

Return of Private Foundation

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

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

For calendar year 2017 or tax year beginning

, and ending

| | | |
|---|--|--|
| Name of foundation JOHN & DENISE GRAVES FOUNDATION | | A Employer identification number 47-1300668 |
| Number and street (or P.O. box number if mail is not delivered to street address) 2929 CHICAGO AVENUE SOUTH | Room/suite 100 | B Telephone number 612-389-9820 |
| City or town, state or province, country, and ZIP or foreign postal code MINNEAPOLIS, MN 55407 | | C If exemption application is pending, check here <input type="checkbox"/> |
| G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change | | D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> |
| H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation | | E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> |
| I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 52,174,315. | J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ | F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/> |
| (Part I, column (d) must be on cash basis.) | | |

| Part I | Analysis of Revenue and Expenses <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) |
|--|---|------------------------------------|---------------------------|-------------------------|---|
| Revenue | 1 Contributions, gifts, grants, etc., received | | | | |
| | 2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B | | | | |
| | 3 Interest on savings and temporary cash investments | | | | |
| | 4 Dividends and interest from securities | 774,567. | 804,145. | | STATEMENT 1 |
| | 5a Gross rents | | | | |
| | b Net rental income or (loss) | | | | |
| | 6a Net gain or (loss) from sale of assets not on line 10 | 50,504. | | | |
| | b Gross sales price for all assets on line 6a | 1,814,740. | | | |
| | 7 Capital gain net income (from Part IV, line 2) | | 50,504. | | |
| | 8 Net short-term capital gain | | | | |
| | 9 Income modifications Gross sales less returns and allowances | | | | |
| | b Less: Cost of goods sold | | | | |
| c Gross profit or (loss) | | | | | |
| 11 Other income | | | | | |
| 12 Total. Add lines 1 through 11 | 825,071. | 854,649. | 0. | | |
| Operating and Administrative Expenses | 13 Compensation of officers, directors, trustees, etc. | 109,361. | 0. | 0. | 109,361. |
| | 14 Other employee salaries and wages | 172,699. | 0. | 0. | 172,699. |
| | 15 Pension plans, employee benefits | 46,418. | 0. | 0. | 46,418. |
| | 16a Legal fees | STMT 2 1,931. | 0. | 0. | 1,931. |
| | b Accounting fees | STMT 3 9,960. | 0. | 0. | 9,960. |
| | c Other professional fees | STMT 4 294,700. | 328,581. | 0. | 14,706. |
| | 17 Interest | | | | |
| | 18 Taxes | STMT 5 10,650. | 0. | 0. | 0. |
| | 19 Depreciation and depletion | 15,999. | 0. | 0. | |
| | 20 Occupancy | 42,885. | 0. | 0. | 42,885. |
| | 21 Travel, conferences, and meetings | 6,516. | 0. | 0. | 6,516. |
| | 22 Printing and publications | | | | |
| | 23 Other expenses | STMT 6 205,845. | 48,587. | 0. | 205,845. |
| | 24 Total operating and administrative expenses. Add lines 13 through 23 | 916,964. | 377,168. | 0. | 610,321. |
| | 25 Contributions, gifts, grants paid | 1,706,285. | | | 1,706,285. |
| 26 Total expenses and disbursements. Add lines 24 and 25 | 2,623,249. | 377,168. | 0. | 2,316,606. | |
| 27 Subtract line 26 from line 12: | | | | | |
| a Excess of revenue over expenses and disbursements | -1,798,178. | | | | |
| b Net investment income (if negative, enter -0-) | | 477,481. | | | |
| c Adjusted net income (if negative, enter -0-) | | | 0. | | |

| 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 | | 13,791. | 148,653. | 148,653. | |
| | 2 | Savings and temporary cash investments | | 10,693,579. | 8,337,799. | 8,337,799. | |
| | 3 | Accounts receivable | | | | | |
| | | Less: allowance for doubtful accounts | | | | | |
| | 4 | Pledges receivable | | | | | |
| | | Less: allowance for doubtful accounts | | | | | |
| | 5 | Grants receivable | | | | | |
| | 6 | Receivables due from officers, directors, trustees, and other disqualified persons | | | | | |
| | 7 | Other notes and loans receivable | | | | | |
| | | Less: allowance for doubtful accounts | | | | | |
| | 8 | Inventories for sale or use | | | | | |
| | 9 | Prepaid expenses and deferred charges | | | | | |
| | 10a | Investments - U.S. and state government obligations | STMT 7 | | 1,649,344. | 1,683,346. | 1,683,346. |
| | b | Investments - corporate stock | STMT 8 | | 32,829,437. | 38,845,003. | 38,845,003. |
| | c | Investments - corporate bonds | | | | | |
| | 11 | Investments - land, buildings, and equipment: basis | | | | | |
| | Less: accumulated depreciation | | | | | | |
| 12 | Investments - mortgage loans | | | | | | |
| 13 | Investments - other | STMT 9 | | 2,743,720. | 2,986,982. | 2,986,982. | |
| 14 | Land, buildings, and equipment: basis | 188,531. | | | | | |
| | Less: accumulated depreciation | 15,999. | | 0. | 172,532. | 172,532. | |
| 15 | Other assets (describe) | | | | | | |
| 16 | Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I) | | | 47,929,871. | 52,174,315. | 52,174,315. | |
| 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 10) | | 0. | 110,000. | | |
| 23 | Total liabilities (add lines 17 through 22) | | | 0. | 110,000. | | |
| Net Assets or Fund Balances | Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26, and lines 30 and 31. | | | | | | |
| | 24 | Unrestricted | | 47,929,871. | 52,064,315. | | |
| | 25 | Temporarily restricted | | | | | |
| | 26 | Permanently restricted | | | | | |
| | Foundations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31. | | | | | | |
| | 27 | Capital stock, trust principal, or current funds | | | | | |
| | 28 | Paid-in or capital surplus, or land, bldg., and equipment fund | | | | | |
| 29 | Retained earnings, accumulated income, endowment, or other funds | | | | | | |
| 30 | Total net assets or fund balances | | | 47,929,871. | 52,064,315. | | |
| 31 | Total liabilities and net assets/fund balances | | | 47,929,871. | 52,174,315. | | |

Part III Analysis of Changes in Net Assets or Fund Balances

| | | | |
|---|--|---|--------------------|
| 1 | Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return) | 1 | 47,929,871. |
| 2 | Enter amount from Part I, line 27a | 2 | -1,798,178. |
| 3 | Other increases not included in line 2 (itemize) UNREALIZED GAINS ON INVESTMENTS | 3 | 5,932,622. |
| 4 | Add lines 1, 2, and 3 | 4 | 52,064,315. |
| 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 | 52,064,315. |

Part IV Capital Gains and Losses for Tax on Investment Income

| (a) List and describe the kind(s) of property sold (for example, real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.) | (b) How acquired P - Purchase D - Donation | (c) Date acquired (mo., day, yr.) | (d) Date sold (mo., day, yr.) |
|---|--|--------------------------------------|----------------------------------|
| 1a PUBLICLY TRADED SECURITIES | | | |
| b CAPITAL GAINS | | | |
| c | | | |
| d | | | |
| e | | | |

| (e) Gross sales price | (f) Depreciation allowed (or allowable) | (g) Cost or other basis plus expense of sale | (h) Gain or (loss) (e) plus (f) minus (g) |
|-----------------------|--|---|--|
| a 1,595,569. | | 1,764,236. | -168,667. |
| b 219,171. | | | 219,171. |
| c | | | |
| d | | | |
| e | | | |

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69.

| (i) FMV as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col. (i) over col. (j), if any | (l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h)) |
|------------------------|--------------------------------------|---|---|
| a | | | -168,667. |
| b | | | 219,171. |
| c | | | |
| d | | | |
| e | | | |

| | | |
|--|----------|----------------|
| 2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 | 2 | 50,504. |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8 | 3 | N/A |

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the foundation doesn't qualify under section 4940(e). Do not complete this part.

