

**Caution:** Forms printed from within Adobe Acrobat products may not meet IRS or state taxing agency specifications. When using Acrobat 9.x products and later products, select "None" in the "Page Scaling" selection box in the Adobe "Print" dialog.

CLIENT'S COPY

## Filing Instructions

**Prepared for:**

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION  
240 WEST MAIN NO. 2300  
MIDLAND, MI 48640

**Prepared by:**

IVERS, RICKELMANN & PETERSEN CPA'S  
2929 PLYMOUTH RD, SUITE 350  
ANN ARBOR, MI 48105

2016 FORM 990-PF

THIS RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. IF YOU WISH TO HAVE IT TRANSMITTED ELECTRONICALLY TO THE IRS, PLEASE SIGN, DATE, AND RETURN FORM 8879-EO TO OUR OFFICE. WE WILL THEN SUBMIT THE ELECTRONIC RETURN TO THE IRS. DO NOT MAIL A PAPER COPY OF THE RETURN TO THE IRS.

FORM 990-PF HAS AN OVERPAYMENT OF \$100,071. THE ENTIRE OVERPAYMENT HAS BEEN APPLIED TO THE ESTIMATED TAX PAYMENTS.

Form **8879-EO**

# IRS e-file Signature Authorization for an Exempt Organization

OMB No. 1545-1878

For calendar year 2016, or fiscal year beginning \_\_\_\_\_, 2016, and ending \_\_\_\_\_, 20\_\_\_\_

# 2016

Department of the Treasury  
Internal Revenue Service

▶ **Do not send to the IRS. Keep for your records.**

▶ **Information about Form 8879-EO and its instructions is at [www.irs.gov/form8879eo](http://www.irs.gov/form8879eo).**

Name of exempt organization

**HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION**

Employer identification number

**38-6091798**

Name and title of officer

**MARY IVERS  
TREASURER**

## Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a, 2a, 3a, 4a, or 5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b, 2b, 3b, 4b, or 5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

|  |  |                          |
|--|--|--------------------------|
| <b>1a</b> Form 990 check here ▶ <input type="checkbox"/>               | <b>b Total revenue</b> , if any (Form 990, Part VIII, column (A), line 12) ..... | <b>1b</b> _____          |
| <b>2a</b> Form 990-EZ check here ▶ <input type="checkbox"/>            | <b>b Total revenue</b> , if any (Form 990-EZ, line 9) .....                      | <b>2b</b> _____          |
| <b>3a</b> Form 1120-POL check here ▶ <input type="checkbox"/>          | <b>b Total tax</b> (Form 1120-POL, line 22) .....                                | <b>3b</b> _____          |
| <b>4a</b> Form 990-PF check here ▶ <input checked="" type="checkbox"/> | <b>b Tax based on investment income</b> (Form 990-PF, Part VI, line 5) .....     | <b>4b</b> <u>68,938.</u> |
| <b>5a</b> Form 8868 check here ▶ <input type="checkbox"/>              | <b>b Balance Due</b> (Form 8868, line 3c) .....                                  | <b>5b</b> _____          |

## Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2016 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

**Officer's PIN: check one box only**

I authorize \_\_\_\_\_ to enter my PIN  **Enter five numbers, but do not enter all zeros**

ERO firm name

as my signature on the organization's tax year 2016 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2016 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

## Part III Certification and Authentication

**ERO's EFIN/PIN.** Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

**40465030198**

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2016 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

**ERO Must Retain This Form - See Instructions  
Do Not Submit This Form To the IRS Unless Requested To Do So**

Form **990-W**

**Estimated Tax on Unrelated Business Taxable  
Income for Tax-Exempt Organizations**

OMB No. 1545-0976

(Worksheet)  
Department of the Treasury  
Internal Revenue Service

(and on Investment Income for Private Foundations) **FORM 990-PF**

**2017**

Keep for your records. Do not send to the Internal Revenue Service.

|     |  |     |                                |
|-----|--|-----|--------------------------------|
| 1   | Unrelated business taxable income expected in the tax year .....   | 1   |                                |
| 2   | Tax on the amount on line 1. See instructions for tax computation .....  | 2   |                                |
| 3   | Alternative minimum tax. See instructions .....  | 3   |                                |
| 4   | Total. Add lines 2 and 3 .....   | 4   |                                |
| 5   | Estimated tax credits. See instructions .....  | 5   |                                |
| 6   | Subtract line 5 from line 4 .....  | 6   |                                |
| 7   | Other taxes. See instructions .....  | 7   |                                |
| 8   | Total. Add lines 6 and 7 .....   | 8   |                                |
| 9   | Credit for federal tax paid on fuels. See instructions .....   | 9   |                                |
| 10a | Subtract line 9 from line 8. <b>Note:</b> If less than \$500, the organization is not required to make estimated tax payments. Private foundations, see instructions .....                         | 10a |                                |
| b   | Enter the tax shown on the 2016 return. See instructions. <b>Caution:</b> If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 10a on line 10c ..... | 10b |                                |
| c   | <b>2017 Estimated Tax.</b> Enter the smaller of line 10a or line 10b. If the organization is required to skip line 10b, enter the amount from line 10a on line 10c .....                           | 10c | <b>ADJUSTED TO</b><br>100,071. |

|    |  | (a) | (b)      | (c)      | (d)      |          |
|----|--|-----|----------|----------|----------|----------|
| 11 | Installment due dates. See instructions .....  | 11  | 05/15/17 | 06/15/17 | 09/15/17 | 12/15/17 |
| 12 | Required installments. Enter 25% of line 10c in columns (a) through (d). But see instructions if the organization uses the annualized income installment method, the adjusted seasonal installment method, or is a "large organization." ..... | 12  | 17,300.  | 17,300.  | 17,300.  | 17,300.  |
| 13 | 2016 Overpayment. See instructions .....   | 13  |          |          |          |          |
| 14 | Payment due (Subtract line 13 from line 12) .....  | 14  |          |          |          |          |

LHA For Paperwork Reduction Act Notice, see instructions.

Form **990-W** (2017)

ESTIMATED TAX 100,071.  
OVERPAYMENT APPLIED 100,071.  
AMOUNT DUE 0.

**Return of Private Foundation**

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

**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](http://www.irs.gov/form990pf).

For calendar year 2016 or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

|   |   |  |
|---|---|--|
| Name of foundation<br><b>HARRY A. AND MARGARET D. TOWSLEY FOUNDATION</b>  |   | <b>A Employer identification number</b><br><b>38-6091798</b>   |
| Number and street (or P.O. box number if mail is not delivered to street address)<br><b>240 WEST MAIN</b>   | Room/suite<br><b>2300</b>   | <b>B Telephone number</b><br><b>(989) 837-1100</b>   |
| City or town, state or province, country, and ZIP or foreign postal code<br><b>MIDLAND, MI 48640</b>  |   | <b>C</b> If exemption application is pending, check here ... <input type="checkbox"/>  |
| <b>G</b> Check all that apply:<br><input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity<br><input type="checkbox"/> Final return <input type="checkbox"/> Amended return<br><input type="checkbox"/> Address change <input type="checkbox"/> Name change |   | <b>D 1.</b> Foreign organizations, check here ... <input type="checkbox"/><br><b>2.</b> Foreign organizations meeting the 85% test, check here and attach computation ... <input type="checkbox"/> |
| <b>H</b> Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation<br><input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation  |   | <b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here ... <input type="checkbox"/>   |
| <b>I</b> Fair market value of all assets at end of year (from Part II, col. (c), line 16)<br>▶ \$ <b>63,887,244.</b>  | <b>J</b> Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual<br><input type="checkbox"/> Other (specify) _____ | <b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ... <input type="checkbox"/>  |

