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Form 990-PF

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

Do not enter Social Security numbers on this form as it may be made public.

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

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 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 or province, country, and ZIP or foreign postal code WASHINGTON, DC 20005		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach compilation ☐
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) \$ 36,985,687.	J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____	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)
1 Contributions, gifts, grants, etc., received		4,635,000.			
2 Check ☐ if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		121,211.	115,405.		STATEMENT 1
4 Dividends and interest from securities		454,256.	451,762.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		886,642.			
b Gross sales price for all assets on line 6a	10,521,979.				
7 Capital gain net income (from Part IV line 2)			886,642.		
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		1,689,538.	-53,193.	1,742,731.	STATEMENT 3
12 Total. Add lines 1 through 11		7,786,647.	1,400,616.	1,742,731.	
13 Compensation of unpaid directors, trustees, etc.		0.	0.	0.	0.
14 Other employee salaries and wages		1,072,289.	0.	1,072,289.	0.
15 Pension plans, employee benefits					
16a Legal fees	STMT 4	15,214.	0.	11,564.	3,650.
b Accounting fees	STMT 5	54,500.	6,000.	24,250.	24,250.
c Other professional fees					
17 Interest					
18 Taxes	STMT 6	115,333.	2,964.	62,369.	0.
19 Depreciation and depletion		62,504.	0.	62,504.	
20 Occupancy		58,848.	0.	58,848.	0.
21 Travel, conferences, and meetings		22,432.	0.	22,432.	0.
22 Printing and publications					
23 Other expenses	STMT 7	449,637.	109,750.	326,681.	13,206.
24 Total operating and administrative expenses. Add lines 13 through 23		1,850,757.	118,714.	1,640,937.	41,106.
25 Contributions, gifts, grants paid		50.			50.
26 Total expenses and disbursements. Add lines 24 and 25		1,850,807.	118,714.	1,640,937.	41,156.
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements		5,935,840.			
b Net investment income (if negative, enter -0-)			1,281,902.		
c Adjusted net income (if negative, enter -0-)				101,794.	

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10-10-13

LHA For Paperwork Reduction Act Notice, see instructions

Form 990-PF (2013)

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2013.04030 THE SYLVAN C. HERMAN FOUN 20326521

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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	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	1,020,092.	999,210.	999,210.
	2 Savings and temporary cash investments	5,745,253.	9,722,672.	9,722,672.
	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	13,631,129.	14,033,103.	16,964,239.
	c Investments - corporate bonds STMT 10	2,049,181.	3,654,315.	3,483,120.
	Liabilities	11 Investments - land, buildings, and equipment basis ▶		
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 11		766,801.	713,477.	758,134.
14 Land, buildings, and equipment basis ▶ 1,777,765.				
Less accumulated depreciation STMT 12 ▶ 257,310.		1,482,960.	1,520,455.	1,458,312.
15 Other assets (describe ▶ DEPOSITS)		10,052.	0.	0.
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item 1)		28,305,468.	34,243,232.	36,985,687.
17 Accounts payable and accrued expenses				
18 Grants payable				
Net Assets or Fund Balances	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)	14,710.	16,634.	
23 Total liabilities (add lines 17 through 22)	14,710.	16,634.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐			
	24 Unrestricted and complete lines 24 through 26 and lines 30 and 31			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒			
	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	28,290,758.	34,226,598.	
30 Total net assets or fund balances	28,290,758.	34,226,598.		
31 Total liabilities and net assets/fund balances	28,305,468.	34,243,232.		

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	28,290,758.
2 Enter amount from Part I, line 27a	2	5,935,840.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	34,226,598.
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	34,226,598.

Part IV Capital Gains and Losses for Tax on Investment Income SEE ATTACHED STATEMENTS

(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				
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	10,521,979.	9,757,446.	886,642.	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(j) F.M.V. as of 12/31/69	(i) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a				
b				
c				
d				
e			886,642.	
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	886,642.	
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))
2012	848,830.	23,613,127.	.035947
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

2 Total of line 1, column (d)	2	.211853
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	.042371
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	29,374,608.
5 Multiply line 4 by line 3	5	1,244,632.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	12,819.
7 Add lines 5 and 6	7	1,257,451.
8 Enter qualifying distributions from Part XII, line 4 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	8	141,155.

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	25,638.
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	25,638.
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	25,638.
6	Credits/Payments:		
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	44,959.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	44,959.
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	19,321.
11	Enter the amount of line 10 to be. Credited to 2014 estimated tax ☐ 19,321. Refunded ☐	11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation. ☐ \$ 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? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • 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?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ 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		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 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes" attach a schedule listing their names and addresses		X

N/A

SEE STATEMENT 14

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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	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

16 At any time during calendar year 2013, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?
 See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►

16		Yes	No
			X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? ☒ 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)? Organizations relying on a current notice regarding disaster assistance check here ► ☐	1b	X
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 2013?	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 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? ☐ 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 2013 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 2013) 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 2013?	4b	X

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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

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

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
WILLIAM T. WEATHERLY	EXECUTIVE DIRECTOR			
617 W PATRICK ST, FREDERICK, MD 21701	22.00	105,925.	0.	0.
CAROLINE CANTRELL	CLINICAL DIRECTOR			
617 W PATRICK ST, FREDERICK, MD 21701	40.00	94,809.	0.	0.
ERIC LEVINE	EXECUTIVE DIRECTOR			
617 W PATRICK ST, FREDERICK, MD 21701	20.00	60,483.	0.	0.
JENNIFER HEIMBUCH	RECOVERY DIRECTOR			
617 W PATRICK ST, FREDERICK, MD 21701	40.00	50,003.	0.	0.

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

0

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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	120,000.
WAY STATION, INC. 230 WEST PATRICK ST, FREDERICK, MD 21705	CONSULTING	100,000.
BAKER TILLY VIRCHOW KRAUSE, LLP - 8219 LEESBURG PIKE, SUITE 800, TYSONS CORNER, VA	CONSULTING	54,500.

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	1,682,093.
2		
3		
4		

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Amount

1	N/A	
2		
3	All other program-related investments. See instructions	
Total. Add lines 1 through 3		0.

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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	19,918,061.
b	Average of monthly cash balances	1b	6,303,876.
c	Fair market value of all other assets	1c	3,600,000.
d	Total (add lines 1a, b, and c)	1d	29,821,937.
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	29,821,937.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	447,329.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	29,374,608.
6	Minimum investment return. Enter 5% of line 5	6	1,468,730.

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	1,468,730.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	25,638.
b	Income tax for 2013 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	25,638.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,443,092.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,443,092.
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	1,443,092.

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	41,156.
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	99,999.
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	141,155.
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	141,155.

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 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				1,443,092.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2013				
a From 2008				
b From 2009				
c From 2010				
d From 2011				501,548.
e From 2012				
f Total of lines 3a through e	501,548.			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ \$				141,155.
a Applied to 2012, 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 2013 distributable amount				141,155.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))	501,548.			501,548.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				800,389.
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 2008 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2014 Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013				

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 2013, 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)

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	Tax year	Prior 3 years			(e) Total
		(a) 2013	(b) 2012	(c) 2011	(d) 2010	
	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 address 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				
NATIONAL ALLIANCE ON MENTAL ILLNESS 3803 N. FAIRFAX DRIVE SUITE 100 ARLINGTON, VA 22203		501 (C) 3	FOR MENTAL HEALTH SERVICES	50.
Total			3a	50.
b Approved for future payment				
NONE				
Total			3b	0.

Form 990-PF (2013)

Part XVII

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

- | | | | |
|----------|--|--------------|------------|
| 1 | Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | Yes |
| | | | |
| a | Transfers from the reporting foundation to a noncharitable exempt organization of | | |
| | (1) Cash | 1a(1) | |
| | (2) Other assets | 1a(2) | |
| b | Other transactions | | |
| | (1) Sales of assets to a noncharitable exempt organization | 1b(1) | |
| | (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | |
| | (3) Rental of facilities, equipment, or other assets | 1b(3) | |
| | (4) Reimbursement arrangements | 1b(4) | |
| | (5) Loans or loan guarantees | 1b(5) | |
| | (6) Performance of services or membership or fundraising solicitations | 1b(6) | |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | |
| 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. | | |

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[illegible]

- 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 _____

► PRESIDENT

Title

May the IRS discuss this return with the preparer shown below (see instr. 1)?

☒ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ self-employed

PTIN

DWAYNE C. HOLT

Dwayne C. Holt

11-10-14

P01229677

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

Form **990-PF** (2013)

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.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and
its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

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 foundationCheck 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 its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2013)

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	\$ 4,635,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)

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
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization

Employer identification number

THE SYLVAN C. HERMAN FOUNDATION, INC.

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
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

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

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
ENERGY TRANSFER PARTNERS LP	1,995.	1,995.	1,995.
MORGAN STANLEY [011512-128]	51.	51.	51.
MORGAN STANLEY [625918-128]	117,480.	111,674.	117,480.
PA SMALL CO BUYOUT FUND V, L.P.	1,684.	1,684.	1,684.
WILLIAMS PARTNERS LP	1.	1.	1.
TOTAL TO PART I, LINE 3	121,211.	115,405.	121,211.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
ENERGY TRANSFER PARTNERS LP	2,672.	0.	2,672.	2,672.	2,672.
FROM FORM 8621 - MORGAN STANLEY CREDIT PARTNERS OFFSHORE FEEDER L.P.	52,147.	0.	52,147.	52,147.	52,147.
MORGAN STANLEY [011512-128]	34,799.	0.	34,799.	34,796.	34,799.
MORGAN STANLEY [625918-128]	236,601.	0.	236,601.	234,110.	236,601.
MORGAN STANLEY [652013-128]	127,919.	0.	127,919.	127,919.	127,919.
PA SMALL CO BUYOUT FUND V, L.P.	118.	0.	118.	118.	118.
TO PART I, LINE 4	454,256.	0.	454,256.	451,762.	454,256.

