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

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

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0052
2012
Open to public inspection

For calendar year 2012 or tax year beginning , and ending

Name of foundation: THE SYLVAN C. HERMAN FOUNDATION, INC.
A Employer identification number: 20-3265230
Number and street (or P O box number if mail is not delivered to street address): 1120 VERMONT AVENUE NW
Room/suite: 900
B Telephone number: 202-296-8366
City or town, state, and ZIP code: WASHINGTON, DC 20005
C If exemption application is pending, check here ☐

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

D 1. Foreign organizations, check here ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ☐

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

E If private foundation status was terminated under section 507(b)(1)(A), check here ☐

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 29,124,437.
J Accounting method: [X] Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis.)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received	2,297,001.			
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	216,727.	216,727.		STATEMENT 1
	4 Dividends and interest from securities	403,184.	403,184.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,440,056.			
	b Gross sales price for all assets on line 6a 23,305,513.				
	7 Capital gain net income (from Part IV, line 2)		1,440,056.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	575,373.	-25,635.	601,008.	STATEMENT 3
	12 **Total.** Add lines 1 through 11	4,932,341.	2,034,332.	601,008.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
	14 Other employee salaries and wages	933,547.	0.	265,645.	667,902.
	15 Pension plans, employee benefits				
	16a Legal fees STMT 4	770.	193.	0.	577.
	b Accounting fees STMT 5	1,800.	450.	0.	1,350.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 6	121,007.	1,868.	24,774.	54,865.
	19 Depreciation and depletion	55,295.	0.	55,295.	
	20 Occupancy	58,848.	0.	0.	58,848.
	21 Travel, conferences, and meetings	32,773.	0.	11,254.	21,519.
	22 Printing and publications				
	23 Other expenses STMT 7	287,096.	23,123.	244,040.	19,933.
	24 **Total operating and administrative expenses** Add lines 13 through 23	1,491,136.	25,634.	601,008.	824,994.
	25 Contributions, gifts, grants paid	0.			0.
	26 **Total expenses and disbursements.** Add lines 24 and 25	1,491,136.	25,634.	601,008.	824,994.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	3,441,205.			
	b **Net investment income** (if negative, enter -0-)		2,008,698.		
	c **Adjusted net income** (if negative, enter -0-)			0.	

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Part II Balance Sheets (Attached schedules and amounts in the description column should be for end-of-year amounts only)		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets 1 Cash - non-interest-bearing		542,725.	1,020,092.	1,020,092.
2 Savings and temporary cash investments		4,555,374.	5,745,253.	5,745,253.
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 ▶	3,600,000.			
Less: allowance for doubtful accounts ▶	0.	3,600,000.	3,600,000.	3,600,000.
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 9	10,768,851.	13,631,129.	14,498,647.
c Investments - corporate bonds	STMT 10	3,459,266.	2,049,181.	2,043,102.
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other	STMT 11	414,395.	766,801.	786,474.
14 Land, buildings, and equipment basis ▶	1,677,766.			
Less accumulated depreciation STMT 12 ▶	194,806.	1,513,919.	1,482,960.	1,420,817.
15 Other assets (describe ▶ DEPOSITS)		0.	10,052.	10,052.
16 **Total assets** (to be completed by all filers)		24,854,530.	28,305,468.	29,124,437.
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 13)		4,977.	14,710.	
23 **Total liabilities** (add lines 17 through 22)		4,977.	14,710.	
Net Assets or Fund Balances **Foundations that follow SFAS 117, check here ▶ ☐ 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 ▶ [X] and complete lines 27 through 31.				
27 Capital stock, trust principal, or current funds		0.	0.	
28 Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds		24,849,553.	28,290,758.	
30 **Total net assets or fund balances**		24,849,553.	28,290,758.	
31 **Total liabilities and net assets/fund balances**		24,854,530.	28,305,468.	

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	24,849,553.
2 Enter amount from Part I, line 27a	2	3,441,205.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	28,290,758.
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	28,290,758.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b	SEE ATTACHED STATEMENTS			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e	23,305,513.		21,918,322.	1,440,056.

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				
b				
c				
d				
e				1,440,056.

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** 1,440,056.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):
If gain, also enter in Part I, line 8, column (c)
If (loss), enter -0- in Part I, line 8 } **3** N/A

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2011	1,406,920.	18,008,403.	.078126
2010	1,314,187.	17,442,796.	.075343
2009	154,531.	15,528,689.	.009951
2008	178,806.	14,320,690.	.012486
2007	858,993.	5,431,350.	.158155

2	**Total** of line 1, column (d)	2	.334061
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	.066812
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	23,613,127.
5	Multiply line 4 by line 3	5	1,577,640.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	20,087.
7	Add lines 5 and 6	7	1,597,727.
8	Enter qualifying distributions from Part XII, line 4	8	848,830.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ________ (attach copy of letter if necessary-see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	40,174.
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	40,174.
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	40,174.
6 Credits/Payments:				
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	35,242.		
b Exempt foreign organizations - tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c	50,000.		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d			7	85,242.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ 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	45,068.
11 Enter the amount of line 10 to be: **Credited to 2013 estimated tax** ▶	45,068.	**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?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
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.			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (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?	2		X
If "Yes," attach a detailed description of the activities			
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		X
If "Yes," attach the statement required by General Instruction T			
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6		X
7 Did the foundation have at least $5,000 in assets at any time during the year?	7	X	
If "Yes," complete Part II, col (c), and Part XV			
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ DC, MD			
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* SEE STATEMENT 14	8b		X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

		Line	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)	11	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)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ NOT APPLICABLE

14 The books are in care of ▶ THE FOUNDATION Telephone no. ▶ 202-296-8366

Located at ▶ 1120 VERMONT AVENUE NW SUITE 900, WASHINGTON, DC ZIP+4 ▶ 20005

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

		Line	Yes	No
16	At any time during calendar year 2012, 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?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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

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

			Line	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?	☒ Yes ☐ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		1b		X
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?		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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012?	☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2012 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 2012.)*	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?		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 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ 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)? N/A **5b**

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? N/A ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53 4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: 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? ☐ Yes ☒ 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, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 15		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
SARA WATTERS 617 W PATRICK ST, FREDERICK, MD 21701	EXECUTIVE DIRECTOR 40.00	115,112.	0.	0.
WILLIAM T. WEATHERLY 617 W PATRICK ST, FREDERICK, MD 21701	EXECUTIVE DIRECTOR 40.00	53,593.	0.	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
DR. MICHAEL B. KNABLE - 4300 MONTGOMERY AVENUE, SUITE 304A, BETHESDA, MD 20814	CONSULTING	112,000.
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 SEE STATEMENT 16	1,326,002.
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	
All other program-related investments. See instructions. 3	
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	16,131,272.
b	Average of monthly cash balances	1b	4,241,446.
c	Fair market value of all other assets	1c	3,600,000.
d	Total (add lines 1a, b, and c)	1d	23,972,718.
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	23,972,718.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	359,591.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	23,613,127.
6	**Minimum investment return.** Enter 5% of line 5	6	1,180,656.

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	1,180,656.
2a	Tax on investment income for 2012 from Part VI, line 5 2a 40,174.		
b	Income tax for 2012. (This does not include the tax from Part VI) 2b		
c	Add lines 2a and 2b	2c	40,174.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,140,482.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,140,482.
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	1,140,482.

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	824,994.
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	23,836.
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	848,830.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	848,830.

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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				1,140,482.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			0.	
b Total for prior years. _____, _____, _____		0.		
3 Excess distributions carryover, if any, to 2012				
a From 2007				
b From 2008				
c From 2009				
d From 2010 264,860.				
e From 2011 528,340.				
f Total of lines 3a through e	793,200.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ $ 848,830.				
a Applied to 2011, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2012 distributable amount				848,830.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	291,652.			291,652.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	501,548.			
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 2011. Subtract line 4a from line 2a. Taxable amount - see instr			0.	
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2013.** Subtract lines 7 and 8 from line 6a	501,548.			
10 Analysis of line 9				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011 501,548.				
e Excess from 2012				

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 2012, 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			
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	(e) Total
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))

SYLVAN C. HERMAN

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 of the person to whom applications should be addressed

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

Recipient 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* NONE				
Total			▶ 3a	0.
b *Approved for future payment* NONE				
Total			▶ 3b	0.

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)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income
1 Program service revenue					
a CLINICAL ASSESSMENT FEES					13,500.
b PROGRAM FEES					459,169.
c HOUSING					99,470.
d MEALS					28,869.
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	216,727.	
4 Dividends and interest from securities			14	403,184.	
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 property					
7 Other investment income			14	-25,635.	
8 Gain or (loss) from sales of assets other than inventory			18	1,440,056.	
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.		2,034,332.	601,008.

13 **Total.** Add line 12, columns (b), (d), and (e) ..... 13 2,635,340.

(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)
1	THE SYLVAN C. HERMAN FOUNDATION, INC. (THE "FOUNDATION") WAS FORMED FOR THE PURPOSE OF SUPPORTING RESEARCH AND EDUCATION RELATED TO SCHIZOPHRENIA AND OTHER MENTAL HEALTH ILLNESSES AND PROVIDE THERAPEUTIC RESIDENTIAL TREATMENT AND REHABILITATION SERVICES FOR ADULTS STRUGGLING WITH SERIOUS PSYCHIATRIC DIAGNOSES. TO HELP OFFSET A PORTION OF THE COSTS OF THESE SERVICES, THE FOUNDATION CHARGES FEES FOR CLINICAL ASSESSMENTS, PROGRAM ACTIVITIES, HOUSING AND MEALS.

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (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	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		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) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
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 | Date 6/7/13 | Title PRESIDENT

May the IRS discuss this return with the preparer shown below (see instr)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
DWAYNE C. HOLT	Dwayne Holt	6-4-13		P00173840
Firm's name ▶ BAKER TILLY VIRCHOW KRAUSE, LLP			Firm's EIN ▶ 39-0859910	
Firm's address ▶ 8219 LEESBURG PIKE, SUITE 800 TYSONS CORNER, VA 22182			Phone no (703) 923-8300	

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2012

Name of the organization

THE SYLVAN C. HERMAN FOUNDATION, INC.

Employer identification number

20-3265230

Organization type (check one):

Filers of:	Section:
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor Complete Parts I and II.

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals Complete Parts I, II, and III

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not total to more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of $5,000 or more during the year ▶ $ ______________

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization	Employer identification number
THE SYLVAN C. HERMAN FOUNDATION, INC.	20-3265230

Part I **Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	SYLVAN C. HERMAN 2310 KALORAMA RD, NW WASHINGTON, DC 20008	$ 845,862.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
2	SYLVAN C. HERMAN 2310 KALORAMA RD, NW WASHINGTON, DC 20008	$ 1,451,139.	Person [ ] Payroll [ ] Noncash [X] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)

Name of organization	Employer identification number
THE SYLVAN C. HERMAN FOUNDATION, INC.	20-3265230

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
2	MARKETABLE SECURITIES	$ 1,451,139.	10/26/12
		$	
		$	
		$	
		$	
		$	

Name of organization: THE SYLVAN C. HERMAN FOUNDATION, INC.

Employer identification number: 20-3265230

Part III *Exclusively* religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than $1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year (Enter this information once) ▶ $

Use duplicate copies of Part III if additional space is needed

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

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

The Sylvan C Herman Foundation, Inc
EIN 20-3265230
Part VII-A line 11 Schedule of Controlled Entities Under 512(b)(13)
December 31, 2012

Entity Name	Address	City	State	Zip Code	Employer Identification Number
CLEARVIEW COMMUNITIES LLC	1120 VERMONT AVENUE NW, SUITE 900	WASHINGTON	DC	20005-3532	27-4060312
107 WEST THIRD STREET LLC	1120 VERMONT AVENUE NW, SUITE 900	WASHINGTON	DC	20005-3532	20-3265230
14 FAIRVIEW AVENUE LLC	1120 VERMONT AVENUE NW, SUITE 900	WASHINGTON	DC	20005-3532	20-3265230
218 NORVA AVENUE LLC	1120 VERMONT AVENUE NW, SUITE 900	WASHINGTON	DC	20005-3532	20-3265230

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold, e g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr)	(d) Date sold (mo., day, yr.)
1a	PUBLICLY TRADED SECURITIES [39692-17]	P	VARIOUS	VARIOUS
b	PUBLICLY TRADED SECURITIES [39692-17]	P	VARIOUS	VARIOUS
c	PUBLICLY TRADED SECURITIES [78763-19]	P	VARIOUS	VARIOUS
d	PUBLICLY TRADED SECURITIES [78763-19]	P	VARIOUS	VARIOUS
e	PUBLICLY TRADED SECURITIES [625918-128]	P	VARIOUS	VARIOUS
f	PUBLICLY TRADED SECURITIES [625918-128]	P	VARIOUS	VARIOUS
g	LONG-TERM CAPITAL GAIN DISTRIBUTION [625918-128]	P	VARIOUS	VARIOUS
h	PUBLICLY TRADED SECURITIES [625918-128]	P	VARIOUS	VARIOUS
i	PUBLICLY TRADED SECURITIES [625918-128]	P	VARIOUS	VARIOUS
j	PUBLICLY TRADED SECURITIES [652013-128]	P	VARIOUS	VARIOUS
k	PUBLICLY TRADED SECURITIES [652013-128]	P	VARIOUS	VARIOUS
l	PUBLICLY TRADED SECURITIES [011512-128]	P	VARIOUS	VARIOUS
m	FROM K-1 - ATLAS PIPELINE PARTNERS LP	P	VARIOUS	VARIOUS
n	FROM K-1 - ATLAS PIPELINE PARTNERS LP	P	VARIOUS	VARIOUS
o	FROM K-1 - CROSSTEX ENERGY LP	P	VARIOUS	VARIOUS

	(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	2,806,898.		2,686,310.	120,588.
b	851,547.		829,969.	21,578.
c	3,158,093.		3,110,345.	47,748.
d	1,030,045.		841,369.	188,676.
e	8,599,177.		7,719,402.	879,775.
f	2,454,438.		2,451,070.	3,368.
g				50,485.
h	63,584.		67,797.	-4,213.
i	354,000.		349,752.	4,248.
j	2,723,814.		2,703,374.	20,440.
k	1,240,077.		1,141,585.	98,492.
l	23,840.		17,349.	6,491.
m				-7.
n				1.
o				3.

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col. (k), but not less than "-0-")
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				120,588.
b				21,578.
c				47,748.
d				188,676.
e				879,775.
f				3,368.
g				50,485.
h				-4,213.
i				4,248.
j				20,440.
k				98,492.
l				6,491.
m				-7.
n				1.
o				3.