| <b>Part I Analysis of Revenue and Expenses</b><br><small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small> |   | (a) Revenue and expenses per books | (b) Net investment income | (c) Adjusted net income | (d) Disbursements for charitable purposes (cash basis only) |
|---|---|------------------------------------|---------------------------|-------------------------|---|
| <b>Revenue</b>  | <b>1</b> Contributions, gifts, grants, etc., received .....   |                                    |                           | <b>N/A</b>              |   |
|   | <b>2</b> Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B |                                    |                           |                         |   |
|   | <b>3</b> Interest on savings and temporary cash investments .....                                     |                                    |                           |                         |   |
|   | <b>4</b> Dividends and interest from securities .....   | 1,596,655.                         | 1,596,655.                |                         | <b>STATEMENT 2</b>  |
|   | <b>5a</b> Gross rents .....   |                                    |                           |                         |   |
|   | <b>b</b> Net rental income or (loss) .....  |                                    |                           |                         |   |
|   | <b>6a</b> Net gain or (loss) from sale of assets not on line 10 .....                                 | 5,374,753.                         |                           |                         | <b>STATEMENT 1</b>  |
|   | <b>b</b> Gross sales price for all assets on line 6a ..... <b>5,621,556.</b>                          |                                    |                           |                         |   |
|   | <b>7</b> Capital gain net income (from Part IV, line 2) .....   |                                    | 5,335,553.                |                         |   |
|   | <b>8</b> Net short-term capital gain .....  |                                    |                           |                         |   |
|   | <b>9</b> Income modifications .....   |                                    |                           |                         |   |
|   | <b>10a</b> Gross sales less returns and allowances .....  |                                    |                           |                         |   |
| <b>b</b> Less: Cost of goods sold .....   |   |                                    |                           |                         |   |
| <b>c</b> Gross profit or (loss) .....   |   |                                    |                           |                         |   |
| <b>11</b> Other income .....  |   |                                    |                           |                         |   |
| <b>12 Total.</b> Add lines 1 through 11 .....   | 6,971,408.  | 6,932,208.                         |                           |                         |   |
| <b>Operating and Administrative Expenses</b>  | <b>13</b> Compensation of officers, directors, trustees, etc. ....                                    | 0.                                 | 0.                        |                         | 0.  |
|   | <b>14</b> Other employee salaries and wages .....   | 11,676.                            | 0.                        |                         | 11,676.   |
|   | <b>15</b> Pension plans, employee benefits .....  |                                    |                           |                         |   |
|   | <b>16a</b> Legal fees .....   |                                    |                           |                         |   |
|   | <b>b</b> Accounting fees ..... <b>STMT 3</b>  | 3,745.                             | 0.                        |                         | 3,745.  |
|   | <b>c</b> Other professional fees ..... <b>STMT 4</b>  | 55,204.                            | 38,437.                   |                         | 16,767.   |
|   | <b>17</b> Interest .....  |                                    |                           |                         |   |
|   | <b>18</b> Taxes ..... <b>STMT 5</b>   | 3,269.                             | 0.                        |                         | 3,269.  |
|   | <b>19</b> Depreciation and depletion .....  |                                    |                           |                         |   |
|   | <b>20</b> Occupancy .....   | 15,782.                            | 0.                        |                         | 15,782.   |
|   | <b>21</b> Travel, conferences, and meetings .....   | 8,838.                             | 0.                        |                         | 8,838.  |
|   | <b>22</b> Printing and publications .....   |                                    |                           |                         |   |
|   | <b>23</b> Other expenses ..... <b>STMT 6</b>  | 22,501.                            | 0.                        |                         | 22,501.   |
|   | <b>24 Total operating and administrative expenses.</b> Add lines 13 through 23 .....                  | 121,015.                           | 38,437.                   |                         | 82,578.   |
|   | <b>25</b> Contributions, gifts, grants paid .....   | 3,057,550.                         |                           |                         | 3,057,550.  |
| <b>26 Total expenses and disbursements.</b> Add lines 24 and 25 .....   | 3,178,565.  | 38,437.                            |                           | 3,140,128.              |   |
| <b>27</b> Subtract line 26 from line 12:  |   |                                    |                           |                         |   |
| <b>a</b> Excess of revenue over expenses and disbursements ...  | 3,792,843.  |                                    |                           |                         |   |
| <b>b Net investment income</b> (if negative, enter -0-)   |   | 6,893,771.                         |                           |                         |   |
| <b>c Adjusted net income</b> (if negative, enter -0-)   |   |                                    | <b>N/A</b>                |                         |   |

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

Form 990-PF (2016)

38-6091798 Page 2

| Part II Balance Sheets   |   | Attached schedules and amounts in the description column should be for end-of-year amounts only. |                |                       |
|--|---|--|----------------|-----------------------|
|  |   | Beginning of year  | End of year    |                       |
|  |   | (a) Book Value   | (b) Book Value | (c) Fair Market Value |
| Assets   | 1 Cash - non-interest-bearing   | 204,586.   | 207,945.       | 207,945.              |
|  | 2 Savings and temporary cash investments  | 2,182,294.   | 5,085,496.     | 5,085,496.            |
|  | 3 Accounts receivable   |  |                |                       |
|  | Less: allowance for doubtful accounts   |  |                |                       |
|  | 4 Pledges receivable  |  |                |                       |
|  | Less: allowance for doubtful accounts   |  |                |                       |
|  | 5 Grants receivable   |  |                |                       |
|  | 6 Receivables due from officers, directors, trustees, and other disqualified persons  |  |                |                       |
|  | 7 Other notes and loans receivable  |  |                |                       |
|  | Less: allowance for doubtful accounts   |  |                |                       |
|  | 8 Inventories for sale or use   |  |                |                       |
|  | 9 Prepaid expenses and deferred charges   |  |                |                       |
|  | 10a Investments - U.S. and state government obligations   |  |                |                       |
|  | b Investments - corporate stock   | STMT 7 25,493,549.   | 26,392,946.    | 58,593,803.           |
|  | c Investments - corporate bonds   |  |                |                       |
|  | 11 Investments - land, buildings, and equipment: basis  |  |                |                       |
| Less: accumulated depreciation   |   |  |                |                       |
| 12 Investments - mortgage loans  |   |  |                |                       |
| 13 Investments - other   |   |  |                |                       |
| 14 Land, buildings, and equipment: basis   |   |  |                |                       |
| Less: accumulated depreciation   |   |  |                |                       |
| 15 Other assets (describe)   |   |  |                |                       |
| 16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I) | 27,880,429.   | 31,686,387.  | 63,887,244.    |                       |
| Liabilities  | 17 Accounts payable and accrued expenses  |  |                |                       |
|  | 18 Grants payable   |  |                |                       |
|  | 19 Deferred revenue   |  |                |                       |
|  | 20 Loans from officers, directors, trustees, and other disqualified persons   |  |                |                       |
|  | 21 Mortgages and other notes payable  |  |                |                       |
| 22 Other liabilities (describe)  | STATEMENT 8 0.  | 13,115.  |                |                       |
| 23 Total liabilities (add lines 17 through 22)   | 0.  | 13,115.  |                |                       |
| Net Assets or Fund Balances  | Foundations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31. |  |                |                       |
|  | 24 Unrestricted   |  |                |                       |
|  | 25 Temporarily restricted   |  |                |                       |
|  | 26 Permanently restricted   |  |                |                       |
|  | Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 31.   |  |                |                       |
|  | 27 Capital stock, trust principal, or current funds   | 31,445,179.  | 27,880,429.    |                       |
|  | 28 Paid-in or capital surplus, or land, bldg., and equipment fund   | 0.   | 0.             |                       |
| 29 Retained earnings, accumulated income, endowment, or other funds                              | -3,564,750.   | 3,792,843.   |                |                       |
| 30 Total net assets or fund balances   | 27,880,429.   | 31,673,272.  |                |                       |
| 31 Total liabilities and net assets/fund balances  | 27,880,429.   | 31,686,387.  |                |                       |

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 | 27,880,429. |
| 2 Enter amount from Part I, line 27a   | 2 | 3,792,843.  |
| 3 Other increases not included in line 2 (itemize)   | 3 | 0.          |
| 4 Add lines 1, 2, and 3  | 4 | 31,673,272. |
| 5 Decreases not included in line 2 (itemize)   | 5 | 0.          |
| 6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30  | 6 | 31,673,272. |

Form 990-PF (2016)

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

Form 990-PF (2016)