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

| (a) Base period years Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio (col. (b) divided by col. (c)) |
|--|--|--|---|
| 2016 | 1,996,537. | 45,847,171. | .043548 |
| 2015 | 1,658,800. | 45,531,533. | .036432 |
| 2014 | 49,086. | 30,182,995. | .001626 |
| 2013 | | | |
| 2012 | | | |

| | | |
|---|----------|--------------------|
| 2 Total of line 1, column (d) | 2 | .081606 |
| 3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5.0, or by the number of years the foundation has been in existence if less than 5 years | 3 | .027202 |
| 4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5 | 4 | 48,252,707. |
| 5 Multiply line 4 by line 3 | 5 | 1,312,570. |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) | 6 | 4,775. |
| 7 Add lines 5 and 6 | 7 | 1,317,345. |
| 8 Enter qualifying distributions from Part XII, line 4 | 8 | 2,316,606. |

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

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

Table with 11 rows for excise tax calculations. Includes categories like 'Exempt operating foundations', 'Domestic foundations that meet the section 4940(e) requirements', and 'Total credits and payments'. Total tax due is 5,025.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Questions include 'Did the foundation attempt to influence any national, state, or local legislation?', 'Did it spend more than \$100 during the year for political purposes?', and 'Did the foundation have at least \$5,000 in assets at any time during the year?'. Includes 'Yes' and 'No' columns.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. See instructions
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges?
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
14 The books are in care of WILLIAM G. GRAVES Telephone no. 612-389-9820
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - check here
16 At any time during calendar year 2017, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?

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

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

1a During the year, did the foundation (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official?
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?
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2017?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of tax year 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017?
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income?
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 2017 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period?
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2017?

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: | | | Yes | No |
| (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| (3) Provide a grant to an individual for travel, study, or other similar purposes? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| (4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance? See instructions | N/A | 5b | | |
| Organizations relying on a current notice regarding disaster assistance, check here | <input type="checkbox"/> | | | |
| 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? | N/A <input type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| If "Yes," attach the statement required by Regulations section 53.4945-5(d). | | | | |
| 6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | 6b | | X |
| 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? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? | N/A | 7b | | |

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

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

| (a) Name and address | (b) Title, and average hours per week devoted to position | (c) Compensation (If not paid, enter -0-) | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|--|---|---|---|---------------------------------------|
| WILLIAM G. GRAVES 2929 CHICAGO AVENUE S, STE 100 MINNEAPOLIS, MN 55407 | TRUSTEE/PRESIDENT 40.00 | 109,361. | 7,549. | 0. |
| JOHN E. GRAVES 2929 CHICAGO AVENUE S, STE 100 MINNEAPOLIS, MN 55407 | TRUSTEE 1.00 | 0. | 0. | 0. |
| DENISE A. GRAVES 2929 CHICAGO AVENUE S, STE 100 MINNEAPOLIS, MN 55407 | TRUSTEE 1.00 | 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 |
|--|---|------------------|---|---------------------------------------|
| DESEANDRA SHEPPHEARD - 2929 CHICAGO AVENUE S, STE 100, MINNEAPOLIS, MN | DIRECTOR OF GRANTS & OPERATIONS 40.00 | 95,423. | 5,430. | 0. |
| KYRRA RANKINE - 2929 CHICAGO AVENUE S, STE 100, MINNEAPOLIS, MN 55407 | PARTNERSHIPS AND INITIATIVES DIRECT 40.00 | 81,448. | 10,055. | 0. |

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 |
|--|--------------------------|------------------|
| RBC WEALTH MANAGEMENT - 1015 WEST ST. GERMAIN, STE 400, ST. CLOUD, MN 56301 | INVESTMENT MANAGEMENT | 279,994. |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

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

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

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

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

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

| | | | |
|----------|---|-----------|-------------|
| 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 | 38,099,788. |
| b | Average of monthly cash balances | 1b | 9,060,687. |
| c | Fair market value of all other assets | 1c | 1,827,045. |
| d | Total (add lines 1a, b, and c) | 1d | 48,987,520. |
| 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 | 48,987,520. |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) | 4 | 734,813. |
| 5 | Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4 | 5 | 48,252,707. |
| 6 | Minimum investment return. Enter 5% of line 5 | 6 | 2,412,635. |

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 | 2,412,635. |
| 2a | Tax on investment income for 2017 from Part VI, line 5 | 2a | 4,775. |
| b | Income tax for 2017. (This does not include the tax from Part VI.) | 2b | |
| c | Add lines 2a and 2b | 2c | 4,775. |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1 | 3 | 2,407,860. |
| 4 | Recoveries of amounts treated as qualifying distributions | 4 | 0. |
| 5 | Add lines 3 and 4 | 5 | 2,407,860. |
| 6 | Deduction from distributable amount (see instructions) | 6 | 0. |
| 7 | Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 | 7 | 2,407,860. |

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 | 2,316,606. |
| 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 | Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8; and Part XIII, line 4 | 4 | 2,316,606. |
| 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 | 4,775. |
| 6 | Adjusted qualifying distributions. Subtract line 5 from line 4 | 6 | 2,311,831. |

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

Part XIII Undistributed Income (see instructions)

| | (a) Corpus | (b) Years prior to 2016 | (c) 2016 | (d) 2017 |
|--|---------------|----------------------------|-------------|-------------|
| 1 Distributable amount for 2017 from Part XI, line 7 | | | | 2,407,860. |
| 2 Undistributed income, if any, as of the end of 2017: | | | | |
| a Enter amount for 2016 only | | | 1,605,475. | |
| b Total for prior years: | | 0. | | |
| 3 Excess distributions carryover, if any, to 2017: | | | | |
| a From 2012 | | | | |
| b From 2013 | | | | |
| c From 2014 | | | | |
| d From 2015 | | | | |
| e From 2016 | | | | |
| f Total of lines 3a through e | 0. | | | |
| 4 Qualifying distributions for 2017 from Part XII, line 4: ▶ \$ 2,316,606. | | | | |
| a Applied to 2016, but not more than line 2a | | | 1,605,475. | |
| b Applied to undistributed income of prior years (Election required - see instructions) | | 0. | | |
| c Treated as distributions out of corpus (Election required - see instructions) | 0. | | | |
| d Applied to 2017 distributable amount | | | | 711,131. |
| e Remaining amount distributed out of corpus | 0. | | | |
| 5 Excess distributions carryover applied to 2017 (If an amount appears in column (d), the same amount must be shown in column (a).) | 0. | | | 0. |
| 6 Enter the net total of each column as indicated below: | | | | |
| a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 | 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 2016. Subtract line 4a from line 2a. Taxable amount - see instr. | | | 0. | |
| f Undistributed income for 2017. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2018 | | | | 1,696,729. |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions) | 0. | | | |
| 8 Excess distributions carryover from 2012 not applied on line 5 or line 7 | 0. | | | |
| 9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a | 0. | | | |
| 10 Analysis of line 9: | | | | |
| a Excess from 2013 | | | | |
| b Excess from 2014 | | | | |
| c Excess from 2015 | | | | |
| d Excess from 2016 | | | | |
| e Excess from 2017 | | | | |

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

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

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

| | Tax year | Prior 3 years | | | (e) Total |
|---|----------|---------------|----------|----------|-----------|
| | (a) 2017 | (b) 2016 | (c) 2015 | (d) 2014 | |
| 2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed | | | | | |
| b 85% of line 2a | | | | | |
| c Qualifying distributions from Part XII, line 4 for each year listed | | | | | |
| d Amounts included in line 2c not used directly for active conduct of exempt activities | | | | | |
| e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c | | | | | |
| 3 Complete 3a, b, or c for the alternative test relied upon: | | | | | |
| a "Assets" alternative test - enter: | | | | | |
| (1) Value of all assets | | | | | |
| (2) Value of assets qualifying under section 4942(j)(3)(B)(i) | | | | | |
| b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed | | | | | |
| c "Support" alternative test - enter: | | | | | |
| (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) | | | | | |
| (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) | | | | | |
| (3) Largest amount of support from an exempt organization | | | | | |
| (4) Gross investment income | | | | | |

Part XV Supplementary Information (Complete this part only if the 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).)