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]	35,792.	35,792.	0.
FROM K-1 - ENERGY TRANSFER PARTNERS LP	-15,596.	-15,596.	0.
FROM K-1 - WILLIAMS PARTNERS LP	-1,503.	-1,503.	0.
FROM K-1 - PA SMALL CO BUYOUT FUND V, L.P.	-71,886.	-71,886.	0.
CLINICAL ASSESSMENT FEES	1,500.	0.	1,500.
PROGRAM FEES	1,511,430.	0.	1,511,430.
HOUSING	163,971.	0.	163,971.
MEALS	20,323.	0.	20,323.
INDEPENDENT LIVING SERVICES	45,507.	0.	45,507.
TOTAL TO FORM 990-PF, PART I, LINE 11	1,689,538.	-53,193.	1,742,731.

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	15,214.	0.	11,564.	3,650.
TO FM 990-PF, PG 1, LN 16A	15,214.	0.	11,564.	3,650.

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	54,500.	6,000.	24,250.	24,250.
TO FORM 990-PF, PG 1, LN 16B	54,500.	6,000.	24,250.	24,250.

FORM 990-PF

TAXES

STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX PAID	2,964.	2,964.	0.	0.
PAYROLL TAX PAID	60,537.	0.	60,537.	0.
REAL ESTATE TAX	264.	0.	264.	0.
PERSONAL PROPERTY TAX	1,568.	0.	1,568.	0.
FEDERAL TAX PAID	50,000.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	115,333.	2,964.	62,369.	0.

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	109,750.	109,750.	0.	0.
SUPPLIES	60,666.	0.	60,666.	0.
MEALS AND ENTERTAINMENT	9,169.	0.	6,758.	2,411.
RECRUITING	26,072.	0.	26,072.	0.
SUBCONTRACTORS	1,500.	0.	1,500.	0.
MAINTENANCE	41,548.	0.	41,548.	0.
UTILITIES	23,844.	0.	23,844.	0.
INSURANCE	101,280.	0.	90,485.	10,795.
BANK SERVICE CHARGES	606.	0.	606.	0.
COMPUTER MAINTENANCE	9,606.	0.	9,606.	0.
COMMUNICATION	17,439.	0.	17,439.	0.
OTHER OPERATING EXPENSES	48,157.	0.	48,157.	0.
TO FORM 990-PF, PG 1, LN 23	449,637.	109,750.	326,681.	13,206.

FOOTNOTES

STATEMENT 8

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

14 FAIRVIEW AVENUE LLC
1120 VERMONT AVENUE, NW, SUITE 900
WASHINGTON, DC 20005

107 WEST THIRD STREET LLC
1120 VERMONT AVENUE, NW, SUITE 900
WASHINGTON, DC 20005

218 NORVA AVENUE LLC
1120 VERMONT AVENUE, NW, SUITE 900
WASHINGTON, DC 20005

CLEARVIEW COMMUNITIES LLC
EIN: 27-4060312
1120 VERMONT AVENUE, NW, SUITE 900
WASHINGTON, DC 20005

FORM 990-PF	CORPORATE STOCK	STATEMENT 9
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MORGANSTANLEY - STOCKS	14,033,103.	16,964,239.
TOTAL TO FORM 990-PF, PART II, LINE 10B	14,033,103.	16,964,239.

FORM 990-PF	CORPORATE BONDS	STATEMENT 10
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MORGANSTANLEY - BONDS	3,654,315.	3,483,120.
TOTAL TO FORM 990-PF, PART II, LINE 10C	3,654,315.	3,483,120.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 11

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INVESTMENT IN MS CREDIT PARTNERS OFF FEEDER LP	COST	434,254.	422,551.
INVESTMENTS IN PUBLICLY TRADED PARTNERSHIPS	COST	0.	0.
INVESTMENT IN PA SMALL CO BUYOUT FUND V, L.P.	COST	279,223.	335,583.
TOTAL TO FORM 990-PF, PART II, LINE 13		713,477.	758,134.

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.	15,001.	147,304.
BUILDING - 218 NORVA AVE	172,266.	15,900.	156,366.
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 SIDEBORD	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.

THE SYLVAN C. HERMAN FOUNDATION, INC.

20-3265230

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/LG SIDEDB	295.	295.	0.
LG SIDEBORD 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.	2,646.	24,209.
BUILDING IMPROVEMENTS	880.	87.	793.
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.	448.	4,402.
BUILDING IMPROVEMENTS	10,468.	810.	9,658.
CHAIRS	361.	361.	0.
LANDSCAPE ENHANCEMENT WORK	13,500.	1,248.	12,252.
BLINDS	2,742.	2,742.	0.
BUILDING IMPROVEMENTS	25,465.	2,508.	22,957.
ART	255.	255.	0.
BUILDING IMPROVEMENTS	28,250.	2,354.	25,896.
BLINDS	892.	892.	0.
BUILDING IMPROVEMENTS	2,413.	187.	2,226.

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.	2,248.	24,742.
BUILDING IMPROVEMENTS	26,500.	2,209.	24,291.
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.	3,016.	952.
CELL PHONES	1,744.	1,325.	419.
COMPUTERS	16,973.	12,900.	4,073.
BUILDING - 107 WEST THIRD STREET	645,576.	59,666.	585,910.
HONDA ODYSSEY	27,680.	16,608.	11,072.
FURNITURE	425.	255.	170.
BUILDING IMPROVEMENTS	71,894.	327.	71,567.
TOTAL TO FM 990-PF, PART II, LN 14	1,777,765.	257,310.	1,520,455.

FORM 990-PF

OTHER LIABILITIES

STATEMENT 13

DESCRIPTION

BOY AMOUNT

EOY AMOUNT

PAYROLL WITHHOLDING

1,210.

134.

SECURITY DEPOSITS HELD

13,500.

16,500.

TOTAL TO FORM 990-PF, PART II, LINE 22

14,710.

16,634.

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 PROVIDING RESIDENTIAL THERAPEUTIC TREATMENT AND REHABILITATION SERVICES FOR ADULTS SUFFERING FROM MENTAL ILLNESS.

EXPENSES

TO FORM 990-PF, PART IX-A, LINE 1

1,682,093.

2013 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1

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Asset No	Description	Date Acquired	Method	Life	C o v	Line No	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
4	OFFICE FURNITURE	06/15/11	200DB	7.00	HY17		7,145.			7,145.				0.	
5	AUTOMOBILE	06/15/11	200DB	5.00	HY17		28,900.			28,900.				0.	
9	OFFICE FURNITURE - MISC	06/15/11	200DB	7.00	HY17		1,000.			1,000.				0.	
305	HONDA ODYSSEY	09/30/13	200DB	5.00	HY19B		27,680.			13,840.	13,840.			16,608.	2,768.
	BUILDINGS - 3 HOUSES														
2	BUILDING - 14 FAIRVIEW AVE	06/15/11	SL	27.50	MM17		162,305.				162,305.	9,099.		5,902.	15,001.
3	BUILDING - 218 NORVA AVE	06/27/11	SL	27.50	MM17		172,266.				172,266.	9,636.		6,264.	15,900.
304	BUILDING - 107 WEST THIRD STREET	06/15/11	SL	27.50	MM17		645,576.				645,576.	36,191.		23,475.	59,666.
	* 990-PF PG 1 TOTAL -														
	BUILDINGS - 3 HOUSES						980,147.				980,147.	54,926.		35,641.	90,567.
	HOUSE FURNISHINGS - 107 WEST THIRD														
10	OVAL TABLE	01/26/11	200DB	7.00	HY17		1,710.			1,710.				0.	
13	FRENCH SIDEBORD	01/26/11	200DB	7.00	HY17		1,433.			1,433.				0.	
23	NEOCLASSIC SIDE TABLE	01/26/11	200DB	7.00	HY17		1,021.			1,021.				0.	
24	TENNESSEE TABLE 7 SIX CHAIRS	02/26/11	200DB	7.00	HY17		825.			825.				0.	
25	ENGLANDER SONOMA-5 SET	02/26/11	200DB	7.00	HY17		3,300.			3,300.				0.	
27	LANE DALTON STATIONARY SOFA	02/26/11	200DB	7.00	HY17		1,750.			1,750.				0.	
28	LANE DALTON STATIONARY SOFA	02/26/11	200DB	7.00	HY17		1,400.			1,400.				0.	
29	LANE SURREY ENTERTAINMENT	02/26/11	200DB	7.00	HY17		400.			400.				0.	

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(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

2013 DEPRECIATION AND AMORTIZATION REPORT

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Asset No	Description	Date Acquired	Method	Life	C o n v	Line No	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
30	LANE SURREY COCKTAIL TABLE	02/26/11	200DB	7.00	HY17		650.				650.			0.	
31	LANE SURREY END TABLE	02/26/11	200DB	7.00	HY17		500.			500.				0.	
32	ACME QUEEN BED COMPLETE	02/26/11	200DB	7.00	HY17		2,750.			2,750.				0.	
36	HEIDI CHAIR	01/26/11	200DB	7.00	HY17		1,312.			1,312.				0.	
37	HEIDI CHAIR	01/26/11	200DB	7.00	HY17		1,312.			1,312.				0.	
38	ORIENTAL RUG	01/26/11	200DB	5.00	HY17		908.			908.				0.	
39	COCKTAIL TABLE	01/26/11	200DB	7.00	HY17		581.			581.				0.	
40	BEDSIDE TABLE	01/26/11	200DB	7.00	HY17		428.			428.				0.	
41	CONTINENTAL LAMP TABLE	01/26/11	200DB	7.00	HY17		437.			437.				0.	
42	CHANCELLOR SOFA	01/26/11	200DB	7.00	HY17		4,724.			4,724.				0.	
43	ARM CHAIR	01/26/11	200DB	7.00	HY17		399.			399.				0.	
44	ARM CHAIR	01/26/11	200DB	7.00	HY17		399.			399.				0.	
45	WALL SCONCE	08/04/11	200DB	7.00	HY17		358.			358.				0.	
51	MANTLE ACCESSORIES	08/04/11	200DB	7.00	HY17		250.			250.				0.	
53	SILK PLANT	08/04/11	200DB	7.00	HY17		300.			300.				0.	
55	WALL CABINET	08/04/11	200DB	7.00	HY17		1,420.			1,420.				0.	
59	BUILT IN SHELVES ACCESSORIES	08/04/11	200DB	7.00	HY17		300.			300.				0.	
61	LIGHT FIXTURE	08/04/11	200DB	7.00	HY17		801.			801.				0.	

