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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 09-01-2012 , and ending 08-31-2013

Name of foundation
THE HARMON FOUNDATION

% JANET L MULLIGAN

A Employer identification number
06-1180560

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
C/O TANTON CO LLP
37 W 57TH STREET 5TH FL Suite

B Telephone number (see instructions)
(212) 583-1100

City or town, state, and ZIP code
NEW YORK, NY 10019

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 ☑ 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)* ▶$ 5,166,346

J Accounting method ☑ 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) (see instructions))*

			(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 (attach schedule)	0			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	134,500	134,500		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-1,134			
	b	Gross sales price for all assets on line 6a 529,095				
	7	Capital gain net income (from Part IV, line 2)		0		
	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) (attach schedule)				
	11	Other income (attach schedule)	4,178	7,299		
	12	**Total.** Add lines 1 through 11	137,544	141,799		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	4,750	1,188	0	3,562
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	1,482			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	44,552	20,300		300
	24	**Total operating and administrative expenses.** Add lines 13 through 23	50,784	21,488	0	3,862
	25	Contributions, gifts, grants paid	213,726			213,726
	26	**Total expenses and disbursements.** Add lines 24 and 25	264,510	21,488	0	217,588
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-126,966			
	b	**Net investment income** (if negative, enter -0-)		120,311		
	c	**Adjusted net income** (if negative, enter -0-)				

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	267,956	121,606	121,606
	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 (attach schedule) (see page 15 of the instructions)	13,930		
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	2,164,960	1,607,947	1,611,154
	c	Investments—corporate bonds (attach schedule)	100,343	761,391	843,903
	11	Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	1,500,000	1,500,000	2,589,683
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)	9,417	0	
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	4,056,606	3,990,944	5,166,346
Liabilities	17	Accounts payable and accrued expenses		59,250	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)		59,250	
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 ▶ ☑ **and complete lines 27 through 31.**			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	4,056,606	3,931,694	
	30	**Total net assets or fund balances** (see page 17 of the instructions)	4,056,606	3,931,694	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	4,056,606	3,990,944	

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	4,056,606
2	Enter amount from Part I, line 27a	2	-126,966
3	Other increases not included in line 2 (itemize) ▶	3	2,054
4	Add lines 1, 2, and 3	4	3,931,694
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	3,931,694

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	See Additional Data Table			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	See Additional Data Table			
b				
c				
d				
e				

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	See Additional Data Table			
b				
c				
d				
e				

2	Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	-1,134
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) (see instructions) If (loss), enter -0- in Part I, line 8		3	

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 page 18 of 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	250,112	4,600,098	0 054371
2010	223,512	5,035,962	0 044383
2009	182,250	4,503,308	0 04047
2008	274,074	4,081,682	0 067147
2007	223,249	5,163,132	0 043239

2	**Total** of line 1, column (d).	2	0 24961
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	0 049922
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5.	4	5,280,073
5	Multiply line 4 by line 3.	5	263,592
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	1,203
7	Add lines 5 and 6.	7	264,795
8	Enter qualifying distributions from Part XII, line 4.	8	217,588

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 page 18 of the 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	2,406
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	
3	Add lines 1 and 2			3	2,406
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	2,406
6	Credits/Payments				
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	0		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	1,700		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	1,700
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	33
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	739
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	
11	Enter the amount of line 10 to be **Credited to 2013 estimated tax** ▶	**Refunded** ▶		11	

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		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		No
	*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		
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		No
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		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
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	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶DE			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
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		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶

14 The books are in care of ▶JANET L MULLIGAN Telephone no ▶(212) 583-1100

Located at ▶37 W 57TH ST 5TH FL NEW YORK NY ZIP +4 ▶10019

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 |

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		

See 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.		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 page 20 of the instructions)?	1b		
	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		
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 ▶ 20____, 20____, 20____, 20____			
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)	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 ▶ 20____, 20____, 20____, 20____			
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.)*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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		No

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)? (see instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**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? ☐ 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
	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?	**7b**		No

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(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
JANE HARMON 37 W 57TH STREET 5TH FL NEW YORK, NY 10019	TREASURER 0 5	0		
LEONARD LEIMAN 666 FIFTH AVE NEW YORK, NY 10103	SECRETARY 0 5	0		
JAMES HARMON 37 W57TH STREET NEW YORK, NY 10019	PRESIDENT 0 5	0		

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). 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