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

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05-01-12

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	FROM K-1 - ENERGY TRANSFER EQUITY LP	P	VARIOUS	VARIOUS
b	FROM K-1 - ENERGY TRANSFER PARTNERS LP	P	VARIOUS	VARIOUS
c	FROM K-1 - ENTERPRISE PRODUCTS PARTNERS LP	P	VARIOUS	VARIOUS
d	FROM K-1 - WESTERN GAS PARTNERS LP	P	VARIOUS	VARIOUS
e	FROM K-1 - WILLIAMS PARTNERS LP	P	VARIOUS	VARIOUS
f	FROM FORM 8621 - MORGAN STANLEY CREDIT PARTNERS O	P	VARIOUS	VARIOUS
g				
h				
i				
j				
k				
l				
m				
n				
o				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				-7.
b				-26.
c				-7.
d				2.
e				-50.
f				2,471.
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)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				-7.
b				-26.
c				-7.
d				2.
e				-50.
f				2,471.
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 / If (loss), enter "-0-" in Part I, line 7 }	2	1,440,056.
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

223591
05-01-12

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
4	OFFICE FURNITURE	061511	200DB	7.00	17	7,145.		7,145.				0.
5	AUTOMOBILE	061511	200DB	5.00	17	28,900.		28,900.				0.
7	(D)OFFICE EQUIPMENT - COMPUTERS - SOFT	061511	200DB	3.00	17	500.		500.				0.
9	OFFICE FURNITURE - MISC	061511	200DB	7.00	17	1,000.		1,000.				0.
	BUILDINGS - 3 HOUSES											
2	BUILDING - 14 FAIRVIEW AVE	061511	SL	27.50	17	162,305.			162,305.	3,197.		5,902.
3	BUILDING - 218 NORVA AVE	062711	SL	27.50	17	172,266.			172,266.	3,372.		6,264.
304	BUILDING - 107 WEST THIRD STREET	061511	SL	27.50	17	645,576.			645,576.	12,716.		23,475.
	* 990-PF PG 1 TOTAL - BUILDINGS - 3 HO					980,147.		0.	980,147.	19,285.	0.	35,641.
	HOUSE FURNISHINGS 107 WEST THIRD											
10	OVAL TABLE	012611	200DB	7.00	17	1,710.		1,710.				0.
13	FRENCH SIDEBOARD	012611	200DB	7.00	17	1,433.		1,433.				0.
23	NEOCLASSIC SIDE TABLE	012611	200DB	7.00	17	1,021.		1,021.				0.
24	TENNESSEE TABLE 7 SIX CHAIRS	022611	200DB	7.00	17	825.		825.				0.
25	ENGLANDER SONOMA-5 SET	022611	200DB	7.00	17	3,300.		3,300.				0.
27	LANE DALTON STATIONARY SOFA	022611	200DB	7.00	17	1,750.		1,750.				0.
28	LANE DALTON STATIONARY SOFA	022611	200DB	7.00	17	1,400.		1,400.				0.
29	LANE SURREY ENTERTAINMENT	022611	200DB	7.00	17	400.		400.				0.

228102
05-01-12

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
30	LANE SURREY COCKTAIL TABLE	022611	200DB	7.00	17	650.		650.				0.
31	LANE SURREY END TABLE	022611	200DB	7.00	17	500.		500.				0.
32	ACME QUEEN BED COMPLETE	022611	200DB	7.00	17	2,750.		2,750.				0.
36	HEIDI CHAIR	012611	200DB	7.00	17	1,312.		1,312.				0.
37	HEIDI CHAIR	012611	200DB	7.00	17	1,312.		1,312.				0.
38	ORIENTAL RUG	012611	200DB	5.00	17	908.		908.				0.
39	COCKTAIL TABLE	012611	200DB	7.00	17	581.		581.				0.
40	BEDSIDE TABLE	012611	200DB	7.00	17	428.		428.				0.
41	CONTINENTAL LAMP TABLE	012611	200DB	7.00	17	437.		437.				0.
42	CHANCELLOR SOFA	012611	200DB	7.00	17	4,724.		4,724.				0.
43	ARM CHAIR	012611	200DB	7.00	17	399.		399.				0.
44	ARM CHAIR	012611	200DB	7.00	17	399.		399.				0.
45	WALL SCONCE	080411	200DB	7.00	17	358.		358.				0.
51	MANTLE ACCESSORIES	080411	200DB	7.00	17	250.		250.				0.
53	SILK PLANT	080411	200DB	7.00	17	300.		300.				0.
55	WALL CABINET	080411	200DB	7.00	17	1,420.		1,420.				0.
59	BUILT IN SHELVES ACCESSORIES	080411	200DB	7.00	17	300.		300.				0.
61	LIGHT FIXTURE	080411	200DB	7.00	17	801.		801.				0.

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis*	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
66	ACME CHEST	022611	200DB	7.00	17	1,500.		1,500.				0.
67	ACME NIGHT STAND	022611	200DB	7.00	17	840.		840.				0.
68	ACME ARMOIRE	022611	200DB	7.00	17	1,550.		1,550.				0.
70	LIBERTY SHEAF BACK SIDE CH	022611	200DB	7.00	17	1,410.		1,410.				0.
73	LIMITED EDITION PRINTS #142/540	062311	200DB	7.00	17	1,710.		1,710.				0.
80	FLORAL ARRANGEMENTS	080411	200DB	7.00	17	600.		600.				0.
81	CONSOLE TABLE	080411	200DB	7.00	17	579.		579.				0.
86	WALL SCONCE	080411	200DB	7.00	17	358.		358.				0.
89	FRAMED ART/LGSIDEDB	080411	200DB	7.00	17	295.		295.				0.
91	LG SIDEBOARD ACCESSORIES	080411	200DB	7.00	17	400.		400.				0.
92	FLORAL ARRANGEMENT	080411	200DB	7.00	17	250.		250.				0.
94	FRAMED ART	080411	200DB	7.00	17	400.		400.				0.
96	CELLING FIXTURE	080411	200DB	7.00	17	281.		281.				0.
97	WALL SCONCE	080411	200DB	7.00	17	266.		266.				0.
102	NIGHTSTAND	080411	200DB	7.00	17	250.		250.				0.
112	LOUNGE CHAIR	080411	200DB	7.00	17	250.		250.				0.
114	LOUNGE CHAIR	080411	200DB	7.00	17	1,176.		1,176.				0.
117	BUILDING IMPROVEMENTS	041311	SL	27.50	17	26,855.			26,855.	692.		977.

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(D) - Asset disposed

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Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis *	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
118	BUILDING IMPROVEMENTS	041311	SL	27.50	17	880.			880.	23.		32.
120	URNS	082911	200DB	7.00	17	438.		438.				0.
122	CONSOLE TABLE	090711	200DB	7.00	17	400.		400.				0.
123	MIRROR	090711	200DB	7.00	17	299.		299.				0.
130	DINING CHAIRS	090711	200DB	7.00	17	260.		260.				0.
132	POTTED TREE	090711	200DB	7.00	17	690.		690.				0.
133	TABLE LAMPS	090711	200DB	7.00	17	600.		600.				0.
134	B.I.SHOWER - 3RD FLBEDROOM	092311	200DB	5.00	17	2,850.		2,850.				0.
135	B.I. VANITY BATH 3RD FLOOR	092311	200DB	5.00	17	1,823.		1,823.				0.
136	BUILDING IMPROVEMENTS	062311	SL	27.50	17	4,850.			4,850.	96.		176.
137	BUILDING IMPROVEMENTS	110111	SL	27.50	17	10,468.			10,468.	48.		381.
139	CHAIRS	070111	200DB	7.00	17	361.		361.				0.
147	LANDSCAPE ENHANCEMENT WORK	062011	SL	27.50	17	13,500.			13,500.	266.		491.
148	BLINDS	051711	200DB	5.00	17	2,742.		2,742.				0.
	* 990-PF PG 1 TOTAL - HOUSE FURNISHING					108,799.		52,246.	56,553.	1,125.	0.	2,057.
	HOUSE FURNISHINGS - 14 FAIRVIEW											
149	BUILDING IMPROVEMENTS	041311	SL	27.50	17	25,465.			25,465.	656.		926.
157	ART	082911	200DB	7.00	17	255.		255.				0.

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Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
166	BUILDING IMPROVEMENTS	092311	SL	27.50	17	28,250.			28,250.	300.		1,027.
167	BLINDS	051711	200DB	5.00	17	892.		892.				0.
168	BUILDING IMPROVEMENTS	110111	SL	27.50	17	2,413.			2,413.	11.		88.
271	SIGNAGE	020312	200DB	5.00	19B	3,968.		1,984.	1,984.			2,381.
	* 990-PF PG 1 TOTAL - HOUSE FURNISHING					61,243.		3,131.	58,112.	967.	0.	4,422.
	HOUSE FURNISHINGS - 218 NORVA											
171	TENNESSEE TABLE & 6 CHAIRS (PKG)	031811	200DB	7.00	17	825.		825.				0.
172	SIDE CHAIRS	031811	200DB	7.00	17	517.		517.				0.
173	TABLE	031811	200DB	7.00	17	307.		307.				0.
174	BED	031811	200DB	7.00	17	1,000.		1,000.				0.
175	HEADBOARDS	031811	200DB	7.00	17	481.		481.				0.
176	FOOTBOARDS	031811	200DB	7.00	17	350.		350.				0.
178	SONOMA 5 SET	031811	200DB	7.00	17	1,200.		1,200.				0.
179	ENGLANDER SONOMA	031811	200DB	7.00	17	288.		288.				0.
180	ENGLANDER SONOMA	031811	200DB	7.00	17	912.		912.				0.
181	SOFA	031811	200DB	7.00	17	1,750.		1,750.				0.
182	CHAIRS	031811	200DB	7.00	17	1,400.		1,400.				0.
183	ENTERTAINMENT CONSOLE	031811	200DB	7.00	17	400.		400.				0.

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
184	TABLES	031811	200DB	7.00	17	650.		650.				0.
185	TABLES	031811	200DB	7.00	17	500.		500.				0.
186	CHESTS	031811	200DB	7.00	17	600.		600.				0.
187	NIGHT STAND	031811	200DB	7.00	17	975.		975.				0.
191	ASSORTED RUGS	031611	200DB	5.00	17	260.		260.				0.
192	ASSORTED RUGS	022811	200DB	5.00	17	780.		780.				0.
193	BUILDING IMPROVEMENTS	092311	SL	27.50	17	26,990.			26,990.	286.		981.
194	BUILDING IMPROVEMENTS	092311	SL	27.50	17	26,500.			26,500.	281.		964.
	* 990-PF PG 1 TOTAL - HOUSE FURNISHING					66,685.		13,195.	53,490.	567.	0.	1,945.
	COMPUTERS - OFFICE EQUIPMENT											
195	HP 620 NOTEBOOK INTEL PENTIUM	040511	200DB	5.00	17	1,078.		1,078.				0.
196	HP 500B DESKTOP PC PENTIUM	040511	200DB	5.00	17	470.		470.				0.
197	SONIC WALL TZ100 FIREWALL	040511	200DB	7.00	17	270.		270.				0.
199	DELL POWEREDGE SERVER	040511	200DB	5.00	17	1,619.		1,619.				0.
200	DELL VOSTRO LAPTOP	070711	200DB	5.00	17	5,880.		5,880.				0.
201	DELL VOSTRO DESKTOP	070711	200DB	5.00	17	1,320.		1,320.				0.
293	COMPUTERS	052412	200DB	5.00	19B	16,973.		8,487.	8,486.			10,184.
	* 990-PF PG 1 TOTAL - COMPUTERS - OFFI					27,610.		19,124.	8,486.	0.	0.	10,184.

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Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
	TELEPHONE - OFFICE EQUIPMENT											
203	NEC DSX - 40 KEY SERVICE UNIT	031011	200DB	7.00	17	612.		612.				0.
206	NEC DSX - 40/80/160 INTRAMAIL	031011	200DB	7.00	17	700.		700.				0.
207	NEC DSX - 34 BUTTON BACKLIT	031011	200DB	7.00	17	1,985.		1,985.				0.
282	CELL PHONES	070112	200DB	5.00	19B	1,744.		872.	872.			1,046.
	* 990-PF PG 1 TOTAL - TELEPHONE - OFFI					5,041.		4,169.	872.	0.	0.	1,046.
	LAND											
221	LAND - 107 WEST THIRD STREET	061511	L	27.50		156,330.			156,330.			0.
222	LAND - 218 NORVA	062711	L	27.50		92,351.			92,351.			0.
223	LAND - FAIRVIEW AVE	061511	L	27.50		142,515.			142,515.			0.
	* 990-PF PG 1 TOTAL - LAND					391,196.		0.	391,196.	0.	0.	0.
	* GRAND TOTAL 990-PF PG 1 DEPR					1678266.		129,410.	1548856.	21,944.	0.	55,295.

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FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
ATLAS PIPELINE PARTNERS LP	59.
CROSSTEX ENERGY LP	35.
ENERGY TRANSFER EQUITY LP	10.
ENERGY TRANSFER PARTNERS LP	841.
MARKWEST ENERGY PARTNERS LP	25.
MORGAN STANLEY [011512-128]	29.
MORGAN STANLEY [39692-17]	98,563.
MORGAN STANLEY [625918-128]	117,146.
WESTERN GAS PARTNERS LP	18.
WILLIAM PARTNERS LP	1.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	216,727.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ENERGY TRANSFER EQUITY LP	79.	0.	79.
ENERGY TRANSFER PARTNERS LP	2,011.	0.	2,011.
FROM FORM 8621 - MORGAN STANLEY CREDIT PARTNERS OFFSHORE FEEDER L.P.	54,130.	0.	54,130.
MARKWEST ENERGY PARTNERS LP	107.	0.	107.
MORGAN STANLEY [011512-128]	17,474.	0.	17,474.
MORGAN STANLEY [39692-17]	45,051.	0.	45,051.
MORGAN STANLEY [625918-128]	154,352.	0.	154,352.
MORGAN STANLEY [652013-12]	118,361.	0.	118,361.
MORGAN STANLEY [78763-19]	11,617.	0.	11,617.
PLAINS ALL AMERICAN PIPELINE LP	1.	0.	1.
WILLIAMS PARTNERS LP	1.	0.	1.
TOTAL TO FM 990-PF, PART I, LN 4	403,184.	0.	403,184.

FORM 990-PF | OTHER INCOME | STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
MORGAN STANLEY [625918-128]	5,000.	5,000.	0.
FROM K-1 - ATLAS PIPELINE PARTNERS LP	-800.	-800.	0.
FROM K-1 - CROSSTEX ENERGY LP	-896.	-896.	0.
FROM K-1 - ENERGY TRANSFER EQUITY LP	-310.	-310.	0.
FROM K-1 - ENERGY TRANSFER PARTNERS LP	-24,762.	-24,762.	0.
FROM K-1 - ENTERPRISE PRODUCTS PARTNERS LP	-467.	-467.	0.
FROM K-1 - MAGELLAN MIDSTREAM PARTNERS LP	-121.	-121.	0.
FROM K-1 - MARKWEST ENERGY PARTNERS LP	-930.	-930.	0.
FROM K-1 - PLAINS ALL AMERICAN PIPELINE LP	-140.	-140.	0.
FROM K-1 - WESTERN GAS PARTNERS	-240.	-240.	0.
FROM K-1 - WILLIAMS PARTNERS LP	-1,969.	-1,969.	0.
CLINICAL ASSESSMENT FEES	13,500.	0.	13,500.
PROGRAM FEES	459,169.	0.	459,169.
HOUSING	99,470.	0.	99,470.
MEALS	28,869.	0.	28,869.
TOTAL TO FORM 990-PF, PART I, LINE 11	575,373.	-25,635.	601,008.