JOHN E. GRAVES

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

NONE

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

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

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

SEE STATEMENT 11

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 Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
| a Paid during the year | | | | |
| ACHIEVEMPLS 111 THIRD AVENUE SOUTH, SUITE 5 MINNEAPOLIS, MN 55401 | N/A | PC | MELA WINNER GRANTS | 72,131. |
| AFRICAN IMMIGRANT SERVICES INC. 8401 73RD AVENUE NORTH, SUITE E8 BROOKLYN PARK, MN 55428 | N/A | PC | 2017 PARENT ENGAGEMENT GRANT | 40,000. |
| AFRICAN IMMIGRANT SERVICES INC. 8401 73RD AVENUE NORTH, SUITE E8 BROOKLYN PARK, MN 55428 | N/A | PC | PEG CONFERENCE GRANT | 1,709. |
| AUDUBON CENTER OF THE NORTH WOODS 54165 AUDUBON RD SANDSTONE, MN 55072 | N/A | PC | TSLP REGIONAL SCHOOL TURNAROUND GRANT | 60,000. |
| BENILDE-ST. MARGARET'S SCHOOL 2501 HIGHWAY 100 SOUTH ST. LOUIS PARK, MN 55416 | N/A | PC | 2017 TUITION ASSISTANCE GRANT | 86,370. |
| Total | SEE CONTINUATION SHEET(S) | | | 1,706,285. |
| b Approved for future payment | | | | |
| NONE | | | | |
| Total | | | | |
| | | | | 0. |

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Table with 5 columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include program service revenue, membership dues, interest on savings, dividends, rental income, investment income, gain or loss from sales, and other revenue. Totals are 0, 825,071, 0, 825,071.

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

Table with 2 columns: 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).

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

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

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

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

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. All entries are N/A.

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

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

Paid Preparer Use Only: Print/Type preparer's name: KAREN GRIES; Preparer's signature: [Signature]; Date: 11/9/2018; Check [] if self-employed; PTIN: P00078514; Firm's name: CLIFTONLARSONADLEN LLP; Firm's EIN: 41-0746749; Firm's address: 220 SOUTH SIXTH STREET, SUITE 300 MINNEAPOLIS, MN 55402; Phone no.: 612-376-4500

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

| Recipient Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|--|--|--------------------------------------|--|-------------------|
| BREAKTHROUGH TWIN CITIES 2051 LARPENTEUR AVENUE EAST ST. PAUL, MN 55109 | N/A | PC | TEACHER PIPELINE - PHASE #1 | 62,500. |
| CENTER FOR DISASTER PHILANTHROPY 1201 CONNECTICUT AVE NW, SUITE 300 WASHINGTON, DC 20036 | N/A | PC | HURRICANE HARVEY RELIEF | 10,000. |
| CENTER SCHOOL 2421 BLOOMINGTON AVE S MINNEAPOLIS, MN 55404 | N/A | PC | CENTER SCHOOL 2017 GRANT | 30,000. |
| CHILDREN'S HEALTH CARE FOUNDATION 5501 DICKSON ROAD MINNETONKA, MN 55345 | N/A | PC | PTATC MATCH GRANT | 20,000. |
| CRISTO REY JESUIT HIGH SCHOOL 2924 4TH AVENUE SOUTH MINNEAPOLIS, MN 55408 | N/A | PC | DIVERSITY AND INCLUSION CONFERENCE GRANT | 5,000. |
| ED ALLIES 2800 UNIVERSITY AVE SE #200 MINNEAPOLIS, MN 55414 | N/A | PC | 2017 GENERAL OPERATING GRANT | 25,000. |
| ED ALLIES 2800 UNIVERSITY AVE SE #200 MINNEAPOLIS, MN 55414 | N/A | PC | SPONSORSHIP OF MAYORS FORUM ON EDUCATION | 5,000. |
| EDUCATORS 4 EXCELLENCE 80 PINE STREET, 28TH FLOOR NEW YORK, NY 10005 | N/A | PC | 2017 GENERAL OPERATIONS GRANT | 30,000. |
| EDUCATORS 4 EXCELLENCE 80 PINE STREET, 28TH FLOOR NEW YORK, NY 10005 | N/A | PC | E4E MEMBER SUMMIT GRANT | 3,000. |
| EDUCATORS EVOLVING 322 MINNESOTA ST W1360 ST PAUL, MN 55101 | N/A | PC | GENERAL OPERATIONS GRANT | 30,000. |
| Total from continuation sheets | | | | 1,446,075. |

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

| Recipient Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|--|--|--------------------------------------|---|----------|
| GRANTMAKERS CONCERNED WITH IMMIGRANTS AND REFUGEES PO BOX 1100 SEBASTOPOL, CA 95473 | N/A | PC | UNDOCU FUND FIRE RELIEF- RISE UP SONOMA | 25,000. |
| GREATER HOUSTON COMMUNITY FOUNDATION 5120 WOODWAY DR, SUITE 6000 HOUSTON, TX 77056 | N/A | PC | HURRICANE HARVEY RELIEF | 10,000. |
| HEADWATERS FOUNDATION -JUSTICE 2801 21ST AVE S #131 MINNEAPOLIS, MN 55407 | N/A | PC | 2017 DEMOCRACY FUNDING AND GENERAL OPERATIONS GRANT | 50,000. |
| HIAWATHA LEADERSHIP ACADEMY 1611 EAST 46TH STREET MINNEAPOLIS, MN 55407 | N/A | PC | GENERAL OPERATIONS GRANT | 50,000. |
| LATINO YOUTH DEVELOPMENT COLLABORATIVE 310 E 338TH ST #136 MINNEAPOLIS, MN 55409 | N/A | PC | 2017/18 FAMILY EMPOWERMENT GRANT | 100,000. |
| INTERNATIONAL OUTREACH CHURCH 12115 16TH AVENUE SOUTH BURNSVILLE, MN 55337 | N/A | PC | PARENT MENTOR PROGRAM BRIDGE GRANT | 75,000. |
| LOVEWORKS ACADEMY FOR VISUAL & PERFORMING ARTS 2225 ZENITH AVENUE NORTH GOLDEN VALLEY, MN 55422 | N/A | PC | LWA BOARD DEVELOPMENT GRANT | 5,000. |
| MAP FOR NONPROFITS 2314 UNIVERSITY AVENUE WEST, SUITE 28 ST. PAUL, MN 55114 | N/A | PC | 2017 PARTNERSHIP FOR PERMANENCE | 14,000. |
| MAP FOR NONPROFITS 2314 UNIVERSITY AVENUE WEST, SUITE 28 ST. PAUL, MN 55114 | N/A | PC | CAAL 2017 GRANT | 30,000. |
| MAYDM INC. 14W MIFFLIN ST, SUITE 306 MADISON, MN 53703 | N/A | PC | 26 LETTERS 2017 GRANT | 25,000. |
| Total from continuation sheets | | | | |

