deferred tax .....						
20 Interest accrued on deferred tax (line 19) as of the filing date .....						
<b>Complete lines 21 through 24 only if a section 1294 election is terminated in the current year.</b>						
21 Event terminating election						
22 Earnings distributed or deemed distributed during the tax year .....						
23 Deferred tax due with this return .....						
24 Accrued interest due with this return .....						
<b>Complete lines 25 and 26 only if there is a partial termination of a section 1294 election in the current tax year.</b>						
25 Deferred tax outstanding after partial termination of election. Subtract line 23 from line 19 .....						
26 Interest accrued after partial termination of election. Subtract line 24 from line 20						

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FORM 8621      DISTRIBUTIONS OF STOCK IN A SECTION 1291 FUND      STATEMENT 21

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- 1. DATE STOCK PURCHASED 01/01/16
- 2. DATE STOCK DISPOSED OF OR DISTRIBUTED 12/31/16
- 3. EXCESS DISTRIBUTION ALLOCATED TO EACH DAY IN HOLDING PERIOD 3.
- 4. TOTAL ALLOCABLE TO EACH TAX YEAR IN HOLDING PERIOD
- 5. TOTAL ALLOCABLE TO THE CURRENT TAX YEAR AND  
PRE-PFIC TAX YEARS, IF DIFFERENT
- 6. TOTAL TO LINE 16B (LINE 4 OR 5)
- 7. TAX. TOTAL TO LINE 16C
- 8. FOREIGN TAX CREDIT. TOTAL TO LINE 16D
- 9. NET TAX. TOTAL TO LINE 16E 0.
- 10. INTEREST. TOTAL TO LINE 16F



WATSON-BROWN FOUNDATION, INC.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a PASSTHROUGH-MERCER GLOBAL MULTI-ASSET FUND, LLC	P	VARIOUS	12/31/16
b PASSTHROUGH-MERCER GLOBAL MULTI-ASSET FUND, LLC	P	VARIOUS	12/31/16
c PASSTHROUGH-MERCER GLOBAL MULTI-ASSET FUND, LLC-SE	P	VARIOUS	12/31/16
d PASSTHROUGH-MERCER GLOBAL MULTI-ASSET FUND, LLC-SE	P	VARIOUS	12/31/16
e PASSTHROUGH-MERCER PIP II FUND, LLC	P	VARIOUS	12/31/16
f PASSTHROUGH-MERCER PIP II FUND, LLC	P	VARIOUS	12/31/16
g PASSTHROUGH-MERCER PIP II FUND LLC-SEC 1256	P	VARIOUS	12/31/16
h PASSTHROUGH-MERCER PIP II FUND LLC-SEC 1256	P	VARIOUS	12/31/16
i PASSTHROUGH-MERCER PIP II FUND LLC-SEC 1231 LOSS	P	VARIOUS	12/31/16
j PASSTHROUGH-MONTAUK TRIGUARD FUND V	P	VARIOUS	12/31/16
k PASSTHROUGH-MONTAUK TRIGUARD FUND V	P	VARIOUS	12/31/16
l PASSTHROUGH-MONTAUK TRIGUARD FUND V-SEC. 1256	P	VARIOUS	12/31/16
m PASSTHROUGH-MONTAUK TRIGUARD FUND V-SEC. 1256	P	VARIOUS	12/31/16
n PASSTHROUGH-MONTAUK TRIGUARD FUND V-SEC. 1231	P	VARIOUS	12/31/16
o PASSTHROUGH-MERCER PRIVATE INVESTMENT III, LP	P	VARIOUS	12/31/16

(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 101,584.			101,584.
b 2,240,594.			2,240,594.
c 361,468.			361,468.
d 542,202.			542,202.
e 961.			961.
f 329,584.			329,584.
g 3,206.			3,206.
h 4,809.			4,809.
i -5,103.			-5,103.
j 33.			33.
k 37,663.			37,663.
l 68.			68.
m 106.			106.
n 7,291.			7,291.
o 10,130.			10,130.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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			101,584.
b			2,240,594.
c			361,468.
d			542,202.
e			961.
f			329,584.
g			3,206.
h			4,809.
i			-5,103.
j			33.
k			37,663.
l			68.
m			106.
n			7,291.
o			10,130.

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	
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	

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

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a PASSTHROUGH-MERCER PRIVATE INVESTMENT III, LP	P	VARIOUS	12/31/16
b PASSTHROUGH-MERCER PRIVATE INVESTMENT III, LP-SEC.	P	VARIOUS	12/31/16
c PASSTHROUGH-NB CROSSROADS FUND XX, LP	P	VARIOUS	12/31/16
d PASSTHROUGH-NB CROSSROADS FUND XX, LP	P	VARIOUS	12/31/16
e PASSTHROUGH-NB CROSSROADS FUND XX, LP-SEC. 1231	P	VARIOUS	12/31/16
f PASSTHROUGH-MONTAUK TRIGUARD FUND VI	P	VARIOUS	12/31/16
g PASSTHROUGH-MONTAUK TRIGUARD FUND VI	P	VARIOUS	12/31/16
h PASSTHROUGH-MONTAUK TRIGUARD FUND VI-SEC. 1256	P	VARIOUS	12/31/16
i PASSTHROUGH-MONTAUK TRIGUARD FUND VI-SEC. 1256	P	VARIOUS	12/31/16
j PASSTHROUGH-MONTAUK TRIGUARD FUND VI-SEC. 1231	P	VARIOUS	12/31/16
k PASSTHROUGH-MERCER PIP IV FUND	P	VARIOUS	12/31/16
l U.S. BANK NOMINEE - LITIGATION PROCEEDS	P	VARIOUS	12/31/16
m 250000FV MOUNT PLEASANT SC DTD3/14/7	D	VARIOUS	12/01/16
n 250000FV SUMTER CNTY SC DTD 8/1/07	D	VARIOUS	06/01/16
o			