38-6091798 Page 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<br>P - Purchase<br>D - Donation | (c) Date acquired<br>(mo., day, yr.) | (d) Date sold<br>(mo., day, yr.) |
|--|--|--------------------------------------|----------------------------------|
| 1a   |  |                                      |                                  |
| b  | SEE ATTACHED STATEMENT                           |                                      |                                  |
| c  |  |                                      |                                  |
| d  |  |                                      |                                  |
| e  |  |                                      |                                  |

| (e) Gross sales price | (f) Depreciation allowed<br>(or allowable) | (g) Cost or other basis<br>plus expense of sale | (h) Gain or (loss)<br>(e) plus (f) minus (g) |
|-----------------------|--|---|--|
| a                     |  |   |  |
| b                     |  |   |  |
| c                     |  |   |  |
| d                     |  |   |  |
| e                     | 5,621,556.                                 | 246,803.  | 5,374,753.                                   |

| Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69 |                                      |   | (l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h)) |
|---|--------------------------------------|---|---|
| (i) F.M.V. as of 12/31/69   | (j) Adjusted basis<br>as of 12/31/69 | (k) Excess of col. (i)<br>over col. (j), if any |   |
| a   |                                      |   |   |
| b   |                                      |   |   |
| c   |                                      |   |   |
| d   |                                      |   |   |
| e   | 286,003.                             | 246,803.  | 39,200.   |

|   |   |   |            |
|---|---|---|------------|
| 2 | Capital gain net income or (net capital loss)<br>{ If gain, also enter in Part I, line 7<br>If (loss), enter -0- in Part I, line 7 .....  | 2 | 5,335,553. |
| 3 | Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):<br>If gain, also enter in Part I, line 8, column (c).<br>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<br>Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio<br>(col. (b) divided by col. (c)) |
|---|---------------------------------------|---|--|
| 2015  | 2,931,305.                            | 60,863,265.                               | .048162  |
| 2014  | 2,412,092.                            | 61,930,338.                               | .038948  |
| 2013  | 1,519,580.                            | 50,354,768.                               | .030177  |
| 2012  | 1,758,032.                            | 44,348,213.                               | .039642  |
| 2011  | 2,403,509.                            | 46,621,150.                               | .051554  |

|   |  |   |             |
|---|--|---|-------------|
| 2 | Total of line 1, column (d) .....  | 2 | .208483     |
| 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 | .041697     |
| 4 | Enter the net value of noncharitable-use assets for 2016 from Part X, line 5 .....   | 4 | 60,733,431. |
| 5 | Multiply line 4 by line 3 .....  | 5 | 2,532,402.  |
| 6 | Enter 1% of net investment income (1% of Part I, line 27b) .....   | 6 | 68,938.     |
| 7 | Add lines 5 and 6 .....  | 7 | 2,601,340.  |
| 8 | Enter qualifying distributions from Part XII, line 4 .....   | 8 | 3,140,128.  |

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.

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

**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.<br>Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions) |    |          |         |
| b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b   |    | 1        | 68,938. |
| 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        | 68,938. |
| 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        | 68,938. |
| 6 Credits/Payments:  |    |          |         |
| a 2016 estimated tax payments and 2015 overpayment credited to 2016  | 6a | 96,009.  |         |
| b Exempt foreign organizations - tax withheld at source  | 6b |          |         |
| c Tax paid with application for extension of time to file (Form 8868)  | 6c | 73,000.  |         |
| d Backup withholding erroneously withheld  | 6d |          |         |
| 7 Total credits and payments. Add lines 6a through 6d  | 7  | 169,009. |         |
| 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 | 100,071. |         |
| 11 Enter the amount of line 10 to be: Credited to 2017 estimated tax 100,071. Refunded   | 11 | 0.       |         |

**Part VII-A Statements Regarding Activities**

|   | Yes | No |
|---|-----|----|
| 1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?   |     | X  |
| b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?<br>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:<br>(1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.  |     |    |
| e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.   |     |    |
| 2 Has the foundation engaged in any activities that have not previously been reported to the IRS?<br>If "Yes," attach a detailed description of the activities.   |     | 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  |     | X  |
| 4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?  |     | X  |
| b If "Yes," has it filed a tax return on Form 990-T for this year? N/A  |     |    |
| 5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?<br>If "Yes," attach the statement required by General Instruction T.   |     | X  |
| 6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:<br>• By language in the governing instrument, or<br>• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?          | X   |    |
| 7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV   | X   |    |
| 8a Enter the states to which the foundation reports or with which it is registered (see instructions) MI  |     |    |
| 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   | 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  |     | X  |
| 10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses   |     | X  |



HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

**Part VII-A** Statements Regarding Activities (continued)

|  | Yes | No |
|--|-----|----|
| 11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) .....   |     | X  |
| 12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) .....  |     | X  |
| 13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? .....   | X   |    |
| Website address ► <u>THETOWSLEYFOUNDATION.ORG</u>  |     |    |
| 14 The books are in care of ► <u>MARY IVERS, CPA</u> Telephone no. ► <u>734-994-7500</u>   |     |    |
| Located at ► <u>2929 PLYMOUTH ROAD, STE 350, ANN ARBOR, MI</u> ZIP+4 ► <u>48105</u>  |     |    |
| 15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ..... <input type="checkbox"/>  |     |    |
| and enter the amount of tax-exempt interest received or accrued during the year ..... ► <u>15</u> 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? ..... | Yes | No |
| See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►   | 16  | X  |

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

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

|   | Yes | No  |
|---|-----|-----|
| 1a During the year did the foundation (either directly or indirectly):  |     |     |
| (1) Engage in the sale or exchange, or leasing of property with a disqualified person? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |     |     |
| (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |     |     |
| (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |     |     |
| (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  |     |     |
| (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |     |     |
| (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |     |     |
| b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? .....  | 1b  | X   |
| Organizations relying on a current notice regarding disaster assistance check here ..... <input type="checkbox"/>   |     |     |
| 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? .....   | 1c  | X   |
| 2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):  |     |     |
| a At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |     |     |
| If "Yes," list the years ► _____, _____, _____, _____   |     |     |
| b Are there any years listed in 2a for which the foundation is <b>not</b> 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 <b>all</b> years listed, answer "No" and attach statement - see instructions.) .....   | 2b  | N/A |
| c If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here. ► _____, _____, _____, _____  |     |     |
| 3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |     |     |
| b If "Yes," did it have excess business holdings in 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.) ..... | 3b  | N/A |
| 4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? .....  | 4a  | X   |
| b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016? .....   | 4b  | X   |

**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 **N/A**  
Organizations relying on a current notice regarding disaster assistance check here

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

|    |  |   |
|----|--|---|
|    |  |   |
| 5b |  |   |
| 6b |  | X |
| 7b |  |   |

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

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

| (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 9      |   | 0.  | 0.  | 0.                                    |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |

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

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

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

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

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

| (a) Name and address of each person paid more than \$50,000 | (b) Type of service | (c) Compensation |
|---|---------------------|------------------|
| NONE  |                     |                  |
|   |                     |                  |
|   |                     |                  |
|   |                     |                  |
|   |                     |                  |
|   |                     |                  |
|   |                     |                  |
|   |                     |                  |
|   |                     |                  |
|   |                     |                  |

Total number of others receiving over \$50,000 for professional services ..... **0**

**Part IX-A Summary of Direct Charitable Activities**

| List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc. | Expenses |
|--|----------|
| 1 N/A  |          |
| 2  |          |
| 3  |          |
| 4  |          |

**Part IX-B Summary of Program-Related Investments**

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2. | Amount |
|---|--------|
| 1 N/A   |        |
| 2   |        |
| 3 All other program-related investments. See instructions.  |        |

Total. Add lines 1 through 3 ..... **0.**

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

**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 | 56,982,242. |
| b | Average of monthly cash balances .....  | 1b | 4,676,064.  |
| c | Fair market value of all other assets .....   | 1c |             |
| d | <b>Total</b> (add lines 1a, b, and c) .....   | 1d | 61,658,306. |
| 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  | 61,658,306. |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) .....   | 4  | 924,875.    |
| 5 | <b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4 ..... | 5  | 60,733,431. |
| 6 | <b>Minimum investment return.</b> Enter 5% of line 5 .....  | 6  | 3,036,672.  |

**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  | 3,036,672. |
| 2a | Tax on investment income for 2016 from Part VI, line 5 .....  | 2a | 68,938.    |
| b  | Income tax for 2016. (This does not include the tax from Part VI.) .....  | 2b |            |
| c  | Add lines 2a and 2b .....   | 2c | 68,938.    |
| 3  | Distributable amount before adjustments. Subtract line 2c from line 1 .....                                     | 3  | 2,967,734. |
| 4  | Recoveries of amounts treated as qualifying distributions .....   | 4  | 0.         |
| 5  | Add lines 3 and 4 .....   | 5  | 2,967,734. |
| 6  | Deduction from distributable amount (see instructions) .....  | 6  | 0.         |
| 7  | <b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 ..... | 7  | 2,967,734. |