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

| Recipient Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|--|--------------------------------------|--|----------|
| METROPOLITAN STATE UNIVERSITY 700 7TH STE E ST PAUL, MN 55106 | N/A | GOV | 2017 URBAN TEACHERS PROGRAM | 46,200. |
| MINNEAPOLIS FOUNDATION 800 IDS CENTER 80 S 8TH ST MINNEAPOLIS, MN 55402 | N/A | PC | NORTHSIDE FUNDERS GROUP GRANT | 100,000. |
| MINNESOTA COMEBACK 710 SOUTH 2ND STREET, SUITE 400 MINNEAPOLIS, MN 55401 | N/A | PC | 2017 MN COMEBACK STRATEGIC FUND GRANT | 100,000. |
| MINNESOTA COMEBACK 710 SOUTH 2ND STREET, SUITE 400 MINNEAPOLIS, MN 55401 | N/A | PC | GREAT MN SCHOOLS FUND | 100,000. |
| MINNESOTA EDUCATION EQUITY PARTNERSHIP 2233 UNIVERSITY AVE W ST PAUL, MN 55114 | N/A | PC | 2017 MULTI YEAR GRANT | 40,000. |
| MINNESOTA LITERACY COUNCIL 700 RAYMOND AVE, SUITE 180 ST PAUL, MN 55114 | N/A | PC | 2017 PARENT ENGAGEMENT GRANT | 30,000. |
| NONPROFITS ASSISTANCE FUND 2801 21ST AVE S #210 MINNEAPOLIS, MN 55407 | N/A | PC | MN HOST HOME NETWORK | 5,000. |
| NORTHEAST COLLEGE PREP 2511 TAYLOR STREET NORTHEAST MINNEAPOLIS, MN 55418 | N/A | PC | 2017 GRANT | 25,000. |
| PROJECT FOR PRIDE IN LIVING 1035 EAST FRANKLIN AVENUE MINNEAPOLIS, MN 55404 | N/A | PC | LEAPS GRANT 2017 | 40,000. |
| PROPEL NONPROFITS SE MAIN ST, SUITE 600 MINNEAPOLIS, MN 55414 | N/A | PC | 2017 FAMILY EMPOWERMENT GRANT | 10,000. |
| Total from continuation sheets | | | | |

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

| Recipient Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|--|--------------------------------------|---------------------------------------|----------|
| ROOSEVELT HIGH SCHOOL 4059 S 28TH AVE MINNEAPOLIS, MN 55406 | N/A | GOV | 2017 ARTS GRANT | 39,875. |
| STUDENTS FOR EDUCATION REFORM 21 WEST 46TH STREET, SUITE 701 NEW YORK, NY 10036 | N/A | PC | GENERAL OPERATIONS GRANT | 40,000. |
| TEACH FOR AMERICA, INC. 25 BROADWAY 12TH FLOOR NEW YORK, NY 10004 | N/A | PC | TFA TWIN CITIES GENERAL OPERATIONS | 25,000. |
| THE BRIDGE FOR YOUTH 1111 W 22ND ST MINNEAPOLIS, MN 55405 | N/A | PC | GENERAL OPERATIONS GRANT | 50,000. |
| THE LINK 1210 GLENWOOD AVENUE MINNEAPOLIS, MN 55405 | N/A | PC | PERIS YOUTH ADVISORY CNCL | 20,000. |
| THE WILDFLOWER FOUNDATION 5411 ABBOTT PL EDINA, MN 55410 | N/A | PC | 2017 EDUCATION GRANT | 100,000. |
| UNITED WAY OF GREATER HOUSTON 50 WAUGH DR HOUSTON, TX 77007 | N/A | PC | HURRICANE HARVEY RELIEF | 10,000. |
| WAY TO GROW 125 WEST BROADWAY AVENUE, #110 MINNEAPOLIS, MN 55411 | N/A | PC | PARENT ENGAGEMENT GRANT | 25,000. |
| WAYZATA SAILING FOUNDATION DBA WAYZATA COMMUNITY SAILING CENTER PO BOX 768 WAYZATA, MN 55391 | N/A | PC | 2017 ADAPTIVE SAILING GRANT | 3,000. |
| XPERITAS 129 N 2ND ST, SUITE 102 MINNEAPOLIS, MN 55401 | N/A | PC | NORTH HIGH GL SCHOLARSHIP GRANT | 2,500. |
| Total from continuation sheets | | | | |

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

| Recipient | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|--|---|--------------------------------|----------------------------------|---------|
| Name and address (home or business) | | | | |
| YOUTHLINK 41 NORTH 12TH STREET MINNEAPOLIS, MN 55403 | N/A | PC | 2017 HTHP SUPPLEMENTAL GRANT | 30,000. |
| | | | | |
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| | | | | |
| Total from continuation sheets | | | | |

Underpayment of Estimated Tax by Corporations

Department of the Treasury
Internal Revenue Service

▶ Attach to the corporation's tax return.

FORM 990-PF

▶ Go to www.irs.gov/Form2220 for instructions and the latest information.

2017

Name **JOHN & DENISE GRAVES FOUNDATION** Employer identification number **47-1300668**

Note: Generally, the corporation isn't required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38 on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

| Part I Required Annual Payment | | | |
|--------------------------------|--|----|--------|
| 1 | Total tax (see instructions) | 1 | 4,775. |
| 2a | Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1 | 2a | |
| 2b | Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method | 2b | |
| 2c | Credit for federal tax paid on fuels (see instructions) | 2c | |
| d | Total. Add lines 2a through 2c | 2d | |
| 3 | Subtract line 2d from line 1. If the result is less than \$500, do not complete or file this form. The corporation doesn't owe the penalty | 3 | 4,775. |
| 4 | Enter the tax shown on the corporation's 2016 income tax return. See instructions. Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5 | 4 | 4,828. |
| 5 | Required annual payment. Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3 | 5 | 4,775. |

Part II Reasons for Filing - Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it doesn't owe a penalty. See instructions.

- 6 The corporation is using the adjusted seasonal installment method.
- 7 The corporation is using the annualized income installment method.
- 8 The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

| Part III Figuring the Underpayment | | (a) | (b) | (c) | (d) |
|--|---|----------|----------|----------|----------|
| 9 | Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th months of the corporation's tax year | 05/15/17 | 06/15/17 | 09/15/17 | 12/15/17 |
| 10 | Required installments. If the box on line 6 and/or line 7 above is checked, enter the amounts from Sch A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% (0.25) of line 5 above in each column | 1,194. | 1,194. | 1,193. | 1,194. |
| 11 | Estimated tax paid or credited for each period. For column (a) only, enter the amount from line 11 on line 15. See instructions | 3,795. | 1,323. | 3,682. | |
| Complete lines 12 through 18 of one column before going to the next column. | | | | | |
| 12 | Enter amount, if any, from line 18 of the preceding column | | 2,601. | 2,730. | 5,219. |
| 13 | Add lines 11 and 12 | | 3,924. | 6,412. | 5,219. |
| 14 | Add amounts on lines 16 and 17 of the preceding column | | | | |
| 15 | Subtract line 14 from line 13. If zero or less, enter -0- | 3,795. | 3,924. | 6,412. | 5,219. |
| 16 | If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0- | | 0. | 0. | |
| 17 | Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18 | | | | |
| 18 | Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column | 2,601. | 2,730. | 5,219. | |

Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17 - no penalty is owed.