FORM 990-PF | LEGAL FEES | STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL	770.	193.	0.	577.
TO FM 990-PF, PG 1, LN 16A	770.	193.	0.	577.

FORM 990-PF ACCOUNTING FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	1,800.	450.	0.	1,350.
TO FORM 990-PF, PG 1, LN 16B	1,800.	450.	0.	1,350.

FORM 990-PF TAXES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAX PAID	39,500.	0.	0.	0.
FOREIGN TAX PAID	1,868.	1,868.	0.	0.
PAYROLL TAX PAID	54,865.	0.	0.	54,865.
REAL ESTATE TAX	23,414.	0.	23,414.	0.
PERSONAL PROPERTY TAX	1,360.	0.	1,360.	0.
TO FORM 990-PF, PG 1, LN 18	121,007.	1,868.	24,774.	54,865.

FORM 990-PF OTHER EXPENSES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT EXPENSES	23,123.	23,123.	0.	0.
SUPPLIES	37,364.	0.	36,998.	366.
MEALS AND ENTERTAINMENT	9,140.	0.	0.	9,140.
RECRUITING	54,645.	0.	54,645.	0.
SUBCONTRACTORS	5,594.	0.	5,594.	0.
MAINTENANCE	20,034.	0.	20,034.	0.
UTILITIES	17,833.	0.	17,833.	0.
INSURANCE	60,466.	0.	51,045.	9,421.
BANK SERVICE CHARGES	55.	0.	0.	55.
COMPUTER MAINTENANCE	6,824.	0.	6,708.	116.
COMMUNICATION	44,806.	0.	44,806.	0.
OTHER OPERATING EXPENSES	7,212.	0.	6,377.	835.
TO FORM 990-PF, PG 1, LN 23	287,096.	23,123.	244,040.	19,933.

FOOTNOTES STATEMENT 8

FORM 990-PF, PART VII-A, QUESTION 11, SCHEDULE OF CONTROLLED ENTITIES:

14 FAIRVIEW AVENUE LLC
836 PARK AVENUE, 2ND FLOOR
BALTIMORE, MD 21201

107 WEST THIRD STREET LLC
836 PARK AVENUE, 2ND FLOOR
BALTIMORE, MD 21201

218 NORVA AVENUE LLC
836 PARK AVENUE, 2ND FLOOR
BALTIMORE, MD 21201

CLEARVIEW COMMUNITIES LLC
EIN: 27-4060312
836 PARK AVENUE, 2ND FLOOR
BALTIMORE, MD 21201

FORM 990-PF CORPORATE STOCK STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MORGANSTANLEY - STOCKS	13,631,129.	14,498,647.
TOTAL TO FORM 990-PF, PART II, LINE 10B	13,631,129.	14,498,647.

FORM 990-PF CORPORATE BONDS STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MORGANSTANLEY - BONDS	2,049,181.	2,043,102.
TOTAL TO FORM 990-PF, PART II, LINE 10C	2,049,181.	2,043,102.

FORM 990-PF OTHER INVESTMENTS STATEMENT 11

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INVESTMENT IN MS CREDIT PARTNERS OFF FEEDER LP	COST	470,163.	470,674.
INVESTMENTS IN PUBLICLY TRADED PARTNERSHIPS	COST	296,638.	315,800.
TOTAL TO FORM 990-PF, PART II, LINE 13		766,801.	786,474.

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

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
BUILDING - 14 FAIRVIEW AVE	162,305.	9,099.	153,206.
BUILDING - 218 NORVA AVE	172,266.	9,636.	162,630.
OFFICE FURNITURE	7,145.	7,145.	0.
AUTOMOBILE	28,900.	28,900.	0.
OFFICE FURNITURE - MISC	1,000.	1,000.	0.
OVAL TABLE	1,710.	1,710.	0.
FRENCH SIDEBOARD	1,433.	1,433.	0.
NEOCLASSIC SIDE TABLE	1,021.	1,021.	0.

TENNESSEE TABLE 7 SIX CHAIRS	825.	825.	0.
ENGLANDER SONOMA-5 SET	3,300.	3,300.	0.
LANE DALTON STATIONARY SOFA	1,750.	1,750.	0.
LANE DALTON STATIONARY SOFA	1,400.	1,400.	0.
LANE SURREY ENTERTAINMENT	400.	400.	0.
LANE SURREY COCKTAIL TABLE	650.	650.	0.
LANE SURREY END TABLE	500.	500.	0.
ACME QUEEN BED COMPLETE	2,750.	2,750.	0.
HEIDI CHAIR	1,312.	1,312.	0.
HEIDI CHAIR	1,312.	1,312.	0.
ORIENTAL RUG	908.	908.	0.
COCKTAIL TABLE	581.	581.	0.
BEDSIDE TABLE	428.	428.	0.
CONTINENTAL LAMP TABLE	437.	437.	0.
CHANCELLOR SOFA	4,724.	4,724.	0.
ARM CHAIR	399.	399.	0.
ARM CHAIR	399.	399.	0.
WALL SCONCE	358.	358.	0.
MANTLE ACCESSORIES	250.	250.	0.
SILK PLANT	300.	300.	0.
WALL CABINET	1,420.	1,420.	0.
BUILT IN SHELVES ACCESSORIES	300.	300.	0.
LIGHT FIXTURE	801.	801.	0.
ACME CHEST	1,500.	1,500.	0.
ACME NIGHT STAND	840.	840.	0.
ACME ARMOIRE	1,550.	1,550.	0.
LIBERTY SHEAF BACK SIDE CH	1,410.	1,410.	0.
LIMITED EDITION PRINTS #142/540	1,710.	1,710.	0.
FLORAL ARRANGEMENTS	600.	600.	0.
CONSOLE TABLE	579.	579.	0.
WALL SCONCE	358.	358.	0.
FRAMED ART/LGSIDEDB	295.	295.	0.
LG SIDEBOARD ACCESSORIES	400.	400.	0.
FLORAL ARRANGEMENT	250.	250.	0.
FRAMED ART	400.	400.	0.
CELLING FIXTURE	281.	281.	0.
WALL SCONCE	266.	266.	0.
NIGHTSTAND	250.	250.	0.
LOUNGE CHAIR	250.	250.	0.
LOUNGE CHAIR	1,176.	1,176.	0.
BUILDING IMPROVEMENTS	26,855.	1,669.	25,186.
BUILDING IMPROVEMENTS	880.	55.	825.
URNS	438.	438.	0.
CONSOLE TABLE	400.	400.	0.
MIRROR	299.	299.	0.
DINING CHAIRS	260.	260.	0.
POTTED TREE	690.	690.	0.
TABLE LAMPS	600.	600.	0.
B.I.SHOWER - 3RD FLBEDROOM	2,850.	2,850.	0.
B.I. VANITY BATH 3RD FLOOR	1,823.	1,823.	0.
BUILDING IMPROVEMENTS	4,850.	272.	4,578.
BUILDING IMPROVEMENTS	10,468.	429.	10,039.
CHAIRS	361.	361.	0.

LANDSCAPE ENHANCEMENT WORK	13,500.	757.	12,743.
BLINDS	2,742.	2,742.	0.
BUILDING IMPROVEMENTS	25,465.	1,582.	23,883.
ART	255.	255.	0.
BUILDING IMPROVEMENTS	28,250.	1,327.	26,923.
BLINDS	892.	892.	0.
BUILDING IMPROVEMENTS	2,413.	99.	2,314.
TENNESSEE TABLE & 6 CHAIRS (PKG)	825.	825.	0.
SIDE CHAIRS	517.	517.	0.
TABLE	307.	307.	0.
BED	1,000.	1,000.	0.
HEADBOARDS	481.	481.	0.
FOOTBOARDS	350.	350.	0.
SONOMA 5 SET	1,200.	1,200.	0.
ENGLANDER SONOMA	288.	288.	0.
ENGLANDER SONOMA	912.	912.	0.
SOFA	1,750.	1,750.	0.
CHAIRS	1,400.	1,400.	0.
ENTERTAINMENT CONSOLE	400.	400.	0.
TABLES	650.	650.	0.
TABLES	500.	500.	0.
CHESTS	600.	600.	0.
NIGHT STAND	975.	975.	0.
ASSORTED RUGS	260.	260.	0.
ASSORTED RUGS	780.	780.	0.
BUILDING IMPROVEMENTS	26,990.	1,267.	25,723.
BUILDING IMPROVEMENTS	26,500.	1,245.	25,255.
HP 620 NOTEBOOK INTEL PENTIUM	1,078.	1,078.	0.
HP 500B DESKTOP PC PENTIUM	470.	470.	0.
SONIC WALL TZ100 FIREWALL	270.	270.	0.
DELL POWEREDGE SERVER	1,619.	1,619.	0.
DELL VOSTRO LAPTOP	5,880.	5,880.	0.
DELL VOSTRO DESKTOP	1,320.	1,320.	0.
NEC DSX - 40 KEY SERVICE UNIT	612.	612.	0.
NEC DSX - 40/80/160 INTRAMAIL	700.	700.	0.
NEC DSX - 34 BUTTON BACKLIT	1,985.	1,985.	0.
LAND - 107 WEST THIRD STREET	156,330.	0.	156,330.
LAND - 218 NORVA	92,351.	0.	92,351.
LAND - FAIRVIEW AVE	142,515.	0.	142,515.
SIGNAGE	3,968.	2,381.	1,587.
CELL PHONES	1,744.	1,046.	698.
COMPUTERS	16,973.	10,184.	6,789.
BUILDING - 107 WEST THIRD STREET	645,576.	36,191.	609,385.
TOTAL TO FM 990-PF, PART II, LN 14	1,677,766.	194,806.	1,482,960.

FORM 990-PF	OTHER LIABILITIES	STATEMENT 13

DESCRIPTION	BOY AMOUNT	EOY AMOUNT
PAYROLL WITHHOLDING	4,977.	1,210.
SECURITY DEPOSITS HELD	0.	13,500.
TOTAL TO FORM 990-PF, PART II, LINE 22	4,977.	14,710.

FORM 990-PF	EXPLANATION CONCERNING PART VII-A, LINE 8B	STATEMENT 14

EXPLANATION

ON DEC. 12, 2008, THE DISTRICT OF COLUMBIA OFFICE OF TAX AND REVENUE ELIMINATED THE IRS FORM 990-PF FILING OBLIGATION.

A COPY OF THE 990-PF HAS BEEN PROVIDED TO THE ATTORNEY GENERAL OF MARYLAND.

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

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
SYLVAN C. HERMAN 1120 VERMONT AVENUE NW, SUITE 900 WASHINGTON, DC 20005	DIRECTOR/PRESIDENT 5.00	0.	0.	0.
ROBERT B. HERMAN 1120 VERMONT AVENUE NW, SUITE 900 WASHINGTON, DC 20005	DIRECTOR/VICE PRESIDENT 1.00	0.	0.	0.
C. RICHARD BEYDA 2000 L STREET NW, SUITE 675 WASHINGTON, DC 20036	DIRECTOR/SECRETARY 2.00	0.	0.	0.
JAMES R. BEERS 700 NEW HAMPSHIRE AVENUE NW. #1004 WASHINGTON, DC 20037	DIRECTOR/TREASURER 1.00	0.	0.	0.
RICHARD F. LEVIN 2000 L STREET NW, SUITE 675 WASHINGTON, DC 20036	DIRECTOR 1.00	0.	0.	0.

DWAYNE HOLT 8219 LEESBURG PIKE, SUITE 800 TYSONS CORNER, VA 22182	DIRECTOR 1.00	0.	0.	0.
DR. STEVEN SHARFSTEIN SHEPPARD PRATT, 6501 N. CHARLES STREET BALTIMORE, MD 21204	DIRECTOR 0.50	0.	0.	0.
MATTHIAS B. BOWMAN 4300 MARSH LANDING BLVD., #203 JACKSONVILLE, FL 32250	DIRECTOR 0.50	0.	0.	0.
MINDY HERMAN 1120 VERMONT AVENUE NW, SUITE 900 WASHINGTON, DC 20005	DIRECTOR 0.50	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF SUMMARY OF DIRECT CHARITABLE ACTIVITIES STATEMENT 16

ACTIVITY ONE

THE SYLVAN C. HERMAN FOUNDATION, INC. (THE "FOUNDATION") WAS FORMED FOR THE PURPOSE OF SUPPORTING RESEARCH AND EDUCATION RELATED TO SCHIZOPHRENIA AND OTHER MENTAL HEALTH ILLNESSES AND PROVIDE THERAPEUTIC RESIDENTIAL TREATMENT AND REHABILITATION SERVICES FOR ADULTS STRUGGLING WITH SERIOUS PSYCHIATRIC DIAGNOSES. TO HELP OFFSET A PORTION OF THE COSTS OF THESE SERVICES, THE FOUNDATION CHARGES FEES FOR CLINICAL ASSESSMENTS, PROGRAM ACTIVITIES, HOUSING AND MEALS.

	EXPENSES
TO FORM 990-PF, PART IX-A, LINE 1	1,326,002.

Form **4562** Department of the Treasury Internal Revenue Service (99)

Depreciation and Amortization 990-PF

(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172 **2012** Attachment Sequence No 179

Name(s) shown on return	Business or activity to which this form relates	Identifying number
THE SYLVAN C. HERMAN FOUNDATION, INC.	FORM 990-PF PAGE 1	20-3265230

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

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2013 Add lines 9 and 10, less line 12 ▶	13	

Note: *Do not use Part II or Part III below for listed property Instead, use Part V*

Part II **Special Depreciation Allowance and Other Depreciation (Do not include listed property.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	11,343.
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III **MACRS Depreciation (Do not include listed property) (See instructions)**

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2012	17	41,684.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B - Assets Placed in Service During 2012 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		11,342.	5 YRS.	HY	200DB	2,268.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27 5 yrs	MM	S/L	
	/		27 5 yrs	MM	S/L	
i Nonresidential real property	/		39 yrs	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

(a) Classification of property	(b)	(c)	(d)	(e)	(f)	(g)
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV **Summary** (See instructions)

21	Listed property Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations - see instr	22	55,295.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

216251 12-28-12 LHA **For Paperwork Reduction Act Notice, see separate instructions.** Form **4562** (2012)

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

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

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

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

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use						**25**		
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						**28**		
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1							**29**	

Section B - Information on Use of Vehicles

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

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

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

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: *If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles*

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2012 tax year					
43 Amortization of costs that began before your 2012 tax year				**43**	
44 **Total.** Add amounts in column (f) See the instructions for where to report				**44**	

216252 12-28-12 Form **4562** (2012)

Morgan Stanley

Corporate Tax Statement
Tax Year 2012

THE SYLVAN C HERMAN
FDN, INC SYLVAN C HERMAN PRES
C. RICHARD BEYDA, SECRETARY
1120 VERMONT AVE NW STE 900
WASHINGTON DC 20005-3532

Morgan Stanley Smith Barney Holdings LLC
Harborside Financial Center
Plaza 2 2nd Floor
Jersey City, NJ 07311
Identification Number. 26-4310632

Taxpayer ID Number 20-3265230
Account Number: 530 625918 128

Customer Service: 866-324-6088

This information is NOT being furnished to the Internal Revenue Service. It is provided to you for informational purposes only.