**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 | 3,140,128. |
| 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  |            |
| 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 | <b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 .....                 | 4  | 3,140,128. |
| 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  | 68,938.    |
| 6 | <b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4 .....   | 6  | 3,071,190. |

**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.

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

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

|  | (a)<br>Corpus | (b)<br>Years prior to 2015 | (c)<br>2015 | (d)<br>2016 |
|--|---------------|----------------------------|-------------|-------------|
| 1 Distributable amount for 2016 from Part XI, line 7   |               |                            |             | 2,967,734.  |
| 2 Undistributed income, if any, as of the end of 2016:   |               |                            |             |             |
| a Enter amount for 2015 only   |               |                            | 2,896,658.  |             |
| b Total for prior years:   |               | 0.                         |             |             |
| 3 Excess distributions carryover, if any, to 2016:   |               |                            |             |             |
| a From 2011  |               |                            |             |             |
| b From 2012  |               |                            |             |             |
| c From 2013  |               |                            |             |             |
| d From 2014  |               |                            |             |             |
| e From 2015  |               |                            |             |             |
| f Total of lines 3a through e  | 0.            |                            |             |             |
| 4 Qualifying distributions for 2016 from Part XII, line 4: ▶ \$ 3,140,128.   |               |                            |             |             |
| a Applied to 2015, but not more than line 2a   |               |                            | 2,896,658.  |             |
| 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   |               |                            |             | 243,470.    |
| e Remaining amount distributed out of corpus   | 0.            |                            |             |             |
| 5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a).)  | 0.            |                            |             | 0.          |
| 6 Enter the net total of each column as indicated below:   |               |                            |             |             |
| a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5  | 0.            |                            |             |             |
| 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  |               |                            |             | 2,724,264.  |
| 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  | 0.            |                            |             |             |
| 10 Analysis of line 9:   |               |                            |             |             |
| a Excess from 2012   |               |                            |             |             |
| b Excess from 2013   |               |                            |             |             |
| c Excess from 2014   |               |                            |             |             |
| d Excess from 2015   |               |                            |             |             |
| e Excess from 2016   |               |                            |             |             |

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

**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 | (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).)

NONE

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

NONE

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

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

**SEE STATEMENT 10**

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

**c** Any submission deadlines:

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

**Part XV** Supplementary Information (continued)

| 3 Grants and Contributions Paid During the Year or Approved for Future Payment     |   |                                |                                  |                   |
|--|---|--------------------------------|----------------------------------|-------------------|
| Recipient  | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount            |
| Name and address (home or business)  |   |                                |                                  |                   |
| <b>a Paid during the year</b>  |   |                                |                                  |                   |
| 1ST UNITED METHODIST CHURCH<br>228 E FULTON ST<br>GRAND RAPIDS, MI 49503           | NONE  | PC                             | PROGRAM SUPPORT                  | 4,000.            |
| ANN ARBOR ART CENTER<br>117 W LIBERTY<br>ANN ARBOR, MI 48104                       | NONE  | PC                             | PROGRAM SUPPORT                  | 60,000.           |
| ANN ARBOR TEEN CENTER NEUTRAL ZONE<br>310 E WASHINGTON<br>ANN ARBOR, MI 48104      | NONE  | PC                             | PROGRAM SUPPORT                  | 20,000.           |
| ARBOR HOSPICE FOUNDATION<br>2366 OAK VALLEY DR<br>ANN ARBOR, MI 48103              | NONE  | PC                             | PROGRAM SUPPORT                  | 125,000.          |
| CALVIN COLLEGE<br>3201 BURTON SE<br>GRAND RAPIDS, MI 49546                         | NONE  | PC                             | PROGRAM SUPPORT                  | 100,000.          |
| <b>Total</b> ..... SEE CONTINUATION SHEET(S) ..... ▶ <b>3a</b>                     |   |                                |                                  | <b>3,057,550.</b> |
| <b>b Approved for future payment</b>   |   |                                |                                  |                   |
| ANN ARBOR ART CENTER<br>117 W LIBERTY<br>ANN ARBOR, MI 48104                       | NONE  | PC                             | PROGRAM SUPPORT                  | 110,000.          |
| CHARLEVOIX AREA HOSPITAL FOUNDATION<br>14700 LAKE SHORE DR<br>CHARLEVOIX, MI 49720 | NONE  | PC                             | PROGRAM SUPPORT                  | 100,000.          |
| CORNER HEALTH CENTER<br>47 N HURON<br>YPSILANTI, MI 48197                          | NONE  | PC                             | PROGRAM SUPPORT                  | 160,000.          |
| <b>Total</b> ..... SEE CONTINUATION SHEET(S) ..... ▶ <b>3b</b>                     |   |                                |                                  | <b>1,867,071.</b> |

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

**Part XVI-A** Analysis of Income-Producing Activities

| Enter gross amounts unless otherwise indicated.                     | Unrelated business income |               | Excluded by section 512, 513, or 514 |               | (e)<br>Related or exempt<br>function income |
|---|---------------------------|---------------|--------------------------------------|---------------|---|
|   | (a)<br>Business<br>code   | (b)<br>Amount | (c)<br>Exclu-<br>sion<br>code        | (d)<br>Amount |   |
| 1 Program service revenue:  |                           |               |                                      |               |   |
| a _____   |                           |               |                                      |               |   |
| b _____   |                           |               |                                      |               |   |
| c _____   |                           |               |                                      |               |   |
| d _____   |                           |               |                                      |               |   |
| e _____   |                           |               |                                      |               |   |
| f _____   |                           |               |                                      |               |   |
| g Fees and contracts from government agencies .....                 |                           |               |                                      |               |   |
| 2 Membership dues and assessments .....                             |                           |               |                                      |               |   |
| 3 Interest on savings and temporary cash<br>investments .....       |                           |               |                                      |               |   |
| 4 Dividends and interest from securities .....                      |                           |               | 14                                   | 1,596,655.    |   |
| 5 Net rental income or (loss) from real estate:                     |                           |               |                                      |               |   |
| a Debt-financed property .....                                      |                           |               |                                      |               |   |
| b Not debt-financed property .....                                  |                           |               |                                      |               |   |
| 6 Net rental income or (loss) from personal<br>property .....       |                           |               |                                      |               |   |
| 7 Other investment income .....                                     |                           |               |                                      |               |   |
| 8 Gain or (loss) from sales of assets other<br>than inventory ..... |                           |               | 18                                   | 5,374,753.    |   |
| 9 Net income or (loss) from special events .....                    |                           |               |                                      |               |   |
| 10 Gross profit or (loss) from sales of inventory .....             |                           |               |                                      |               |   |
| 11 Other revenue:   |                           |               |                                      |               |   |
| a _____   |                           |               |                                      |               |   |
| b _____   |                           |               |                                      |               |   |
| c _____   |                           |               |                                      |               |   |
| d _____   |                           |               |                                      |               |   |
| e _____   |                           |               |                                      |               |   |
| 12 Subtotal. Add columns (b), (d), and (e) .....                    |                           | 0.            |                                      | 6,971,408.    | 0.  |
| 13 Total. Add line 12, columns (b), (d), and (e) .....              |                           |               | 13                                   |               | 6,971,408.                                  |

(See worksheet in line 13 instructions to verify calculations.)