(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 62,474.			62,474.
b -20.			-20.
c 1,602.			1,602.
d 24,274.			24,274.
e 280.			280.
f -4,120.			-4,120.
g 81,634.		7,514.	74,120.
h 768.			768.
i 1,151.			1,151.
j 13,793.			13,793.
k -62.			-62.
l 1,916.			1,916.
m 250,000.		270,943.	-20,943.
n 250,000.		266,995.	-16,995.
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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			62,474.
b			-20.
c			1,602.
d			24,274.
e			280.
f			-4,120.
g			74,120.
h			768.
i			1,151.
j			13,793.
k			-62.
l			1,916.
m			-20,943.
n			-16,995.
o			

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	3,772,834.
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

Recipients Name and Address	Relationship	Status	Purpose	Amount
GA College & State University Foundation	Milledgeville GA	N/A	Public General	5 000
University of South Carolina Research Foundation	Columbia SC	N/A	Public Grant for Media Exhibits	38 420
Augusta Symphony	Augusta GA	N/A	Public Miller Theatre Marguee	100 000
Friends of Hamngton School Inc	St Simons Island GA	N/A	Public Phase III Restoration Cost	25 000
Friends of Oconee Hill Cemetery Inc	Athens GA	N/A	Public Iron Fence Restoration	47 000
Georgia Trust for Historic Preservation	Atlanta GA	N/A	Public Inherit Georgia Program	30 000
Hub City Writers' Project	Spartanburg SC	N/A	Public Flight Path	5 000
Jekyll Island Foundation	Jekyll Island GA	N/A	Public Education Curricula	25 000
South Carolina Historical Society	Charleston SC	N/A	Public 3rd Floor Fireproof Project	125 000
UNC Press - Develop Office		N/A	Public Commission 2 Authors to write Southern Histories	50 000
Historic Augusta, Inc	Augusta GA	N/A	Public Restoration of Lamar House	5 065 <1>
Lincoln County Historical Society	Lincolnton GA	N/A	Public Repair Andrew Jackson Reid House	8 000 <1>
McDuffie County Government	Thomson GA	N/A	Public Rock House Roof	13 000 <1>
Thomson Memorial Cemetery Inc	Thomson GA	N/A	Public Digitizing Oral History	6 920 <1>
Flannery O'Connor - Andalusia Foundation	Milledgeville GA	N/A	Public Historic Horse Barn	10 000 <3>
Historic Macon Foundation	Macon GA	N/A	Public Grant - Napier Heights	10 000 <3>
Georgia 4-H Foundation	Georgia Chapter	N/A	Public Scott Pioneer Site	2 000 <3>
Lockery Arboretum Foundation Inc	Milledgeville GA	N/A	Public Repairs	10 000 <3>
Wilkinson County Historical Society	Irwinton GA	N/A	Public Old Jail Ceiling Repair	1 000 <3>
Demosthenian Literary Society	Athens GA	N/A	Public Historic Desk Restoration	985 <4>
Crawford W Long Museum Association	Jefferson GA	N/A	Public Window Restoration	3 080 <4>
Jackson County Government	Commerce GA	N/A	Public Survey Historic Indian Burial Mounds	5 000 <4>
Franklin County Historical Society	Plainview GA	N/A	Public Plainview School Restoration	11 400 <4>
Lexington Historic Preservation Commission	Lexington GA	N/A	Public Manse Restoration	6 280 <4>
Torch of Hartwell Inc	Hartwell GA	N/A	Public Train Depot Restoration	3 752 <4>
William Harris Homestead Foundation Inc	Monrow GA	N/A	Public Window Sashes and Banisters repaired	4 120 <4>
Friends of Beech Haven	Athens GA	N/A	Public General	250 <5>
Friends of Oconee Hill Cemetery	Athens GA	N/A	Public Repairs	250 <5>
Confederate Veterans	Watkinsville GA	N/A	Public General	100 <5>
				<5>
Passthrough from Investment - K-1s	various	N/A		145 <5>
<b>TOTAL CONTRIBUTIONS</b>				<b>551 767</b>

<1> The Thomson Junior Board is a group of 15 to 16 high school students chosen to participate in research and the granting of funds to a public historical restoration projects. The board is given \$33 000 a year to distribute. Candidates for the grants must meet public and non-profit status as laid out for the Watson-Brown Foundation.

<2> As part of the MBA/Monroe Kimbrel Endowment program the student awarded the scholarship will work at the Federal Reserve Bank and the Foundation will pay 1/2 of the students salary.

<3> The Milledgeville Junior Board is a group of 15 to 16 high school students chosen to participate in research and the granting of funds to a public historical restoration projects. The board is given \$33 000 a year to distribute. Candidates for the grants must meet public and non-profit status as laid out for the Watson-Brown Foundation.

<4> The Athens Junior Board is a group of 15 to 16 high school students chosen to participate in research and the granting of funds to a public historical restoration projects. The board is given \$33 000 a year to distribute. Candidates for the grants must meet public and non-profit status as laid out for the Watson-Brown Foundation.

<5> Various other contributions made.