1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS — OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Short Term - Covered Securities (Consider Box 6b (Basis Reported to IRS) as being checked for this section These transactions should be reported on Form 8949 Part I with box A checked)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)
ANNALY CAP MGMT INC 7.625%-C	CUSIP: 035710706		Symbol (Box 1d): NLY.C					
	5,000.000	05/09/12	09/26/12	$126,940.72	$125,000 00	$0.00	$1,940.72	$0 00
	55.000	06/07/12	09/26/12	$1,396.35	$1,372.15	$0.00	$24.20	$0 00
Security Subtotal	5,055.000			$128,337.07	$126,372.15	$0.00	$1,964.92	$0.00
EATON VANCE TAX MGD DIV EQU FD	CUSIP: 27829F108		Symbol (Box 1d): EXG					
	10,000.000	08/01/12	08/17/12	$89,119 74	$85,771 50	$0 00	$3,348.24	$0 00
	10,000.000	08/01/12	08/17/12	$89,119.73	$85,676.50	$0.00	$3,443.23	$0.00
Security Subtotal	20,000.000			$178,239.47	$171,448.00	$0.00	$6,791.47	$0.00
GENERAL ELECTRIC CO	CUSIP: 369604103		Symbol (Box 1d): GE					
	10,000.000	05/23/12	06/19/12	$200,898.99	$188,806.50	$0.00	$12,092.49	$0 00
GOLAR LNG PTNRS LP ULPI	CUSIP: Y2745C102		Symbol (Box 1d): GMLP					
	790.000	05/11/12	07/02/12	$25,284 52	$25,114.44	$0.00	$170.08	$0 00
GOLDCORP INC	CUSIP: 380956409		Symbol (Box 1d): GG					
	5,000.000	08/13/12	08/21/12	$195,728.89	$185,528 50	$0.00	$10,200.39	$0.00
ING GROEP NV 8 50%	CUSIP: 456837806		Symbol (Box 1d): IGK					
	170 919	06/15/12	08/15/12	$4,424.68	$4,314 18	$0.00	$110.50	$0 00
	0.953	06/15/12	08/16/12	$24.67	$24.05	$0.00	$0.62	$0.00
Security Subtotal	171.872			$4,449.35	$4,338.23	$0.00	$111.12	$0.00
MARKET VECTORS GOLD MINERS	CUSIP: 57060U100		Symbol (Box 1d): GDX					
	5,000.000	08/13/12	08/23/12	$238,662.14	$224,456.50	$0.00	$14,205 64	$0.00

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Morgan Stanley

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Tax Year 2012

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1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS (continued) OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Short Term - Covered Securities (Consider Box 6b (Basis Reported to IRS) as being checked for this section. These transactions should be reported on Form 8949 Part I with box A checked.)
(Continued)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)
NORFOLK SOUTHERN CORP		CUSIP: 655844108	Symbol (Box 1d): NSC					
	27 000	06/11/12	07/27/12	$2,001 14	$1,768 93	$0 00	$232 21	$0 00
	0.978	06/11/12	07/30/12	$72.59	$64.07	$0.00	$8.52	$0.00
Security Subtotal	27.978			$2,073.73	$1,833.00	$0.00	$240.73	$0.00
ROYAL BK SCOTLAND GRP PLC 6.60		CUSIP: 780097739	Symbol (Box 1d): RBS S					
	5,981.000	08/02/12	08/22/12	$122,397.90	$116,561.62	$0.00	$5,836.28	$0.00
	4,019.000	08/02/12	08/23/12	$81,959.17	$78,324.88	$0.00	$3,634.29	$0.00
Security Subtotal	10,000.000			$204,357.07	$194,886.50	$0.00	$9,470 57	$0.00
TCF FINANCIAL CORP 7 5%-A		CUSIP: 872277207	Symbol (Box 1d): TCB.B					
	4,000.000	06/18/12	08/07/12	$106,195.29	$100,000.00	$0.00	$6,195.29	$0.00
	2,000.000	06/18/12	08/07/12	$53,097.64	$50,000.00	$0.00	$3,097.64	$0.00
Security Subtotal	6,000.000			$159,292.93	$150,000.00	$0.00	$9,292.93	$0.00
Total Short Term Covered Securities				**$1,337,324.16**	**$1,272,783.82**	**$0.00**	**$64,540.34**	**$0.00**

Short Term - Noncovered Securities # (Consider Box 6a (Noncovered Security) as being checked for this section. These transactions should be reported on Form 8949 Part I with box B checked.)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
ALLY FINL INC 4500 14FB11		CUSIP: 02005NAF7	Symbol (Box 1d):						
	250,000 000	08/03/11	07/31/12	$257,632.50	$251,511 48	$0 00	$6,121.02	$0 00	

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1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS (continued) OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Short Term - Noncovered Securities # (Consider Box 6a (Noncovered Security) as being checked for this section These transactions should be reported on Form 8949 Part I with box B checked)
(Continued)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
AMERICAN CAPITAL AGENCY 8%-A	CUSIP: 02503X204	Symbol (Box 1d): AGNCP							
	5,000 000	03/29/12	06/06/12	$127,301.00	$125,000 00	$0 00	$2,301.00	$0 00	
ATLAS PIPELINE PTNRS LP	CUSIP: 049392103	Symbol (Box 1d): APL							
	756.000	05/11/12	07/31/12	$24,971 18	$25,116.06	$0.00	($144.88)	$0 00	
CINC BELL INC 8375 '20OC15	CUSIP: 171871AN6	Symbol (Box 1d):							
	100,000 000	06/27/11	05/14/12	$103,950.00	$100,000 00	$0 00	$3,950.00	$0 00	
	100,000.000	12/28/11	05/14/12	$103,950.00	$100,789.70	$0.00	$3,160.30	$0.00	
Security Subtotal	200,000.000			$207,900.00	$200,789.70	$0.00	$7,110.30	$0.00	
CITIGROUP FUNDING INC 3 YEAR	CUSIP: 17313T250	Symbol (Box 1d):							
	25,000.000		11/08/12	$250,000.00	$0.00	$0 00	$0.00	$0.00	
COPANO ENERGY L.L.C	CUSIP: 217202100	Symbol (Box 1d): CPNO							
	847 000	05/11/12	05/11/12	$24,921 93	$25,143 20	$0 00	($221.27)	$0 00	
CROSSTEX ENERGY LP	CUSIP: 22765U102	Symbol (Box 1d): XTEX							
	1,500.000	05/11/12	07/13/12	$24,592.94	$24,546.50	$0.00	$46.44	$0.00	
E V FLOATING RATE A	CUSIP: 277911129	Symbol (Box 1d): EVBLX							
	80 839	06/01/11	05/22/12	$750 19	$758.66	$0.00	($8 47)	$0 00	
	81.386	07/01/11	05/22/12	$755.26	$759.00	$0.00	($3 74)	$0 00	
	10,570 825	07/29/11	05/22/12	$98,097.26	$99,957.51	$0.00	($1,860.25)	$0 00	
	86.116	08/01/11	05/22/12	$799.16	$802 37	$0.00	($3.21)	$0 00	
	126 839	09/01/11	05/22/12	$1,177.07	$1,132 49	$0.00	$44.58	$0 00	
	126.291	10/03/11	05/22/12	$1,171.98	$1,130.30	$0.00	$41.68	$0 00	

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1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS (continued) OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Short Term - Noncovered Securities # (Consider Box 6a (Noncovered Security) as being checked for this section These transactions should be reported on Form 8949 Part I with box B checked.) **(Continued)**

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
E V FLOATING RATE A	132 517	11/01/11	05/22/12	$1,229 76	$1,213.86	$0.00	$15.90	$0 00	
	122.278	12/01/11	05/22/12	$1,134.74	$1,110.28	$0 00	$24 46	$0 00	
	129.915	01/03/12	05/22/12	$1,205.61	$1,182.23	$0 00	$23.38	$0.00	
	127 782	02/01/12	05/22/12	$1,185.82	$1,180.71	$0.00	$5.11	$0.00	
	128 335	03/01/12	05/22/12	$1,190.95	$1,190.95	$0.00	$0 00	$0 00	
	138 459	04/02/12	05/22/12	$1,284 90	$1,289.05	$0 00	($4 15)	$0 00	
	127.332	05/01/12	05/22/12	$1,181.63	$1,189.28	$0.00	($7.65)	$0.00	
Security Subtotal	11,978.914			$111,164.33	$112,896.69	$0.00	($1,732.36)	$0.00	
ENERGY TRANS EQTY LP	CUSIP: 29273V100		Symbol (Box 1d): ETE						
	618.000	05/11/12	07/03/12	$25,157 89	$25,156 18	$0.00	$1 71	$0 00	
ENTERPRISE PROD PRTNRS L P	CUSIP: 293792107		Symbol (Box 1d): EPD						
	492 000	05/11/12	07/03/12	$25,348.30	$25,090 18	$0 00	$258 12	$0 00	
HOSPITALITY PPTYS TR PFD-D	CUSIP: 44106M607		Symbol (Box 1d): HPT D						
	6,000 000	01/13/12	06/04/12	$157,099 98	$150,000.00	$0.00	$7,099 98	$0 00	
ING GROEP NV 8.50%	CUSIP: 456837806		Symbol (Box 1d): IGK						
	166 081	03/16/12	08/15/12	$4,299 43	$4,250 00	$0 00	$49 43	$0 00	
JP MORGAN HIBDG DYN COMM STR C	CUSIP: 48121A688		Symbol (Box 1d): HDCCX						
	82.303	12/16/11	12/10/12	$1,185.99	$1,441.95	$0 00	($255.96)	$0 00	
	975.203	12/23/11	12/10/12	$14,052 67	$16,578.45	$0.00	($2,525 78)	$0 00	
	56.939	12/27/11	12/10/12	$820.73	$967.96	$0.00	($147.23)	$0.00	
Security Subtotal	1,114.445			$16,059.39	$18,988.36	$0.00	($2,928.97)	$0.00	

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Morgan Stanley

Corporate Tax Statement
Tax Year 2012

THE SYLVAN C. HERMAN
FDN, INC SYLVAN C HERMAN PRES
C. RICHARD BEYDA, SECRETARY
1120 VERMONT AVE NW STE 900
WASHINGTON DC 20005-3532

Morgan Stanley Smith Barney Holdings LLC
Harborside Financial Center
Plaza 2 2nd Floor
Jersey City, NJ 07311
Identification Number: 26-4310632

Taxpayer ID Number: 20-3265230
Account Number: 530 625918 128

Customer Service: 866-324-6088

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1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS (continued) OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Short Term - Noncovered Securities # (Consider Box 6a (Noncovered Security) as being checked for this section These transactions should be reported on Form 8949 Part I with box B checked.)
(Continued)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
MAGELLAN MIDSTREAM PARTNERS LP	CUSIP: 559080106	Symbol (Box 1d): MMP							
	360 000	05/11/12	07/02/12	$25,072 01	$25,097 06	$0 00	($25 05)	$0 00	
MARKWEST ENGY PTNRS LP	CUSIP: 570759100	Symbol (Box 1d): MWE							
	452.000	05/11/12	10/16/12	$24,800.92	$25,113.12	$0.00	($312.20)	$0 00	
MFA FINANCIAL INC 8000 *42AP15	CUSIP: 55272X300	Symbol (Box 1d): MFO							
	8,000 000	04/03/12	07/13/12	$206,691.97	$200,000 00	$0.00	$6,691 97	$0 00	
MORGAN STANLEY 3800 16AP29	CUSIP: 61747YDD4	Symbol (Box 1d):							
	100,000.000	05/17/12	08/30/12	$99,854 50	$95,980.50	$0.00	$3,874.00	$0 00	
MORGAN STANLEY 5750 21JA25	CUSIP: 61747WAF6	Symbol (Box 1d):							
	200,000 000	03/13/12	08/22/12	$202,410 00	$197,138 00	$0.00	$5,272 00	$0 00	
	150,000.000	04/05/12	08/22/12	$151,807.50	$146,977.50	$0.00	$4,830.00	$0.00	
Security Subtotal	350,000.000			$354,217.50	$344,115.50	$0.00	$10,102.00	$0.00	
MS CIAUTO SBUX 10000 *13SP27	CUSIP: 61755S610	Symbol (Box 1d): SPOPG							
	20,000 000	09/27/12	12/28/12	$200,000.00	$200,000.00	$0.00	$0 00	$0.00	
MS FLT RATE 3ML 5000 17JN20	CUSIP: 61760QBP8	Symbol (Box 1d):							
	100,000.000		12/07/12	$104,000.00	$0 00	$0.00	$0.00	$0.00	
NORFOLK SOUTHERN CORP	CUSIP: 655844108	Symbol (Box 1d): NSC							
	1,000 000	12/19/11	07/27/12	$74,116.08	$70,553 00	$0.00	$3,563 08	$0.00	
	1,500.000	03/28/12	07/27/12	$111,174.12	$99,437.70	$0.00	$11,736.42	$0.00	
Security Subtotal	2,500.000			$185,290.20	$169,990.70	$0.00	$15,299.50	$0.00	

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1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS (continued) OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Short Term - Noncovered Securities # (Consider Box 6a (Noncovered Security) as being checked for this section. These transactions should be reported on Form 8949 Part I with box B checked) **(Continued)**

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
NRG ENERGY INC 8 1/2 6-15-19	CUSIP: 629377BG6	Symbol (Box 1d):							
	100,000 000	01/04/12	07/26/12	$105,969.00	$104,417.28	$0 00	$1,551 72	$0 00	
	50,000 000	01/04/12	07/26/12	$52,984 50	$52,208.64	$0 00	$775 86	$0 00	
	100,000.000	02/15/12	07/26/12	$105,969.00	$100,477.39	$0.00	$5,491.61	$0.00	
Security Subtotal	250,000.000			$264,922.50	$257,103.31	$0.00	$7,819.19	$0.00	
PENN REIT 8 25% SER-A	CUSIP: 709102404	Symbol (Box 1d): PEI A							
	8,000 000	04/13/12	07/26/12	$213,204.72	$197,479 20	$0 00	$15,725.52	$0.00	
PENN VIRGINIA COR10375 *16JN15	CUSIP: 707882AB2	Symbol (Box 1d):							
	50,000 000	06/13/12	10/16/12	$52,231.50	$48,569.94	$0.00	$3,661 56	$0.00	
PENNEY J C INC 7625 97MH01	CUSIP: 708160BL9	Symbol (Box 1d):							
	150,000.000	07/03/12	09/13/12	$129,562 50	$113,227.50	$0 00	$16,335 00	$0 00	
PLAINS ALL AMERICAN PIPLIN L P	CUSIP: 726503105	Symbol (Box 1d): PAA							
	308.000	05/11/12	07/02/12	$24,888 02	$24,972.33	$0.00	($84 31)	$0 00	
PS BUSN PARKS 6 00% SER T	CUSIP: 69360J685	Symbol (Box 1d): PSB T							
	5,000 000	05/03/12	12/07/12	$129,444 50	$125,000.00	$0.00	$4,444.50	$0.00	
QWEST CORP 7000 *52AP01	CUSIP: 74913G402	Symbol (Box 1d): CTX							
	3,911 000	03/22/12	06/06/12	$99,536.31	$97,775.00	$0 00	$1,761.31	$0.00	
	4,089.000	03/22/12	06/07/12	$103,361.59	$102,225.00	$0.00	$1,136.59	$0.00	
Security Subtotal	8,000.000			$202,897.90	$200,000.00	$0.00	$2,897.90	$0.00	
QWEST CORP 7% 7000 *52JL01	CUSIP: 74913G501	Symbol (Box 1d): CTU							
	8,000.000	06/14/12	07/10/12	$206,293.53	$200,000 00	$0.00	$6,293 53	$0 00	