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

| Line No. | Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). |
|----------|---|
| 4        | FUNDS FOR GRANT MAKING  |
| 8        | FUNDS FOR GRANT MAKING  |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |
|          |   |





**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<br>P - Purchase<br>D - Donation | (c) Date acquired<br>(mo., day, yr.) | (d) Date sold<br>(mo., day, yr.) |
|---|--|--------------------------------------|----------------------------------|
| 1a SECURITIES LITIGATION PROCEEDS   | P  |                                      |                                  |
| b VANGUARD PUBLICLY TRADED SECURITIES   | P  |                                      |                                  |
| c SCHWAB PUBLICLY TRADED SECURITIES   | P  |                                      |                                  |
| d PUBLICLY TRADED CALL OPTIONS EXPIRED  | P  |                                      |                                  |
| e DOW CHEM 40,000 SHS   | P  |                                      | 12/31/16                         |
| f CAPITAL GAINS DIVIDENDS   |  |                                      |                                  |
| g   |  |                                      |                                  |
| h   |  |                                      |                                  |
| i   |  |                                      |                                  |
| j   |  |                                      |                                  |
| k   |  |                                      |                                  |
| l   |  |                                      |                                  |
| m   |  |                                      |                                  |
| n   |  |                                      |                                  |
| o   |  |                                      |                                  |

| (e) Gross sales price | (f) Depreciation allowed<br>(or allowable) | (g) Cost or other basis<br>plus expense of sale | (h) Gain or (loss)<br>(e) plus (f) minus (g) |
|-----------------------|--|---|--|
| a 294.                |  |   | 294.   |
| b 483,707.            |  |   | 483,707.                                     |
| c 71,970.             |  |   | 71,970.                                      |
| d 382,602.            |  |   | 382,602.                                     |
| e 4,682,890.          |  | 246,803.  | 4,436,087.                                   |
| f 93.                 |  |   | 93.  |
| g                     |  |   |  |
| h                     |  |   |  |
| i                     |  |   |  |
| j                     |  |   |  |
| k                     |  |   |  |
| l                     |  |   |  |
| m                     |  |   |  |
| n                     |  |   |  |
| o                     |  |   |  |

| Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69 |                                      |   | (l) Losses (from col. (h))<br>Gains (excess of col. (h) gain over col. (k),<br>but not less than "-0-") |
|---|--------------------------------------|---|---|
| (i) F.M.V. as of 12/31/69   | (j) Adjusted basis<br>as of 12/31/69 | (k) Excess of col. (i)<br>over col. (j), if any |   |
| a   |                                      |   | 294.  |
| b   |                                      |   | 483,707.  |
| c   |                                      |   | 71,970.   |
| d   |                                      |   | 382,602.  |
| e 286,003.  | 246,803.                             | 39,200.   | 4,396,887.  |
| f   |                                      |   | 93.   |
| g   |                                      |   |   |
| h   |                                      |   |   |
| i   |                                      |   |   |
| j   |                                      |   |   |
| k   |                                      |   |   |
| l   |                                      |   |   |
| m   |                                      |   |   |
| n   |                                      |   |   |
| o   |                                      |   |   |

|   |   |            |
|---|---|------------|
| 2 Capital gain net income or (net capital loss) ..... { If gain, also enter in Part I, line 7<br>If (loss), enter "-0-" in Part I, line 7 } .....                                       | 2 | 5,335,553. |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):<br>If gain, also enter in Part I, line 8, column (c).<br>If (loss), enter "-0-" in Part I, line 8 ..... | 3 | N/A        |

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

38-6091798

**Part XV** Supplementary Information

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

| Recipient<br>Name and address (home or business)   | If recipient is an individual,<br>show any relationship to<br>any foundation manager<br>or substantial contributor | Foundation<br>status of<br>recipient | Purpose of grant or<br>contribution | Amount            |
|--|--|--------------------------------------|-------------------------------------|-------------------|
| CHARLEVOIX AREA HOSPITAL FOUNDATION<br>14700 LAKE SHORE DR<br>CHARLEVOIX, MI 49720           | NONE   | PC                                   | PROGRAM SUPPORT                     | 50,000.           |
| CHILD AND FAMILY SERVICES OF NW<br>MICHIGAN<br>115 N 1ST AVE<br>ALPENA, MI 49707             | NONE   | PC                                   | PROGRAM SUPPORT                     | 30,000.           |
| CHIPPEWA NATURE CENTER<br>400 S BADOUR RD<br>MIDLAND, MI 48640                               | NONE   | PC                                   | PROGRAM SUPPORT                     | 15,000.           |
| CIVCITY INITIATIVE<br>118 S MAIN ST<br>ANN ARBOR, MI 48104                                   | NONE   | PC                                   | PROGRAM SUPPORT                     | 1,000.            |
| CONSERVATION RESOURCE ALLIANCE<br>10850 TRAVERSE HWY<br>TRAVERSE CITY, MI 49684              | NONE   | PC                                   | PROGRAM SUPPORT                     | 60,000.           |
| CORNER HEALTH CENTER<br>47 N HURON<br>YPSILANTI, MI 48197                                    | NONE   | PC                                   | PROGRAM SUPPORT                     | 40,000.           |
| COUNCIL OF MICHIGAN FOUNDATIONS<br>1 S HARBOR AVE<br>GRAND HAVEN, MI 49417                   | NONE   | PC                                   | PROGRAM SUPPORT                     | 8,300.            |
| CULVER EDUCATION FOUNDATION<br>1300 ACADEMY RD<br>CULVER, IN 46511                           | NONE   | PC                                   | PROGRAM SUPPORT                     | 5,000.            |
| DELTA COLLEGE QUALITY PUBLIC<br>BROADCASTING<br>1961 DELTA RD<br>UNIVERSITY CENTER, MI 48710 | NONE   | PC                                   | PROGRAM SUPPORT                     | 500.              |
| FINLANDIA UNIVERSITY<br>601 QUINCY ST<br>HANCOCK, MI 49930                                   | NONE   | PC                                   | PROGRAM SUPPORT                     | 120,000.          |
| <b>Total from continuation sheets</b>  |  |                                      |                                     | <b>2,748,550.</b> |

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

38-6091798

**Part XV** Supplementary Information

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

| Recipient<br>Name and address (home or business)  | If recipient is an individual,<br>show any relationship to<br>any foundation manager<br>or substantial contributor | Foundation<br>status of<br>recipient | Purpose of grant or<br>contribution | Amount   |
|---|--|--------------------------------------|-------------------------------------|----------|
| FOCUS HOPE<br>1355 OAKMAN BLVD<br>DETROIT, MI 48238   | NONE   | PC                                   | PROGRAM SUPPORT                     | 500.     |
| FOOD GATHERERS<br>PO BOX 131037<br>ANN ARBOR, MI 48113  | NONE   | PC                                   | PROGRAM SUPPORT                     | 1,000.   |
| FRIENDS IN DEED<br>1196 ECORSE RD<br>YPSILANTI, MI 48198  | NONE   | PC                                   | PROGRAM SUPPORT                     | 15,000.  |
| GIRLS GROUP<br>2531 JACKSON AVE<br>ANN ARBOR, MI 48103  | NONE   | PC                                   | PROGRAM SUPPORT                     | 1,000.   |
| GOODWILL INDUSTRIES OF NORTHERN<br>MICHIGAN<br>2279 W SOUTH AIRPORT RD<br>TRAVERSE CITY, MI 49684 | NONE   | PC                                   | PROGRAM SUPPORT                     | 20,000.  |
| GRASS RIVER NATURAL AREA<br>PO BOX 231<br>BELLAIRE, MI 49615                                      | NONE   | PC                                   | PROGRAM SUPPORT                     | 500.     |
| HOPE CLINIC<br>PO BOX 980311<br>YPSILANTI, MI 48198   | NONE   | PC                                   | PROGRAM SUPPORT                     | 30,000.  |
| INTERLOCHEN CENTER FOR THE ARTS<br>PO BOX 199<br>INTERLOCHEN, MI 49643                            | NONE   | PC                                   | PROGRAM SUPPORT                     | 250,000. |
| INTERLOCHEN PUBLIC LIBRARY<br>PO BOX 369<br>INTERLOCHEN, MI 49643                                 | NONE   | PC                                   | PROGRAM SUPPORT                     | 50,000.  |
| LEGACY LAND CONSERVANCY<br>1100 N MAIN ST<br>ANN ARBOR, MI 48104                                  | NONE   | PC                                   | PROGRAM SUPPORT                     | 1,000.   |
| <b>Total from continuation sheets</b> .....   |  |                                      |                                     |          |