Watson-Brown Foundation, Inc.  
Scholarships by School

January through December 2016

COLLEGE	LOCATION	SCHOLARSHIPS
<b>6900 - Scholarships</b>		
<b>MKS/MBA Salary</b>		
FEDERAL RESERVE BANK	ATLANTA, GA	0.00
<b>Total MKS/MBA Salary</b>		<b>0.00</b>
<b>Undergraduates</b>		
ABRAHAM BALDWIN AGRICULTURAL COLLEGE	TIFTON, GA	6,000.00
AGNES SCOTT COLLEGE	DECATUR, GA	7,500.00
ALBANY STATE UNIVERSITY	ALBANY, GA	4,500.00
AMERICAN UNIVERSITY	WASHINGTON, DC	3,000.00
ANDERSON UNIVERSITY	ANDERSON, SC	24,000.00
ARMSTRONG STATE UNIVERSITY	SAVANNAH, GA	12,000.00
AUBURN UNIVERSITY	AUBURN, AL	4,500.00
AUGUSTA UNIVERSITY	AUGUSTA, GA	154,925.00
BELMONT ABBEY COLLEGE	BELMONT, NC	3,000.00
BEREA COLLEGE	BEREA, KY	4,500.00
BERKLEE COLLEGE OF MUSIC	BOSTON, MA	3,000.00
BERRY COLLEGE	ROME, GA	13,500.00
BOSTON COLLEGE	BOSTON, MA	1,500.00
BREWTON-PARKER COLLEGE	MT VERNON, GA	4,500.00
BROWN UNIVERSITY	PROVIDENCE, RI	11,500.00
CATHOLIC UNIVERSITY OF AMERICA	WASHINGTON, DC	1,500.00
CENTRE COLLEGE	DANVILLE, KY	1,500.00
CHARLESTON SOUTHERN UNIVERSITY	CHARLESTON, SC	10,500.00
CITADEL	CHARLESTON, SC	9,000.00
CLAFLIN UNIVERSITY	ORANGEBURG, SC	4,550.34
CLARK ATLANTA UNIVERSITY	ATLANTA, GA	-1,500.00
CLAYTON COLLEGE & STATE UNIVERSITY	MORROW, GA	7,500.00
CLEMSON UNIVERSITY	CLEMSON, SC	283,965.00
COASTAL CAROLINA UNIVERSITY	CONWAY, SC	13,500.00
COKER COLLEGE	HARTSVILLE, SC	1,500.00
COLLEGE OF CHARLESTON	CHARLESTON, SC	45,500.00
COLUMBIA UNIVERSITY	NEW YORK, NY	1,500.00
COLUMBUS STATE UNIVERSITY	COLUMBUS, GA	3,000.00
CONVERSE COLLEGE	SPARTANBURG, SC	18,708.00
CORNELL UNIVERSITY	ITHACA, NY	3,660.00
COVENANT COLLEGE	LOOKOUT MOUNTAIN, GA	13,500.00
DAVIDSON COLLEGE	DAVIDSON, NC	9,000.00
DENISON UNIVERSITY	GRANVILLE, OH	5,000.00
DUKE UNIVERSITY	DURHAM, NC	20,500.00
EAST GEORGIA STATE COLLEGE	SWAINSBORO, GA	10,419.41
ECKERD COLLEGE	ST PETERSBURG, FL	3,000.00
EMERSON COLLEGE	BOSTON, MA	3,000.00
EMMANUEL COLLEGE	FRANKLIN SPRINGS, GA	10,500.00
EMORY UNIVERSITY	ATLANTA, GA	28,000.00

Watson-Brown Foundation, Inc.  
Scholarships by School

January through December 2016

COLLEGE	LOCATION	SCHOLARSHIPS
ERSKINE COLLEGE	DUE WEST, SC	1,500.00
FLORIDA INSTITUTE OF TECHNOLOGY	MELBOURNE, FL	1,500.00
FLORIDA STATE UNIVERSITY	TALLAHASSEE, FL	3,000.00
FORT VALLEY STATE UNIVERSITY	FORT VALLEY, GA	4,500.00
FRANCIS MARION UNIVERSITY	FLORENCE, SC	4,500.00
FURMAN UNIVERSITY	GREENVILLE, SC	53,000.00
GARDNER-WEBB UNIVERSITY	BOILING SPRINGS, NC	3,000.00
GEORGE MASON UNIVERSITY	FAIRFAX, VA	3,000.00
GEORGETOWN UNIVERSITY	WASHINGTON, DC	2,500.00
GEORGIA COLLEGE & STATE UNIVERSITY	MILLEDGEVILLE, GA	52,500.00
GEORGIA GWINNETT COLLEGE	LAWRENCEVILLE, GA	1,500.00
GEORGIA INSTITUTE OF TECHNOLOGY	ATLANTA, GA	117,500.00
GEORGIA SOUTHERN UNIVERSITY	STATESBORO, GA	91,500.00
GEORGIA STATE UNIVERSITY	ATLANTA, GA	59,434.80
GORDON COLLEGE	BARNESVILLE, GA	1,500.00
HAMILTON COLLEGE	HAMILTON, NY	1,500.00
HAMPTON UNIVERSITY	HAMPTON, VA	1,500.00
HARVARD UNIVERSITY	CAMBRIDGE, MA	9,000.00
HARVEY MUDD COLLEGE	CLAREMONT, CA	1,500.00
HOLY CROSS	NOTRE DAME, IN	2,500.00
HOWARD UNIVERSITY	WASHINGTON, DC	1,500.00
ITHACA COLLEGE	ITHACA, NY	3,000.00
JOHNS HOPKINS UNIVERSITY	BALTIMORE, MD	2,500.00
JOHNSON AND WALES UNIVERSITY	CHARLOTTE, NC	1,500.00
KENNESAW STATE UNIVERSITY	KENNESAW, GA	36,000.00
LAGRANGE COLLEGE	LAGRANGE, GA	3,000.00
LANDER UNIVERSITY	LANDER, SC	30,000.00
LIBERTY UNIVERSITY	LYNCHBURG, VA	6,000.00
LIMESTONE COLLEGE	GAFFNEY, SC	4,500.00
LOUISIANA STATE UNIVERSITY	BATON ROUGE, LA	5,000.00
MASSACHUSETTS INSTITUTE OF TECHNOLOGY	CAMBRIDGE, MA	2,500.00
MERCER UNIVERSITY	MACON, GA	25,500.00
METROPOLITAN STATE COLLEGE OF DENVER	DENVER, CO	1,500.00
MILLIKIN UNIVERSITY	DECATUR, IL	1,500.00
MONTREAT COLLEGE	MONTREAT, NC	1,500.00
MOREHOUSE COLLEGE	ATLANTA, GA	1,500.00
NEW YORK UNIVERSITY	NEW YORK, NY	9,000.00
NEWBERRY COLLEGE	NEWBERRY, SC	3,000.00
NORTH GREENVILLE UNIVERSITY	GREENVILLE, SC	24,000.00
NORTHWESTERN UNIVERSITY	EVANSTON, IL	5,000.00
OBERLIN COLLEGE	OBERLIN, OH	3,000.00
OXFORD COLLEGE OF EMORY UNIVERSITY	OXFORD, GA	8,000.00
PACE UNIVERSITY	PLEASANTVILLE, NY	1,500.00
PRESBYTERIAN COLLEGE	CLINTON, SC	18,000.00
PRINCETON UNIVERSITY	PRINCETON, NJ	2,500.00