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(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

2013 DEPRECIATION AND AMORTIZATION REPORT

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Asset No	Description	Date Acquired	Method	Life	C o n v	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
66	ACME CHEST	02/26/11	200DB	7.00	HY17	1,500.			1,500.				0.	
67	ACME NIGHT STAND	02/26/11	200DB	7.00	HY17	840.			840.				0.	
68	ACME ARMOIRE	02/26/11	200DB	7.00	HY17	1,550.			1,550.				0.	
70	LIBERTY SHEAF BACK SIDE, CH	02/26/11	200DB	7.00	HY17	1,410.			1,410.				0.	
73	LIMITED EDITION PRINTS #142/540	06/23/11	200DB	7.00	HY17	1,710.			1,710.				0.	
80	FLORAL ARRANGEMENTS	08/04/11	200DB	7.00	HY17	600.			600.				0.	
81	CONSOLE TABLE	08/04/11	200DB	7.00	HY17	579.			579.				0.	
86	WALL SCONCE	08/04/11	200DB	7.00	HY17	358.			358.				0.	
89	FRAMED ART/LG SDEDB	08/04/11	200DB	7.00	HY17	295.			295.				0.	
91	LG SIDBOARD ACCESSORIES	08/04/11	200DB	7.00	HY17	400.			400.				0.	
92	FLORAL ARRANGEMENT	08/04/11	200DB	7.00	HY17	250.			250.				0.	
94	FRAMED ART	08/04/11	200DB	7.00	HY17	400.			400.				0.	
96	CELLING FIXTURE	08/04/11	200DB	7.00	HY17	281.			281.				0.	
97	WALL SCONCE	08/04/11	200DB	7.00	HY17	266.			266.				0.	
102	NIGHTSTAND	08/04/11	200DB	7.00	HY17	250.			250.				0.	
112	LOUNGE CHAIR	08/04/11	200DB	7.00	HY17	250.			250.				0.	
114	LOUNGE CHAIR	08/04/11	200DB	7.00	HY17	1,176.			1,176.				0.	
117	BUILDING IMPROVEMENTS	04/13/11-SL	SL	27.50	MM17	26,855.			26,855.				977.	2,646.
										26,855.	1,669.			

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(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

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Asset No	Description	Date Acquired	Method	Life	C n v	Line n o	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
118	BUILDING IMPROVEMENTS	04/13/11	SL	27.50	MM17		880.				880.	55.		32.	87.
120	URNS	08/29/11	200DB	7.00	HY17		438.			438.				0.	
122	CONSOLE TABLE	09/07/11	200DB	7.00	HY17		400.			400.				0.	
123	MIRROR	09/07/11	200DB	7.00	HY17		299.			299.				0.	
130	DINING CHAIRS	09/07/11	200DB	7.00	HY17		260.			260.				0.	
132	POTTED TREE	09/07/11	200DB	7.00	HY17		690.			690.				0.	
133	TABLE LAMPS	09/07/11	200DB	7.00	HY17		600.			600.				0.	
134	B.I. SHOWER - 3RD FLBEDROOM	09/23/11	200DB	5.00	HY17		2,850.			2,850.				0.	
135	B.I. VANITY BATH 3RD FLOOR	09/23/11	200DB	5.00	HY17		1,823.			1,823.				0.	
136	BUILDING IMPROVEMENTS	06/23/11	SL	27.50	MM17		4,850.				4,850.	272.		176.	448.
137	BUILDING IMPROVEMENTS	11/01/11	SL	27.50	MM17		10,468.				10,468.	429.		381.	810.
139	CHAIRS	07/01/11	200DB	7.00	HY17		361.			361.				0.	
147	LANDSCAPE ENHANCEMENT WORK	06/20/11	SL	27.50	MM17		13,500.				13,500.	757.		491.	1,248.
148	BLINDS	05/17/11	200DB	5.00	HY17		2,742.							0.	
306	FURNITURE	05/31/13	200DB	5.00	HY19B		425.			213.	212.			255.	42.
* 990-PF PG 1 TOTAL - HOUSE							109,224.			52,459.	56,765.	3,182.		2,312.	5,281.
FURNISHINGS - 107 WEST THIRD															
HOUSE FURNISHINGS - 14															
FAIRVIEW															
149	BUILDING IMPROVEMENTS	04/13/11	SL	27.50	MM17		25,465.				25,465.	1,582.		926.	2,508.

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(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

2013 DEPRECIATION AND AMORTIZATION REPORT

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Asset No	Description	Date Acquired	Method	Life	C o v	Line No	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
157	ART	08/29/11	200DB	7.00		HY17	255.			255.				0.	
166	BUILDING IMPROVEMENTS	09/23/11	SL	27.50		MM17	28,250.				28,250.	1,327.		1,027.	2,354.
167	BLINDS	05/17/11	200DB	5.00		HY17	892.			892.				0.	
168	BUILDING IMPROVEMENTS	11/01/11	SL	27.50		MM17	2,413.				2,413.	99.		88.	187.
271	SIGNAGE	02/03/12	200DB	5.00		HY17	3,968.			1,984.	1,984.	397.		635.	1,032.
	* 990-PF PG 1 TOTAL - HOUSE						61,243.			3,131.	58,112.	3,405.		2,676.	6,081.
	FURNISHINGS - 14 FAIRVIEW														
	HOUSE FURNISHINGS - 218														
	NORVA														
	TENNESSEE TABLE & 6 CHAIRS														
171	(PKG)	03/18/11	200DB	7.00		HY17	825.			825.				0.	
172	SIDE CHAIRS	03/18/11	200DB	7.00		HY17	517.			517.				0.	
173	TABLE	03/18/11	200DB	7.00		HY17	307.			307.				0.	
174	BED	03/18/11	200DB	7.00		HY17	1,000.			1,000.				0.	
175	HEADBOARDS	03/18/11	200DB	7.00		HY17	481.			481.				0.	
176	FOOTBOARDS	03/18/11	200DB	7.00		HY17	350.			350.				0.	
178	SONOMA 5 SET	03/18/11	200DB	7.00		HY17	1,200.			1,200.				0.	
179	ENGLANDER SONOMA	03/18/11	200DB	7.00		HY17	288.			288.				0.	
180	ENGLANDER SONOMA	03/18/11	200DB	7.00		HY17	912.			912.				0.	
181	SOFA	03/18/11	200DB	7.00		HY17	1,750.			1,750.				0.	
182	CHAIRS	03/18/11	200DB	7.00		HY17	1,400.			1,400.				0.	

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(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

2013 DEPRECIATION AND AMORTIZATION REPORT

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Asset No	Description	Date Acquired	Method	Life	C o n v	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
183	ENTERTAINMENT CONSOLE	03/18/11	200DB	7.00	HY17	400.			400.				0.	
184	TABLES	03/18/11	200DB	7.00	HY17	650.			650.				0.	
185	TABLES	03/18/11	200DB	7.00	HY17	500.			500.				0.	
186	CHESTS	03/18/11	200DB	7.00	HY17	600.			600.				0.	
187	NIGHT STAND	03/18/11	200DB	7.00	HY17	975.			975.				0.	
191	ASSORTED RUGS	03/16/11	200DB	5.00	HY17	260.			260.				0.	
192	ASSORTED RUGS	02/28/11	200DB	5.00	HY17	780.			780.				0.	
193	BUILDING IMPROVEMENTS	09/23/11	SL	27.50	MM17	26,990.				26,990.	1,267.		981.	2,248.
194	BUILDING IMPROVEMENTS	09/23/11	SL	27.50	MM17	26,500.				26,500.	1,245.		964.	2,209.
307	BUILDING IMPROVEMENTS	11/30/13	SL	27.50	MM19H	71,894.				71,894.			327.	327.
	* 990-PF PG 1 TOTAL - HOUSE FURNISHINGS - 218 NORVA					138,579.			13,195.	125,384.	2,512.		2,272.	4,784.
	COMPUTERS - OFFICE EQUIPMENT													
195	HP 620 NOTEBOOK INTEL PENTIUM	04/05/11	200DB	5.00	HY17	1,078.			1,078.				0.	
196	HP 500B DESKTOP PC-PENTIUM	04/05/11	200DB	5.00	HY17	470.			470.				0.	
197	SONIC WALL TZ100 FIREWALL	04/05/11	200DB	7.00	HY17	270.			270.				0.	
199	DELLA POWEREDGE SERVER.	04/05/11	200DB	5.00	HY17	1,619.			1,619.				0.	
200	DELL VOSTRO LAPTOP	07/07/11	200DB	5.00	HY17	5,880.			5,880.				0.	
201	DELL VOSTRO DESKTOP	07/07/11	200DB	5.00	HY17	1,320.			1,320.				0.	