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

38-6091798

**Part XV** Supplementary Information

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

| Recipient<br>Name and address (home or business)                           | If recipient is an individual,<br>show any relationship to<br>any foundation manager<br>or substantial contributor | Foundation<br>status of<br>recipient | Purpose of grant or<br>contribution | Amount   |
|--|--|--------------------------------------|-------------------------------------|----------|
| MARY FREE BED<br>235 WEALTHY ST SE<br>GRAND RAPIDS, MI 49503               | NONE   | PC                                   | PROGRAM SUPPORT                     | 100,000. |
| MASSACHUSETTS GENERAL HOSPITAL<br>125 NASHUA ST<br>BOSTON, MA 02114        | NONE   | PC                                   | PROGRAM SUPPORT                     | 1,500.   |
| MICHIGAN HUMANITIES COUNCIL<br>119 PERE MARQUETTE DR<br>LANSING, MI 48909  | NONE   | PC                                   | PROGRAM SUPPORT                     | 1,000.   |
| MICHIGAN LEAGUE FOR PUBLIC POLICY<br>1223 TURNER ST<br>LANSING, MI 48906   | NONE   | PC                                   | PROGRAM SUPPORT                     | 1,000.   |
| MICHIGAN STATE UNIVERSITY<br>535 CHESTNUT RD<br>EAST LANSING, MI 48823     | NONE   | PC                                   | PROGRAM SUPPORT                     | 250.     |
| MICHIGAN THEATER FOUNDATION<br>603 E LIBERTY<br>ANN ARBOR, MI 48104        | NONE   | PC                                   | PROGRAM SUPPORT                     | 200,000. |
| MID-MICHIGAN MEDICAL CENTER<br>4000 WELLNESS DR<br>MIDLAND, MI 48670       | NONE   | PC                                   | PROGRAM SUPPORT                     | 100,250. |
| MIDLAND AREA COMMUNITY FOUNDATION<br>76 ASHMAN CIRCLE<br>MIDLAND, MI 48640 | NONE   | PC                                   | PROGRAM SUPPORT                     | 500.     |
| MIDLAND CENTER FOR THE ARTS<br>1801 W ST ANDREWS<br>MIDLAND, MI 48640      | NONE   | PC                                   | PROGRAM SUPPORT                     | 1,500.   |
| MIDLAND'S OPEN DOOR<br>412 W BUTTLES ST<br>MIDLAND, MI 48640               | NONE   | PC                                   | PROGRAM SUPPORT                     | 250.     |
| <b>Total from continuation sheets</b> .....                                |  |                                      |                                     |          |

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

38-6091798

**Part XV** Supplementary Information

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

| Recipient<br>Name and address (home or business)  | If recipient is an individual,<br>show any relationship to<br>any foundation manager<br>or substantial contributor | Foundation<br>status of<br>recipient | Purpose of grant or<br>contribution | Amount   |
|---|--|--------------------------------------|-------------------------------------|----------|
| MSU COLLEGE OF LAW<br>648 N SHAW LANE<br>EAST LANSING, MI 48824                                   | NONE   | PC                                   | PROGRAM SUPPORT                     | 250,000. |
| NATURE CONSERVANCY MICHIGAN<br>101 E GRAND RIVER<br>LANSING, MI 48906                             | NONE   | PC                                   | PROGRAM SUPPORT                     | 125,000. |
| NEW YORK UNIVERSITY<br>25 W 4TH ST<br>NEW YORK, NY 10012  | NONE   | PC                                   | PROGRAM SUPPORT                     | 1,000.   |
| NORTHWOOD UNIVERSITY<br>4000 WHITING DR<br>MIDLAND, MI 48640                                      | NONE   | PC                                   | PROGRAM SUPPORT                     | 250.     |
| PARTNERS IN PERSONAL ASSISTANCE<br>3910 PACKARD STE 100B<br>ANN ARBOR, MI 48108                   | NONE   | PC                                   | PROGRAM SUPPORT                     | 15,000.  |
| RONALD MCDONALD HOUSE OF WESTERN<br>MICHIGAN<br>1323 CEDAR ST NE<br>GRAND RAPIDS, MI 49503        | NONE   | PC                                   | PROGRAM SUPPORT                     | 30,000.  |
| SAGINAW VALLEY STATE UNIVERSITY<br>7400 BAY RD<br>UNIVERSITY CENTER, MI 48710                     | NONE   | PC                                   | PROGRAM SUPPORT                     | 250.     |
| SD HASSENFELD CHILDREN'S CENTER<br>1 PARK AVE 5TH FL<br>NEW YORK, NY 10016                        | NONE   | PC                                   | PROGRAM SUPPORT                     | 2,000.   |
| SHELTER ASSOCIATION OF WASHTENAW<br>COUNTY<br>PO BOX 7370<br>ANN ARBOR, MI 48107                  | NONE   | PC                                   | PROGRAM SUPPORT                     | 2,500.   |
| SOUTHERN SHORES FIELD COUNCIL, BOY<br>SCOUTS OF AMERICA<br>3915 BESTECH DR<br>YPSILANTI, MI 48197 | NONE   | PC                                   | PROGRAM SUPPORT                     | 17,000.  |
| <b>Total from continuation sheets</b> .....   |  |                                      |                                     |          |

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

38-6091798

**Part XV** Supplementary Information

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

| Recipient<br>Name and address (home or business)   | If recipient is an individual,<br>show any relationship to<br>any foundation manager<br>or substantial contributor | Foundation<br>status of<br>recipient | Purpose of grant or<br>contribution | Amount   |
|--|--|--------------------------------------|-------------------------------------|----------|
| ST ANDREWS EPISCOPAL CHURCH<br>306 N DIVISION<br>ANN ARBOR, MI 48104                       | NONE   | PC                                   | PROGRAM SUPPORT                     | 10,000.  |
| ST LOUIS CENTER<br>16195 OLD US 12<br>CHELSEA, MI 48118                                    | NONE   | PC                                   | PROGRAM SUPPORT                     | 150,000. |
| STARR COMMONWEALTH SCHOOLS<br>13725 STARR COMMONWEALTH RD<br>ALBION, MI 49224              | NONE   | PC                                   | PROGRAM SUPPORT                     | 50,000.  |
| STUDENT ADVOCACY CENTER OF MICHIGAN<br>2140 ELLSWORTH RD<br>ANN ARBOR, MI 48104            | NONE   | PC                                   | PROGRAM SUPPORT                     | 35,000.  |
| UM CENTER FOR EDUCATION OF WOMEN<br>330 E LIBERTY<br>ANN ARBOR, MI 48104                   | NONE   | PC                                   | PROGRAM SUPPORT                     | 100,000. |
| UM GERALD R FORD SCHOOL OF PUBLIC<br>POLICY<br>735 S STATE STE 4238<br>ANN ARBOR, MI 48109 | NONE   | PC                                   | PROGRAM SUPPORT                     | 250,000. |
| UM LAW SCHOOL FUND<br>701 S STATE ST<br>ANN ARBOR, MI 48109                                | NONE   | PC                                   | PROGRAM SUPPORT                     | 500.     |
| UM LIBRARY<br>818 HATCHER GRADUATE LIBRARY<br>ANN ARBOR, MI 48109                          | NONE   | PC                                   | PROGRAM SUPPORT                     | 200,000. |
| UM SCHOOL OF EDUCATION<br>610 E UNIVERSITY<br>ANN ARBOR, MI 48109                          | NONE   | PC                                   | PROGRAM SUPPORT                     | 250,000. |
| UM WILLIAM L CLEMENTS LIBRARY<br>909 S UNIVERSITY<br>ANN ARBOR, MI 48109                   | NONE   | PC                                   | PROGRAM SUPPORT                     | 2,000.   |
| <b>Total from continuation sheets</b> .....  |  |                                      |                                     |          |

HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

38-6091798

**Part XV** Supplementary Information

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

| Recipient<br>Name and address (home or business)  | If recipient is an individual,<br>show any relationship to<br>any foundation manager<br>or substantial contributor | Foundation<br>status of<br>recipient | Purpose of grant or<br>contribution | Amount   |
|---|--|--------------------------------------|-------------------------------------|----------|
| UNITED WAY OF MIDLAND COUNTY<br>220 W MAIN ST<br>MIDLAND, MI 48640                        | NONE   | PC                                   | PROGRAM SUPPORT                     | 1,000.   |
| UNIVERSITY OF MICHIGAN<br>3003 S STATE ST<br>ANN ARBOR, MI 48109                          | NONE   | PC                                   | PROGRAM SUPPORT                     | 2,000.   |
| WASHTENAW COMMUNITY COLLEGE<br>FOUNDATION<br>4800 E HURON RIVER DR<br>ANN ARBOR, MI 48105 | NONE   | PC                                   | PROGRAM SUPPORT                     | 100,000. |
| WEST MIDLAND FAMILY CENTER<br>4011 W ISABELLA RD<br>SHEPHERD, MI 48883                    | NONE   | PC                                   | PROGRAM SUPPORT                     | 50,000.  |
|   |  |                                      |                                     |          |
|   |  |                                      |                                     |          |
|   |  |                                      |                                     |          |
|   |  |                                      |                                     |          |
|   |  |                                      |                                     |          |
|   |  |                                      |                                     |          |
| <b>Total from continuation sheets</b> .....   |  |                                      |                                     |          |