Watson-Brown Foundation, Inc.  
Scholarships by School

January through December 2016

COLLEGE	LOCATION	SCHOLARSHIPS
QUEENS UNIVERSITY	CHARLOTTE, NC	1,500.00
REED COLLEGE	PORTLAND, OR	3,442.39
RHODES COLLEGE	MEMPHIS, TN	6,000.00
RICE UNIVERSITY	HOUSTON, TX	3,000.00
RIDER UNIVERSITY	LAWRENCEVILLE, NJ	-1,500.00
SALEM COLLEGE	WINSTON-SALEM, NC	3,000.00
SAMFORD UNIVERSITY	BIRMINGHAM, AL	4,500.00
SAVANNAH COLLEGE OF ART & DESIGN	SAVANNAH, GA	6,000.00
SAVANNAH STATE	SAVANNAH, GA	18,000.00
SCHOOL OF VISUAL ARTS NY	NEW YORK, NY	3,000.00
SEWANEE UNIVERSITY OF THE SOUTH	SEWANEE, TN	4,500.00
SIMMONS COLLEGE	BOSTON, MA	1,500.00
SOUTH UNIVERSITY-TAMPA	TAMPA, FL	1,500.00
SOUTHERN ADVENTIST UNIVERSITY	COLLEGEDALE, TN	1,500.00
SOUTHERN METHODIST UNIVERSITY	DALLAS, TX	3,000.00
SPELMAN COLLEGE	ATLANTA, GA	8,400.00
SPRINGHILL COLLEGE	SPRINGHILL, AL	2,974.13
STANFORD UNIVERSITY	STANFORD, CA	14,000.00
STETSON UNIVERSITY	DELAND, FL	1,500.00
SYRACUSE UNIVERSITY	SYRACUSE, NY	1,500.00
TEXAS A&M	COLLEGE STATION, TX	3,000.00
TOCCOA FALLS COLLEGE	TOCCOA FALLS, GA	3,000.00
TUFTS UNIVERSITY	MEDFORD, MA	5,000.00
TUSKEGEE UNIVERSITY	TUSKEGEE, AL	3,000.00
UNIVERSITY OF ALABAMA	TUSCALOOSA, AL	11,000.00
UNIVERSITY OF ALABAMA HUNTSVILLE	HUNTSVILLE, AL	3,000.00
UNIVERSITY OF CALIFORNIA, BERKELEY	BERKLEY, CA	3,000.00
UNIVERSITY OF CHICAGO	CHICAGO, IL	4,500.00
UNIVERSITY OF GEORGIA	ATHENS, GA	244,000.00
UNIVERSITY OF KENTUCKY	LEXINGTON, KY	1,500.00
UNIVERSITY OF MARYLAND	COLLEGE PARK, MD	2,500.00
UNIVERSITY OF MIAMI	CORAL GABLES, FL	3,000.00
UNIVERSITY OF NEW HAVEN	WEST HAVEN, CT	1,500.00
UNIVERSITY OF NORTH CAROLINA-CHAPEL HILL	CHAPEL HILL, NC	6,000.00
UNIVERSITY OF NORTH FLORIDA	JACKSONVILLE, FL	3,000.00
UNIVERSITY OF NORTH GEORGIA	DAHLONEGA, GA	19,500.00
UNIVERSITY OF NOTRE DAME	SOUTH BEND, IN	1,500.00
UNIVERSITY OF OKLAHOMA	NORMAN, OK	2,500.00
UNIVERSITY OF PENNSYLVANIA	PHILADELPHIA, PA	5,500.00
UNIVERSITY OF WEST GA	CARROLLTON, GA	12,000.00
UNIVERSITY OF WISCONSIN	MADISON, WI	1,500.00
US AIR FORCE ACADEMY PREP SCHOOL	USAF ACADEMY, CO	3,000.00
UNIVERSITY OF SOUTH CAROLINA-AIKEN	AIKEN, SC	69,000.00
UNIVERSITY OF SOUTH CAROLINA-BEAUFORT	BEAUFORT, SC	1,500.00
UNIVERSITY OF SOUTH CAROLINA-COLUMBIA	COLUMBIA, SC	209,000.00
UNIVERSITY OF SOUTH CAROLINA-UPSTATE	SPARTANBURG, SC	43,500.00