Part IV Figuring the Penalty

| | (a) | (b) | (c) | (d) |
|---|-----|-----|-----|-----|
| 19 Enter the date of payment or the 15th day of the 4th month after the close of the tax year, whichever is earlier. (C Corporations with tax years ending June 30 and S corporations: Use 3rd month instead of 4th month. Form 990-PF and Form 990-T filers: Use 5th month instead of 4th month.) See instructions | 19 | | | |
| 20 Number of days from due date of installment on line 9 to the date shown on line 19 | 20 | | | |
| 21 Number of days on line 20 after 4/15/2017 and before 7/1/2017 | 21 | | | |
| 22 Underpayment on line 17 x $\frac{\text{Number of days on line 21}}{365} \times 4\% (0.04)$ | 22 | \$ | \$ | \$ |
| 23 Number of days on line 20 after 06/30/2017 and before 10/1/2017 | 23 | | | |
| 24 Underpayment on line 17 x $\frac{\text{Number of days on line 23}}{365} \times 4\% (0.04)$ | 24 | \$ | \$ | \$ |
| 25 Number of days on line 20 after 9/30/2017 and before 1/1/2018 | 25 | | | |
| 26 Underpayment on line 17 x $\frac{\text{Number of days on line 25}}{365} \times 4\% (0.04)$ | 26 | \$ | \$ | \$ |
| 27 Number of days on line 20 after 12/31/2017 and before 4/1/2018 | 27 | | | |
| 28 Underpayment on line 17 x $\frac{\text{Number of days on line 27}}{365} \times 4\% (0.04)$ | 28 | \$ | \$ | \$ |
| 29 Number of days on line 20 after 3/31/2018 and before 7/1/2018 | 29 | | | |
| 30 Underpayment on line 17 x $\frac{\text{Number of days on line 29}}{365} \times \%$ | 30 | \$ | \$ | \$ |
| 31 Number of days on line 20 after 6/30/2018 and before 10/1/2018 | 31 | | | |
| 32 Underpayment on line 17 x $\frac{\text{Number of days on line 31}}{365} \times \%$ | 32 | \$ | \$ | \$ |
| 33 Number of days on line 20 after 9/30/2018 and before 1/1/2019 | 33 | | | |
| 34 Underpayment on line 17 x $\frac{\text{Number of days on line 33}}{365} \times \%$ | 34 | \$ | \$ | \$ |
| 35 Number of days on line 20 after 12/31/2018 and before 3/16/2019 | 35 | | | |
| 36 Underpayment on line 17 x $\frac{\text{Number of days on line 35}}{365} \times \%$ | 36 | \$ | \$ | \$ |
| 37 Add lines 22, 24, 26, 28, 30, 32, 34, and 36 | 37 | \$ | \$ | \$ |
| 38 Penalty. Add columns (a) through (d) of line 37. Enter the total here and on Form 1120, line 33; or the comparable line for other income tax returns | 38 | \$ | | 0. |

* Use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at www.irs.gov. You can also call 1-800-829-4933 to get interest rate information.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

| SOURCE | GROSS AMOUNT | CAPITAL GAINS DIVIDENDS | (A) REVENUE PER BOOKS | (B) NET INVESTMENT INCOME | (C) ADJUSTED NET INCOME |
|-------------------|--------------|-------------------------|-----------------------|---------------------------|-------------------------|
| DIVIDENDS | 751,949. | 0. | 751,949. | 781,527. | |
| INTEREST | 22,618. | 0. | 22,618. | 22,618. | |
| TO PART I, LINE 4 | 774,567. | 0. | 774,567. | 804,145. | |

FORM 990-PF LEGAL FEES STATEMENT 2

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVESTMENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|----------------------------|------------------------|---------------------------|-------------------------|-------------------------|
| LEGAL FEES | 1,931. | 0. | 0. | 1,931. |
| TO FM 990-PF, PG 1, LN 16A | 1,931. | 0. | 0. | 1,931. |

FORM 990-PF ACCOUNTING FEES STATEMENT 3

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVESTMENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|------------------------------|------------------------|---------------------------|-------------------------|-------------------------|
| ACCOUNTING FEES | 9,960. | 0. | 0. | 9,960. |
| TO FORM 990-PF, PG 1, LN 16B | 9,960. | 0. | 0. | 9,960. |

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVESTMENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|------------------------------|------------------------|---------------------------|-------------------------|-------------------------|
| CONSULTING FEES | 12,070. | 0. | 0. | 12,070. |
| INVESTMENT FEES | 279,994. | 328,581. | 0. | 0. |
| MARKETING FEES | 2,636. | 0. | 0. | 2,636. |
| TO FORM 990-PF, PG 1, LN 16C | 294,700. | 328,581. | 0. | 14,706. |

| | | | |
|-------------|-------|-----------|---|
| FORM 990-PF | TAXES | STATEMENT | 5 |
|-------------|-------|-----------|---|

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|-----------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| EXCISE TAXES | 10,650. | 0. | 0. | 0. |
| TO FORM 990-PF, PG 1, LN 18 | 10,650. | 0. | 0. | 0. |

| | | | |
|-------------|----------------|-----------|---|
| FORM 990-PF | OTHER EXPENSES | STATEMENT | 6 |
|-------------|----------------|-----------|---|

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|---|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| PROGRAM EXPENSE | 123,662. | 0. | 0. | 123,662. |
| TECHNOLOGY, COMPUTER, & WEBSITE FEES | 18,104. | 0. | 0. | 18,104. |
| PROFESSIONAL DEVELOPMENT | 30,000. | 0. | 0. | 30,000. |
| OFFICE EXPENSES | 28,241. | 0. | 0. | 28,241. |
| DUES & SUBSCRIPTIONS | 4,600. | 0. | 0. | 4,600. |
| FILING FEES | 25. | 0. | 0. | 25. |
| MISCELLANEOUS EXPENSE | 67. | 0. | 0. | 67. |
| BUSINESS INSURANCE | 1,146. | 0. | 0. | 1,146. |
| PARTNERSHIP EXPENSES | 0. | 48,587. | 0. | 0. |
| TO FORM 990-PF, PG 1, LN 23 | 205,845. | 48,587. | 0. | 205,845. |

| | | | |
|-------------|--|-----------|---|
| FORM 990-PF | U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS | STATEMENT | 7 |
|-------------|--|-----------|---|

| DESCRIPTION | U.S. GOV'T | OTHER GOV'T | BOOK VALUE | FAIR MARKET VALUE |
|--|---------------|----------------|------------|----------------------|
| FIXED INCOME - SEE STATEMENT 12 | X | | 1,683,346. | 1,683,346. |
| TOTAL U.S. GOVERNMENT OBLIGATIONS | | | 1,683,346. | 1,683,346. |
| TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS | | | | |
| TOTAL TO FORM 990-PF, PART II, LINE 10A | | | 1,683,346. | 1,683,346. |

| | | | |
|-------------|-----------------|-----------|---|
| FORM 990-PF | CORPORATE STOCK | STATEMENT | 8 |
|-------------|-----------------|-----------|---|

| DESCRIPTION | BOOK VALUE | FAIR MARKET VALUE |
|---|-------------|-------------------|
| US EQUITIES - SEE STATEMENT 12 | 37,076,910. | 37,076,910. |
| INTERNATIONAL EQUITIES - SEE STATEMENT 12 | 1,768,093. | 1,768,093. |
| TOTAL TO FORM 990-PF, PART II, LINE 10B | 38,845,003. | 38,845,003. |

| | | | |
|-------------|-------------------|-----------|---|
| FORM 990-PF | OTHER INVESTMENTS | STATEMENT | 9 |
|-------------|-------------------|-----------|---|

| DESCRIPTION | VALUATION METHOD | BOOK VALUE | FAIR MARKET VALUE |
|---|------------------|------------|-------------------|
| OTHER ASSETS - SEE STATEMENT 12 | FMV | 648,465. | 648,465. |
| NORTHERN PACIFIC GROWTH FOUNDATION PARTNERS, LP | FMV | 2,338,517. | 2,338,517. |
| TOTAL TO FORM 990-PF, PART II, LINE 13 | | 2,986,982. | 2,986,982. |

| | | | |
|-------------|-------------------|-----------|----|
| FORM 990-PF | OTHER LIABILITIES | STATEMENT | 10 |
|-------------|-------------------|-----------|----|

| DESCRIPTION | BOY AMOUNT | EOY AMOUNT |
|--|------------|------------|
| DEFERRED LEASEHOLD ALLOWANCE | 0. | 110,000. |
| TOTAL TO FORM 990-PF, PART II, LINE 22 | 0. | 110,000. |

FORM 990-PF

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

STATEMENT 11

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

LETTER OF INTENT ACCEPTED BY E-MAIL ONLY

NAME OF GRANT PROGRAM

EDUCATIONAL EQUITY AND FOSTER YOUTH SUPPORT

EMAIL ADDRESS

INFO@JDGRAVESFOUNDATION.ORG

FORM AND CONTENT OF APPLICATIONS

EDUCATION EQUITY: UNSOLICITED LETTERS OF INTEREST THAT ARE SUBMITTED FOLLOWING OUR GUIDELINES DURING THE MONTH OF FEBRUARY ARE ACCEPTED.