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IMPORTANT TAX INFORMATION -- PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

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Tax Year 2012

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1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS (continued) OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Short Term - Noncovered Securities # (Consider Box 6a (Noncovered Security) as being checked for this section These transactions should be reported on Form 8949 Part I with box B checked)
(Continued)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
SPDR GOLD TR GOLD SHS	CUSIP: 78463V107	Symbol (Box 1d):							
	0 000		05/16/12	$297.70	$0 00	$0.00	$0 00	$0 00	CT
	0.000		06/12/12	$253 06	$0 00	$0 00	$0 00	$0 00	CT
	0.000		07/06/12	$255.39	$0.00	$0 00	$0.00	$0 00	CT
	0.000		08/10/12	$257.92	$0.00	$0.00	$0.00	$0.00	CT
	0.000		09/12/12	$264.04	$0 00	$0 00	$0 00	$0 00	CT
	3,000.000	11/17/11	09/27/12	$515,527.74	$509,745.00	$0.00	$5,782.74	$0 00	
	2,000.000	05/14/12	09/27/12	$343,685.16	$303,436 70	$0.00	$40,248.46	$0 00	
	5,000 000	10/23/12	11/09/12	$840,909.65	$829,786 00	$0 00	$11,123.65	$0.00	
	3,500.000	12/20/12	12/31/12	$563,304.82	$559,208.50	$0.00	$4,096.32	$0.00	
Security Subtotal	**13,500.000**			**$2,264,755.48**	**$2,202,176.20**	**$0.00**	**$61,251.17**	**$0.00**	
SUNOCO LOGISTICS PART	CUSIP: 86764L108	Symbol (Box 1d): SXL							
	660 000	05/11/12	05/11/12	$24,972.36	$25,125 54	$0.00	($153.18)	$0.00	
TRANSOCEAN TDR 1500 *37DE15	CUSIP: 89399AKE8	Symbol (Box 1d):							
	500,000.000	09/18/12	12/17/12	$500,000.00	$500,744 13	$0.00	($744 13)	$0 00	
UNIT FT UNCOMMON VALUES 2011	CUSIP: 30278A463	Symbol (Box 1d): UCVT11R							
	25,193.000	07/08/11	07/03/12	$237,688.40	$249,997 70	$0.00	($12,309.30)	$0.00	
	26,864.000	08/01/11	07/03/12	$253,453.78	$249,999 07	$0 00	$3,454.71	$0 00	
	86 754	09/26/11	07/03/12	$818 50	$692 36	$0.00	$126 14	$0.00	
	102.922	10/25/11	07/03/12	$971 04	$839 51	$0.00	$131 53	$0 00	
	102.811	12/27/11	07/03/12	$969.99	$867 29	$0.00	$102.70	$0.00	
	157.742	01/25/12	07/03/12	$1,488.25	$1,418 67	$0.00	$69.58	$0 00	
	80 937	03/26/12	07/03/12	$763 62	$761 35	$0 00	$2.27	$0 00	

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Morgan Stanley

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Tax Year 2012

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1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS (continued) OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Short Term - Noncovered Securities # (Consider Box 6a (Noncovered Security) as being checked for this section. These transactions should be reported on Form 8949 Part I with box B checked) (Continued)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
UNIT FT UNCOMMON VALUES 2011	109 834	04/25/12	07/03/12	$1,036.24	$1,022.98	$0 00	$13.26	$0 00	
	125.000	06/25/12	09/20/12	$1,243.25	$1,163 23	$0.00	$80.02	$0 00	
Security Subtotal	52,823.000			$498,433.07	$506,762.16	$0.00	($8,329.09)	$0.00	
VESEY STREET INV 4404 16SP01		CUSIP: 925369AA8	Symbol (Box 1d):						
	250,000.000	07/31/12	10/16/12	$269,075.43	$259,734 61	$0 00	$9,340.82	$0.00	
WESTERN GAS PARTNERS LP		CUSIP: 958254104	Symbol (Box 1d): WES						
	553 000	05/11/12	07/31/12	$24,794 99	$25,144 58	$0 00	($349 59)	$0 00	
Total Short Term Noncovered Securities				**$7,261,852.47**	**$6,734,824.73**	**$0.00**	**$171,699.63**	**$0.00**	
Total Short Term Covered and Noncovered Securities				**$8,599,176.63**	**$8,007,608.55**	**$0.00**	591,568 AJE-18	**$0.00**	

Long Term - Noncovered Securities # (Consider Box 6a (Noncovered Security) as being checked for this section. These transactions should be reported on Form 8949 Part II with box B checked)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
ALBANY CNTY N BE 3880 13DE15		CUSIP: 012123JH9	Symbol (Box 1d):						
	100,000.000	07/30/10	06/05/12	$101,764.00	$100,000 00	$0.00	$1,764 00	$0.00	
BANK OF AMERICA 4750 19SP15		CUSIP: 06050WDT9	Symbol (Box 1d):						
	250,000.000	09/07/10	08/30/12	$257,517.50	$250,000.00	$0.00	$7,517.50	$0 00	
BARCLAYS BANK PLC 4000 '25NV18		CUSIP: 06740P3C8	Symbol (Box 1d):						
	250,000.000	10/27/10	11/19/12	$250,000.00	$246,115.00	$0 00	$3,885 00	$0.00	

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BARCLAYS BANK PLC 4000 *25SP30	CUSIP: 06740PNJ1	Symbol (Box 1d):							
	250,000.000	09/28/10	10/01/12	$250,000 00	$248,437 50	$0 00	$1,562 50	$0 00	
CFI STEP UP 4250 *25NV16	CUSIP: 1730T0JV2	Symbol (Box 1d):							
	200,000.000	01/04/11	09/04/12	$199,658 00	$191,380 00	$0 00	$8,278.00	$0 00	
E V FLOATING RATE A	CUSIP: 277911129	Symbol (Box 1d): EVBLX							
	26,178 010	02/22/11	05/22/12	$242,931 93	$249,732.19	$0 00	($6,800.26)	$0 00	
	2.579	03/01/11	05/22/12	$23 93	$24 24	$0 00	($0.31)	$0 00	
	80.677	04/01/11	05/22/12	$748.68	$756.08	$0 00	($7.40)	$0 00	
	77.726	05/02/11	05/22/12	$721.30	$730.11	$0.00	($8.81)	$0.00	
Security Subtotal	26,338.992			$244,425.84	$251,242.62	$0.00	($6,816.78)	$0.00	
GOLDMAN SACHS GRO 4500 *25SP29	CUSIP: 38143UMX6	Symbol (Box 1d):							
	250,000.000	09/20/10	10/01/12	$250,000 00	$248,125 00	$0.00	$1,875.00	$0 00	
ING GROEP NV 8 50%	CUSIP: 456837806	Symbol (Box 1d): IGK							
	4,844.000	06/10/08	08/14/12	$125,740.92	$121,100 00	$0 00	$4,640.92	$0 00	
	3,156.000	06/10/08	08/15/12	$81,701.13	$78,900.00	$0.00	$2,801.13	$0.00	
Security Subtotal	8,000.000			$207,442.05	$200,000.00	$0.00	$7,442.05	$0.00	
JP MORGAN HIBDG DYN COMM STR C	CUSIP: 48121A688	Symbol (Box 1d): HDCCX							
	10,121.457	05/13/10	12/10/12	$145,850.09	$149,999.99	$0 00	($4,149.90)	$0 00	
	7,112.376	08/23/10	12/10/12	$102,489.27	$100,000.01	$0 00	$2,489 26	$0 00	
	5,624.297	11/19/10	12/10/12	$81,046 06	$100,000 00	$0 00	($18,953.94)	$0 00	
	151.267	12/15/10	12/10/12	$2,179.76	$2,796.93	$0 00	($617.17)	$0 00	
	311.632	12/15/10	12/10/12	$4,490.61	$5,762.08	$0.00	($1,271.47)	$0.00	
Security Subtotal	23,321.029			$336,055.79	$358,559.01	$0.00	($22,503.22)	$0.00	

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1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS (continued) OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

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NORFOLK SOUTHERN CORP CUSIP: 655844108 Symbol (Box 1d): NSC									
	1,400 000	07/14/11	07/27/12	$103,762.51	$104,765 20	$0.00	($1,002 69)	$0.00	
SUPERVALU INC 7500 '14NVRG CUSIP: 868536AS2 Symbol (Box 1d):									
	250,000.000	03/23/11	05/15/12	$253,812.50	$252,446 19	$0 00	$1,366 31	$0.00	
Total Long Term Noncovered Securities				**$2,454,438.19**	**$2,451,070.52**	**$0.00**	**$3,367.67**	**$0.00**	
Total Short and Long Term, Covered and Noncovered Securities				**$11,053,614.82**	**$10,458,679.07**	**$0.00**	**$239,607.64**	**$0.00**	

Form 1099-B Total Reportable Amounts

Total Sales Price (Box 2)	**$11,053,614.82**				
Total Cost or Other Basis (Box 3)		**$1,272,783.82**			
Total Wash Sale Loss Disallowed (Box 5)			**$0.00**		
Total Fed Tax Withheld (Box 4)					**$0.00**

Noncovered securities are not subject to the IRS cost basis reporting regulations, therefore their date of acquisition, cost basis, short or long term designation and any disallowed loss resulting from a wash sale will not be reported to the IRS.

CT The proceeds amount is the sales price of the bullion sold by the Trust to pay investment expenses. Proceeds from the sale of bullion are reported on Form 1099-B.

REALIZED GAIN/(LOSS) SUMMARY

This Gain and Loss Summary is provided for informational purposes only. It is important that you consult with a professional tax advisor regarding your individual tax situation, as Morgan Stanley Smith Barney LLC ("Morgan Stanley") cannot provide you with tax advice. Although Morgan Stanley is providing this information as an additional service, we do not guarantee that it is sufficient for tax reporting purposes, and are not liable for your reliance upon or use of this information. The Gain and Loss Summary is not a substitute 1099 form (or any other appropriate tax form), has not been supplied to the IRS and should not be filed with your taxes.

If cost basis information is not available, gain or (loss) will not be reflected on this Summary. For securities not purchased through Morgan Stanley, including securities purchased elsewhere and later transferred to Morgan Stanley, cost basis information may not be provided. To correct any information supplied by Morgan Stanley, please inform your Financial Advisor. To add cost basis information, you may either inform your Financial Advisor or input the data directly yourself through our client-only Web site, ClientServ. Morgan Stanley will adjust cost basis as appropriate in accordance with tax laws. However, Morgan Stanley does not adjust for all events and you should contact your tax advisor to determine the appropriate information to be used in the preparation of your tax return.

Short Term

DESCRIPTION	QUANTITY	DATE ACQUIRED	DATE SOLD	PROCEEDS	TOTAL COST ORIGINAL/ ADJUSTED	REALIZED GAIN/(LOSS)
AT&T INC 35 000 MAR C	60.000	12/07/2012	11/23/2012	$4,173.00	$3,156 50	$1,016.50
NORFOLK SOUTHERN CORP 75 000 SEP C	39 000	07/27/2012	04/25/2012	$8,936.98	$6,841 78	$2,095 20
SPDR GOLD TR GOLD SHS 162.000 SEP C	50 000	08/13/2012	06/05/2012	$29,610.61	$7,123 32	$22,487.29
SPDR GOLD TR GOLD SHS 165 000 DEC C	50.000	09/27/2012	08/21/2012	$20,863.59	$50,675 75	$(29,812.16)
Total Short Term				**$63,584.18**		**$(4,213.17)**

Ordinary Gain/(Loss)

Gains and losses for the securities shown in this section have generally been determined by the issuer to be ordinary income, not capital gains. Please consult your tax advisor and the prospectus for information on how to report this income on your tax return.

DESCRIPTION	QUANTITY	DATE ACQUIRED	DATE SOLD	PROCEEDS	TOTAL COST ORIGINAL/ ADJUSTED	ORDINARY GAIN/(LOSS)
CITIGROUP FUNDING INC 3 YEAR	25,000.000	10/26/2009	11/08/2012	$250,000.00 N	$250,000 00	$0 00
MS FLT RATE 3ML 5 000 6-20-17	100,000.000	06/15/2012	12/07/2012		$100,000.00	
				$104,000 00 N	$99,751.89	$4,248.11
Totals				**$354,000.00**		**$4,248.11**

Corrected Copy as of 03/13/13
Ref 00011030 00138351

2012 Year End Summary

THE SYLVAN C. HERMAN

Account Number 628-39692-17 128

Details of 1099 Exempt Dividends 2012 - *continued*

Reference number	Description	Ordinary dividends	Alternative minimum tax
160001200	PIMCO TOTAL RETURN FUND CL A A PORTION OF THIS INCOME HAS BEEN RECLASSIFIED	$ 11,889.09	
160001300	WINDSTREAM CORP	9,000.00	
Totals		$ 45,051.08	
		Amount	
Total Foreign tax paid		$ 137.17	

Details of Additional Summary Information 2012

Other Income

This amount represents distributions with respect to investments such as limited partnerships, and certain trusts, which are subject to IRS Schedules K-1 reporting. Schedules K-1 are issued directly by the partnership or trust.