**Watson-Brown Foundation, Inc.  
Scholarships by School**

January through December 2016

COLLEGE	LOCATION	SCHOLARSHIPS
VALDOSTA STATE UNIVERSITY	VALDOSTA, GA	19,500.00
VANDERBILT UNIVERSITY	NASHVILLE, TN	12,500.00
VILLANOVA	VILLANOVA, PA	2,500.00
WAKE FOREST UNIVERSITY	WINSTON-SALEM, NC	6,000.00
WASHINGTON AND LEE UNIVERSITY	LEXINGTON, VA	7,500.00
WASHINGTON UNIVERSITY IN ST LOUIS	ST LOUIS, MO	5,500.00
WESLEYAN COLLEGE	MACON, GA	1,500.00
WESTERN CAROLINA UNIVERSITY	CULLOWHEE, NC	3,000.00
WILLIAMS COLLEGE	WILLIAMSTOWN, MA	3,000.00
WINTHROP UNIVERSITY	ROCK HILL, SC	37,500.00
WITTENBERG UNIVERSITY	SPRINGFIELD, OH	1,500.00
WOFFORD COLLEGE	SPARTANBURG, SC	67,500.00
WORCHESTER POLYTECHNIC INSTITUTE	WORCHESTER, MA	1,500.00
WORLD LEARNING*	BRATTLEBORO, VT	1,500.00
YOUNG HARRIS COLLEGE	YOUNG HARRIS, GA	4,500.00
<b>Total Undergraduates</b>		<b>2,310,479.07</b>
<b>Total 6900 - Scholarships</b>		<b>2,310,479.07</b>

\*Study Abroad for Rhodes College Student

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MERCER GLOBAL MULTI-ASSET FUND, LLC	101,584.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MERCER GLOBAL MULTI-ASSET FUND, LLC	2,240,594.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MERCER GLOBAL MULTI-ASSET FUND, LLC-SEC. 1256	361,468.	0.	0.	PURCHASED	VARIOUS	12/31/16



(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MERCER GLOBAL MULTI-ASSET FUND, LLC-SEC. 1256	542,202.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MERCER PIP II FUND, LLC	961.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MERCER PIP II FUND, LLC	329,584.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MERCER PIP II FUND LLC-SEC 1256	3,206.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
PASSTHROUGH-MERCER PIP II FUND LLC-SEC 1256	PURCHASED	VARIOUS	12/31/16	4,809.	0.	0.	0.	4,809.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
PASSTHROUGH-MERCER PIP II FUND LLC-SEC 1231 LOSS	PURCHASED	VARIOUS	12/31/16	-5,103.	0.	0.	0.	-5,103.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
PASSTHROUGH-MONTAUK TRIGUARD FUND V	PURCHASED	VARIOUS	12/31/16	33.	0.	0.	0.	33.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
PASSTHROUGH-MONTAUK TRIGUARD FUND V	PURCHASED	VARIOUS	12/31/16	37,663.	0.	0.	0.	37,663.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MONTAUK TRIGUARD FUND V-SEC. 1256	68.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MONTAUK TRIGUARD FUND V-SEC. 1256	106.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MONTAUK TRIGUARD FUND V-SEC. 1231	7,291.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MERCER PRIVATE INVESTMENT III, LP	10,130.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
PASSTHROUGH-MERCER PRIVATE INVESTMENT III,LP	PURCHASED	VARIOUS	12/31/16	62,474.	0.	0.	0.	62,474.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
PASSTHROUGH-MERCER PRIVATE INVESTMENT III,LP-SEC. 1231	PURCHASED	VARIOUS	12/31/16	-20.	0.	0.	0.	-20.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
PASSTHROUGH-NB CROSSROADS FUND XX,LP	PURCHASED	VARIOUS	12/31/16	1,602.	0.	0.	0.	1,602.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
PASSTHROUGH-NB CROSSROADS FUND XX,LP	PURCHASED	VARIOUS	12/31/16	24,274.	0.	0.	0.	24,274.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-NB CROSSROADS FUND XX, LP-SEC. 1231	280.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MONTAUK TRIGUARD FUND VI	-4,120.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MONTAUK TRIGUARD FUND VI	81,634.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
PASSTHROUGH-MONTAUK TRIGUARD FUND VI-SEC. 1256	768.	0.	0.	PURCHASED	VARIOUS	12/31/16

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
PASSTHROUGH-MONTAUK TRIGUARD FUND VI-SEC. 1256	PURCHASED	VARIOUS	12/31/16
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.
1,151.	0.	0.	0.
			(F) GAIN OR LOSS
			1,151.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
PASSTHROUGH-MONTAUK TRIGUARD FUND VI-SEC. 1231	PURCHASED	VARIOUS	12/31/16
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.
13,793.	0.	0.	0.
			(F) GAIN OR LOSS
			13,793.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
PASSTHROUGH-MERCER PIP IV FUND	PURCHASED	VARIOUS	12/31/16
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.
-62.	0.	0.	0.
			(F) GAIN OR LOSS
			-62.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
U.S. BANK NOMINEE - LITIGATION PROCEEDS	PURCHASED	VARIOUS	12/31/16
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.
1,916.	0.	0.	0.
			(F) GAIN OR LOSS
			1,916.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
250000FV MOUNT PLEASANT SC DTD3/14/7	DONATED	VARIOUS	12/01/16
(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.
250,000.	270,943.	0.	0.
(F) GAIN OR LOSS	-20,943.		

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
250000FV SUMTER CNTY SC DTD 8/1/07	DONATED	VARIOUS	06/01/16
(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.
250,000.	266,995.	0.	0.
(F) GAIN OR LOSS	-16,995.		

CAPITAL GAINS DIVIDENDS FROM PART IV	0.
TOTAL TO FORM 990-PF, PART I, LINE 6A	3,780,348.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
SUNTRUST	89.	89.	
TOTAL TO PART I, LINE 3	89.	89.	