HARRY A. AND MARGARET D. TOWSLEY  
FOUNDATION

38-6091798

**Part XV** Supplementary Information

**3 Grants and Contributions Approved for Future Payment (Continuation)**

| Recipient<br>Name and address (home or business)                                | If recipient is an individual,<br>show any relationship to<br>any foundation manager<br>or substantial contributor | Foundation<br>status of<br>recipient | Purpose of grant or<br>contribution | Amount            |
|---|--|--------------------------------------|-------------------------------------|-------------------|
| FINLANDIA UNIVERSITY<br>601 QUINCY ST<br>HANCOCK, MI 49930                      | NONE   | PC                                   | PROGRAM SUPPORT                     | 92,071.           |
| HOPE CLINIC<br>PO BOX 980311<br>YPSILANTI, MI 48198                             | NONE   | PC                                   | PROGRAM SUPPORT                     | 120,000.          |
| MARY FREE BED<br>235 WEALTHY ST SE<br>GRAND RAPIDS, MI 49503                    | NONE   | PC                                   | PROGRAM SUPPORT                     | 400,000.          |
| STARR COMMONWEALTH SCHOOLS<br>13725 STARR COMMONWEALTH RD<br>ALBION, MI 49224   | NONE   | PC                                   | PROGRAM SUPPORT                     | 50,000.           |
| STUDENT ADVOCACY CENTER OF MICHIGAN<br>2140 ELLSWORTH RD<br>ANN ARBOR, MI 48104 | NONE   | PC                                   | PROGRAM SUPPORT                     | 35,000.           |
| UM LIBRARY<br>818 HATCHER GRADUATE LIBRARY<br>ANN ARBOR, MI 48109               | NONE   | PC                                   | PROGRAM SUPPORT                     | 800,000.          |
|   |  |                                      |                                     |                   |
|   |  |                                      |                                     |                   |
|   |  |                                      |                                     |                   |
|   |  |                                      |                                     |                   |
| <b>Total from continuation sheets</b> .....                                     |  |                                      |                                     | <b>1,497,071.</b> |

---



---

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

---

| (A)<br>DESCRIPTION OF PROPERTY |                               |                           | MANNER<br>ACQUIRED | DATE<br>ACQUIRED    | DATE SOLD |
|--------------------------------|-------------------------------|---------------------------|--------------------|---------------------|-----------|
| SECURITIES LITIGATION PROCEEDS |                               |                           | PURCHASED          |                     |           |
| (B)<br>GROSS<br>SALES PRICE    | (C)<br>COST OR<br>OTHER BASIS | (D)<br>EXPENSE OF<br>SALE | (E)<br>DEPREC.     | (F)<br>GAIN OR LOSS |           |
| 294.                           | 0.                            | 0.                        | 0.                 | 294.                |           |

| (A)<br>DESCRIPTION OF PROPERTY      |                               |                           | MANNER<br>ACQUIRED | DATE<br>ACQUIRED    | DATE SOLD |
|-------------------------------------|-------------------------------|---------------------------|--------------------|---------------------|-----------|
| VANGUARD PUBLICLY TRADED SECURITIES |                               |                           | PURCHASED          |                     |           |
| (B)<br>GROSS<br>SALES PRICE         | (C)<br>COST OR<br>OTHER BASIS | (D)<br>EXPENSE OF<br>SALE | (E)<br>DEPREC.     | (F)<br>GAIN OR LOSS |           |
| 483,707.                            | 0.                            | 0.                        | 0.                 | 483,707.            |           |

| (A)<br>DESCRIPTION OF PROPERTY    |                               |                           | MANNER<br>ACQUIRED | DATE<br>ACQUIRED    | DATE SOLD |
|-----------------------------------|-------------------------------|---------------------------|--------------------|---------------------|-----------|
| SCHWAB PUBLICLY TRADED SECURITIES |                               |                           | PURCHASED          |                     |           |
| (B)<br>GROSS<br>SALES PRICE       | (C)<br>COST OR<br>OTHER BASIS | (D)<br>EXPENSE OF<br>SALE | (E)<br>DEPREC.     | (F)<br>GAIN OR LOSS |           |
| 71,970.                           | 0.                            | 0.                        | 0.                 | 71,970.             |           |

| (A)<br>DESCRIPTION OF PROPERTY       |                               |                           | MANNER<br>ACQUIRED | DATE<br>ACQUIRED    | DATE SOLD |
|--------------------------------------|-------------------------------|---------------------------|--------------------|---------------------|-----------|
| PUBLICLY TRADED CALL OPTIONS EXPIRED |                               |                           | PURCHASED          |                     |           |
| (B)<br>GROSS<br>SALES PRICE          | (C)<br>COST OR<br>OTHER BASIS | (D)<br>EXPENSE OF<br>SALE | (E)<br>DEPREC.     | (F)<br>GAIN OR LOSS |           |
| 382,602.                             | 0.                            | 0.                        | 0.                 | 382,602.            |           |

| (A)<br>DESCRIPTION OF PROPERTY |                                 |                           | MANNER<br>ACQUIRED | DATE<br>ACQUIRED    | DATE SOLD |
|--------------------------------|---------------------------------|---------------------------|--------------------|---------------------|-----------|
| DOW CHEM 40,000 SHS            |                                 |                           | PURCHASED          |                     | 12/31/16  |
| (B)<br>GROSS<br>SALES PRICE    | (C)<br>VALUE AT<br>TIME OF ACQ. | (D)<br>EXPENSE OF<br>SALE | (E)<br>DEPREC.     | (F)<br>GAIN OR LOSS |           |
| 4,682,890.                     | 246,803.                        | 0.                        | 0.                 | 4,436,087.          |           |

|                                       |  |  |  |  |            |
|---------------------------------------|--|--|--|--|------------|
| CAPITAL GAINS DIVIDENDS FROM PART IV  |  |  |  |  | 93.        |
| TOTAL TO FORM 990-PF, PART I, LINE 6A |  |  |  |  | 5,374,753. |

FORM 990-PF                      DIVIDENDS AND INTEREST FROM SECURITIES                      STATEMENT      2

| SOURCE                          | GROSS<br>AMOUNT | CAPITAL<br>GAINS<br>DIVIDENDS | (A)<br>REVENUE<br>PER BOOKS | (B)<br>NET INVEST-<br>MENT INCOME | (C)<br>ADJUSTED<br>NET INCOME |
|---------------------------------|-----------------|-------------------------------|-----------------------------|-----------------------------------|-------------------------------|
| CHARLES SCHWAB                  | 342,416.        | 0.                            | 342,416.                    | 342,416.                          |                               |
| CHEMICAL BANK                   | 645,354.        | 0.                            | 645,354.                    | 645,354.                          |                               |
| OTHER INTEREST AND<br>DIVIDENDS | 227.            | 0.                            | 227.                        | 227.                              |                               |
| VANGUARD FUNDS                  | 608,751.        | 93.                           | 608,658.                    | 608,658.                          |                               |
| TO PART I, LINE 4               | 1,596,748.      | 93.                           | 1,596,655.                  | 1,596,655.                        |                               |

| FORM 990-PF                               | ACCOUNTING FEES              |                                   |                               | STATEMENT 3                   |
|---|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION                               | (A)<br>EXPENSES<br>PER BOOKS | (B)<br>NET INVEST-<br>MENT INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |
| IVERS RICKELMANN PETERSEN<br>TAX PREP FEE | 3,745.                       | 0.                                |                               | 3,745.                        |
| TO FORM 990-PF, PG 1, LN 16B              | 3,745.                       | 0.                                |                               | 3,745.                        |

| FORM 990-PF                            | OTHER PROFESSIONAL FEES      |                                   |                               | STATEMENT 4                   |
|--|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION                            | (A)<br>EXPENSES<br>PER BOOKS | (B)<br>NET INVEST-<br>MENT INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |
| REHMANN AUDIT FEE                      | 14,900.                      | 0.                                |                               | 14,900.                       |
| HRNI ADMINISTRATIVE FEES               | 1,867.                       | 0.                                |                               | 1,867.                        |
| CHEMICAL BANK AGENCY FEES              | 10,861.                      | 10,861.                           |                               | 0.                            |
| COLUMBIA ASSET INVESTMENT<br>MGMT FEES | 27,576.                      | 27,576.                           |                               | 0.                            |
| TO FORM 990-PF, PG 1, LN 16C           | 55,204.                      | 38,437.                           |                               | 16,767.                       |