Reference number	Description	Amount	Federal Income tax withheld	NRA tax withheld	Foreign tax withheld
170000100	MS CREDIT PTNRS OFF FEEDER LP	$ 16,970.00			
Totals		$ 16,970.00			

Details of Short Term Gain (Loss) 2012

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor. For additional information regarding this section see enclosed brochure.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000010	.706	UNITS ADT STEELPATH/ALERIAN MLP & INCOME PORTFOLIO SERIES 2002-1 MONTHLY REINVEST LIQUIDATION OF FRACTIONAL SHS	04/25/12	05/07/12	$ 6.79	$ 6.85 $ 6.85	($ .06) ($ .06)	$ 0.00 $ 0.00
125000020	8,000	AEGON N.V. 8.00% NON CUM SUB NOTES YIELD/CL 7.041% 081517 25.000 8.0000% DUE 02/15/2042	01/24/12	04/25/12	212,398.03	200,000.00 200,000.00	12,398.03 12,398.03	0.00 0.00

2012 YEAR END SUMMARY

Corrected Copy as of 03/13/13
Ref· 00011030 00138352

2012 Year End Summary

THE SYLVAN C. HERMAN

Account Number 628-39692-17 128

Details of Short Term Gain (Loss) 2012 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000030	200,000	AMERICAN INTL GROUP FIX TO FLT 8.175% TIL 5/38 THEN 3MO LIBOR + 419.5 BP DUE 05/15/2058 RATE 8.175	11/15/11	01/19/12	$ 188,000.00	$ 184,250.00 $ 184,250.00	$ 3,750.00 $ 3,750.00	$ 0.00 $ 3,750.00
125000040	3,400	ASHFORD HOSPITALITY TRUST 9.0% YIELD/CL 8.514% 041816 25 000 9.0000% DUE 99/99/9999 NEXT CALL:04/18/16 AT 25.000	04/13/11	03/09/12	87,637.27	82,069.31 82,069.31	5,567 96 5,567.96	0.00 0 00
125000050	1,600	ASHFORD HOSPITALITY TRUST 9.0% YIELD/CL 8.341% 041816 25.000 9.0000% DUE 99/99/9999 NEXT CALL:04/18/16 AT 25.000	04/13/11	03/09/12	41,483.89	38,620 85 38,620.85	2,863 04 2,863.04	0.00 0.00
125000060	250,000	BANK OF AMERICA CORP DTD 05/13/2011 DUE 05/13/2021 RATE 5.000 YTM 5.140	09/26/11	02/03/12	247,427.50	230,440.00 230,440.00	16,987.50 16,987.50	537.50 16,450.00
125000080	3,000	CENTURYLINK INC ACCOUNT ASSIGNED	07/14/11	03/01/12	116,082.02	116,260.80 116,260.80	(178.78) (178.78)	0 00 0.00
	3 000	OCC CALL 04-21-12 82889270 TRADE AS OF 03/01/12	07/29/11		116,082 03	110,805.00 110,805.00	5,277.03 5,277.03	0.00 0 00
125000110	.2678	UTS FTP UCV UNCOMMON VALUES TRUST 2011 SER MONTHLY REINVEST LIQUIDATION OF FRACTIONAL SHS	04/25/12	05/07/12	2.41	2.49 2.49	(.08) (.08)	0 00 0 00
125000120	10,000	GENERAL ELECTRIC CO	05/17/11	01/03/12	184,261.45	195,374.00 195,374.00	(11,112.55) (11,112.55)	0 00 0 00
	5,000		08/09/11		92,130.72	76,801.50 76,801.50	15,329.22 15,329.22	0.00 0 00
125000130	5,000	GENERAL MOTORS COMPANY 4.75% SER B MANDATORY CONV JR PFD 4 7500% DUE 12/01/2013	12/29/11	01/06/12	187,050.40	171,259.11 171,259.11	15,791.29 15,791.29	0 00 0 00
125000140	8,000	KKR FINANCIAL HLDGS 8.375% DTD 11/15/2011 8.3750% DUE 11/15/2041 NEXT CALL 11/15/16 AT 25.000	11/07/11	02/17/12	209,610.21	200,000.00 200,000.00	9,610.21 9,610.21	0 00 0 00

2012 YEAR END SUMMARY

Corrected Copy as of 03/13/13
Ref· 00011030 00138353

2012 Year End Summary

THE SYLVAN C. HERMAN

Account Number 628-39692-17 128

Details of Short Term Gain (Loss) 2012 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000150	500,000	MIDDLESEX CO IMP AU N J CITY GTD JR LIEN UTL SYS RV TXB-FSA B/E-O-CPN C/A 6.67 DD 6/24/04 DUE 10/01/2030	11/03/11	04/13/12	$ 174,375.00	$ 166,130.00 $ 170,490.00	$ 8,245.00 $ 3,885.00	$ 0.00 $ 3,885.00
125000160	15,000	MS CONTINGENT 12% AUTOCALL ON THE WALT DISNEY COMPANY	10/25/11	01/26/12	150,000.00	150,000.00 150,000.00	0.00 0.00	0.00 0.00
125000170	10,000	MS CONTINGENT 17.4% AUTOCALL BASED ON RIG	12/07/11	03/12/12	100,000.00	100,000.00 100,000.00	0.00 0.00	0.00 0.00
125000180	-24	CALL NSC MAR 12 @ 77.50 NORFOLK SOUTHERN CORP 100 SHS	12/29/11	03/19/12	2,645.48 a	0.00 0.00	2,645.48 2,645.48	0.00 0.00
125000190	-30	CALL GLD APR 12 @ 171.00 SPDR GOLD TR GOLD SHS 100 SHS EXP 04/21/2012	01/12/12	03/06/12	11,226.67 a	4,560.78 4,560.78	6,665.89 6,665.89	0.00 0.00
125000200	100,000	SPRINT NEXTEL CORP -BK/ENTRY DTD 11/20/2006 DUE 12/01/2016 RATE 6.000 YTM 9.381	11/07/11	01/23/12	87,055.00	88,737.00 88,737.00	(1,682.00) (1,682.00)	0.00 (1,682.00)
125000210	100,000	SPRINT NEXTEL CORP -BK/ENTRY DTD 11/20/2006 DUE 12/01/2016 RATE 6.000 YTM 9.381	12/21/11	01/23/12	87,055.00	82,985.00 82,985.00	4,070.00 4,070.00	207.00 3,863.00
125000220	100,000	SPRINT NEXTEL CORP -BK/ENTRY DTD 11/20/2006 DUE 12/01/2016 RATE 6.000 YTM 9.381	11/07/11	01/23/12	87,049.00	88,737.00 88,737.00	(1,688.00) (1,688.00)	0.00 (1,688.00)
125000240	2,000	TEVA PHARMACEUTICAL INDS LTD ADR CGMI AND/OR ITS AFFILIATES	08/08/11	01/19/12	91,324.24	79,122.20 79,122.20	12,202.04 12,202.04	0.00 0.00
125000250	15,157	UNITS VK, STOCKS FOR 2015 PORTFOLIO QUARTERLY REINVEST	01/06/12	02/24/12	161,623.64	149,995.19 149,995.19	11,628.45 11,628.45	0.00 0.00

2012 YEAR END SUMMARY

Corrected Copy as of 03/13/13
Ref· 00011030 00138354

2012 Year End Summary

THE SYLVAN C. HERMAN

Account Number 628-39692-17 128

Details of Short Term Gain (Loss) 2012 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000260	6,000	VANGUARD NAT RES LLC UNIT REPSTG LTD LIABILITY CO INTS	04/10/12	04/30/12	$ 172,371.33	$ 165,793 38 $ 165,793.38	$ 6,577.95 $ 6,577.95	$ 0.00 $ 0.00
Total					$ 2,806,898.08	$ 2,681,950.46 $ 2,686,310.46	$ 124,947.62 $ 120,587.62	$ 744.50 $ 24,578.00

[a] *This amount is not reported to the IRS on Form 1099-B.*

Details of Long Term Gain (Loss) 2012

This section shows your sales of securities during the year The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor. For additional information regarding this section see enclosed brochure.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000070	355,000	CALIFORNIA EARTHQUAKE AUTH REV SER B TXBLE B/E REV DD 7/20/06 DUE 07/01/2016 RATE 6.169	11/03/09	03/08/12	$ 174,837.50	$ 171,908.75 $ 171,908.75	$ 2,928.75 $ 2,928.75	$ 1,210.55 $ 1,718 20
125000090	250,000	CHICAGO ILL MODERN SCHS-BABS-DIRECT PAYMENT U/T TXBLE B/E GO DD 8/26/10 DUE 12/01/2025 RATE 5.114	08/19/10	03/07/12	269,500 00	250,000.00 250,000.00	19,500.00 19,500.00	0.00 19,500.00
125000100	10,000	CITIGROUP FUNDING INC PPN BASED UPON THE BRAZILIAN REAL DUE 02/27/12	08/25/09	03/01/12	107,487.16	100,000.00 100,000.00	7,487.16 7,487.16	0.00 0.00
125000230	200,000	STATE PUB SCH BLDG AUTH PA REV TXBLE B/E REV DD 10/6/10 F/C 3/15/11 DUE 09/15/2027 RATE 5.000	10/04/10	01/04/12	208,398.00	204,534 00 204,300.00	3,864.00 4,098.00	0 00 4,098.00
125000240	2,000	TEVA PHARMACEUTICAL INDS LTD ADR CGMI AND/OR ITS AFFILIATES	06/28/10	01/19/12	91,324.24	103,760 00 103,760.00	(12,435.76) (12,435.76)	0 00 0.00
Total					$ 851,646.90	$ 830,202.75 $ 829,968.75	$ 21,344.15 $ 21,578.15	$ 1,210 55 $ 25,316.20

2012 YEAR END SUMMARY

Morgan Stanley

Corporate Tax Statement
Tax Year 2012

THE SYLVAN C. HERMAN FDN INC
C/O SYLVAN C HERMAN -DAVIS LCV
SC HERMAN PRES -C RICHARD BEYDA SEC
1120 VERMONT AVE NW STE 900
WASHINGTON DC 20005-3532

Morgan Stanley Smith Barney Holdings LLC
Harborside Financial Center
Plaza 2 2nd Floor
Jersey City, NJ 07311
Identification Number: 26-4310632

Taxpayer ID Number: 20-3265230
Account Number: 530 011512 128

Customer Service: 866-324-6088

This information is NOT being furnished to the Internal Revenue Service. It is provided to you for informational purposes only.

1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS **OMB NO. 1545-0715**

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Long Term - Noncovered Securities # (Consider Box 6a (Noncovered Security) as being checked for this section. These transactions should be reported on Form 8949 Part II with box B checked)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)
IRON MOUNTAIN INC (DE)	CUSIP: 462846106		Symbol (Box 1d): IRM					
	404 000	05/21/08	11/26/12	$13,015.57	$12,063.16	$0 00	$952.41	$0 00
WELLS FARGO & CO NEW	CUSIP: 949746101		Symbol (Box 1d): WFC					
	330.000	01/27/09	11/26/12	$10,824.64	$5,285 87	$0 00	$5,538 77	$0 00
Total Long Term Noncovered Securities				**$23,840.21**	**$17,349.03**	**$0.00**	**$6,491.18**	**$0.00**

Form 1099-B Total Reportable Amounts

Total Sales Price (Box 2)	**$23,840.21**			
Total Cost or Other Basis (Box 3)		**$0.00**		
Total Wash Sale Loss Disallowed (Box 5)			**$0.00**	
Total Fed Tax Withheld (Box 4)				**$0.00**

Noncovered securities are not subject to the IRS cost basis reporting regulations, therefore their date of acquisition, cost basis, short or long term designation and any disallowed loss resulting from a wash sale will not be reported to the IRS.

2012 Year End Summary

THE SYLVAN C. HERMAN
Account Number 628-78763-19 128

Details of Short Term Gain (Loss) 2012

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	9,632	GLOBAL X FERTILIZERS/POTASH	10/11/11	04/05/12	$ 132,244.40	$ 124,541.76		$ 7,702.64
	542	ETF	12/08/11		7,441.49	6,788.01		653.48
	2,085	MorganStanley SmithBarney LLC	01/30/12		28,626.41	27,496.56		1,129 85
	250	acted as your agent	02/16/12		3,432 42	3,411 90		20.52
125000020	5,000	ISHARES MSCI PACIFIC EX-JAPAN INDEX FUND MorganStanley SmithBarney LLC acted as your agent	01/06/12	01/18/12	205,346.55	197,847.00		7,499 55
125000030	3,300	ISHARES MSCI PACIFIC EX-JAPAN	01/06/12	01/18/12	135,693.39	130,548.00		5,145.39
	1,500	INDEX FUND MorganStanley SmithBarney LLC acted as your agent	01/06/12		61,678.82	59,369.85		2,308.97
125000040	200	ISHARES MSCI PACIFIC EX-JAPAN INDEX FUND MorganStanley SmithBarney LLC acted as your agent	01/06/12	01/18/12	8,231.84	7,912 00		319.84
125000070	97	ISHARES PHLX SOX SEMICONDUCTOR SECTOR INDEX FUND MorganStanley SmithBarney LLC acted as your agent	10/11/11	02/16/12	5,652.08	4,820.12		831.96
125000080	23	ISHARES NASDAQ BIOTECHNOLOGY INDEX FD MorganStanley SmithBarney LLC acted as your agent	12/08/11	04/05/12	2,833.30	2,335.69		497.61
125000090	4,000	PIMCO ENHANCED SHORT MATURITY	10/11/11	01/05/12	400,512.31	399,868.80		643 51
	3,304	STRATEGY FUND MorganStanley SmithBarney LLC acted as your agent	12/08/11		330,823 16	331,070.05	(246.89)	
125000100	1,000	PIMCO ENHANCED SHORT MATURITY STRATEGY FUND MorganStanley SmithBarney LLC acted as your agent	01/30/12	03/14/12	101,030.18	100,559 90		470.28

2012 YEAR END SUMMARY

Ref: 00017226 00067627

2012 Year End Summary

THE SYLVAN C. HERMAN

Account Number 628-78763-19 128

Details of Short Term Gain (Loss) 2012 *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000110	3,576	PIMCO ENHANCED SHORT MATURITY STRATEGY FUND MorganStanley SmithBarney LLC acted as your agent	01/30/12	03/28/12	$ 361,525.50	$ 359,602.20		$ 1,923.30
125000120	4,000	PIMCO ENHANCED SHORT MATURITY STRATEGY FUND MorganStanley SmithBarney LLC acted as your agent	01/30/12	04/09/12	404,246 94	402,239.61		2,007.33
125000130	674	PIMCO ENHANCED SHORT MATURITY	01/30/12	04/10/12	68,160.09	67,777.37		382.72
	326	STRATEGY FUND	02/16/12		32,967.64	32,883.46		84.18
	1,690	MorganStanley SmithBarney LLC acted as your agent	04/05/12		170,905.87	170,774.50		131.37
125000140	2,000	SPDR GOLD TR GOLD SHS	03/14/12	03/15/12	322,861.39	318,275.40		4,585.99
	2,000	JP1702 MorganStanley SmithBarney LLC acted as your agent	03/14/12		322,861.38	319,240 00		3,621.38
125000240	704	VANGUARD INFORMATION TECHNOLOGY ETF MorganStanley SmithBarney LLC acted as your agent	03/16/11	03/13/12	51,017.34	42,982 86		8,034.48
Total					$ 3,158,092.50	$ 3,110,345.04	($ 246 89)	$ 47,994 35

Details of Long Term Gain (Loss) 2012

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000050	99	S&P NORTH AMERICAN TECH SOFTWARE INDEX FD MorganStanley SmithBarney LLC acted as your agent	07/07/09	02/16/12	$ 6,195 70	$ 3,649.10		$ 2,546 60