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES			STATEMENT	3
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
PASSTROUGH - MERCER GLOBAL MULTI-ASSET FUND,	11,399.	0.	11,399.	11,399.	
PASSTROUGH - MERCER GLOBAL MULTI-ASSET FUND,	1,981,262.	0.	1,981,262.	1,981,262.	
PASSTROUGH - MERCER PIP IV FUND	406.	0.	406.	406.	
PASSTROUGH - MERCER PIP IV FUND	600.	0.	600.	600.	
PASSTROUGH - MERCER PRIVATE INVESTMENT	47,589.	0.	47,589.	47,589.	
PASSTROUGH - MERCER PRIVATE INVESTMENT	95,261.	0.	95,261.	95,261.	
PASSTROUGH - MERCER PRIVATE INVESTMENT	19,075.	0.	19,075.	19,075.	
PASSTROUGH - MERCER PRIVATE INVESTMENT	8,431.	0.	8,431.	8,431.	
PASSTROUGH - MONTAUK TRIGUARD FUND V,LP	5,561.	0.	5,561.	5,561.	
PASSTROUGH - MONTAUK TRIGUARD FUND V,LP	2,288.	0.	2,288.	2,288.	
PASSTROUGH - NB CROSSROADS FUND XX	3,910.	0.	3,910.	3,910.	
PASSTROUGH - NB CROSSROADS FUND XX	2,228.	0.	2,228.	2,228.	
PASSTROUGH-H/2 SPECIAL OPP. III, LP	23.	0.	23.	23.	
PASSTROUGH-H/2 SPECIAL OPP. III, LP	22,923.	0.	22,923.	22,923.	
PASSTROUGH-MONTAU TRIGUARD FD. VI	9,403.	0.	9,403.	9,403.	
PASSTROUGH-MONTAU TRIGUARD FD. VI	7,934.	0.	7,934.	7,934.	
PASSTROUGH-PRINCI AL REAL ESTATE DEBT FUND	74,504.	0.	74,504.	74,504.	
PASSTROUGH-PRINCI AL REAL ESTATE DEBT FUND	3,753.	0.	3,753.	3,753.	



US BANK - NOMINEE	15,714.	0.	15,714.	15,714.
US BANK-PLEDGE-NOMINEE	225.	0.	225.	225.
VANGUARD INFLATION PROTECTED SEC. FND	173,001.	0.	173,001.	173,001.
TO PART I, LINE 4	2,485,490.	0.	2,485,490.	2,485,490.

FORM 990-PF RENTAL INCOME STATEMENT 4

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
BUILDING - HICKORY HILL DR, THOMSON, GA	1	17,060.
LAND RENTAL - HICKORY HILL FARM	2	675.
TOTAL TO FORM 990-PF, PART I, LINE 5A		17,735.

FORM 990-PF

INCOME AND COST OF GOODS SOLD  
INCLUDED ON PART I, LINE 10

STATEMENT 5

INCOME

1. GROSS RECEIPTS . . . . .	513	
2. RETURNS AND ALLOWANCES . . . . .		
3. LINE 1 LESS LINE 2 . . . . .		513
4. COST OF GOODS SOLD (LINE 15) . . . . .	783	
5. GROSS PROFIT (LINE 3 LESS LINE 4). . . . .		-270
6. OTHER INCOME . . . . .		
7. GROSS INCOME (ADD LINES 5 AND 6) . . . . .		-270

COST OF GOODS SOLD

8. INVENTORY AT BEGINNING OF YEAR . . . . .	8,321	
9. MERCHANDISE PURCHASED. . . . .	275	
10. COST OF LABOR. . . . .		
11. MATERIALS AND SUPPLIES . . . . .		
12. OTHER COSTS. . . . .	-3,208	
13. ADD LINES 8 THROUGH 12 . . . . .		5,388
14. INVENTORY AT END OF YEAR . . . . .	4,605	
15. COST OF GOODS SOLD (LINE 13 LESS LINE 14). . . . .		783

FORM 990-PF

OTHER INCOME

STATEMENT 6

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
PASSTHROUGH-MERCER PIP II,LP-ORD. INCOME	-585.	-585.	
PASSTHROUGH-MERCER PIP II,LP-RENTAL REAL ESTATE	-114.	-114.	
PASSTHROUGH-MERCER PIP II,LP-ROYALTIES	20,404.	20,404.	
PASSTHROUGH-MERCER PIP II,LP-OTHER PORTFOLIO INC.	1,315.	1,315.	
PASSTHROUGH-MONTAUK TRIGUARD FUND V,LP-ORD. INCOME	-599.	-599.	
PASSTHROUGH-MONTAUK TRIGUARD FUND V,LP-RENTAL REAL ESTATE	-217.	-217.	
PASSTHROUGH-MONTAUK TRIGUARD FUND V,LP-ROYALTIES	35.	35.	
PASSTHROUGH-MONTAUK TRIGUARD FUND V,LP-COD	406.	406.	
PASSTHROUGH-MONTAUK TRIGUARD FUND V,LP-OTHER PORTFOLIO INC.	145.	145.	
PASSTHROUGH-MONTAUK TRIGUARD FUND V,LP-OTHER INCOME	456.	456.	
PASSTHROUGH-MERCER GLOBAL FUND-SEC.988 GAIN(LOSS)	3,101.	3,101.	
PASSTHROUGH-MONTAUK TRIGUARD FUND VI-ORD. INCOME	-11,273.	-11,273.	
PASSTHROUGH-MONTAUK TRIGUARD FUND VI-OTHER PORTFOLIO INCOME	1,304.	1,304.	
PASSTHROUGH-MONTAUK TRIGUARD FUND VI-OTHER INCOME	-699.	-699.	
PASSTHROUGH-MERCER PIP II,LP-ORD. INCOME	1,771.	0.	
PASSTHROUGH-MONTAUK TRIGUARD FUND V,LP-ORD. INCOME	-9,629.	0.	
PASSTHROUGH-MONTAUK TRIGUARD FUND VI-ORD. INCOME	-16,792.	0.	
PASSTHROUGH-MONTAUK TRIGUARD FUND VI-RENTAL REAL ESTATE INCOME	-22,659.	-22,659.	
PASSTHROUGH-NB CROSSROADS FUND XX-OTHER PORTFOLIO	2,657.	2,657.	
PASSTHROUGH-MERCER PRIVATE INVESTMENT III-ORD. INCOME	-1,959.	-1,959.	
PASSTHROUGH-MERCER PRIVATE INVESTMENT III-ORD. INCOME	-214.	0.	
PASSTHROUGH-MERCER PRIVATE INVESTMENT III-RENTAL REAL ESTATE	-444.	-444.	
PASSTHROUGH-MERCER PRIVATE INVESTMENT III-OTHER PORTFOLIO INCOME	114.	114.	