Total number of other employees paid over $50,000 ▶

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
Total number of others receiving over $50,000 for professional services. . . . . ▶		

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	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3. . . . . ▶	

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	2,450,560
b	Average of monthly cash balances	1b	254,402
c	Fair market value of all other assets (see instructions)	1c	2,655,518
d	**Total** (add lines 1a, b, and c)	1d	5,360,480
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	5,360,480
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	80,407
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	5,280,073
6	**Minimum investment return.** Enter 5% of line 5	6	264,004

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	264,004
2a	Tax on investment income for 2012 from Part VI, line 5	2a	2,406		
b	Income tax for 2012 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	2,406
3	Distributable amount before adjustments Subtract line 2c from line 1			3	261,598
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	261,598
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	261,598

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	217,588
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	0
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	217,588
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 (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	217,588

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				261,598
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only.			223,199	
b Total for prior years 2010 , 2009 , 2008				
3 Excess distributions carryover, if any, to 2012				
a From 2007.				
b From 2008.				
c From 2009.				
d From 2010.				
e From 2011. 0				
f **Total** of lines 3a through e.	0			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ $ 217,588				
a Applied to 2011, but not more than line 2a			217,588	
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).				
d Applied to 2012 distributable amount.				
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).)*	0			0
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
b Prior years' undistributed income Subtract line 4b from line 2b				
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.				
d Subtract line 6c from line 6b Taxable amount —see instructions				
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount—see instructions			5,611	
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				261,598
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions) . . .				
9 **Excess distributions carryover to 2013.** Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2008. . . .				
b Excess from 2009. . . .				
c Excess from 2010. . . .				
d Excess from 2011. . . .				
e Excess from 2012. . . . 0				

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

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

	Tax year	Prior 3 years			(e) Total
	(a) 2012	**(b)** 2011	**(c)** 2010	**(d)** 2009	
2a 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 organization 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))

JAMES A HARMON

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

NA

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 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*				
SEE SCHEDULE ATTACHED VARIOUS NEW YORK, NY 10019	NONE	SEC 501(C)(3)	GENERAL PURPOSE	213,726
Total . . . . ▶ **3a**				213,726
b *Approved for future payment*				
Total . . . . ▶ **3b**				

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) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities. . . .			14	134,500	
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.			01		
8 Gain or (loss) from sales of assets other than inventory			18	-1,134	
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). .				137,544	

13 **Total.** Add line 12, columns (b), (d), and (e). 13 137,544

(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) (See instructions)

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)**		No
	(2) Other assets	**1a(2)**		No
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	**1b(1)**		No
	(2) Purchases of assets from a noncharitable exempt organization	**1b(2)**		No
	(3) Rental of facilities, equipment, or other assets	**1b(3)**		No
	(4) Reimbursement arrangements	**1b(4)**		No
	(5) Loans or loan guarantees	**1b(5)**		No
	(6) Performance of services or membership or fundraising solicitations	**1b(6)**		No
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	**1c**		No

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

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

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 or fiduciary) is based on all information of which preparer has any knowledge

****** | 2014-02-24 | ******

Signature of officer or trustee | Date | Title

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

Firm's name ▶ TANTON AND COMPANY LLP

Firm's EIN ▶

Firm's address ▶ 37 WEST 57TH STREET 5TH FLOOR NEW YORK, NY 100193411

Phone no (212) 583-1100

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
ASBC CAP TR I 7 625% 6/15/32		2011-05-27	2012-10-01
TEREX CORP NEW SR SUB 8%		2011-05-27	2012-11-26
TEREX CORP NEW SR SUB 8%		2011-07-19	2012-11-26
ATLAS PIPELINE PTRS 8 75%		2011-06-29	2013-02-11
JC PENNEY CORP 7 650%		2012-07-19	2013-03-06
LINN ENERGY LLC		2011-05-31	2013-05-07
LINN ENERGY LLC		2011-12-07	2013-07-02
LINN ENERGY LLC		2012-10-11	2013-07-02
STRATEGIC HOTEL CAP 8 25%		2013-05-02	2013-06-25
FROM PARTNERSHIPS			
FROM PARTNERSHIP	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
53,550		54,546	-996
50,688		52,425	-1,737
101,375		102,450	-1,075
160,752		159,188	1,564
46,500		48,375	-1,875
35,622		29,385	6,237
27,844		29,385	-1,541
27,844		29,385	-1,541
23,131		25,090	-1,959
1,086			1,086
703			703