FOSTER YOUTH SUPPORT: UNSOLICITED LETTERS OF INTEREST THAT ARE SUBMITTED FOLLOWING OUR GUIDELINES WILL BE READ AS THE FOUNDATION STAFF IS ABLE. PROPOSALS SELECTED BY FOUNDATION STAFF FOR APPROVAL WILL BE REVIEWED AT SUBSEQUENT BOARD MEETINGS.

ANY SUBMISSION DEADLINES

N/A

RESTRICTIONS AND LIMITATIONS ON AWARDS

THE GRAVES FAMILY FOUNDATION FUNDS: ORGANIZATIONS AND PROGRAMS SERVING DISADVANTAGED CHILDREN AND YOUTH, AGES 0-25, WHO ARE RESIDENTS OF MINNEAPOLIS AND ITS FIRST RING SUBURBS; ORGANIZATIONS WITH AN IRS DESIGNATED 501(C)(3) STATUS.

THE GRAVES FAMILY FOUNDATION DOES NOT FUND GRANTS: TO INDIVIDUALS; FOR SACRAMENTAL OR THEOLOGICAL FUNCTIONS OF RELIGIOUS ORGANIZATIONS; FOR ANNUAL FUNDRAISING EVENTS; TO ENDOWMENTS; FOR PROPAGANDIZING, INFLUENCING LEGISLATION AND/OR ELECTIONS, PROMOTING VOTER REGISTRATION, FOR POLITICAL CANDIDATES, POLITICAL CAMPAIGNS, OR FOR LITIGATION.



**INVESTMENT ACCESS
ACCOUNT STATEMENT
WITH PORTFOLIO FOCUS
2017 ANNUAL STATEMENT**

THE JOHN AND DENISE GRAVES FDN
ATTN BILL GRAVES

ASSET DETAIL

The Estimated Annualized Income ("EAI") for certain securities could include a return of principal or capital gains, in which case EAI depicted on this account statement would be overstated. EAI is only an estimate of income generated by the investment and the actual income may be higher or lower. In the event the investment matures, is sold or called, the full EAI may not be realized.

* The Unrealized Gain/Loss may not reflect your investments' total return. Specifically, the net cost may include dividend and capital gains distributions which have been reinvested. Additionally, the information that appears in these columns may be based on information provided by you or at your direction. RBC has not verified such data. Please see "About Your Statement" on page 2 for further information.

Your Financial Advisor has elected to display Asset Detail with the following options: asset purchases (tax lots) consolidated.

RBC CASH PLUS

Deposits in the RBC Cash Plus are not insured by the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or any governmental agency of the United States, Canada or any other jurisdiction. The Deposits in the RBC Cash Plus are obligations of the Royal Bank of Canada Three World Financial Center Branch located in New York (Branch) and the Royal Bank of Canada (RBC), and are not obligations of RBC Capital Markets LLC or any other RBC affiliates. The payment of principal and interest on Deposit Accounts at the Branch is subject to the creditworthiness of RBC. In the event of the failure of the Branch, you will be a general unsecured creditor of RBC. Deposit information is included on this statement solely as a service to our clients. Please refer to the RBC Cash Plus Disclosure Statement and our website www.rbcwm-usa.com for more information regarding the merits and risks involved with electing the RBC Cash Plus as your cash sweep option. For questions concerning Program balances, please contact your Financial Advisor.

| DESCRIPTION | BANK BALANCE | CURRENT BALANCE | PREVIOUS YEAR-END STATEMENT BALANCE | YTD INCOME |
|--|--------------|-----------------|-------------------------------------|-------------|
| RBC CASH PLUS NOT SIPC OR FDIC COVERED RBCCP UNINSURED DEPOSIT | | \$8,337,798.83 | \$10,691,107.61 | \$22,617.58 |

DEPOSITS ARE HELD AT:
RBC WFC Branch

\$8,337,798.83

New York, NY

TOTAL RBC CASH PLUS

\$8,337,798.83

\$22,617.58

US EQUITIES

| DESCRIPTION | SYMBOL/CUSIP | QUANTITY | MARKET PRICE | MARKET VALUE | NET COST * | UNREALIZED GAIN/LOSS * | ESTIMATED ANNUALIZED INCOME |
|---------------------------------------|--------------|-----------|--------------|--------------|--------------|------------------------|-----------------------------|
| ABBOTT LABORATORIES | ABT | 7,896,000 | \$57.070 | \$450,624.72 | \$334,827.34 | \$115,797.38 | \$8,843.52 |
| ALPHABET INC CLASS C CAPITAL STOCK | GOOG | 127,000 | \$1,046.400 | \$132,892.80 | \$72,646.92 | \$60,245.88 | |
| ALPHABET INC CLASS A COMMON STOCK | GOOGL | 248,000 | \$1,053.400 | \$261,243.20 | \$145,100.36 | \$116,142.84 | |
| AMAZON.COM INC | AMZN | 593,000 | \$1,169.470 | \$693,495.71 | \$220,644.76 | \$472,850.95 | |
| AMGEN INC | AMGN | 1,472,000 | \$173.900 | \$255,980.80 | \$220,708.19 | \$35,272.61 | \$7,772.16 |
| APPLE INC | AAPL | 2,012,000 | \$169.230 | \$340,490.76 | \$219,969.16 | \$120,521.60 | \$5,070.24 |
| AT&T INC | T | 6,456,000 | \$38.880 | \$251,009.28 | \$220,755.86 | \$30,253.42 | \$12,912.00 |
| AUTOMATIC DATA PROCESSING INC | ADP | 2,684,000 | \$117.190 | \$314,537.96 | \$213,930.16 | \$100,607.80 | \$6,763.68 |
| BERKSHIRE HATHAWAY INC DEL CL B | BRKB | 1,584,000 | \$198.220 | \$313,980.48 | \$220,787.14 | \$93,193.34 | |
| BRISTOL MYERS SQUIBB CO | BMJ | 3,789,000 | \$61.280 | \$232,189.92 | \$220,084.03 | \$12,105.89 | \$6,062.40 |


**Wealth
Management**

**INVESTMENT ACCESS
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WITH PORTFOLIO FOCUS
2017 ANNUAL STATEMENT**

A Division of RBC Capital Markets, LLC, Member NYSE/FINRA/SIPC.