PASSTHROUGH-MERCER PRIVATE INVESTMENT III-SEC. 988	-1,341.	-1,341.
PASSTHROUGH-MERCER PRIVATE INVESTMENT III-OTHER INCOME	7,052.	7,052.
PASSTHROUGH-MERCER PRIVATE INVESTMENT III-ROYALTIES	1,413.	1,413.
PASSTHROUGH-H/2 SPECIAL OPP. III LP-OTHER PORTFOLIO INCOME	1,526.	1,526.
PASSTHROUGH-MERCER PIP II,LP-COD	3.	3.
PASSTHROUGH-MERCER PIP II,LP-TAX EXEMPT	563.	0.
PASSTHROUGH-MERCER PIP II,LP- OTHER INCOME	17,926.	17,926.
PASSTHROUGH-MONTAUK TRIGUARD FUND V,LP-TAX EXEMPT	309.	0.
PASSTHROUGH-MONTAUK TRIGUARD FUND V,LP-GAURANTEED PAYMENT	5.	5.
PASSTHROUGH-NB CROSSROADS FUND XX-OTHER INCOME	238.	238.
PASSTHROUGH-NB CROSSROADS FUND XX-ROYALTIES	69.	69.
PASSTHROUGH-MONTAUK TRIGUARD FUND VI-COD	613.	613.
PASSTHROUGH-MONTAUK TRIGUARD FUND VI-RENTAL REAL ESTATE INCOME	3,301.	0.
PASSTHROUGH-MONTAUK TRIGUARD FUND VI-ROYALTIES	4.	4.
PASSTHROUGH-H/2 SPECIAL OPP. III LP-OTHER INCOME	74,251.	74,251.
PASSTHROUGH-MERCER PIP IV LP FUND-OTHER PORTFOLIO INCOME	1.	1.
HICKORY HILL MUSEUM TOUR	18.	0.
SUMMER CAMPS	1,420.	0.
<b>TOTAL TO FORM 990-PF, PART I, LINE 11</b>	<b>73,895.</b>	<b>93,148.</b>

FORM 990-PF	ACCOUNTING FEES	STATEMENT	7
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	38,080.	28,560.		9,520.
TO FORM 990-PF, PG 1, LN 16B	38,080.	28,560.		9,520.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 8
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MANAGEMENT FEES	222,342.	222,342.		0.
CONSULTANT FEES	1,978.	0.		1,978.
APPRAISAL	2,250.	0.		2,250.
ARCHEOLOGICAL WORK/FELLOWSHIP	11,700.	0.		11,700.
PHOTOGRAPHY	182.	0.		0.
TO FORM 990-PF, PG 1, LN 16C	238,452.	222,342.		15,928.

FORM 990-PF	TAXES			STATEMENT 9
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROPERTY TAX	8,302.	2,076.		6,226.
PAYROLL TAX	48,248.	3,336.		44,912.
EXCISE TAX	115,000.	0.		0.
FOREIGN TAXES PAID	56,149.	56,149.		0.
TO FORM 990-PF, PG 1, LN 18	227,699.	61,561.		51,138.

FORM 990-PF	OTHER EXPENSES			STATEMENT 10
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
REPAIRS & MAINTENANCE	135,976.	33,994.		101,982.
TELEPHONE	23,960.	5,990.		17,970.
SECURITY SYSTEM	2,148.	537.		1,611.
SUPPLIES	3,316.	829.		2,487.
DUES & SUBSCRIPTIONS	11,777.	2,944.		8,833.
PROPERTY INSURANCE	46,860.	11,715.		35,145.
POSTAGE & DELIVERY	2,498.	625.		1,873.
CLEANING & LANDSCAPE EXPENSE	131,567.	32,892.		98,675.
UTILITIES	86,657.	21,664.		64,993.
MEALS & ENTERTAINMENT (50% DEDUCTIBLE)	3,750.	938.		2,812.
MEALS & ENTERTAINMENT (50% NONDEDUCTIBLE)	3,749.	0.		3,749.

COMPUTER & WEBSITE EXPENSE	12,332.	3,083.	9,249.
EMPLOYMENT SCREENING	151.	0.	151.
OFFICE EXPENSES	16,231.	4,058.	12,173.
GROUNDS EQUIPMENT REPAIRS AND MAINT.	20,011.	5,003.	15,008.
INSURANCE	99,343.	10,928.	88,415.
D & O INSURANCE	7,446.	745.	6,701.
TRUCK INSURANCE	3,462.	866.	2,596.
SPECIAL EVENTS - COMMUNITY/SOUTHERN STUDIES/EDUCATIONAL	162,178.	0.	162,178.
UNIFORMS	149.	0.	149.
EDUCATION & SAFETY	42.	0.	42.
BANK FEES	1,075.	269.	806.
NON-DEDUCTABLE EXPENSES	299.	0.	0.
PASSTHROUGH EXPENSES - MERCER PIP II,LLC	91,244.	91,244.	0.
PORTFOLIO FEES - MERCER GLOBAL MUTLI ASSET FUND	189,970.	189,970.	0.
STORAGE/MOVERS	7,114.	0.	7,114.
PASSTHROUGH EXPENSES - MONTAUK TRIGUARD FND V,LP CONSERVATION	10,547.	10,547.	0.
	15,973.	0.	15,973.
PASSTHROUGH EXPENSES - MERCER PIP III,LLC	42,596.	42,596.	0.
PASSTHROUGH EXPENSES - NB CROSSROAD FUND XX	36,298.	36,298.	0.
PASSTHROUGH EXPENSES - MONTAUK TRIGUARD FND VI, LP	26,063.	26,063.	0.
PASSTHROUGH EXPENSES - H/2 SPECIAL OPP. III, LP	36.	36.	0.
PASSTHROUGH EXPENSES - PRINCIPAL REAL ESTATE DEBT FD, LP	4,836.	4,836.	0.
ARCHIVIST & EXHIBITION CONSTRUCTION	5,738.	0.	5,738.
PASSTHROUGH EXPENSES - MERCER PIP IV,LLC	32,903.	32,903.	0.
<b>TO FORM 990-PF, PG 1, LN 23</b>	<b>1,238,295.</b>	<b>571,573.</b>	<b>666,423.</b>