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) F M V as of 12/31/69	**(j)** Adjusted basis as of 12/31/69	**(k)** Excess of col (i) over col (j), if any	
			-996
			-1,737
			-1,075
			1,564
			-1,875
			6,237
			-1,541
			-1,541
			-1,959
			1,086
			703

TY 2012 Accounting Fees Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	4,750	1,188		3,562

TY 2012 Depreciation Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

TY 2012 Investments Corporate Bonds Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

Name of Bond	End of Year Book Value	End of Year Fair Market Value
CORPORATE BONDS	761,391	843,903

TY 2012 Investments Corporate Stock Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

Name of Stock	End of Year Book Value	End of Year Fair Market Value
VARIOUS SECURITIES	1,607,947	1,611,154

TY 2012 Investments - Other Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
INVEST IN PSAM WORLDARB			
INVEST IN CARAVEL FD		1,500,000	2,589,683

TY 2012 Land, Etc. Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93491088004014

TY 2012 Other Assets Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
ACCRUED INTEREST	9,417	0	

TY 2012 Other Decreases Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

Description	Amount
SHARES CONTRIBUTED AT FMV IN EXCESS OF	0
BASIS	0
PRIOR PERIOD ADJUSTMENT	0

TY 2012 Other Expenses Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT ADVISORY FEES	20,167	20,167		
FROM FLOWTHROUGH	23,952			
INVESTMENT INTEREST EXP	73	73		
ADR FEES	60	60		
OFFICE EXPENSE	300			300

TY 2012 Other Income Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
MISCELLANEOUS INCOME	7,299	7,299	
ORDINARY LOSS THRU PARTNERSHIPS	-3,121		

TY 2012 Other Increases Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

Description	Amount
PRIOR PERIOD ADJUSTMENT	2,054

TY 2012 Taxes Schedule

Name: THE HARMON FOUNDATION

EIN: 06-1180560

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FEDERAL TAX	1,482			

Pershing Advisor Solutions LLC, a BNY Mellon company
One Pershing Plaza, Jersey City, NJ 07399
(877) 870-7230
Member FINRA, SIPC

Shikiar *Investment Account Statement*

* 00005935 02 AV 0.360 02 TR 00027 X212PD01 000000

Account Number: N5T-523145
Statement Period: 08/01/2013 - 08/31/2013

Copy to: TANNON
ATT JANET MULLIGAN
37 WEST 57TH STREET
NEW YORK NY 10019-3411

Statement for the account of:
THE HARMON FOUNDATION
43 KETTLE CREEK ROAD
WESTON CT 06883-2208

Valuation at a Glance

	This Period
Beginning Account Value	**$2,084,131.63**
Dividends/Interest	11,205.81
Fees	-60.00
Change in Account Value	-42,291.44
Ending Account Value	**$2,052,986.00**
Accrued Interest	$25,829.87
Account Value with Accrued Interest	**$2,078,815.87**
Estimated Annual Income	$141,690.60

Asset Allocation

	Last Period	This Period	% Allocation
Cash, Money Funds, and Bank Deposits	76,175.63	57,548.34	3%
Fixed Income	850,909.00	843,903.00	41%
Equities	1,110,307.00	1,104,434.66	54%
Mutual Funds	46,740.00	47,100.00	2%
Account Total (Pie Chart)	**$2,084,131.63**	**$2,052,986.00**	**100%**

Pie Chart allocation only includes products that are of positive value

[redacted]

Client Service Information

Your Investment Advisor: SH2	**Contact Information**
SHIKIAR ASSET MANAGEMENT INC	**Telephone Number:** (212) 888 6565
1633 BROADWAY 9TH FLOOR	**Fax Number:** (212) 888 6596
NEW YORK NY 10019 6708	

Your Account Information

Tax Lot Default Disposition Method

Default Method for Mutual Funds: FIRST IN FIRST OUT
Default Method for Stocks in a Dividend Reinvestment Plan: FIRST IN FIRST OUT
Default Method for all Other Securities: FIRST IN FIRST OUT

Electronic Delivery

You have not selected any account communications for electronic delivery To register and turn off paper communications, log in to your account or contact your Investment Advisor for more information

Messages

Although a money market mutual fund seeks to preserve the value of your investment at $1 per share, it is possible to lose money by investing in a money market mutual fund Please see the money market mutual fund's prospectus or contact your investment professional for additional information.