US EQUITIES
(continued)

| DESCRIPTION | SYMBOL/CUSIP | QUANTITY | MARKET PRICE | MARKET VALUE | NET COST * | UNREALIZED GAIN/LOSS * | ESTIMATED ANNUALIZED INCOME |
|--|--------------|------------|--------------|----------------|--------------|------------------------|-----------------------------|
| CATERPILLAR INC | CAT | 2,567,000 | \$157.580 | \$404,507.86 | \$183,622.27 | \$220,885.59 | \$8,009.04 |
| CHEVRON CORPORATION | CVX | 2,115,000 | \$125.190 | \$264,776.85 | \$220,701.13 | \$44,075.72 | \$9,136.80 |
| CISCO SYSTEMS INC | CSCO | 8,389,000 | \$38.300 | \$321,298.70 | \$220,488.84 | \$100,809.86 | \$9,731.24 |
| COCA COLA COMPANY (THE) | KO | 5,326,000 | \$45.880 | \$244,356.88 | \$220,812.94 | \$23,543.94 | \$7,882.48 |
| DIAMOND HILL FDS SMALL MID CAP FD CL I | DHMX | 36,029.627 | \$22.450 | \$808,865.13 | \$671,676.00 | \$137,189.13 | \$3,927.23 |
| DOWDUPONT INC COMMON STOCK | DWDP | 8,812,000 | \$71.220 | \$627,590.64 | \$429,256.17 | \$198,334.47 | \$13,394.24 |
| DXC TECHNOLOGY COMPANY COMMON STOCK | DXC | 501,000 | \$94.900 | \$47,544.90 | \$26,148.90 | \$21,396.00 | \$360.72 |
| ECOLAB INC | ECL | 2,003,000 | \$134.180 | \$268,762.54 | \$220,931.22 | \$47,831.32 | \$3,284.92 |
| ELI LILLY & CO | LLY | 3,086,000 | \$84.460 | \$260,643.56 | \$220,609.00 | \$40,034.56 | \$6,943.50 |
| EXXON MOBIL CORP | XOM | 2,427,000 | \$83.640 | \$202,994.28 | \$213,250.32 | -\$10,256.04 | \$7,475.16 |
| FEDEX CORP | FDX | 1,376,000 | \$249.540 | \$343,367.04 | \$220,326.48 | \$123,040.56 | \$2,752.00 |
| FRANKLIN SMALL CAP GROWTH FUND-ADVISOR CL | FSCAX | 17,793.579 | \$38.470 | \$684,518.98 | \$629,003.00 | \$55,515.98 | |
| GENERAL MILLS INC | GIS | 4,103,000 | \$59.290 | \$243,266.87 | \$221,105.52 | \$22,161.35 | \$8,041.88 |
| GOLDMAN SACHS GROUP INC | GS | 1,188,000 | \$254.760 | \$302,654.88 | \$219,520.66 | \$83,134.22 | \$3,564.00 |
| HEWLETT PACKARD ENTERPRISE COMPANY COM | HPE | 5,842,000 | \$14.360 | \$83,891.12 | \$61,561.40 | \$22,329.72 | \$1,752.60 |
| HOME DEPOT INC | HD | 2,159,000 | \$189.530 | \$409,195.27 | \$220,456.98 | \$188,738.29 | \$7,686.04 |
| HONEYWELL INTL INC | HON | 2,247,000 | \$153.360 | \$344,599.92 | \$219,052.86 | \$125,547.06 | \$6,696.06 |
| HOTCHKIS & WILEY FDS MID CAP VALUE FD CL I | HWMIX | 16,816.721 | \$37.580 | \$631,972.38 | \$671,676.00 | -\$39,703.62 | \$2,556.14 |
| INTEL CORP | INTC | 6,746,000 | \$46.160 | \$311,395.36 | \$219,660.56 | \$91,734.80 | \$7,353.14 |
| INTERNATIONAL BUSINESS MACHINES CORP | IBM | 1,340,000 | \$153.420 | \$205,582.80 | \$220,512.63 | -\$14,929.83 | \$8,040.00 |
| ISHARES RUSSELL 1000 ETF | IWB | 7,917,000 | \$148.610 | \$1,176,545.37 | \$889,284.92 | \$287,260.45 | \$19,285.81 |
| ISHARES RUSSELL 2000 ETF | IWM | 7,716,000 | \$152.460 | \$1,176,381.36 | \$889,942.87 | \$286,438.49 | \$14,845.58 |
| ISHARES RUSSELL 3000 ETF | IWV | 4,446,000 | \$158.170 | \$703,223.82 | \$531,919.31 | \$171,304.51 | \$11,079.43 |
| ISHARES SELECT DIVIDEND ETF | DVY | 5,858,000 | \$98.560 | \$577,364.48 | \$445,813.43 | \$131,551.05 | \$17,316.25 |
| JOHNSON & JOHNSON | JNJ | 2,177,000 | \$139.720 | \$304,170.44 | \$220,930.92 | \$83,239.52 | \$7,314.72 |
| JPMORGAN CHASE & CO | JPM | 3,608,000 | \$106.940 | \$385,839.52 | \$220,274.52 | \$165,565.00 | \$8,081.92 |



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THE JOHN AND DENISE GRAVES FDN
ATTN BILL GRAVES

| US EQUITIES (continued) | DESCRIPTION | SYMBOL/CUSIP | QUANTITY | MARKET PRICE | MARKET VALUE | NET COST * | UNREALIZED GAIN/LOSS * | ESTIMATED ANNUALIZED INCOME |
|----------------------------|--|--------------|------------|--------------|----------------|----------------|------------------------|-----------------------------|
| | KIMBERLY CLARK CORP | KMB | 1,985.000 | \$120.660 | \$239,510.10 | \$217,476.40 | \$22,033.70 | \$7,701.80 |
| | MCDONALDS CORP | MCD | 2,284.000 | \$172.120 | \$393,122.08 | \$220,485.64 | \$172,636.44 | \$9,227.36 |
| | MERCK & CO INC | MRK | 3,837.000 | \$56.270 | \$215,907.99 | \$220,381.23 | -\$4,473.24 | \$7,367.04 |
| | MICROSOFT CORP | MSFT | 4,792.000 | \$85.540 | \$409,907.68 | \$219,854.29 | \$190,053.39 | \$8,050.56 |
| | MONSANTO CO | MON | 2,018.000 | \$116.780 | \$235,662.04 | \$220,716.68 | \$14,945.36 | \$4,358.88 |
| | ORACLE CORPORATION | ORCL | 5,468.000 | \$47.280 | \$258,527.04 | \$220,527.26 | \$37,999.78 | \$4,155.68 |
| | PFIZER INC | PFE | 7,022.000 | \$36.220 | \$254,336.84 | \$221,097.41 | \$33,239.43 | \$9,549.92 |
| | PROCTER & GAMBLE CO | PG | 2,691.000 | \$91.880 | \$247,249.08 | \$220,303.50 | \$26,945.58 | \$7,421.78 |
| | SECTOR SPDR TRUST SBI CONSUMER STAPLES | XLP | 17,104.000 | \$56.890 | \$973,046.56 | \$834,037.38 | \$139,009.18 | \$25,467.86 |
| | SELECT SECTOR SPDR FUND SHS BEN INT MATERIALS | XLB | 5,848.000 | \$60.530 | \$353,979.44 | \$264,298.83 | \$89,680.61 | \$5,883.09 |
| | SELECT SECTOR SPDR FUND SHS BEN CONSUMER DISCRETIONARY | XLY | 13,647.000 | \$98.690 | \$1,346,822.43 | \$1,016,656.78 | \$330,165.65 | \$16,171.70 |
| | SELECT SECTOR SPDR TRUST THE HEALTH CARE SELECT SECTOR SPDR FUND | XLV | 17,749.000 | \$82.680 | \$1,467,487.32 | \$1,271,294.44 | \$196,192.88 | \$21,600.53 |
| | SELECT SECTOR SPDR TRUST SHS BEN INT ENERGY | XLE | 8,982.000 | \$72.260 | \$649,039.32 | \$612,495.70 | \$36,543.62 | \$19,688.54 |
| | SELECT SECTOR SPDR TRUST THE FINANCIAL SELECT SECTOR SPDR FUND | XLF | 58,155.000 | \$27.910 | \$1,623,106.05 | \$1,217,587.11 | \$405,518.94 | \$23,959.86 |
| | SELECT SECTOR SPDR TRUST THE INDUSTRIAL SELECT SECTOR SPDR FUND | XLI | 16,330.000 | \$75.670 | \$1,235,691.10 | \$869,298.98 | \$366,392.12 | \$21,849.54 |
| | SELECT SECTOR SPDR TRUST THE TECHNOLOGY SELECT SECTOR SPDR FUND | XLK | 40,468.000 | \$63.950 | \$2,587,928.60 | \$1,669,662.28 | \$918,266.32 | \$35,449.97 |
| | SELECT SECTOR SPDR TRUST THE UTILITIES SELECT SECTOR SPDR TRUST | XLU | 6,215.000 | \$52.680 | \$327,406.20 | \$277,270.68 | \$50,135.52 | \$10,888.68 |
| | SPDR S&P DIVIDEND ETF | SDY | 5,844.000 | \$94.480 | \$552,141.12 | \$445,749.52 | \$106,391.60 | \$12,272.40 |
| | SPDR S&P 500 ETF TRUST | SPY | 11,669.000 | \$266.860 | \$3,113,989.34 | \$2,310,672.21 | \$803,317.13 | \$56,034.54 |
| | SPDR SERIES TRUST S&P TELECOM | XTL | 3,456.000 | \$68.320 | \$236,113.92 | \$197,730.70 | \$38,383.22 | \$4,907.52 |
| | STRYKER CORP | SYK | 2,444.000 | \$154.840 | \$378,428.96 | \$220,394.03 | \$158,034.93 | \$4,594.72 |