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(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

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* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

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

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

OMB No 1545-0172

2013
Attachment
Sequence No **179**

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 2012 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 2014 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	14,053.
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 2013	17	45,314.
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 2013 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		14,052.	5 YRS.	HY	200DB	2,810.
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	11 /13	71,894.	27 5 yrs	MM	S/L	327.
		/		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 2013 Tax Year Using the Alternative Depreciation System

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

Part IV Summary (See instructions)

21	Listed property Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations - see instr	22	62,504.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain 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						
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No
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
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42 Amortization of costs that begins during your 2013 tax year

43 Amortization of costs that began before your 2013 tax year

43

44 Total. Add amounts in column (f). See the instructions for where to report

44

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 [011512-128] - SEE ATT	P	VARIOUS	VARIOUS
b	PUBLICLY TRADED SECURITIES [011512-128] - SEE ATT	P	VARIOUS	VARIOUS
c	PUBLICLY TRADED SECURITIES [625918-128] - SEE ATT	P	VARIOUS	VARIOUS
d	PUBLICLY TRADED SECURITIES [625918-128] - SEE ATT	P	VARIOUS	VARIOUS
e	LONG TERM CAPITAL GAIN DISTRIBUTION [625918-128]	P	VARIOUS	VARIOUS
f	PUBLICLY TRADED SECURITIES [625918-128] - SEE ATT	P	VARIOUS	VARIOUS
g	PUBLICLY TRADED SECURITIES [652013-128] - SEE ATT	P	VARIOUS	VARIOUS
h	PUBLICLY TRADED SECURITIES [652013-128] - SEE ATT	P	VARIOUS	VARIOUS
i	FROM FORM 8621 - MORGAN STANLEY CREDIT PARTNERS O	P	VARIOUS	VARIOUS
j	FROM K-1 - PA SMALL CO BUYOUT FUND V, L.P.	P	VARIOUS	VARIOUS
k	FROM K-1 - ENERGY TRANSFER PARTNERS LP	P	VARIOUS	VARIOUS
l	FROM K-1 - WILLIAMS PARTNERS LP	P	VARIOUS	VARIOUS
m	FROM K-1 - PA SMALL CO BUYOUT FUND V, L.P.	P	VARIOUS	VARIOUS
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	194,039.	182,135.	11,904.
b	329,079.	232,120.	96,959.
c	6,075,853.	5,852,764.	223,089.
d	3,065,162.	2,825,808.	239,354.
e			91,804.
f	136,270.	89,932.	46,338.
g	152,610.	128,194.	24,416.
h	568,966.	446,493.	122,473.
i			14,379.
j			11,118.
k			2,245.
l			-43.
m			2,606.
n			
o			

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) Losses (from col (h)) Gains (excess of col. (h) gain over col (k), but not less than "-0-")
a			11,904.
b			96,959.
c			223,089.
d			239,354.
e			91,804.
f			46,338.
g			24,416.
h			122,473.
i			14,379.
j			11,118.
k			2,245.
l			-43.
m			2,606.
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	886,642.
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

The Sylvan C. Herman Foundation, Inc

EIN: 20-3265230

Part VII-A line 11 Schedule of Controlled Entities Under 512(b)(13)

December 31, 2013

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

Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor
New York, NY 10004

Identification Number: 26-4310632

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

Customer Service: 866-324-6088

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

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OMB NO. 1545-0715

1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS

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 8549 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)
DEVON ENERGY CORP NEW		CUSIP: 25179M103	Symbol (Box 1d): DVN					
	626.000	11/26/12	04/16/13	\$33,526.87	\$33,090.36	\$0.00	\$436.51	\$0.00
	198.000	11/26/12	05/03/13	\$11,459.31	\$10,466.28	\$0.00	\$993.03	\$0.00
	276.000	11/26/12	07/09/13	\$15,325.29	\$14,589.36	\$0.00	\$735.93	\$0.00
Security Subtotal	1,100.000			\$60,311.47	\$58,146.00	\$0.00	\$2,165.47	\$0.00
EOG RESOURCES INC		CUSIP: 26875P101	Symbol (Box 1d): EOG					
	86.000	11/26/12	03/01/13	\$10,571.22	\$10,056.81	\$0.00	\$514.41	\$0.00
	139.000	11/26/12	05/09/13	\$19,087.24	\$16,254.62	\$0.00	\$2,832.62	\$0.00
Security Subtotal	225.000			\$29,658.46	\$26,311.43	\$0.00	\$3,347.03	\$0.00
LOEWS CORPORATION		CUSIP: 540424108	Symbol (Box 1d): L					
	755.000	11/26/12	07/03/13	\$33,424.92	\$30,941.18	\$0.00	\$2,483.74	\$0.00
OCCIDENTAL PETROLEUM CORP DE		CUSIP: 674599105	Symbol (Box 1d): OXY					
	3.000	11/26/12	03/15/13	\$251.21	\$225.42	\$0.00	\$25.79	\$0.00
	389.000	11/26/12	08/13/13	\$34,218.95	\$29,229.46	\$0.00	\$4,989.49	\$0.00
Security Subtotal	392.000			\$34,470.16	\$29,454.88	\$0.00	\$5,015.28	\$0.00
POTASH CP OF SASKATCHEWAN INC		CUSIP: 73755L107	Symbol (Box 1d): POT					
	500.000	11/26/12	09/13/13	\$16,434.66	\$19,164.00	\$0.00	(\$2,729.34)	\$0.00
TRANSOCEAN LTD		CUSIP: H8817H100	Symbol (Box 1d): RIG					
	325.000	11/26/12	09/09/13	\$15,299.11	\$14,830.24	\$0.00	\$468.87	\$0.00
WALT DISNEY CO HLDG CO		CUSIP: 254687106	Symbol (Box 1d): DIS					
	67.000	11/26/12	10/17/13	\$4,439.93	\$3,287.29	\$0.00	\$1,152.64	\$0.00
Total Short Term Covered Securities				\$194,038.71	\$182,135.02	\$0.00	\$11,903.69	\$0.00

IMPORTANT TAX INFORMATION - PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor
New York, NY 10004

Identification Number: 26-4310632

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

Customer Service: 866-324-6088

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

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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 - Covered Securities (Consider Box 6b (Basis Reported to IRS) as being checked for this section. These transactions should be reported on Form 8949 Part II with box D 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)
CANADIAN NATURAL RESOURCES LTD	584.000	09/22/11	05/06/13	\$17,116.47	\$17,496.46	\$0.00	(\$379.99)	\$0.00
WALT DISNEY CO HLDG CO	234.000	08/16/11	04/26/13	\$14,430.19	\$7,693.48	\$0.00	\$6,736.71	\$0.00
	466.000	08/16/11	10/17/13	\$30,890.72	\$15,321.19	\$0.00	\$15,559.53	\$0.00
	700.000			\$45,310.91	\$23,014.67	\$0.00	\$22,296.24	\$0.00
Security Subtotal				\$62,427.38	\$40,511.13	\$0.00	\$21,916.25	\$0.00
Total Long Term Covered Securities								

Morgan Stanley

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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 5a (Noncovered Security) as being checked for this section. These transactions should be reported on Form 9949 Part II with box E 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)
AGILENT TECHNOLOGIES	CUSIP: 00846U101	Symbol (Box 1d): A						
	649.000	02/20/09	01/03/13	\$27,077.88	\$9,798.93	\$0.00	\$17,278.95	\$0.00
AMERIPRISE FINCL INC	CUSIP: 03076C106	Symbol (Box 1d): AMP						
	59.000	05/21/08	04/04/13	\$4,237.83	\$2,781.99	\$0.00	\$1,455.84	\$0.00
COSTCO WHOLESALE CORP NEW	CUSIP: 22160K105	Symbol (Box 1d): COST						
	146.000	05/21/08	04/18/13	\$15,119.33	\$10,365.55	\$0.00	\$4,753.78	\$0.00
CVS CAREMARK CORP	CUSIP: 126650100	Symbol (Box 1d): CVS						
	230.000	11/26/08	04/17/13	\$13,119.50	\$6,264.28	\$0.00	\$6,855.22	\$0.00
DEVON ENERGY CORP NEW	CUSIP: 25179M103	Symbol (Box 1d): DVN						
	130.000	02/24/09	04/16/13	\$6,962.45	\$5,909.79	\$0.00	\$1,052.66	\$0.00
EOG RESOURCES INC	CUSIP: 28875P101	Symbol (Box 1d): EOG						
	300.000	07/09/10	03/01/13	\$36,876.37	\$31,696.77	\$0.00	\$5,179.60	\$0.00
HARLEY DAVIDSON INC	CUSIP: 412822108	Symbol (Box 1d): HOG						
	775.000	05/21/08	01/07/13	\$37,837.67	\$30,818.34	\$0.00	\$7,019.33	\$0.00
	116.000	07/09/10	01/07/13	\$5,663.44	\$2,697.08	\$0.00	\$2,966.36	\$0.00
Security Subtotal	891.000			\$43,501.11	\$33,515.42	\$0.00	\$9,985.69	\$0.00
MONSANTO CO/NEW	CUSIP: 61166W101	Symbol (Box 1d): MON						
	238.000	02/05/10	07/24/13	\$24,255.15	\$18,173.47	\$0.00	\$6,081.68	\$0.00
OCCIDENTAL PETROLEUM CORP DE	CUSIP: 674599105	Symbol (Box 1d): OXY						
	400.000	07/09/10	03/15/13	\$33,494.48	\$32,493.84	\$0.00	\$1,000.64	\$0.00

CONTINUED ON NEXT PAGE

Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza

8th Floor

New York, NY 10004

Identification Number: 26-4310632

Taxpayer ID Number: 20-3265230

Account Number: 530 011512 128

Customer Service: 866-324-6088

THE SYLVAN C. HERMAN FDN INC
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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.

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 E checked.)
(Continued)

DESCRIPTION (Box 8)	QUANTITY ACQUIRED (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)
PFIZER INC		CUSIP: 717081103	Symbol (Box 1d): PFE					
	614.000	02/16/10	01/04/13	\$15,913.17	\$10,928.77	\$0.00	\$4,984.40	\$0.00
	461.000	02/16/10	01/18/13	\$12,223.32	\$8,205.48	\$0.00	\$4,017.84	\$0.00
Security Subtotal	1,075.000			\$28,136.49	\$19,134.25	\$0.00	\$9,002.24	\$0.00
PROGRESSIVE CORP OHIO		CUSIP: 743315103	Symbol (Box 1d): PGR					
	916.000	05/21/08	04/28/13	\$23,209.09	\$17,630.53	\$0.00	\$5,578.56	\$0.00
WELLS FARGO & CO NEW		CUSIP: 949746101	Symbol (Box 1d): WFC					
	240.000	01/27/09	08/05/13	\$10,662.60	\$3,844.27	\$0.00	\$6,818.33	\$0.00
Total Long Term Noncovered Securities				\$266,652.28	\$191,609.09	\$0.00	\$75,043.19	\$0.00
Total Long Term Covered and Noncovered Securities				\$329,079.66	\$232,120.22	\$0.00	\$96,959.44	\$0.00
Total Short and Long Term, Covered and Noncovered Securities				\$523,118.37	\$414,255.24	\$0.00	\$108,863.13	\$0.00
Form 1099-B Total Reportable Amounts								
Total Sales Price (Box 2a)				\$523,118.37				
Total Cost or Other Basis (Box 3)					\$222,646.15			
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.