Beginning September 26 and through mid-November, you will be redirected to the new website address for NetXInvestor® advisor netxinvestor com Be sure to save this new web address to your favorites for future visits to the website. You will see the new, redesigned NetXInvestor® website later this year. For more information, please contact your advisor

Accrued Interest Summary

	Current Period		Year-to-Date	
	Taxable	Non Taxable	Taxable	Non Taxable
Accrued Interest Paid				
Corporate Bond	0 00	0 00	-1,947 91	0 00
Total Accrued Interest Paid	**$0.00**	**$0.00**	**-$1,947.91**	**$0.00**
Accrued Interest Received				
Corporate Bond	0 00	0 00	276 25	0 00
Total Accrued Interest Received	**$0.00**	**$0.00**	**$276.25**	**$0.00**

Pershing Advisor Solutions LLC, a BNY Mellon company
One Pershing Plaza, Jersey City, NJ 07399
(877) 870-7230
Member FINRA, SIPC

Shikiar **Investment Account Statement**

Statement Period: 08/01/2013 - 08/31/2013

Portfolio Holdings

Description	Quantity	Opening Balance	Closing Balance	Accrued Income	Income This Year	30-Day Yield
Cash, Money Funds, and Bank Deposits 3.00% of Portfolio						
Money Market						
DREYFUS TREASURY PRIME INV SH	57,548.340	76,175.63	57,548.34	0.00	0.04	0.00%
Total Money Market		$76,175.63	$57,548.34	$0.00	$0.04	
Total Cash, Money Funds, and Bank Deposits		$76,175.63	$57,548.34	$0.00	$0.04	

Description	Quantity	Market Price	Market Value	Accrued Interest	Estimated Annual Income	Estimated Yield
Fixed Income 41.00% of Portfolio *(In Maturity Date Sequence)*						
Corporate Bonds						
ZIONS BANCORPORATION FIXED RT SR NT 7.750% 09/23/14 B/E DTD 09/23/09 1ST CPN DTE 03/23/10 CPN PMT SEMI ANNUAL ON MAR 23 AND SEP 23 S & P Rating BBB- Security Identifier 989701AX5	450,000.000	106.4820	479,169.00	15,306.25	34,875.00	7.27%
MCMORAN EXPLORATION CO SR NT 11.875% 11/15/14 B/E DTD 11/14/07 CALLABLE 08/30/13 @ 104.938 CALLABLE 11/15/13 @ 100.000 1ST CPN DTE 05/15/08 CPN PMT SEMI ANNUAL ON MAY 15 AND NOV 15 Moody Rating BAA3 Security Identifier 582411AF1	100,000.000	102.1090	102,109.00	3,496.53	11,875.00	11.62%
COMMERCIAL METALS CO SR NT 6.500% 07/15/17 B/E DTD 07/17/07 CALLABLE 1ST CPN DTE 01/15/08 CPN PMT SEMI ANNUAL ON JAN 15 AND JUL 15 Moody Rating BA2 S & P Rating BB+ Security Identifier 201723AH6	50,000.000	107.5000	53,750.00	415.28	3,250.00	6.04%

[redacted]

Portfolio Holdings *(continued)*

Description	Quantity	Market Price	Market Value	Accrued Interest	Estimated Annual Income	Estimated Yield
Fixed Income *(continued)*						
Corporate Bonds *(continued)*						
UNITED RENTALS NORTH AMER INC GDT FIXED RT SR SUB NT 8 375% 09/15/20 B/E DTD 10/26/10 CALLABLE 09/15/15 @ 104 188 CALLABLE 09/15/18 @ 100 000 1ST CPN DTE 03/15/11 CPN PMT SEMI ANNUAL ON MAR 15 AND SEP 15 Moody Rating CAA1 S & P Rating B Security Identifier 911365AW4	100,000.000	109.5000	109,500.00	3,861.81	8,375.00	7.64%
NAVISTAR INTL CORP NEW FIXED RT SR NT GTD 8 250% 11/01/21 B/E DTD 10/28/09 CALLABLE 11/01/14 @ 104 125 CALLABLE 11/01/17 @ 100 000 1ST CPN DTE 05/01/10 CPN PMT SEMI ANNUAL ON MAY 01 AND NOV 01 Moody Rating B3 S & P Rating CCC Security Identifier 63934EAM0	100,000.000	99.3750	99,375.00	2,750.00	8,250.00	8.30%
Total Corporate Bonds:	800,000.000		$843,903.00	$25,829.87	$66,625.00	
Total Fixed Income:	800,000.000		$843,903.00	$25,829.87	$66,625.00	