Morgan Stanley

Ref: 00017226 00067628

2012 Year End Summary

THE SYLVAN C. HERMAN
Account Number 628-78763-19 128

Details of Long Term Gain (Loss) 2012 - continued

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000060	97	S&P NORTH AMERICAN TECH SOFTWARE INDEX FD MorganStanley SmithBarney LLC acted as your agent	07/07/09	04/05/12	$ 6,290 30	$ 3,575.38		$ 2,714.92
125000150	134	SPDR SER TR S&P OIL & GAS EXPL & PRODTN MorganStanley SmithBarney LLC acted as your agent	08/10/09	02/16/12	7,975.88	4,779.15		3,196.73
	123		11/19/09		7,321.15	4,703 26		2,617 89
125000160	46	SELECT SECTOR SPDR-ENERGY MorganStanley SmithBarney LLC acted as your agent in this transaction.	11/19/09	02/16/12	3,393.98	2,618 18		775.80
125000170	117	SELECT SECTOR SPDR TR FINANCIAL MorganStanley SmithBarney LLC acted as your agent	01/28/10	02/16/12	1,700.20	1,684.78		15.42
125000180	1,071	SELECT SECTOR SPDR TR FINANCIAL MorganStanley SmithBarney LLC acted as your agent	01/28/10	04/05/12	16,589.41	15,422.19		1,167.22
125000190	836	SELECT SECTOR SPDR UTILITIES MorganStanley SmithBarney LLC acted as your agent	01/28/10	03/13/12	29,778.62	24,921.16		4,857.46
	251		03/10/10		8,940.71	7,527.11		1,413.60
	205		04/16/10		7,302.17	6,104.29		1,197 88
	2,429		10/12/10		86,521.85	76,941.24		9,580 61
125000200	679	VANGUARD SPECIALIZED DIV APPRECIATION ETF MorganStanley SmithBarney LLC acted as your agent	01/28/10	03/13/12	39,741.77	31,444.42		8,297 35
	3,249		03/10/10		190,163.47	156,593 03		33,570 44
125000210	712	VANGUARD HEALTH CARE ETF MorganStanley SmithBarney LLC acted as your agent	07/07/09	04/05/12	47,781.25	32,761.97		15,019.28
	748		08/10/09		50,197.15	36,766.45		13,430.70
125000220	269	VANGUARD INFORMATION TECHNOLOGY ETF MorganStanley SmithBarney LLC acted as your agent	08/10/09	02/16/12	18,682.97	12,516.57		6,166.40

2012 YEAR END SUMMARY

017229 CISYBXJA 042489 000101

Ref: 00017226 00067629

2012 Year End Summary

THE SYLVAN C. HERMAN
Account Number 628-78763-19 128

Details of Long Term Gain (Loss) 2012 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000230	117	VANGUARD INFORMATION	08/10/09	02/27/12	$ 8,279.59	$ 5,444.01		$ 2,835 58
	669	TECHNOLOGY ETF	11/19/09		47,342.27	34,939.19		12,403.08
	7	MorganStanley SmithBarney LLC	11/24/09		495.36	367.15		128.21
	57	acted as your agent	01/28/10		4,033.65	2,953.51		1,080.14
	405		04/16/10		28,660 12	23,579 10		5,081.02
125000240	3,023	VANGUARD INFORMATION	04/16/10	03/13/12	219,070.14	175,999 06		43,071.08
	121	TECHNOLOGY ETF	05/20/10		8,768.60	6,292.00		2,476 60
	72	MorganStanley SmithBarney LLC	07/08/10		5,217.68	3,678.48		1,539.20
	80	acted as your agent	08/11/10		5,797.42	4,153.76		1,643 66
125000250	1,328	VANGUARD MSCI EMERGING MKTS	08/10/09	01/30/12	55,312.79	47,210 27		8,102 52
	2,419	ETF	11/19/09		100,754.25	98,136.41		2,617 84
	345	MorganStanley SmithBarney LLC	01/28/10		14,369.66	13,388.69		980.97
		acted as your agent						
125000260	12	VANGUARD MSCI EMERGING MKTS	01/28/10	02/16/12	524.75	465 69		59.06
	65	ETF	04/16/10		2,842.39	2,753.21		89.18
		MorganStanley SmithBarney LLC						
		acted as your agent						
Total					**$ 1,030,045.25**	**$ 841,368.81**		**$ 188,676.44**

Details of Deposits and Withdrawals 2012

This section reflects any deposits or withdrawals made to your account during the year.

Withdrawals

Reference number	Date	Description	Referral number	Amount
220000100	05/04/12	MORGAN STANLEY U.S. GOVERNMENT MONEY MARKET TRUST TRANSFER TO MSSB		$ 335,316.29
220000300	04/20/12	INVESTMENT AND MGMT SERVICES FROM 04/01/12 TO 06/30/12		11,539.94
Total				**$ 358,126.11**

Reference number	Date	Description	Referral number	Amount
220000200	01/20/12	INVESTMENT AND MGMT SERVICES FROM 01/01/12 TO 03/31/12		$ 10,471 69
220000400	05/04/12	TRANSFER TO MSSB		798 19

2012 YEAR END SUMMARY

Holdings

Portfolio Management Basic Securities Account 530-652013-128

THE SYLVAN C. HERMAN FDN INC #2 ETF S C HERMAN PRES

This section reflects the impact of positions purchased/sold on a trade date basis, and will include positions purchased and omit positions sold in the current month. Please see the "Unsettled Purchases/Sales Activity" section for more information.
The "Market Value" and "Unrealized Gain/(Loss)" figures shown are representative values as of the last business day of the statement period indicated, which may not reflect the value that could actually be obtained in the market. See "Pricing of Securities" in the Expanded Disclosures. Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date.
Estimated annual income and estimated yield for certain securities can include return of principal or capital gains which could overstate such estimates. Estimated yield and estimated annual income are estimates and the actual income or yield may be lower or higher than the estimates. Estimated yield reflects only the income generated by an investment. It does not reflect changes in its price, which may fluctuate.
Structured products appear in various statement product categories and are identified as "Structured Products" in the Security Description column. Estimated accrued interest, estimated annual income and estimated yield for structured products with a contingent income feature (such as Range Accrual Notes or Contingent Income Notes) assume specified accrual conditions are met during the relevant observation period and payment in full of all contingent interest. If you hold structured products, please see "Special Considerations Regarding Structured Products" in the Disclosures.
New Treasury regulations require that we report on Form 1099-B after the close of the tax year your adjusted cost basis and classify the gain or loss as either long-term or short-term on the sale of covered securities acquired on or after January 1, 2011. These regulations also require that we make basis adjustments due to wash sales, certain corporate actions and transfers by gift or inheritance, which will be reflected on your Form 1099-B. Cost basis is reflected on monthly statements for informational purposes only and should not be used in the preparation of your income tax returns. Please refer to the Expanded Disclosures for additional information.

CASH, DEPOSITS AND MONEY MARKET FUNDS

Cash, Deposits and Money Market Funds are generally displayed on a settlement date basis. However, Global Currency Deposits may include both settled and unsettled positions Estimated Annual Income, Accrued Interest and APY% will only be displayed for fully settled positions. In the event, all or a portion of a Global Currency Deposit position is unsettled as of month end, this data will not be available.

Description	Value	Estimated Annual Income	7-Day Current Yield %	Annual Percentage Yield %
CASH	$9,518.47			
MS U.S. GOVT MONEY MARKET TR	192,997.05	19.30	0.010	—

	Percentage of Assets %	Market Value	Estimated Annual Income Accrued Interest
CASH, DEPOSITS AND MONEY MARKET FUNDS	3.4%	$202,515.52	$19.30 $0.00

Money market funds seek to maintain a share price of $1.00, therefore the dollar amounts listed equal the number of shares. Additional information concerning these transactions is available upon request. For more information about the pricing of Money Market Funds, please see the Expanded Disclosures.
The money market funds reflected above include the balances in your automatic sweep feature, if any, and may include other money market funds that have been purchased in your account.

STOCKS

COMMON STOCKS

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
ENERGY SEL SECT SPDR FD (XLE)	11/19/09	173.000	$56.917	$9,846.64	$12,355.66	$2,509.02 LT		
	1/28/10	201.000	55.727	11,201.21	14,355.42	3,154.21 LT		
	3/10/10	40.000	58.539	2,341.56	2,856.80	515.24 LT		
	4/16/10	145.000	58.987	8,553.12	10,355.90	1,802.78 LT		
	7/8/10	21.000	51.920	1,090.32	1,499.82	409.50 LT		

CONTINUED

Holdings

Portfolio Management Basic Securities Account 530-652013-128

THE SYLVAN C. HERMAN FDN INC #2 ETF S C HERMAN PRES

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
	1/21/11	2,000.000	70.230	140,460.00	142,840.00	2,380.00 LT		
	6/14/11	90.000	73.788	6,640.89	6,427.80	(213.09) LT		
	8/8/11	300.000	65.916	19,774.80	21,426.00	1,651.20 LT		
	1/30/12	832.000	70.207	58,412.39	59,421.44	1,009.05 ST		
	4/5/12	211.000	70.550	14,886.05	15,069.62	183.57 ST		
	6/15/12	113.000	65.125	7,359.18	8,070.46	711.28 ST		
	Total	4,126.000		280,566.16	**294,678.92**	12,208.86 LT 1,903.90 ST	5,363.80	1.82
Share Price: $71.420; Next Dividend Payable 01/03/13								
GUGG RUSSELL TOP 50 MEG CP ETF (XLG)	6/15/12	5,508.000	98.730	543,804.29	567,213.84	23,409.55 ST		
	12/10/12	173.000	103.750	17,948.75	17,815.54	(133.21) ST		
	Total	5,681.000		561,753.04	**585,029.38**	23,276.34 ST	12,901.55	2.20
Share Price: $102.980								
GUGGENHEIM S&P 500 EW CON DI (RCD)	6/15/12	10,531.000	51.330	540,556.23	**594,127.42**	53,571.19 ST	9,183.03	1.54
Share Price: $56.417								
ISHARES TRUST DJ SELECT (DVY)	6/15/12	7,773.000	55.915	434,628.85	444,926.52	10,297.67 ST		
	12/10/12	406.000	57.690	23,422.14	23,239.44	(182.70) ST		
	Total	8,179.000		458,050.99	**468,165.96**	10,114.97 ST	17,347.66	3.70
Share Price: $57.240; Next Dividend Payable 03/2013								
POWERSHARES DYNAMIC SEMICONDUC (PSI)	6/15/12	22,734.000	14.457	328,654.07	**327,424.16**	(1,229.91) ST	2,728.08	0.83
Share Price: $14.402								
POWERSHARES DYNAMIC SOFTWARE P (PSJ)	6/15/12	8,450.000	25.792	217,945.78	229,333.00	11,387.22 ST		
	12/10/12	469.000	26.550	12,451.95	12,728.66	276.71 ST		
	Total	8,919.000		230,397.73	**242,061.66**	11,663.93 ST	—	—
Share Price: $27.140								
SPDR DJ WILSHIRE INTL REAL EST (RWX)	6/15/12	4,239.000	35.007	148,396.37	**175,282.65**	26,886.28 ST	11,538.56	6.58
Share Price: $41.350; Next Dividend Payable 01/04/13								
SPDR S&P CAPITAL MARKETS ETF (KCE)	6/15/12	5,312.000	30.149	160,153.61	**181,192.32**	21,038.71 ST	6,964.03	3.84
Share Price: $34.110; Next Dividend Payable 01/04/13								
SPDR S&P INSURANCE ETF (KIE)	6/15/12	5,322.000	39.870	212,187.61	**234,168.00**	21,980.39 ST	4,747.22	2.02
Share Price: $44.000; Next Dividend Payable 01/04/13								

CONTINUED

Holdings

Portfolio Management Basic Securities Account
530-652013-128

THE SYLVAN C. HERMAN
FDN INC #2 ETF S C HERMAN PRES

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
THE FINANCIAL SEL SECT SPDR FD (XLF)	1/28/10	1,502.000	14.400	21,628.50	24,617.78	2,989.28 LT		
	5/20/10	384.000	14.440	5,544.92	6,293.76	748.84 LT		
	7/8/10	155.000	14.178	2,197.59	2,540.45	342.86 LT		
	8/11/10	237.000	14.308	3,391.00	3,884.43	493.43 LT		
	10/12/10	609.000	14.688	8,944.99	9,981.51	1,036.52 LT		
	1/21/11	9,000.000	16.390	147,510.00	147,510.00	0.00 LT		
	6/14/11	1,150.000	15.080	17,342.00	18,848.50	1,506.50 LT		
	10/11/11	1,483.000	12.478	18,505.32	24,306.37	5,801.05 LT		
	1/30/12	3,225.000	13.898	44,821.05	52,857.75	8,036.70 ST		
	6/15/12	4,356.000	14.265	62,138.34	71,394.84	9,256.50 ST		
	Total	22,101.000		332,023.71	**362,235.39**	12,918.48 LT 17,293.20 ST	6,365.09	1.75
Share Price: $16.390; Next Dividend Payable 01/03/13								
VANGUARD CONSM STPLES ET ETF (VDC)	6/15/12	5,000.000	86.963	434,816.00	439,524.99	4,708.99 ST		
	12/10/12	93.000	92.540	8,606.22	8,175.16	(431.06) ST		
	Total	5,093.000		443,422.22	**447,700.16**	4,277.93 ST	13,195.96	2.94
Share Price: $87.905; Next Dividend Payable 12/2013								
VANGUARD EUROPEAN MSCI ETF (VGK)	6/15/12	12,426.000	41.410	514,560.66	**606,885.84**	92,325.18 ST	18,253.79	3.00
Share Price: $48.840; Next Dividend Payable 03/2013								
VANGUARD HEALTH CARE ETF (VHT)	8/10/09	108.000	49.153	5,308.52	7,740.36	2,431.84 LT		
	9/21/09	34.000	51.820	1,761.88	2,436.78	674.90 LT		
	10/27/09	40.000	51.016	2,040.64	2,866.80	826.16 LT		
	11/19/09	614.000	53.279	32,713.31	44,005.38	11,292.07 LT		
	3/10/10	113.000	56.065	6,335.30	8,098.71	1,763.41 LT		
	4/16/10	109.000	56.064	6,110.98	7,812.03	1,701.05 LT		
	7/8/10	7.000	51.040	357.28	501.69	144.41 LT		
	8/11/10	58.000	51.631	2,994.62	4,156.86	1,162.24 LT		
	10/12/10	22.000	55.080	1,211.76	1,576.74	364.98 LT		
	3/16/11	931.000	57.120	53,178.72	66,724.77	13,546.05 LT		
	12/8/11	21.000	60.450	1,269.45	1,505.07	235.62 LT		
	1/30/12	769.000	63.202	48,602.34	55,114.23	6,511.89 ST		

CONTINUED

Holdings

Portfolio Management Basic Securities Account 530-652013-128

THE SYLVAN C. HERMAN FDN INC #2 ETF S C HERMAN PRES

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
	2/16/12	52.000	64.960	3,377.92	3,726.84	348.92 ST		
	2/27/12	1,350.000	65.031	87,791.45	96,754.50	8,963.05 ST		
	6/15/12	610.000	66.831	40,766.61	43,718.70	2,952.09 ST		
	Total	4,838.000		293,820.78	346,739.46	34,142.73 LT 18,775.95 ST	5,795.92	1.67
Share Price: $71.670; Next Dividend Payable 12/2013								
VANGUARD INDUSTRIAL ETF (VIS)	6/15/12	5,815.000	65.030	378,149.45	414,318.75	36,169.30 ST	8,652.72	2.08
Share Price: $71.250; Next Dividend Payable 12/2013								
VANGUARD INFO TECH ETF (VGT)	1/30/12	1,717.000	65.453	112,381.94	118,661.87	6,279.93 ST		
	4/5/12	4,717.000	73.480	346,605.16	325,991.87	(20,613.29) ST		
	12/10/12	419.000	68.780	28,818.82	28,957.09	138.27 ST		
	Total	6,853.000		487,805.92	473,610.83	(14,195.09) ST	5,708.55	1.20
Share Price. $69.110; Next Dividend Payable 12/2013								

	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / *Accrued Interest*	Yield %
STOCKS	96.6%	$5,370,498.55	$5,753,620.90	$59,270.07 LT $323,852.27 ST	$128,745.96 $0.00	2.24%

	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / *Accrued Interest*	Yield %
TOTAL MARKET VALUE	100.0%	$5,370,498.55	$5,956,136.42	$59,270.07 LT $323,852.27 ST	$128,765.26 $0.00	2.16%

TOTAL VALUE (includes accrued interest) $5,956,136.42

Unrealized Gain/(Loss) totals only reflect positions that have cost basis and/or market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' are not included.