IMPORTANT TAX INFORMATION - PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor
New York, NY 10004
Identification Number: 26-4310632
Taxpayer ID Number: 20-3265230
Account Number: 530 625918 128
Customer Service: 866-324-6088

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

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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 8849 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)	NOTES
ANALYTICAL CAPITAL MGMT 7.5-D	5,000.000	08/06/12	04/19/13	\$128,326.62	\$125,000.00	\$0.00	\$3,326.62	\$0.00	
AT&T INC									
	3,000.000	11/07/12	05/14/13	\$110,601.98	\$101,308.70	\$0.00	\$9,293.28	\$0.00	
	3,000.000	11/15/12	05/14/13	\$110,601.98	\$100,389.70	\$0.00	\$10,202.28	\$0.00	
	1,500.000	12/21/12	05/14/13	\$55,300.99	\$50,824.85	\$0.00	\$4,476.14	\$0.00	
	96.902	02/01/13	05/14/13	\$3,572.52	\$3,375.00	\$0.00	\$197.52	\$0.00	
	91.098	05/01/13	05/14/13	\$3,358.54	\$3,409.25	\$0.00	(\$50.71)	\$0.00	
	0.250	05/01/13	05/15/13	\$9.23	\$9.36	\$0.00	(\$0.13)	\$0.00	
Security Subtotal	7,688.250			\$283,445.24	\$259,326.86	\$0.00	\$24,118.38	\$0.00	
BANK OF AMER 8 625 NON-CUM 8									
	5,000.000	06/08/12	05/28/13	\$125,000.00	\$127,256.50	\$0.00	(\$2,256.50)	\$0.00	
	105.673	02/28/13	05/28/13	\$2,641.83	\$2,695.30	\$0.00	(\$53.47)	\$0.00	
Security Subtotal	5,105.673			\$127,641.83	\$129,951.80	\$0.00	(\$2,309.97)	\$0.00	
BLACKROCK UTIL & INFRA									
	301.768	05/31/12	01/31/13	\$5,800.77	\$5,452.20	\$0.00	\$348.57	\$0.00	
	288.400	08/31/12	01/31/13	\$5,543.80	\$5,560.67	\$0.00	(\$36.87)	\$0.00	
	313.636	11/30/12	01/31/13	\$6,028.90	\$5,672.58	\$0.00	\$356.32	\$0.00	
	0.689	11/30/12	02/01/13	\$13.48	\$12.64	\$0.00	\$0.84	\$0.00	
Security Subtotal	904.503			\$17,386.95	\$16,718.09	\$0.00	\$668.86	\$0.00	
CITIGRP INC 7.125%-J									
	5,000.000	09/12/13	10/22/13	\$129,549.50	\$125,000.00	\$0.00	\$4,549.50	\$0.00	

CONTINUED ON NEXT PAGE

IMPORTANT TAX INFORMATION - PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor
New York, NY 10004
Identification Number: 26-4310632

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

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 - 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)	NOTES
FACEBOOK INC CL-A									
		CUSIP: 30303M102		Symbol (Box 1d): FB					
	100.000	05/17/12	03/11/13	\$2,830.61	\$3,800.00	\$0.00	(\$969.39)	\$0.00	\$0.00
	400.000	05/17/12	03/11/13	\$11,322.44	\$15,200.00	\$0.00	(\$3,877.56)	\$0.00	\$0.00
	500.000	05/17/12	03/11/13	\$14,153.06	\$19,000.00	\$0.00	(\$4,846.94)	\$0.00	\$0.00
	1,000.000	08/01/12	03/11/13	\$28,306.11	\$20,886.50	\$0.00	\$7,419.61	\$0.00	\$0.00
Security Subtotal	2,000.000			\$56,612.22	\$58,886.50	\$0.00	(\$2,274.28)	\$0.00	\$0.00
GOODRICH PETROLEUM CO 9.75%-D									
		CUSIP: 382410884		Symbol (Box 1d): GDP.D					
	5,000.000	08/14/13	11/21/13	\$125,741.31	\$125,000.00	\$0.00	\$741.31	\$0.00	\$0.00
ISHRS MSCI MEXICO CAPPED ETF									
		CUSIP: 464286822		Symbol (Box 1d): EWW					
	3,000.000	06/20/13	06/28/13	\$190,826.17	\$177,723.50	\$0.00	\$13,102.67	\$0.00	\$0.00
	3,000.000	05/21/13	08/08/13	\$209,724.46	\$207,274.88	\$0.00	\$2,449.58	\$0.00	\$0.00
	1,000.000	05/21/13	08/08/13	\$69,908.16	\$69,091.62	\$0.00	\$816.54	\$0.00	\$0.00
Security Subtotal	7,000.000			\$470,458.79	\$454,090.00	\$0.00	\$16,368.79	\$0.00	\$0.00
MARKET VECTORS GOLD MINERS									
		CUSIP: 57060U100		Symbol (Box 1d): GDV					
	6,000.000	01/09/13	01/10/13	\$270,946.22	\$265,987.70	\$0.00	\$4,958.52	\$0.00	\$0.00
	5,000.000	06/20/13	08/14/13	\$142,936.00	\$126,503.50	\$0.00	\$16,432.50	\$0.00	\$0.00
Security Subtotal	11,000.000			\$413,882.22	\$392,491.20	\$0.00	\$21,391.02	\$0.00	\$0.00
NAT WESTM BK 7.760% ADS SER C									
		CUSIP: 638539882		Symbol (Box 1d): NW.C					
	65,000	06/13/13	06/14/13	\$1,621.07	\$1,625.78	\$0.00	(\$4.71)	\$0.00	\$0.00
NORTHSTAR REALTY FIN 8.50%-D									
		CUSIP: 66705V209		Symbol (Box 1d): NRF.D					
	8,000.000	04/03/13	08/01/13	\$200,262.01	\$198,625.99	\$0.00	\$1,636.02	\$0.00	\$0.00

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IMPORTANT TAX INFORMATION - PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor

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

New York, NY 10004
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 - 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 DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
NORTHSTAR REALTY FIN B 875%-C		CUSIP: 66704R506	Symbol (Box 1d):						
	925.000	10/03/12	05/09/13	\$23,611.95	\$22,637.33	\$0.00	\$1,074.62	\$0.00	
	9,075.000	10/03/12	05/09/13	\$231,292.82	\$221,109.47	\$0.00	\$10,183.35	\$0.00	
Security Subtotal	10,000.000			\$254,904.77	\$243,646.80	\$0.00	\$11,257.97	\$0.00	
REGIONS FINL CORP 6.375%-A		CUSIP: 7591EP308	Symbol (Box 1d): RFA						
	5,000.000	10/25/12	04/19/13	\$127,623.14	\$125,000.00	\$0.00	\$2,623.14	\$0.00	
RETAIL PROP OF AMERICA 7%-A		CUSIP: 76131V608	Symbol (Box 1d): RPALA						
	4,975.000	12/11/12	05/01/13	\$129,391.88	\$124,375.00	\$0.00	\$5,016.88	\$0.00	
	25.000	12/11/12	05/01/13	\$639.21	\$625.00	\$0.00	\$14.21	\$0.00	
Security Subtotal	5,000.000			\$130,031.09	\$125,000.00	\$0.00	\$5,031.09	\$0.00	
ROYAL BK SCOTLAND GRP PLC 6.60		CUSIP: 780097739	Symbol (Box 1d): RBS.S						
	1,100.000	07/05/13	07/15/13	\$23,746.38	\$22,756.36	\$0.00	\$990.02	\$0.00	
	3,900.000	07/05/13	07/15/13	\$84,037.03	\$80,681.64	\$0.00	\$3,355.39	\$0.00	
Security Subtotal	5,000.000			\$107,783.41	\$103,438.00	\$0.00	\$4,345.41	\$0.00	
UNIT AAM SPIA MLP & INC 12-1		CUSIP: 00770H753	Symbol (Box 1d): AMLP121R						
	154.000	05/25/12	04/30/13	\$1,678.06	\$1,418.60	\$0.00	\$259.46	\$0.00	
	156.000	06/25/12	04/30/13	\$1,699.85	\$1,425.86	\$0.00	\$273.99	\$0.00	
	149.000	07/25/12	04/30/13	\$1,623.58	\$1,445.76	\$0.00	\$177.82	\$0.00	
	149.000	08/25/12	04/30/13	\$1,623.58	\$1,432.05	\$0.00	\$191.53	\$0.00	
	148.000	09/25/12	04/30/13	\$1,612.68	\$1,427.59	\$0.00	\$185.09	\$0.00	
	145.000	10/25/12	04/30/13	\$1,579.99	\$1,422.64	\$0.00	\$157.35	\$0.00	
	156.000	11/25/12	04/30/13	\$1,698.85	\$1,447.06	\$0.00	\$252.79	\$0.00	
	157.000	12/25/12	04/30/13	\$1,710.75	\$1,454.48	\$0.00	\$256.27	\$0.00	

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Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor

New York, NY 10004
Identification Number: 26-4310632

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

Customer Service: 866-324-6088

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

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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 6)	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 AAM S/P & INC 12-1	145.000	01/25/13	04/30/13	\$1,590.89	\$1,468.67	\$0.00	\$122.22	\$0.00	
	142.000	02/25/13	04/30/13	\$1,547.30	\$1,480.17	\$0.00	\$67.13	\$0.00	
	145.000	03/25/13	04/30/13	\$1,579.99	\$1,500.62	\$0.00	\$79.37	\$0.00	
	140.000	04/25/13	04/30/13	\$1,525.52	\$1,505.81	\$0.00	\$19.71	\$0.00	
Security Subtotal	1,787.000			\$19,472.04	\$17,429.31	\$0.00	\$2,042.73	\$0.00	
UNIT FT JANUARY EFFECT PLUS 2	50,472.000	12/13/12	01/23/13	\$508,101.62	\$499,768.69	\$0.00	\$8,332.93	\$0.00	
	427.000	01/09/13	01/23/13	\$4,298.61	\$4,225.04	\$0.00	\$73.57	\$0.00	
	338.000	01/25/13	02/21/13	\$3,334.51	\$3,390.00	\$0.00	(\$55.49)	\$0.00	
	2.000	02/25/13	04/11/13	\$20.08	\$19.83	\$0.00	\$0.25	\$0.00	
Security Subtotal	51,239.000			\$515,754.82	\$507,403.56	\$0.00	\$8,351.26	\$0.00	
WINDSTREAM HLDGS INC COM	485.425	01/15/13	11/20/13	\$3,993.86	\$4,772.48	\$0.00	(\$778.62)	\$0.00	
	570.935	04/15/13	11/20/13	\$4,697.40	\$4,882.94	\$0.00	(\$185.54)	\$0.00	
	631.230	07/15/13	11/20/13	\$5,193.47	\$5,017.98	\$0.00	\$175.49	\$0.00	
Security Subtotal	1,687.590			\$13,884.73	\$14,673.40	\$0.00	(\$788.67)	\$0.00	
Total Short Term Covered Securities				\$3,124,381.76	\$3,023,307.29	\$0.00	\$101,074.47	\$0.00	

IMPORTANT TAX INFORMATION - PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
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New York, NY 10004

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

Identification Number: 26-4310632

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

Customer Service: 866-324-6088

1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS

OMB NO. 1545-0715

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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 1 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 DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
ARCH COAL INC 7250 *200CRG	100,000 000	08/08/12	04/11/13	\$89,921.50	\$89,256.50	\$0.00	\$665.00	\$0.00	
BCS ELN BASED EFA 18MH05	20,000 000	06/741L427	11/19/13	\$225,353.50	\$0.00	\$0.00	\$0.00	\$0.00	
BEST BUY CO INC 5500 21MH15	150,000 000	086516AL5	01/08/13	\$129,301.50	\$126,990.00	\$0.00	\$2,311.50	\$0.00	
BLACKROCK UTIL & INFRA		09248D104	Symbol (Box 1d): BUI						
	1,200,000	02/24/12	01/30/13	\$23,141.39	\$23,185.60	\$0.00	(\$44.21)	\$0.00	
	2,982,000	02/27/12	01/30/13	\$57,506.36	\$57,204.05	\$0.00	\$302.31	\$0.00	
	818,000	02/27/12	01/31/13	\$15,724.10	\$15,691.78	\$0.00	\$32.32	\$0.00	
	93,196	03/12/12	01/31/13	\$1,791.47	\$1,800.72	\$0.00	(\$9.25)	\$0.00	
	500,000	03/28/12	01/31/13	\$9,811.31	\$9,227.11	\$0.00	\$584.20	\$0.00	
	4,500,000	03/28/12	01/31/13	\$86,501.76	\$83,073.75	\$0.00	\$3,428.01	\$0.00	
Security Subtotal	10,093,196			\$194,276.39	\$190,183.01	\$0.00	\$4,093.38	\$0.00	
CHESAPEAKE ENERGY 4 5000% SERS		165167842	Symbol (Box 1d): CHKD						
	150,000	02/21/12	02/06/13	\$13,178.37	\$14,165.70	\$0.00	(\$987.33)	\$0.00	
	850,000	02/22/12	02/06/13	\$74,677.45	\$80,273.20	\$0.00	(\$5,595.75)	\$0.00	
	1,000,000	02/22/12	02/06/13	\$87,855.83	\$94,368.00	\$0.00	(\$6,512.17)	\$0.00	
	151,000	04/26/12	02/06/13	\$13,266.23	\$11,549.89	\$0.00	\$1,716.34	\$0.00	
	349,000	04/26/12	02/06/13	\$30,426.31	\$26,694.78	\$0.00	\$3,731.53	\$0.00	
Security Subtotal	2,500,000			\$219,404.19	\$227,051.57	\$0.00	(\$7,647.38)	\$0.00	
COLONY FINL INC 8.5% SER-A		19624R205	Symbol (Box 1d): CLNY.A						
	5,000,000	03/13/12	01/23/13	\$131,849.04	\$125,000.00	\$0.00	\$6,849.04	\$0.00	

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IMPORTANT TAX INFORMATION - PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor
New York, NY 10004
Identification Number: 26-4310632

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

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
ENERGY TRANSFER PARTNERS L P		CUSIP: 29273R109	Symbol (Box 1d): ETP						
	98.156	08/14/12	05/21/13	\$5,028.11	\$4,102.85	\$0.00	\$925.26	\$0.00	\$0.00
	1,751.204	08/27/12	05/21/13	\$89,706.84	\$74,146.42	\$0.00	\$15,560.22	\$0.00	\$0.00
	150.640	11/14/12	05/21/13	\$7,716.64	\$5,978.07	\$0.00	\$1,738.57	\$0.00	\$0.00
	139.015	02/14/13	10/30/13	\$7,481.93	\$6,112.71	\$0.00	\$1,369.22	\$0.00	\$0.00
	132.826	05/15/13	10/30/13	\$7,148.83	\$6,236.95	\$0.00	\$911.88	\$0.00	\$0.00
	90.767	08/14/13	10/30/13	\$4,885.17	\$4,522.77	\$0.00	\$362.40	\$0.00	\$0.00
	0.911	08/14/13	10/31/13	\$49.14	\$45.39	\$0.00	\$3.75	\$0.00	\$0.00
Security Subtotal	2,363.519			\$122,016.46	\$101,145.16	\$0.00	\$20,871.30	\$0.00	\$0.00
GENWORTH FINL 6150 *66NV15		CUSIP: 37247DAG1	Symbol (Box 1d):						
	150,000.000	09/25/12	01/07/13	\$117,724.50	\$100,980.00	\$0.00	\$16,744.50	\$0.00	\$0.00
KENNEDY-WILSON 7 3/4 12-01-42		CUSIP: 489399303	Symbol (Box 1d):						
	900.000	11/20/12	05/09/13	\$23,114.31	\$22,500.00	\$0.00	\$614.31	\$0.00	\$0.00
	100.000	11/20/12	05/09/13	\$2,566.26	\$2,500.00	\$0.00	\$66.26	\$0.00	\$0.00
	9,000.000	11/20/12	05/09/13	\$230,367.11	\$225,000.00	\$0.00	\$5,367.11	\$0.00	\$0.00
Security Subtotal	10,000.000			\$256,047.68	\$250,000.00	\$0.00	\$6,047.68	\$0.00	\$0.00
MIAMI-DADE CO BE 5000 17AU01		CUSIP: 59333ME92	Symbol (Box 1d):						
	200,000.000	05/24/12	01/30/13	\$226,174.00	\$225,647.36	\$0.00	\$526.64	\$0.00	\$0.00
MS CIAUTO UTX 8000 *15NV27		CUSIP: 61761H400	Symbol (Box 1d): SPORU						
	15,000.000	11/29/12	02/28/13	\$150,000.00	\$150,000.00	\$0.00	\$0.00	\$0.00	\$0.00

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IMPORTANT TAX INFORMATION - PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

Corporate Tax Statement Tax Year 2013

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

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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
MVC CAPITAL INC 7250 *23JA15	CUSIP: 553829201	Symbol (Box 1d): MCVB							
	4,105,000	02/19/13	08/02/13	\$102,377.73	\$102,625.00	\$0.00	(\$247.27)	\$0.00	
	400,000	02/19/13	08/05/13	\$9,983.29	\$10,000.00	\$0.00	(\$16.71)	\$0.00	
	495,000	02/19/13	08/05/13	\$12,298.53	\$12,375.00	\$0.00	(\$76.47)	\$0.00	
Security Subtotal	5,000,000			\$124,659.55	\$125,000.00	\$0.00	(\$340.45)	\$0.00	
NUSTAR LOGISTICS 7625 *43JA15	CUSIP: 67059T204	Symbol (Box 1d): NSS							
	5,000,000	01/14/13	02/22/13	\$130,606.28	\$125,000.00	\$0.00	\$5,606.28	\$0.00	
ROYAL BK SCOTLAND 7640 *53JA11	CUSIP: 780097AU5	Symbol (Box 1d):							
	150,000,000	11/09/12	01/09/13	\$146,590.67	\$130,882.50	\$0.00	\$15,708.17	\$0.00	
SPDR GOLD TR GOLD SHS	CUSIP: 78463V107	Symbol (Box 1d): GLD							
	3,000,000	07/30/13	08/12/13	\$388,327.73	\$383,760.50	\$0.00	\$4,567.23	\$0.00	
SYNOVUS FINL CORP 5125 17JN15	CUSIP: 87161CAG0	Symbol (Box 1d):							
	100,000,000	12/13/12	07/22/13	\$101,740.00	\$99,756.50	\$0.00	\$1,983.50	\$0.00	
TRAVELCENTERS AM 8250 *28JA15	CUSIP: 894174200	Symbol (Box 1d): TANN							
	5,000,000	01/08/13	05/03/13	\$133,404.23	\$125,000.00	\$0.00	\$8,404.23	\$0.00	
UNIT FT UNCOMMON VALUES 2012	CUSIP: 30290G704	Symbol (Box 1d): UCVT12							
	115,000	09/20/12	07/10/13	\$1,468.03	\$1,237.40	\$0.00	\$230.63	\$0.00	
	73,000	11/25/12	07/10/13	\$931.88	\$757.45	\$0.00	\$174.43	\$0.00	
	106,000	12/25/12	07/10/13	\$1,353.14	\$1,139.68	\$0.00	\$213.46	\$0.00	
	60,000	02/25/13	07/10/13	\$765.93	\$665.95	\$0.00	\$99.98	\$0.00	