Description	Quantity	Market Price	Market Value	Estimated Annual Income	Estimated Yield
Equities 54.00% of Portfolio					
Common Stocks					
ACCESS MIDSTREAM PARTNERS LP UNIT Security Identifier ACMP CUSIP 00434L109 Dividend Option Cash	2,500.000	45.6100	114,025.00	4,850.00	4.25%
ALCOA INC COM Security Identifier AA CUSIP 013817101 Dividend Option Cash	10,000.000	7.7000	77,000.00	1,200.00	1.55%
EV ENERGY PARTNERS LP COM UNITS REPSTG LTD PARTNER INT Security Identifier EVEP CUSIP 26926V107 Dividend Option Cash	1,600.000	36.4900	58,384.00	4,921.60	8.42%
KKR FINANCIAL HLDGS LLC COM Security Identifier KFN CUSIP 48248A306 Dividend Option Cash	7,500.000	10.1700	76,275.00	6,300.00	8.25%

Portfolio Holdings *(continued)*

Description	Quantity	Market Price	Market Value	Estimated Annual Income	Estimated Yield
Equities *(continued)*					
Common Stocks *(continued)*					
NEW YORK CMNTY BANCORP INC COM Security Identifier NYCB CUSIP 649445103 Dividend Option Cash	6,500.000	14.6500	95,225.00	6,500.00	6.82%
PFIZER INC COM Security Identifier PFE CUSIP 717081103 Dividend Option Cash	3,000.000	28.2100	84,630.00	2,880.00	3.40%
VODAFONE GROUP PLC SPON ADR NEW ISIN#US92857W2098 Security Identifier VOD CUSIP 92857W209 Dividend Option Cash	3,000.000	32.3500	97,050.00	4,652.00	4.79%
Total Common Stocks			$602,589.00	$31,303.60	
Preferred Stocks *(Listed by expiration date)*					
CLIFFS NAT RES INC DEP SHS REPSTG 1/40TH PFD CONV SER A Security Identifier CLV CUSIP 18683K408 Dividend Option Cash	2,000.000	19.6600	39,320.00	3,500.00	8.90%
EXCEL TR INC CUM RED PFD STK SER B 8 125% Security Identifier EXL PRB CUSIP 30068C307 Dividend Option Cash	2,400.000	25.4899	61,175.76	4,875.00	7.96%
M&T CAP TR IV 8.5% GTD ENHANCED TR PFD SECS MAT 1/31/68 CALLABLE 1/31/13@ 25 00 Security Identifier MTB PRA CUSIP 55292C203 Dividend Option Cash	1,000.000	25.7800	25,780.00	2,125.00	8.24%

Portfolio Holdings *(continued)*

Description	Quantity	Market Price	Market Value	Estimated Annual Income	Estimated Yield
Equities *(continued)*					
Preferred Stocks *(continued)*					
PRIVATEBANCORP CAP TR IV GTD TR PFD SEC 10% MA 6/15/68 CALLABLE 6/15/13@ 25.00 Security Identifier PVTBP CUSIP 74272L208 Dividend Option Cash	3,500.000	25.9000	90,650.00	8,750.00	9.65%
ZIONS BANCORP DEPOSITARY SHS REPSTG 1/40TH PERP SER C 9.50% CALLABLE Security Identifier ZB PRCCL CUSIP 989701503 Dividend Option Cash	2,500.000	24.9800	62,450.00	6,069.44	9.71%
Total Preferred Stocks			$279,375.76	$25,319.44	
Real Estate Investment Trusts					
LEXINGTON RLTY TR COM Security Identifier LXP CUSIP 529043101 Dividend Option Cash	12,500.000	11.7200	146,500.00	7,500.00	5.11%
NORTHSTAR RLTY FIN CORP COM Security Identifier NRF CUSIP 66704R100 Dividend Option Cash	6,000.000	8.7600	52,560.00	4,800.00	9.13%
STRATEGIC HOTEL CAP INC PFD SER C 8.25% CALLABLE 5/17/11 @25 Security Identifier BEE PRC CUSIP 86272T502 Dividend Option Cash	1,000.000	23.4099	23,409.90	2,062.52	8.81%
Total Real Estate Investment Trusts			$222,469.90	$14,362.52	
Total Equities			$1,104,434.66	$70,985.56	