Activity

Portfolio Management Basic Securities Account
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THE SYLVAN C. HERMAN
FDN INC #2 ETF S C HERMAN PRES

INVESTMENT RELATED ACTIVITY

PURCHASES, DIVIDEND REINVESTMENTS, SALES AND REDEMPTIONS

Trade Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Credits/(Debits)
12/10	12/13	Sold	VANGUARD EUROPEAN MSCI ETF	ACTED AS AGENT	701.000	$47.4500	$33,261.70
12/10	12/13	Sold	SPDR DJ WILSHIRE INTL REAL EST	ACTED AS AGENT	418.000	41.7100	17,434.38
12/10	12/13	Sold	THE FINANCIAL SEL SECT SPDR FD	ACTED AS AGENT	744.000	15.9700	11,881.41
12/10	12/13	Sold	SPDR S&P INSURANCE ETF	ACTED AS AGENT	130.000	44.2600	5,753.67
12/10	12/13	Sold	GUGGENHEIM S&P 500 EW CON DI	ACTED AS AGENT	85.000	56.1100	4,769.24
12/10	12/13	Sold	SPDR S&P CAPITAL MARKETS ETF	ACTED AS AGENT	117.000	33.2800	3,893.67
12/10	12/13	Sold	ENERGY SEL SECT SPDR FD	ACTED AS AGENT	45.000	71.4700	3,216.07
12/10	12/13	Sold	VANGUARD INDUSTRIAL ETF	ACTED AS AGENT	44.000	71.0000	3,123.93
12/10	12/13	Sold	VANGUARD HEALTH CARE ETF	ACTED AS AGENT	40.000	73.1400	2,925.53
12/10	12/13	Bought	VANGUARD INFO TECH ETF	ACTED AS AGENT	419.000	68.7800	(28,818.82)
12/10	12/13	Bought	ISHARES TRUST DJ SELECT	ACTED AS AGENT	406.000	57.6900	(23,422.14)
12/10	12/13	Bought	GUGG RUSSELL TOP 50 MEG CP ETF	ACTED AS AGENT	173.000	103.7500	(17,948.75)
12/10	12/13	Bought	POWERSHARES DYNAMIC SOFTWARE P	ACTED AS AGENT	469.000	26.5500	(12,451.95)
12/10	12/13	Bought	VANGUARD CONSM STPLES ET ETF	ACTED AS AGENT	93.000	92.5400	(8,606.22)

TOTAL PURCHASES, DIVIDEND REINVESTMENTS, SALES AND REDEMPTIONS	**$(4,988.28)**
TOTAL PURCHASES	$(91,247.88)
TOTAL SALES AND REDEMPTIONS	$86,259.60

Purchase and Sale transactions above may have received an average price execution. Details regarding the actual prices are available upon request.

TAXABLE INCOME

Date	Activity Type	Description	Comments	Credits/(Debits)
12/26	Dividend	ISHARES TRUST DJ SELECT		$4,507.47
12/27	Dividend	VANGUARD CONSM STPLES ET ETF		13,195.96
12/27	Dividend	VANGUARD INDUSTRIAL ETF		8,652.72
12/27	Dividend	VANGUARD HEALTH CARE ETF		5,795.92
12/27	Dividend	VANGUARD INFO TECH ETF		5,708.55
12/27	Dividend	VANGUARD EUROPEAN MSCI ETF		4,858.57
12/31	Dividend	GUGG RUSSELL TOP 50 MEG CP ETF		3,981.23
12/31	Dividend	GUGGENHEIM S&P 500 EW CON DI		3,782.86
12/31	Dividend	POWERSHARES DYNAMIC SEMICONDUC		1,754.38

TOTAL TAXABLE INCOME	**$52,237.66**
TOTAL OTHER DIVIDENDS	$52,237.66

Activity

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THE SYLVAN C. HERMAN
FDN INC #2 ETF S C HERMAN PRES

MONEY MARKET FUND (MMF) AND BANK DEPOSITS ACTIVITY

Date	Activity Type	Description	Credits/(Debits)
12/13	Automatic Redemption	MS U.S. GOVT MONEY MARKET TR	$(4,988.28)
12/26	Automatic Investment	MS U.S. GOVT MONEY MARKET TR	4,507.47
12/27	Automatic Investment	MS U.S. GOVT MONEY MARKET TR	38,211.72
NET ACTIVITY FOR PERIOD			$37,730.91

REALIZED GAIN/(LOSS) DETAIL

LONG-TERM GAIN/(LOSS)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
ENERGY SEL SECT SPDR FD	11/19/09	12/10/12	45.000	$3,216.07	$2,561.27	$654.80	
THE FINANCIAL SEL SECT SPDR FD	01/28/10	12/10/12	744.000	11,881.41	10,713.45	1,167.96	
VANGUARD HEALTH CARE ETF	08/10/09	12/10/12	40.000	2,925.53	1,966.12	959.41	
Long-Term This Period				$18,023.01	$15,240.84	$2,782.17	
Long-Term Year to Date				$1,240,077.23	$1,141,585.34	$98,491.89	

SHORT-TERM GAIN/(LOSS)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
GUGGENHEIM S&P 500 EW CON DI	06/15/12	12/10/12	85.000	4,769.24	4,363.05	406.19	
SPDR DJ WILSHIRE INTL REAL EST	06/15/12	12/10/12	418.000	17,434.38	14,633.09	2,801.29	
SPDR S&P CAPITAL MARKETS ETF	06/15/12	12/10/12	117.000	3,893.67	3,527.48	366.19	
SPDR S&P INSURANCE ETF	06/15/12	12/10/12	130.000	5,753.67	5,183.09	570.58	
VANGUARD EUROPEAN MSCI ETF	06/15/12	12/10/12	701.000	33,261.70	29,028.41	4,233.29	
VANGUARD INDUSTRIAL ETF	06/15/12	12/10/12	44.000	3,123.93	2,861.32	262.61	
Short-Term This Period				$68,236.59	$59,596.44	$8,640.15	
Short-Term Year to Date				$2,723,813.61	$2,703,373.29	$20,440.32	

Activity

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	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)
Net Realized Gain/(Loss) This Period	$86,259.60	$74,837.28	$11,422.32
Net Realized Gain/(Loss) Year to Date	$3,963,890.84	$3,844,958.63	$118,932.21

New Treasury regulations require that we report your adjusted cost basis and classify the gain or loss as either long-term or short-term on the sale of covered securities acquired on or after January 1, 2011. These regulations also require that we make basis adjustments due to wash sales, certain corporate actions and transfers by gift or inheritance, which will be reflected on your Form 1099-B. This section may not reflect all of the basis adjustments we are required to make for tax reporting purposes. The information in this section is provided for informational purposes only and should not be used in the preparation of your income tax returns. Please refer to the Expanded Disclosures for additional information.

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2012 Annual Review

Portfolio Management Basic Securities Account
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THE SYLVAN C. HERMAN
FDN INC #2 ETF S C HERMAN PRES

We are pleased to enclose your 2012 Annual Review, which is provided for informational purposes only.

Additionally, please note that this Annual Review contains a recap of 2012 Income and Distributions. Those that are reportable for 2012, but not payable until 2013, are not included in this Annual Review. Clients with accounts subject to IRS reporting should note that the year-to-date amounts in this Review may differ from the amounts that will be reported on IRS Form(s) 1099, which will be mailed to you no later than February 15, 2013. **We recommend that you wait for your IRS Form(s) 1099 before completing your tax returns.**

Please remember that this 2012 Annual Review is not a substitute for the official account statements that you have received from us throughout the year, and certain information is subject to adjustment and correction.

To the extent there are any discrepancies between your monthly account statement(s) and the information in this Annual Review, you should rely on the account statement(s) you have previously received. For more information please contact your Financial Advisor.

INVESTMENT RELATED ACTIVITY

PURCHASES

Transaction Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Inflows/(Outflows)
6/15	6/20	Bought	GUGGENHEIM S&P 500 EW CON DI	ACTED AS AGENT	10,616.000	$51.3300	$(544,919.28)
6/15	6/20	Bought	GUGGENHEIM RUSSELL TOP 50 ETF	ACTED AS AGENT	5,508.000	98.7299	(543,804.29)
6/15	6/20	Bought	VANGUARD EUROPEAN MSCI ETF	ACTED AS AGENT	13,127.000	41.4100	(543,589.07)
6/15	6/20	Bought	VANGUARD CONSM STPLES ET ETF	ACTED AS AGENT	5,000.000	86.9632	(434,816.00)
6/15	6/20	Bought	ISHARES TRUST DJ SELECT	ACTED AS AGENT	7,773.000	55.9152	(434,628.85)
6/15	6/20	Bought	VANGUARD INDUSTRIAL ETF	ACTED AS AGENT	5,859.000	65.0300	(381,010.77)
6/15	6/20	Bought	POWERSHARES DYNAMIC SEMICONDUC	ACTED AS AGENT	22,734.000	14.4565	(328,654.07)
6/15	6/20	Bought	POWERSHARES DYNAMIC SOFTWARE P	ACTED AS AGENT	8,450.000	25.7924	(217,945.78)
6/15	6/20	Bought	SPDR S&P INSURANCE ETF	ACTED AS AGENT	5,452.000	39.8699	(217,370.69)
6/15	6/20	Bought	SPDR S&P CAPITAL MARKETS ETF	ACTED AS AGENT	5,429.000	30.1494	(163,681.09)
6/15	6/20	Bought	SPDR DJ WILSHIRE INTL REAL EST	ACTED AS AGENT	4,657.000	35.0074	(163,029.46)
6/15	6/20	Bought	THE FINANCIAL SEL SECT SPDR FD	ACTED AS AGENT	4,356.000	14.2650	(62,138.34)
6/15	6/20	Bought	VANGUARD HEALTH CARE ETF	ACTED AS AGENT	610.000	66.8305	(40,766.61)
6/15	6/20	Bought	ENERGY SEL SECT SPDR FD	ACTED AS AGENT	113.000	65.1255	(7,359.18)
12/10	12/13	Bought	VANGUARD INFO TECH ETF	ACTED AS AGENT	419.000	68.7800	(28,818.82)
12/10	12/13	Bought	ISHARES TRUST DJ SELECT	ACTED AS AGENT	406.000	57.6900	(23,422.14)
12/10	12/13	Bought	GUGG RUSSELL TOP 50 MEG CP ETF	ACTED AS AGENT	173.000	103.7500	(17,948.75)
12/10	12/13	Bought	POWERSHARES DYNAMIC SOFTWARE P	ACTED AS AGENT	469.000	26.5500	(12,451.95)

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Morgan Stanley

CLIENT STATEMENT

2012 Annual Review

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THE SYLVAN C. HERMAN
FDN INC #2 ETF S C HERMAN PRES

INVESTMENT RELATED ACTIVITY

PURCHASES (CONTINUED)

Transaction Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Inflows/(Outflows)
12/10	12/13	Bought	VANGUARD CONSM STPLES ET ETF	ACTED AS AGENT	93.000	92.5400	(8,606.22)

TOTAL PURCHASES $(4,174,961.36)

SALES/REDEMPTIONS

Transaction Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Inflows/(Outflows)
6/6	6/11	Sold	MARKET VECTORS GOLD MINERS	ACTED AS AGENT	4,000.000	$48.3900	$193,555.66
6/15	6/20	Sold	VANGUARD DIVIDEND APPRECIATION	ACTED AS AGENT	9,886.000	56.5830	559,367.00
6/15	6/20	Sold	UTILITIES SEL SECT SPDR FUND	ACTED AS AGENT	9,832.000	36.9415	363,200.69
6/15	6/20	Sold	VANGUARD INFO TECH ETF	ACTED AS AGENT	5,283.000	67.5131	356,663.72
6/15	6/20	Sold	PIMCO ENHANCED SHORT MATURIT	ACTED AS AGENT	3,000.000	101.0670	303,194.20
6/15	6/20	Sold	VANGUARD MSCI EMERGING MARKETS	ACTED AS AGENT	7,702.000	39.0800	300,987.41
6/15	6/20	Sold	ISHARES NASDAQ BIOTECH FUND	ACTED AS AGENT	2,332.000	124.7980	291,022.42
6/15	6/20	Sold	INDUSTRIAL SEL SEC SPDR FD	ACTED AS AGENT	7,750.000	34.8510	270,089.19
6/15	6/20	Sold	ISHARES PHLX SOX SEMICNDICO	ACTED AS AGENT	5,024.000	50.8509	255,469.19
6/15	6/20	Sold	SPDR EM MKTS DIV ETF	ACTED AS AGENT	5,803.000	43.6222	253,133.95
6/15	6/20	Sold	SPDR S&P OIL & GAS EXP & PRO	ACTED AS AGENT	5,129.000	47.4623	243;428.68
6/15	6/20	Sold	S&P NORTH AMERICAN TECH SOFT	ACTED AS AGENT	3,528.000	60.3400	212,874.75
6/15	6/20	Sold	VANGUARD INTERMEDIATE TERM COR	ACTED AS AGENT	2,061.000	85.0318	175,246.61
6/15	6/20	Sold	GUGGENHEIM S&P GLOBAL WATER IN	ACTED AS AGENT	5,000.000	19.8800	99,397.77
12/10	12/13	Sold	VANGUARD EUROPEAN MSCI ETF	ACTED AS AGENT	701.000	47.4500	33,261.70
12/10	12/13	Sold	SPDR DJ WILSHIRE INTL REAL EST	ACTED AS AGENT	418.000	41.7100	17,434.38
12/10	12/13	Sold	THE FINANCIAL SEL SECT SPDR FD	ACTED AS AGENT	744.000	15.9700	11,881.41
12/10	12/13	Sold	SPDR S&P INSURANCE ETF	ACTED AS AGENT	130.000	44.2600	5,753.67
12/10	12/13	Sold	GUGGENHEIM S&P 500 EW CON DI	ACTED AS AGENT	85.000	56.1100	4,769.24
12/10	12/13	Sold	SPDR S&P CAPITAL MARKETS ETF	ACTED AS AGENT	117.000	33.2800	3,893.67
12/10	12/13	Sold	ENERGY SEL SECT SPDR FD	ACTED AS AGENT	45.000	71.4700	3,216.07
12/10	12/13	Sold	VANGUARD INDUSTRIAL ETF	ACTED AS AGENT	44.000	71.0000	3,123.93
12/10	12/13	Sold	VANGUARD HEALTH CARE ETF	ACTED AS AGENT	40.000	73.1400	2,925.53

TOTAL SALES/REDEMPTIONS $3,963,890.84

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