FORM 990-PF OTHER INVESTMENTS STATEMENT 11

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
TIMBER	COST	2,233,522.	1,407,938.
LAND	COST	117,913.	144,300.
MERCER GLOBAL MULTI-ASSET FUND, LLC	COST	83,392,377.	83,755,354.
VANGAURD INFLATION MUTUAL FUND	COST	5,028,027.	5,130,876.
MERCER HEDGE FUND INVESTOR	COST	14,000,000.	17,590,270.

	COST	
MERCER PRIVATE INVESTMENT PARTNER II, LP	4,046,177.	4,256,340.
MONTAUK TRIGUARD FUND V LP	306,840.	359,502.
PORTFOLIO ADVISORS PRIVATE EQUITY FND VII	1,047,510.	1,351,430.
MERCER PRIVATE INVESTMENT PARTNER III, LP	1,495,564.	1,664,010.
NB CROSSROADS FUND XX	1,059,088.	1,163,294.
NB SECONDARY OPP FUND III	644,991.	1,045,547.
PRINCIPAL REAL ESTATE DEBT FD	1,096,651.	1,081,731.
MONTAUK TRIGUARD FUND VI LP	741,914.	971,262.
H/2 SPECIAL OPP. III, LP	956,267.	911,349.
MERCER PRIVATE INVESTMENT PARTNER IV, LP	278,011.	283,585.
<b>TOTAL TO FORM 990-PF, PART II, LINE 13</b>	<b>116,444,852.</b>	<b>121,116,788.</b>

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 12

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
SEE SCHEDULE ATTACHED	17,158,275.	4,732,829.	12,425,446.
LAND	4,093,951.	0.	4,093,951.
<b>TOTAL TO FM 990-PF, PART II, LN 14</b>	<b>21,252,226.</b>	<b>4,732,829.</b>	<b>16,519,397.</b>

FORM 990-PF OTHER ASSETS STATEMENT 13

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
ARTWORK	260,388.	260,388.	260,388.
OTHER ASSETS	876.	0.	0.
TIMBER - HARDWOOD	208,883.	208,883.	133,000.
HICKORY HILL LIBRARY	40,001.	40,001.	40,001.
<b>TO FORM 990-PF, PART II, LINE 15</b>	<b>510,148.</b>	<b>509,272.</b>	<b>433,389.</b>

FORM 990-PF	OTHER LIABILITIES	STATEMENT 14
DESCRIPTION	BOY AMOUNT	EOY AMOUNT
SALES TAX PAYABLE	66.	40.
PROGRAM PAYABLE	540.	0.
PAYROLL TAX PAYABLE	2,837.	2,337.
<b>TOTAL TO FORM 990-PF, PART II, LINE 22</b>	<b>3,443.</b>	<b>2,377.</b>

FORM 990-PF      PART VIII - LIST OF OFFICERS, DIRECTORS  
TRUSTEES AND FOUNDATION MANAGERS      STATEMENT 15

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
R. BYRON ATTRIDGE 191 PEACHTREE STREET, SUITE 4900 ATLANTA, GA 30303	TRUSTEE 2.50	12,000.	0.	0.
THOMAS W. BROWN, JR. 753 BRADBERRY CREEK EVANS, GA 30809	PRESIDENT 50.00	168,754.	0.	0.
WYCHE FOWLER, JR 199 FOURTEENTH ST., APT. 1202 ATLANTA, GA 30309	TRUSTEE 2.50	12,000.	0.	0.
JOHN WOODHAM 159 E. WESLEY RD. ATLANTA, GA 30305	TRUSTEE 2.50	12,000.	0.	0.
JOAB LESESNE P.O. BOX 79 SUNSET, SC 29685	TRUSTEE 2.50	12,000.	0.	0.
<b>TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII</b>		<b>216,754.</b>	<b>0.</b>	<b>0.</b>



WATSON – BROWN FOUNDATION, INC  
FORM 990 PF – PART XV  
23-7097393

STATEMENT 24

**PART XV, LINE d: SCHOLARSHIPS –**

THE FOUNDATION SUPPORTS HIGHER EDUCATION BY DIRECTLY ADMINISTERING ITS OWN COLLEGE SCHOLARSHIP PROGRAM. \$3,000 OR \$5,000 SCHOLARSHIPS ARE AWARDED BASED ON BOTH ACADEMIC MERIT AND FINANCIAL NEED. SCHOLARSHIPS ARE GIVEN TO STUDENTS FROM 18 DESIGNATED COUNTIES IN GEORGIA AND SOUTH CAROLINA. TO RENEW THE SCHOLARSHIP, \$3,000 LEVEL RECIPIENTS MUST MAINTAIN A 3.0 CUMULATIVE COLLEGE GPA AND \$5,000 LEVEL RECIPIENTS MUST MAINTAIN A 3.5 CUMULATIVE COLLEGE GPA. ALL RECIPIENTS MUST TAKE AT LEAST 12 CREDIT HOURS PER SEMESTER.

STATEMENT 24