Description	Quantity	Market Price	Market Value	Estimated Annual Income	Estimated Yield
Mutual Funds 2.00% of Portfolio					
THL CR INC COM Security Identifier TCRD CUSIP 872438106 Closed End Fund Dividend Option Cash, Capital Gains Option Cash	3,000.000	15.7000	47,100.00	4,080.00	8.66%
Total Mutual Funds			$47,100.00	$4,080.00	

Account Summary

Active Assets Account
052-119203-305

THE HARMON FOUNDATION
JAMES HARMON

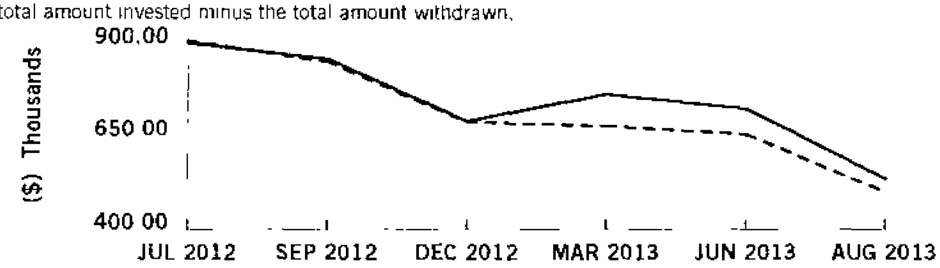
INTERESTED PARTY COPY

CHANGE IN VALUE OF YOUR ACCOUNTS (includes accrued interest)

	This Period (8/1/13-8/31/13)	This Year (1/1/13-8/31/13)
TOTAL BEGINNING VALUE	**$626,589.45**	**$661,494.63**
Credits	—	16,708 58
Debits	(60,072.83)	(186,362 69)
Security Transfers	—	—
Net Credits/Debits/Transfers	**$(60,072.83)**	**$(169,654.11)**
Change in Value	**(42,840.70)**	**31,835.40**
TOTAL ENDING VALUE	**$523,675.92**	**$523,675.92**

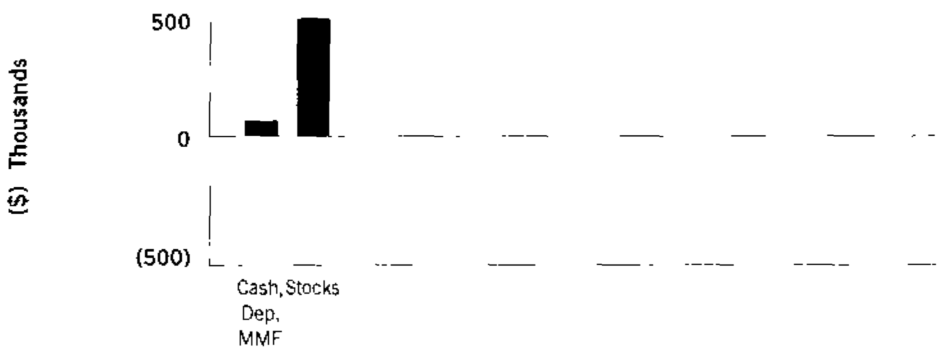
CHANGE IN VALUE OVER TIME

This graph compares the total value of your account to the net amount invested Net investment is the total amount invested minus the total amount withdrawn.



This exhibit may not include transactions for investments in Annuities or where Morgan Stanley Smith Barney LLC is not the custodian This may affect the reported Net Invested Capital. If we are not the custodian there may also be a delay in the reporting of your Market Value

ALLOCATION OF HOLDINGS



	Market Value	Percentage %
Cash, Deposits, MMFs*	$64,129.15	12 2
Cash, Deposits, MMFs (Debit)	(72 83)	0 0
Stocks	459,619 60	87.8
TOTAL VALUE	**$523,675.92**	**100.0%**

This allocation represents holdings on a trade date basis and the projected settled balances for Cash/Deposits/MMF. These classifications are not for suitability purposes and may differ from Asset Allocation reports you may receive ** FDIC rules apply and Bank Deposits are eligible for FDIC insurance but are not covered by SIPC Cash and securities (including MMFs) are eligible for SIPC coverage See Expanded Disclosures*