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US EQUITIES
(continued)

| DESCRIPTION | SYMBOL/CUSIP | QUANTITY | MARKET PRICE | MARKET VALUE | NET COST * | UNREALIZED GAIN/LOSS * | ESTIMATED ANNUALIZED INCOME |
|---|--------------|------------|--------------|------------------------|------------------------|------------------------|-----------------------------|
| T ROWE PRICE DIVERSIFIED MID CAP GROWTH FDS INC | PRDMX | 27,140.314 | \$29.400 | \$797,925.23 | \$639,657.00 | \$158,268.23 | \$814.21 |
| TCF FINANCIAL CORPORATION COMMON STOCK | TCF | 14,439.000 | \$20.500 | \$295,999.50 | \$220,001.49 | \$75,998.01 | \$4,331.70 |
| UNITED PARCEL SVC INC CL B | UPS | 2,210.000 | \$119.150 | \$263,321.50 | \$220,515.32 | \$42,806.18 | \$7,337.20 |
| UNITED TECHNOLOGIES CORP | UTX | 2,081.000 | \$127.570 | \$265,473.17 | \$220,235.45 | \$45,237.72 | \$5,826.80 |
| US BANCORP DEL COM | USB | 5,169.000 | \$53.580 | \$276,955.02 | \$220,563.02 | \$56,392.00 | \$6,202.80 |
| VANGUARD S&P 500 ETF | VOO | 3,156.000 | \$245.290 | \$774,135.24 | \$779,295.99 | -\$5,160.75 | \$13,785.41 |
| VERIZON COMMUNICATIONS | VZ | 4,595.000 | \$52.930 | \$243,213.35 | \$220,488.04 | \$22,725.31 | \$10,844.20 |
| VF CORPORATION | VFC | 3,243.000 | \$74.000 | \$239,982.00 | \$221,253.94 | \$18,728.06 | \$5,967.12 |
| VISA INC CL A COMMON STOCK | V | 3,524.000 | \$114.020 | \$401,806.48 | \$220,018.15 | \$181,788.33 | \$2,748.72 |
| WAL-MART STORES INC | WMT | 2,941.000 | \$98.750 | \$290,423.75 | \$220,956.73 | \$69,467.02 | \$5,999.64 |
| WALT DISNEY CO | DIS | 2,282.000 | \$107.510 | \$245,337.82 | \$220,634.57 | \$24,703.25 | \$3,833.76 |
| WASTE MANAGEMENT INC DEL | WM | 4,496.000 | \$86.300 | \$388,004.80 | \$221,292.54 | \$166,712.26 | \$7,643.20 |
| WELLS FARGO & CO | WFC | 4,170.000 | \$60.670 | \$252,993.90 | \$220,748.90 | \$32,245.00 | \$6,505.20 |
| XCEL ENERGY INC | XEL | 6,555.000 | \$48.110 | \$315,361.05 | \$220,022.81 | \$95,338.24 | \$9,439.20 |
| 3M COMPANY | MMM | 1,465.000 | \$235.370 | \$344,817.05 | \$220,365.91 | \$124,451.14 | \$6,885.50 |
| TOTAL US EQUITIES | | | | \$37,076,909.65 | \$28,072,033.68 | \$9,004,875.97 | \$658,701.53 |

INTERNATIONAL EQUITIES

| DESCRIPTION | SYMBOL/CUSIP | QUANTITY | MARKET PRICE | MARKET VALUE | NET COST * | UNREALIZED GAIN/LOSS * | ESTIMATED ANNUALIZED INCOME |
|-------------------------------------|--------------|------------|--------------|-----------------------|-----------------------|------------------------|-----------------------------|
| EUROPACIFIC GROWTH FD SHS CL F-2 | AEPIX | 13,922.015 | \$56.040 | \$780,189.72 | \$671,676.00 | \$108,513.72 | \$8,492.43 |
| ISHARES MSCI EAFE ETF | EFA | 10,588.000 | \$70.310 | \$744,442.28 | \$664,235.18 | \$80,207.10 | \$19,100.75 |
| MEDTRONIC PLC COM | MDT | 3,015.000 | \$80.750 | \$243,461.25 | \$226,217.60 | \$17,243.65 | \$5,547.60 |
| TOTAL INTERNATIONAL EQUITIES | | | | \$1,768,093.25 | \$1,562,128.78 | \$205,964.47 | \$33,140.78 |



THE JOHN AND DENISE GRAVES FDN
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| TAXABLE FIXED INCOME | | | | | | | |
|--|--------------|-------------------|--------------|-----------------------------------|-----------------------|---|--------------------------------|
| DESCRIPTION | SYMBOL/CUSIP | QUANTITY | MARKET PRICE | MARKET VALUE/ ACCRUED INTEREST | NET COST * | UNREALIZED GAIN/LOSS * ANNUALIZED INCOME | ESTIMATED ANNUALIZED INCOME |
| SPDR SERIES TRUST | BIL | 7,023.000 | \$91.400 | \$641,902.20 | \$642,365.49 | -\$463.29 | \$3,946.93 |
| SPDR BLOOMBERG BARCLAYS 1 3 MINTH T BILL ETF NEW | | | | | | | |
| FRANKLIN INVS SECS TR CONV SECS FD--ADVISOR CL | FC5ZX | 20,475.123 | \$19.480 | \$398,855.40 | \$376,246.00 | \$22,609.40 | \$10,278.51 |
| ISHARES TRUST ISHARES SHORT TREASURY BOND ETF | SHV | 5,829.000 | \$110.240 | \$642,588.96 | \$642,783.66 | -\$194.70 | \$4,657.37 |
| TOTAL TAXABLE FIXED INCOME | | 33,327.123 | | \$1,683,346.56 | \$1,661,395.15 | \$21,951.41 | \$18,882.81 |
| OTHER ASSETS | | | | | | | |
| DESCRIPTION | SYMBOL/CUSIP | QUANTITY | MARKET PRICE | MARKET VALUE | NET COST * | UNREALIZED GAIN/LOSS * | |
| CALAMOS INVT TR NEW MARKET NEUTRAL FD CL I | CMNIX | 29,220.730 | \$13.070 | \$381,914.94 | \$376,246.00 | \$5,668.94 | |
| SELECT SECTOR SPDR TRUST THE REAL ESTATE SELECT SECTOR SPDR FUND | XLRE | 8,092.000 | \$32.940 | \$266,550.48 | \$263,394.44 | \$3,156.04 | |
| TOTAL OTHER ASSETS | | | | \$648,465.42 | \$639,640.44 | \$8,824.98 | |