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IMPORTANT TAX INFORMATION - PLEASE RETAIN FOR YOUR RECORDS

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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 1a)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
UNIT FT UNCOMMON VALUES 2012	116 000	03/25/13	07/10/13	\$1,480.80	\$1,352.48	\$0.00	\$128.32	\$0.00	
Security Subtotal	51.000	05/25/13	07/10/13	\$651.05	\$653.33	\$0.00	(\$2.28)	\$0.00	
UNIT FT UNCOMMON VALUES 2013	521.000			\$6,650.83	\$5,806.29	\$0.00	\$844.54	\$0.00	
	CUSIP: 30281W601		Symbol (Box 1d):						
	0.000		12/19/13	\$55,878.23	\$0.00	\$0.00	\$0.00	\$0.00	RB
WILLIAMS PARTNERS LTD		CUSIP: 96950F104	Symbol (Box 1d): WPZ						
	6 922	11/09/12	08/01/13	\$356.43	\$362.57	\$0.00	(\$6.14)	\$0.00	
	7.493	02/08/13	08/01/13	\$385.83	\$377.28	\$0.00	\$8.55	\$0.00	
	7.585	05/10/13	08/01/13	\$390.56	\$380.35	\$0.00	\$10.21	\$0.00	
	0.247	05/10/13	08/02/13	\$12.72	\$12.39	\$0.00	\$0.33	\$0.00	
	8.000	08/09/13	08/14/13	\$389.17	\$396.63	\$0.00	(\$7.46)	\$0.00	
	0.198	08/09/13	08/15/13	\$9.79	\$9.82	\$0.00	(\$0.03)	\$0.00	
Security Subtotal	30.445			\$1,544.50	\$1,539.04	\$0.00	\$5.46	\$0.00	
WINDSTREAM HLDGS INC COM		CUSIP: 97382A101	Symbol (Box 1d): WIN						
	0 077	09/04/13	11/21/13	\$0.64	\$0.00	\$0.00	\$0.00	\$0.00	
Total Short Term Noncovered Securities				\$2,951,471.42	\$2,582,998.43	\$0.00	\$87,240.62	\$0.00	
Total Short Term Covered and Noncovered Securities				\$6,075,853.18	\$5,606,305.72	\$0.00	\$188,315.09	\$0.00	

IMPORTANT-TAX INFORMATION -- PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

Corporate Tax Statement Tax Year 2013

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
1 New York Plaza
8th Floor
New York, NY 10004

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.

Long 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 II with box D 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
UNIT AAM S/P A MLP & INC 12-1									
CUSIP: 00770H753 Symbol (Box 1d): AMLP121R									
	25,078.000	01/18/12	04/30/13	\$273,262.43	\$249,990.04	\$0.00	\$23,272.39	\$0.00	
	67.799	02/27/12	04/30/13	\$738.77	\$674.60	\$0.00	\$64.17	\$0.00	
	139.909	03/26/12	04/30/13	\$1,524.52	\$1,380.50	\$0.00	\$144.02	\$0.00	
	144.292	04/25/12	04/30/13	\$1,572.28	\$1,399.04	\$0.00	\$173.24	\$0.00	
Security Subtotal	25,430.000			\$277,098.00	\$253,444.18	\$0.00	\$23,653.82	\$0.00	
WINDSTREAM HLDGS INC COM									
CUSIP: 97382A101 Symbol (Box 1d): WIN									
	469.332	07/16/12	11/20/13	\$3,861.46	\$4,387.61	\$0.00	(\$526.15)	\$0.00	
	470.267	10/15/12	11/20/13	\$3,869.15	\$4,580.65	\$0.00	(\$711.50)	\$0.00	
Security Subtotal	939.599			\$7,730.61	\$8,968.26	\$0.00	(\$1,237.65)	\$0.00	
Total Long Term Covered Securities				\$284,828.61	\$262,412.44	\$0.00	\$22,416.17	\$0.00	

Morgan Stanley

Corporate Tax Statement Tax Year 2013

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1 New York Plaza
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C. RICHARD BEYDA, SECRETARY
1120 VERMONT AVE NW STE 900
WASHINGTON DC 20005-3532

Identification Number: 26-4310632
Taxpayer ID Number: 20-3265230
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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 E 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 DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
ADVANCED MICRO DE 7750 *20AU01	150,000 000	09/06/12	10/16/13	\$151,500 00	\$155,837 41	\$0.00	(\$4,337 41)	\$0.00	
BLACKROCK UTIL & INFRA									
	2,500,000	11/22/11	01/29/13	\$48,204.91	\$49,683.82	\$0.00	(\$1,478.91)	\$0.00	
	2,500,000	11/22/11	01/30/13	\$48,211.23	\$49,683.82	\$0.00	(\$1,472.59)	\$0.00	
Security Subtotal	5,000,000			\$96,416.14	\$99,367.64	\$0.00	(\$2,951.50)	\$0.00	
CFI JMP ON GDH 13MY30									
	20,000,000	04/27/12	05/30/13	\$117,520.00	\$200,000 00	\$0.00	(\$82,480.00)	\$0.00	
CITI TRIGGER SPX 16AU30									
	25,000 000	08/25/11	09/16/13	\$398,010 19	\$250,000 00	\$0.00	\$148,010.19	\$0.00	
ENERGY TRANSFER PARTNERS LP									
	2,000,000	03/22/12	08/14/13	\$103,925.88	\$94,270.80	\$0.00	\$9,655.08	\$0.00	
	500,000	03/22/12	10/30/13	\$26,910.52	\$23,567.70	\$0.00	\$3,342.82	\$0.00	
	2,000,000	03/28/12	10/30/13	\$107,642.06	\$93,260.00	\$0.00	\$14,382.06	\$0.00	
	90 596	05/15/12	10/30/13	\$4,875.97	\$4,021.88	\$0.00	\$854.09	\$0.00	
	248,796	08/27/12	10/30/13	\$13,390.46	\$10,534.08	\$0.00	\$2,856.38	\$0.00	
Security Subtotal	4,839,392			\$256,744.89	\$225,654.46	\$0.00	\$31,090.43	\$0.00	
HARRAHS OPER CO 5375 13DE15									
	150,000 000	09/14/12	12/16/13	\$150,000.00	\$149,065 50	\$0.00	\$934.50	\$0.00	
MS DUAL ON APPLE 14MH31									
	20,000 000	03/26/12	09/09/13	\$190,795.52	\$200,000 00	\$0.00	(\$9,204.48)	\$0.00	
PIMCO TOTAL RETURN A									
	55,000,000	08/17/09	06/11/13	\$603,350 00	\$588,500 00	\$0.00	\$14,850.00	\$0.00	

CONTINUED ON NEXT PAGE

IMPORTANT TAX INFORMATION - PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor

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

New York, NY 10004
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.

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 E 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 DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)	NOTES
UNIT FT UNCOMMON VALUES 2012	50,221.000	07/03/12	07/10/13	\$641,096.17	\$497,187.90	\$0.00	\$143,908.27	\$0.00	
WILLIAMS PARTNERS LTD	449.000	05/11/12	08/01/13	\$23,119.81	\$25,172.74	\$0.00	(\$2,052.93)	\$0.00	
WINDSTREAM HLDGS INC COM	9,999.963	05/17/11	11/20/13	\$82,594.24	\$125,738.99	\$0.00	(\$43,144.75)	\$0.00	
	2,900.037	06/30/11	11/20/13	\$23,952.73	\$35,477.71	\$0.00	(\$11,524.98)	\$0.00	
	2,099.945	06/30/11	11/20/13	\$17,277.41	\$25,689.75	\$0.00	(\$8,412.34)	\$0.00	

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Morgan Stanley

Corporate Tax Statement Tax Year 2013

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Taxpayer ID Number: 20-3265230

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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.

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 E 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
WINDSTREAM HLDGS INC COM	2,999.989	07/29/11	11/20/13	\$24,682.58	\$33,641.12	\$0.00	(\$8,958.54)	\$0.00	
	397.877	04/17/12	11/20/13	\$3,273.56	\$4,320.39	\$0.00	(\$1,046.83)	\$0.00	
Security Subtotal	18,397.811			\$151,780.52	\$224,867.96	\$0.00	(\$73,087.44)	\$0.00	
Total Long Term Noncovered Securities				\$2,780,333.24	\$2,615,653.61	\$0.00	\$164,679.63	\$0.00	
Total Long Term Covered and Noncovered Securities				\$3,065,161.85	\$2,878,066.05	\$0.00	\$187,095.80	\$0.00	
Total Short and Long Term, Covered and Noncovered Securities				\$9,141,015.03	\$8,484,371.77	\$0.00	\$375,410.89	\$0.00	

Form 1099-B Total Reportable Amounts

Total Sales Price (Box 2a)	\$9,141,015.03
Total Cost or Other Basis (Box 3)	\$3,285,719.73
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.

RB WHFIT UIT principal payments are reported based on the date received by the trust and the amount of principal before reduction for expenses and adjustments. A single principal payment made to you may consist of multiple principal payments received by the trust on multiple dates. For this reason the amounts and dates reported here may differ from the actual distributions reported on your monthly statements.

Morgan Stanley

Tax Year 2013

THE SYLVAN C. HERMAN Account Number: 530 625918 128

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, Morgan Stanley Online. 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)
FACEBOOK INC CL-A 28.000 MAR C	20.000	03/11/2013	11/26/2012	\$3,926.40	\$1,586.50	\$2,339.90
GOOGLE INC-CL A 875.000 DEC P	10.000	10/01/2013	08/06/2013	\$33,126.18	\$31,085.38	\$2,040.80
ISHRS MSCI MEXICO CAP 68.000 SEP C	40.000	07/30/2013	07/15/2013	\$7,114.17	\$4,873.70	\$2,240.47
MARKET VECTORS GOLD M 26.000 SEP C	200.000	08/06/2013	07/11/2013	\$24,162.57	\$16,775.50	\$7,387.07
MARKET VECTORS GOLD M 27.000 DEC C	200.000	07/05/2013	07/02/2013	\$39,372.17	\$29,035.50	\$10,336.67
MARKET VECTORS GOLD M 28.000 JAN C	150.000	11/19/2013	10/29/2013	\$17,606.18	\$3,944.00	\$13,662.18
MARKET VECTORS GOLD M 30.000 DEC C	50.000	10/01/2013	08/14/2013	\$10,962.05	\$2,631.50	\$8,330.55
Total Short Term				\$136,269.72		\$46,337.64

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)
BCS ELN BASED EFA .000 3-05-18	20,000.000	02/28/2012	11/19/2013	\$225,353.50 N	\$200,000.00	\$14,107.26
Totals				\$225,353.50	\$211,246.24	\$14,107.26

The "Total Cost" for Unit Trusts, Mortgage-Backed Securities, and Zero Coupon Bonds have been adjusted to reflect any partial return of principal or capital that may have been paid to you, or accreted interest earned, since your purchase date. In the event that the accumulated total return of principal or capital is greater than the provided original costs, the adjusted cost will be "0.00".

Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor
New York, NY 10004

THE SYLVAN C. HERMAN
FDN INC #2 ETF S C HERMAN PRES
C. RICHARD BEYDA, SECRETARY
1120 VERMONT AVE NW STE 900
WASHINGTON DC 20005-3532

Identification Number: 26-4310632

Taxpayer ID Number: 20-3265230

Account Number: 530 652013 128

Customer Service: 866-324-6088

1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS

OMB NO. 1545-0715

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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 DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)
GUGGENHEIM S&P 500 EW CON DI	CUSIP: 78355W882	Symbol (Box 1d): RCD						
	198.000	06/15/12	02/01/13	\$12,006.07	\$10,163.34	\$0.00	\$1,842.73	\$0.00
	157.000	06/15/12	04/15/13	\$10,091.57	\$8,058.81	\$0.00	\$2,032.76	\$0.00
Security Subtotal	355.000			\$22,097.64	\$18,222.15	\$0.00	\$3,875.49	\$0.00
ISHARES TRUST DJ SELECT	CUSIP: 464287168	Symbol (Box 1d): DVY						
	44.000	06/15/12	04/15/13	\$2,820.33	\$2,460.27	\$0.00	\$360.06	\$0.00
POWERSHARES DYNAMIC SEMICONDUCT	CUSIP: 73935X781	Symbol (Box 1d): PSI						
	1,804.000	02/01/13	10/30/13	\$31,787.89	\$27,780.52	\$0.00	\$3,987.37	\$0.00
	1,596.000	04/15/13	10/30/13	\$28,105.07	\$24,252.02	\$0.00	\$3,853.05	\$0.00
Security Subtotal	3,400.000			\$59,872.96	\$52,032.54	\$0.00	\$7,840.42	\$0.00
POWERSHARES DYNAMIC SOFTWARE P	CUSIP: 73935X773	Symbol (Box 1d): PSJ						
	172.000	06/15/12	02/01/13	\$4,927.70	\$4,436.29	\$0.00	\$491.41	\$0.00
SPDR DJ WILSHIRE INTL REAL EST	CUSIP: 78463X863	Symbol (Box 1d): RWX						
	70.000	06/15/12	04/15/13	\$3,129.42	\$2,450.52	\$0.00	\$678.90	\$0.00
SPDR S&P CAPITAL MARKETS ETF	CUSIP: 78464A771	Symbol (Box 1d): KCE						
	391.000	06/15/12	02/01/13	\$14,948.36	\$11,788.42	\$0.00	\$3,160.54	\$0.00
SPDR S&P INSURANCE ETF	CUSIP: 78464A789	Symbol (Box 1d): KIE						
	107.000	06/15/12	02/01/13	\$5,154.39	\$4,266.08	\$0.00	\$888.31	\$0.00
	133.000	06/15/12	04/15/13	\$6,924.38	\$5,302.70	\$0.00	\$1,621.68	\$0.00
Security Subtotal	240.000			\$12,078.77	\$9,568.78	\$0.00	\$2,509.99	\$0.00
VANGUARD CONSM STPLES ET ETF	CUSIP: 92204A207	Symbol (Box 1d): VDC						
	207.000	06/15/12	04/15/13	\$21,258.42	\$18,001.38	\$0.00	\$3,257.04	\$0.00

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IMPORTANT TAX INFORMATION - PLEASE RETAIN FOR YOUR RECORDS

Page 7 of 14

Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
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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 ACQUIRED (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)
VANGUARD EUROPEAN MSCI ETF	223.000	06/15/12	02/01/13	\$11,476.17	\$9,234.43	\$0.00	\$2,241.74	\$0.00
				\$152,610.37	\$128,194.78	\$0.00	\$24,415.59	\$0.00
Total Short Term Covered Securities								

Morgan Stanley

Corporate Tax Statement Tax Year 2013

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OMB NO. 1545-0715

1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS

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

Long 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 II with box D 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)
GUGGENHEIM S&P 500 EW CON DI	CUSIP: 78355W882	Symbol (Box 1d): RCD						
	342.000	06/15/12	10/29/13	\$26,152.28	\$17,554.86	\$0.00	\$8,597.42	\$0.00
POWERSHARES DYNAMIC SEMICONDUCT	CUSIP: 73935X781	Symbol (Box 1d): PSI						
	8,134.000	06/15/12	10/30/13	\$143,449.54	\$117,589.17	\$0.00	\$25,860.37	\$0.00
	9,000.000	06/15/12	10/30/13	\$158,574.54	\$130,108.50	\$0.00	\$28,466.04	\$0.00
	5,600.000	06/15/12	10/30/13	\$98,614.28	\$80,956.40	\$0.00	\$17,657.88	\$0.00
Security Subtotal	22,734.000			\$400,638.36	\$328,654.07	\$0.00	\$71,984.29	\$0.00
POWERSHARES DYNAMIC SOFTWARE P	CUSIP: 73935X773	Symbol (Box 1d): PSJ						
	249.000	06/15/12	10/29/13	\$8,465.85	\$6,422.31	\$0.00	\$2,043.54	\$0.00
SPDR S&P CAPITAL MARKETS ETF	CUSIP: 78464A771	Symbol (Box 1d): KCE						
	196.000	06/15/12	10/29/13	\$8,943.32	\$6,909.28	\$0.00	\$3,034.04	\$0.00
SPDR S&P INSURANCE ETF	CUSIP: 78464A789	Symbol (Box 1d): KIE						
	95.000	06/15/12	10/29/13	\$5,686.60	\$3,787.64	\$0.00	\$1,898.96	\$0.00
VANGUARD EUROPEAN MSCI ETF	CUSIP: 922042874	Symbol (Box 1d): VGK						
	325.000	06/15/12	10/29/13	\$18,628.67	\$13,458.25	\$0.00	\$5,170.42	\$0.00
VANGUARD INDUSTRIAL ETF	CUSIP: 92204A603	Symbol (Box 1d): VIS						
	360.000	06/15/12	10/29/13	\$33,857.41	\$23,410.80	\$0.00	\$10,446.61	\$0.00
Total Long Term Covered Securities				\$502,372.49	\$399,197.21	\$0.00	\$103,175.28	\$0.00

IMPORTANT TAX INFORMATION - PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

Corporate Tax Statement Tax Year 2013

THE SYLVAN C. HERMAN
FDN INC #2 ETF S C HERMAN PRES
C. RICHARD BEYDA, SECRETARY
1120 VERMONT AVE NW STE 900
WASHINGTON DC 20005-3532

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor
New York, NY 10004

Identification Number: 26-4310632

Taxpayer ID Number: 20-3265230
Account Number: 530 652013 128

Customer Service: 866-324-6088

1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS

OMB NO. 1545-0715

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

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 E 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)
ENERGY SEL SECT SPDR FD		CUSIP: 81369Y506	Symbol (Box 1d): XLE					
	94.000	11/19/09	02/01/13	\$7,320.79	\$5,350.20	\$0.00	\$1,970.59	\$0.00
	44.000	11/19/09	10/29/13	\$3,823.09	\$2,504.35	\$0.00	\$1,318.74	\$0.00
Security Subtotal	138.000			\$11,143.88	\$7,854.55	\$0.00	\$3,289.33	\$0.00
THE FINANCIAL SEL SECT SPDR FD		CUSIP: 81369Y605	Symbol (Box 1d): XLF					
	697.000	01/28/10	02/01/13	\$12,269.50	\$10,036.66	\$0.00	\$2,232.84	\$0.00
	39.000	01/28/10	10/29/13	\$813.13	\$561.59	\$0.00	\$251.54	\$0.00
Security Subtotal	736.000			\$13,082.63	\$10,598.25	\$0.00	\$2,484.38	\$0.00
VANGUARD HEALTH CARE ETF		CUSIP: 92204A504	Symbol (Box 1d): VHT					
	108.000	08/10/09	04/15/13	\$9,261.40	\$5,308.52	\$0.00	\$3,952.88	\$0.00
	34.000	09/21/09	04/15/13	\$2,915.62	\$1,761.88	\$0.00	\$1,153.74	\$0.00
	40.000	10/27/09	04/15/13	\$3,430.15	\$2,040.64	\$0.00	\$1,389.51	\$0.00
	36.000	11/19/09	04/15/13	\$3,087.13	\$1,918.04	\$0.00	\$1,169.09	\$0.00
	26.000	11/19/09	10/29/13	\$2,533.91	\$1,385.25	\$0.00	\$1,148.66	\$0.00
Security Subtotal	244.000			\$21,228.21	\$12,414.33	\$0.00	\$8,813.88	\$0.00

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Morgan Stanley

Corporate Tax Statement Tax Year 2013

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor
New York, NY 10004

THE SYLVAN C. HERMAN
FDN INC #2 ETF S C HERMAN PRES
C. RICHARD BEYDA, SECRETARY
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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.

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 E 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 DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)
VANGUARD INFO TECH ETF	251.000	01/30/12	10/29/13	\$21,138.85	\$16,428.58	\$0.00	\$4,710.27	\$0.00
Total Long Term Noncovered Securities				\$66,593.57	\$47,295.71	\$0.00	\$19,297.86	\$0.00
Total Long Term Covered and Noncovered Securities				\$568,966.06	\$446,492.92	\$0.00	\$122,473.14	\$0.00
Total Short and Long Term, Covered and Noncovered Securities				\$721,576.43	\$574,687.70	\$0.00	\$146,888.73	\$0.00
Form 1099-B Total Reportable Amounts								
Total Sales Price (Box 2a)				\$721,576.43				
Total Cost or Other Basis (Box 3)					\$527,391.99			
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.