Account Detail

Active Assets Account
052-119203-305

THE HARMON FOUNDATION
JAMES HARMON

INTERESTED PARTY COPY

Investment Objectives † : Capital Appreciation, Income

Brokerage Account

† See the Expanded Disclosures for more information about investment objectives Please review for accuracy and inform us if your investment objectives change

HOLDINGS

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 %
MARGIN LOAN	$(72 83)			
MS ACTIVE ASSETS MONEY TRUST	64,129 15	6 41	0 010	—

	Percentage of Assets %	Market Value	Estimated Annual Income / Accrued Interest
CASH, DEPOSITS AND MONEY MARKET FUNDS	12.2%	$64,056 32	$6.41 / $0.00
TOTAL CASH, DEPOSITS, MMFS		$64,129 15	
TOTAL CASH, DEPOSITS, MMFS (DEBIT)		$(72 83)	

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

004899 MSGDD281 031888

Morgan Stanley

Account Detail

Active Assets Account
052-119203-305

THE HARMON FOUNDATION
JAMES HARMON

INTERESTED PARTY COPY

STOCKS

COMMON STOCKS

Morgan Stanley & Co LLC (Morgan Stanley), Citi Research, and Standard & Poor's equity research ratings may be shown for certain securities All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance Because the applicable research report contains more complete information regarding the analyst's opinions, analysis, and rating, you should read the entire research report and not infer its contents from the rating Where a particular company is covered by both Morgan Stanley and Citi Research, you can and should view both research reports Citi Research's equity research ratings are (1) Buy, (2) Neutral and (3) Sell For ease of comparison, Morgan Stanley and Standard & Poor's equity research ratings have been normalized to a 1 (Buy), 2 (Hold), and 3 (Sell) Please refer to the quarter month-end statement (or your first statement, if you have not yet received a statement at the quarter-end) for a summary guide describing Morgan Stanley Citi Research and Standard & Poor's ratings Morgan Stanley Smith Barney LLC does not take responsibility for, and does not guarantee the accuracy, completeness, or timeliness of research prepared for Standard & Poor's

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
CITIGROUP INC NEW (C) √	8/31/04	400 000	$464 100	$185,640 00	$19,332 00	$(166,308 00) LT 1		
	1/4/05	400 000	485.300	194,120 00	19,332 00	(174,788 00) LT 1		
	Total	800 000		√ 379,760 00	**38,664.00**	(341,096 00) LT	32 00	0 08
Share Price $48 330, Rating Morgan Stanley 1, S&P 1, Next Dividend Payable 11/2013, 800 Held On Margin								
CORE MARK HOLDING CO INC (CORE)	—	76 000	—	Please Provide	**4,795 60**	N/A	57 76	1 20
Share Price $63 100; Next Dividend Payable 09/16/13, 76 Held On Margin								
QEP RESOURCES INC (QEP)	8/17/92	4,000 000	2 778	√ 11,113 06	**109,280 00**	98,166 94 LT 1	320 00	0 29
Share Price $27 320, Rating S&P 1, Next Dividend Payable 09/06/13, 4000 Held On Margin								
QUESTAR CORP (STR)	8/17/92	4,000 000	1 425	√ 5,699 44	87,680 00	81,980 56 LT 1		
	8/17/92	10,000 000	1 398	√ 13,983 75	219,200 00	205,216 25 LT 1		
	Total	14 000 000		19,683 19	**306,880.00**	287,196 81 LT	10,080 00	3 28
Share Price. $21 920, Rating Morgan Stanley 2, Citigroup 1, S&P 2, Next Dividend Payable 09/09/13, 14000 Held On Margin								

	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Interest	Yield %
STOCKS	87.8%	$410,556.25	$459,619 60	$44,267 75 LT	$10,489 76 $0 00	2 28%

	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Interest	Yield %
TOTAL MARKET VALUE	100 0%	$410,556.25	$523,675.92	$44,267.75 LT	$10,496.17 $0.00	2 00%

TOTAL VALUE (includes accrued interest) **$523,675.92**

1 - This information reflects your requested adjustments to the transaction details
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

FMV 523,675 92
+ 2,0252,986
from Pershing =
2,576,661 92

Security Mark at Right

Mitsubishi UFJ Fund Services
MUFG

INVESTOR STATEMENT
SEPTEMBER 1, 2013 THROUGH SEPTEMBER 30, 2013

Investor Name	**The Harmon Foundatıon**
Share Class	**The Caravel Fund (Offshore) Ltd Class A3**
Prepared For	**Janet Mullıgan**
Emaıl	**ȷmullıgan@tantoncpas com**
Reportıng Currency	**USD**