| FORM 990-PF                 | TAXES                        |                                   |                               | STATEMENT 5                   |
|-----------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION                 | (A)<br>EXPENSES<br>PER BOOKS | (B)<br>NET INVEST-<br>MENT INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |
| PAYROLL TAXES               | 3,269.                       | 0.                                |                               | 3,269.                        |
| TO FORM 990-PF, PG 1, LN 18 | 3,269.                       | 0.                                |                               | 3,269.                        |

| FORM 990-PF                       | OTHER EXPENSES               |                                   |                               | STATEMENT 6                   |
|-----------------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION                       | (A)<br>EXPENSES<br>PER BOOKS | (B)<br>NET INVEST-<br>MENT INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |
| INSURANCE EXPENSE                 | 8,615.                       | 0.                                |                               | 8,615.                        |
| COMPUTER EXPENSE                  | 13,428.                      | 0.                                |                               | 13,428.                       |
| OFFICE EXPENSE                    | 458.                         | 0.                                |                               | 458.                          |
| TOTAL TO FORM 990-PF, PG 1, LN 23 | 22,501.                      | 0.                                |                               | 22,501.                       |

| FORM 990-PF                             | CORPORATE STOCK |                      | STATEMENT 7 |
|---|-----------------|----------------------|-------------|
| DESCRIPTION                             | BOOK VALUE      | FAIR MARKET<br>VALUE |             |
| CORPORATE STOCKS                        | 26,392,946.     | 58,593,803.          |             |
| TOTAL TO FORM 990-PF, PART II, LINE 10B | 26,392,946.     | 58,593,803.          |             |

| FORM 990-PF                            | OTHER LIABILITIES |            | STATEMENT 8 |
|--|-------------------|------------|-------------|
| DESCRIPTION                            | BOY AMOUNT        | EOY AMOUNT |             |
| ERRONEOUS DEPOSIT REVERSED IN 2017     | 0.                | 13,115.    |             |
| TOTAL TO FORM 990-PF, PART II, LINE 22 | 0.                | 13,115.    |             |

---



---

FORM 990-PF                      PART VIII - LIST OF OFFICERS, DIRECTORS                      STATEMENT    9  
    TRUSTEES AND FOUNDATION MANAGERS

---

| NAME AND ADDRESS   | TITLE AND<br>AVRG HRS/WK  | COMPEN-<br>SATION | EMPLOYEE<br>BEN PLAN<br>CONTRIB | EXPENSE<br>ACCOUNT |
|--|---------------------------|-------------------|---------------------------------|--------------------|
| JUDITH D. RUMELHART<br>240 W MAIN ST STE 2300<br>MIDLAND, MI 48640   | VPRES/TRUSTEE<br>1.00     | 0.                | 0.                              | 0.                 |
| MARY IVERS<br>240 W MAIN ST STE 2300<br>MIDLAND, MI 48640            | TREASURER/TRUSTEE<br>4.00 | 0.                | 0.                              | 0.                 |
| JENNIFER POTEAT<br>240 W MAIN ST STE 2300<br>MIDLAND, MI 48640       | TRUSTEE<br>1.00           | 0.                | 0.                              | 0.                 |
| MARGARET E. THOMPSON<br>240 W MAIN ST STE 2300<br>MIDLAND, MI 48640  | TRUSTEE<br>1.00           | 0.                | 0.                              | 0.                 |
| STEVEN RIECKER<br>240 W MAIN ST STE 2300<br>MIDLAND, MI 48640        | TRUSTEE<br>1.00           | 0.                | 0.                              | 0.                 |
| DAVID WINSTON INGLISH<br>240 W MAIN ST STE 2300<br>MIDLAND, MI 48640 | TRUSTEE<br>1.00           | 0.                | 0.                              | 0.                 |
| DOUGLAS INGLISH<br>240 W MAIN ST STE 2300<br>MIDLAND, MI 48640       | TRUSTEE<br>1.00           | 0.                | 0.                              | 0.                 |
| TINA S. VAN DAM<br>240 W MAIN ST STE 2300<br>MIDLAND, MI 48640       | TRUSTEE<br>1.00           | 0.                | 0.                              | 0.                 |
| C. WENDELL DUNBAR<br>240 W MAIN ST STE 2300<br>MIDLAND, MI 48640     | PRES/TRUSTEE<br>10.00     | 0.                | 0.                              | 0.                 |
| LYNN T. WHITE<br>240 W MAIN ST STE 2300<br>MIDLAND, MI 48640         | TRUSTEE<br>1.00           | 0.                | 0.                              | 0.                 |
| TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII                         |                           | 0.                | 0.                              | 0.                 |

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION  
PART XV, LINES 2A THROUGH 2D

STATEMENT 10

---

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

C. WENDELL DUNBAR, PRESIDENT  
240 WEST MAIN STREET  
MIDLAND, MI 48640

TELEPHONE NUMBER

(989)837-1100

---

FORM AND CONTENT OF APPLICATIONS

APPLICATION INFORMATION IS AVAILABLE ON THE ORGANIZATION'S WEBSITE, [THETOWSLEYFOUNDATION.ORG](http://THETOWSLEYFOUNDATION.ORG). GRANTS ARE NOT MADE TO INSTITUTIONS WHICH UNFAIRLY DISCRIMINATE IN POLICY OR PRACTICE BASED ON AGE, RACE, COLOR, CREED OR SEX.

ORGANIZATIONS SEEKING AID FROM THE FOUNDATION SHOULD:

1. FORWARD A COPY OF THE TAX EXEMPT LETTER FROM THE IRS AND A COPY OF THE LETTER ESTABLISHING THAT THE APPLICANT IS NOT A PRIVATE FOUNDATION.
2. STATE THE AMOUNTS REQUESTED AND EXPLAIN THE NEED, IN THE FORMAT REQUESTED ON THE WEBSITE.
3. INCLUDE IN THE APPLICATION THE ORGANIZATION'S LATEST FINANCIAL STATEMENTS. THE FOUNDATION RESERVES THE RIGHT TO ASCERTAIN THROUGH CERTIFIED ACCOUNTANTS OF THE RECIPIENT ORGANIZATION WHETHER A POTENTIAL GRANT WILL CAUSE THE ORGANIZATION TO LOSE ITS PUBLIC FOUNDATION STATUS.

---

ANY SUBMISSION DEADLINES

GRANTS TO BE CONSIDERED DURING THE CALENDAR YEAR SHOULD PREFERABLY BE RECEIVED PRIOR TO MARCH 31ST.

---

RESTRICTIONS AND LIMITATIONS ON AWARDS

1. THE FOUNDATION DOES NOT MAKE DIRECT GRANTS TO INDIVIDUALS, PROVIDE LOAN FUNDS, OR MAKE GRANTS TO STUDENTS FOR SCHOLARSHIPS.
2. THE FOUNDATION DOES NOT MAKE GRANTS FOR TRAVEL AND CONFERENCES.
3. AN ENVIRONMENTAL IMPACT STATEMENTS IS REQUIRED FOR ALL CAPITAL PROJECTS.

# 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.

|  |  | Enter filer's identifying number                                 |
|--|--|--|
| File by the due date for filing your return. See instructions. | Name of exempt organization or other filer, see instructions.<br><b>HARRY A. AND MARGARET D. TOWSLEY FOUNDATION</b>  | Employer identification number (EIN) or<br><br><b>38-6091798</b> |
|  | Number, street, and room or suite no. If a P.O. box, see instructions.<br><b>240 WEST MAIN, NO. 2300</b>             | Social security number (SSN)                                     |
|  | City, town or post office, state, and ZIP code. For a foreign address, see instructions.<br><b>MIDLAND, MI 48640</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          |

**MARY IVERS, CPA**

• The books are in the care of ▶ **2929 PLYMOUTH ROAD, STE 350 - ANN ARBOR, MI 48105**  
Telephone No. ▶ **734-994-7500** Fax No. ▶ **734-994-0165**

- 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>68,938.</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>96,009.</b> |
| <b>c Balance due.</b> 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>0.</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.