	Period to Date	Year to Date
Openıng Balance	2,589,683	2,567,260
Opening Units	2,081 270	2,081 270
Funds In	0	0
Unıts In	0 000	0 000
Openıng NAV	2,589,683	2,567,260
Profıt	115,560	137,983
Management Fee	0	0
Incentıve Fee	0	0
Net Profıt	115,560	137,983
Funds out	(500,000)	(500,000)
Unıts out	(384 673)	(384 673)
Closıng NAV as at 9/30/2013	2,205,243	2,205,243
Closing Unit Balance	1,696 597	1,696 597
Net Return %	4 462	5 375
Openıng NAV/ Unit	1,244 280	
Closing NAV/ Unit	1,299 804	

NB 'Funds out' and 'Unıts out' are redemptıons that become effectıve after the current perıod profıt / loss allocatıon

'Funds ın' and 'Unıts ın' ınclude subscrıptıons whıch relate to the 1st dealıng day of the subsequent reportıng perıod

Harmon Foundation
Grants Paid
FYE 8/31/2013

Date	Organization	Amount	Address
12/3/12	Child Mind Institute	5,000	445 Park Avenue, New York, NY 10022
12/3/12	Weston Volunteer Fire Department	250	52 Norfield Road, Weston, CT 06883
12/17/12	God's Love We Deliver	100	630 Flushing Avenue, 7th Floor, Brooklyn, NY 11206
12/17/12	Central Park Conservancy	250	14 East 60th Street, New York, NY 10022
12/21/12	Resources for the Future	5,000	1616 P Street NW, Washington, DC 20036
12/21/12	Children of Bellevue	100	462 1st Avenue, New York, NY 10016
1/3/13	CSM Foundation	3,000	PO Box 910, La Plata, MD 20646
2/7/13	Starlight Childrens Foundation	10,000	1560 Broadway, New York, NY 10036
2/7/13	The Arthur Ashe Learning Center	1,000	77 West 66th Street, New York, NY 10023
3/20/13	Trickle Up	1,000	104 West 27th Street, 12th Floor, New York, NY 10001
4/18/13	Connecticut AmVets	25	1 Wayne Road, Wallingford, CT 06492
4/18/13	Eurasian Foundation	1,000	1350 Connecticut Avenue, NW Suite 1000 Washington DC 20036
4/22/13	Council on Foreign Relations	5,000	58 East 68th Street New York, NY 10065
4/22/13	The Baruch College Fund	1,000	One Bernard Baruch Way, New York, NY 10010
4/22/13	St Georges Society	1,000	216 East 45th Street, New York, NY 10017
5/28/13	President and Fellows of Harvard	250	Massachusetts Hall, Cambridge, MA 02138
5/30/13	The National Yiddish Theare	500	90 John Street, Suite 410, New wYOrk, NY 10038
6/10/13	New York Live Arts Inc	75,000	219 West 19th Street New York, NY 10011
7/25/13	Mayor's Fund to Advance NYC	5,000	253 Broadway, 8th Floor, New York, NY 10007
8/6/13	World Resources Institute	50,000	10 G Street Northeast #800 Washington, DC 20002
8/6/13	New York Junior Tennis League	10,000	58-12 Queens Boulevard Woodside, New York 11377
8/6/13	Women for Women	10,000	2000 M Street, NW Suite 200 Washington DC 20036
8/6/13	Crafting for Africa's Future	5,000	125 Broadway, New York, NY 10038
8/29/13	Hospice by the Sea	1,000	1531 West Palmetto Park Road Boca Raton, FL 33486
8/29/13	Bedford Stuyvesant Restoration Corporation	1,000	1368 Fulton Street, Brooklyn, NY 11216
8/29/13	Ontological Hysteric Theater	3,000	131 East 10th Street, New York, NY 10003
8/29/13	Skidmore College	2,000	815 North Broadway Saratoga Springs, NY 12866
8/30/13	New York Stage and Film	6,000	214 West 29th Street #1001 New York, NY 10001
8/30/13	Ameican Jewish Congress	10,000	260 Madison Avenue, New York, NY 10016
8/30/13	The Jazz Drama Progam	1,000	New Yok, NY 10034
8/30/13	Weston EMS	250	52 Norfield Road, Weston, CT 06883
		213,725	