EXTENSION GRANTED TO NOVEMBER 17, 2014

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: KDK-HARMAN FOUNDATION

A Employer identification number: 61-1478157

Number and street (or P O box number if mail is not delivered to street address): 1000 WESTBANK DRIVE, BLDG 3 | Room/suite

B Telephone number: 512-328-9400

City or town, state or province, country, and ZIP or foreign postal code: AUSTIN, TX 78746

C If exemption application is pending, check here ▶ ☐

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

D 1 Foreign organizations, check here ▶ ☐

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

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 26,381,636.

J Accounting method [X] Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis)

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

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received	480,410.		N/A	
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	73,782.	73,782.		STATEMENT 1
	4 Dividends and interest from securities	537,185.	537,185.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	298,811.			
	b Gross sales price for all assets on line 6a 10,466,456.				
	7 Capital gain net income (from Part IV, line 2)		298,811.		
	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				
	12 Total Add lines 1 through 11	1,390,188.	909,778.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	107,495.	0.		107,495.
	14 Other employee salaries and wages	59,176.	0.		59,176.
	15 Pension plans, employee benefits	6,649.	0.		6,649.
	16a Legal fees				
	b Accounting fees STMT 3	5,158.	2,579.		2,579.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 4	29,667.	6,917.		12,750.
	19 Depreciation and depletion				
	20 Occupancy	22,703.	0.		22,703.
	21 Travel, conferences, and meetings	7,649.	0.		7,649.
	22 Printing and publications				
	23 Other expenses STMT 5	96,473.	78,672.		18,740.
	24 Total operating and administrative expenses. Add lines 13 through 23	334,970.	88,168.		237,741.
	25 Contributions, gifts, grants paid	923,317.			923,317.
	26 Total expenses and disbursements. Add lines 24 and 25	1,258,287.	88,168.		1,161,058.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	131,901.			
	b Net investment income (if negative, enter -0-)		821,610.		
	c Adjusted net income (if negative, enter -0-)			N/A	

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323501 10-10-13 LHA For Paperwork Reduction Act Notice, see instructions. Form **990-PF** (2013)

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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			
	2 Savings and temporary cash investments	333,355.	1,027,890.	1,027,890.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U S and state government obligations STMT 6	1,114,666.	863,426.	863,426.
	b Investments - corporate stock STMT 7	7,637,088.	12,002,125.	12,002,125.
	c Investments - corporate bonds STMT 8	10,672,948.	8,162,243.	8,162,243.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 9	4,697,359.	4,324,555.	4,324,555.
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)	21,709.	1,397.	1,397.
	16 **Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	24,477,125.	26,381,636.	26,381,636.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ STATEMENT 10)	7,458.	1,690.	
	23 **Total liabilities** (add lines 17 through 22)	7,458.	1,690.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	24,469,667.	26,379,946.	
	30 **Total net assets or fund balances**	24,469,667.	26,379,946.	
	31 **Total liabilities and net assets/fund balances**	24,477,125.	26,381,636.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	24,469,667.
2	Enter amount from Part I, line 27a	2	131,901.
3	Other increases not included in line 2 (itemize) ▶ UNREALIZED GAINS/LOSSES	3	1,778,378.
4	Add lines 1, 2, and 3	4	26,379,946.
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	26,379,946.

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	P		
b	CAPITAL GAINS DIVIDENDS			
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	10,279,749.		10,167,645.	112,104.
b	186,707.			186,707.
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				112,104.
b				186,707.
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } 2 298,811.

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	1,127,861.	23,233,824.	.048544
2011	1,128,011.	23,413,450.	.048178
2010	988,448.	22,588,648.	.043759
2009	1,263,983.	20,504,758.	.061643
2008	1,354,891.	25,648,468.	.052825

2	Total of line 1, column (d)	2	.254949
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	.050990
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	24,710,600.
5	Multiply line 4 by line 3	5	1,259,993.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	8,216.
7	Add lines 5 and 6	7	1,268,209.
8	Enter qualifying distributions from Part XII, line 4	8	1,161,058.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ______ (attach copy of letter if necessary-see instructions)				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	16,432.
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	16,432.
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	16,432.
6	Credits/Payments				
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	14,267.		
b	Exempt foreign organizations - tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	11,000.		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments. Add lines 6a through 6d			7	25,267.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached			8	49.
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	8,786.
11	Enter the amount of line 10 to be: **Credited to 2014 estimated tax** ▶ 8,786. **Refunded** ▶			11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ▶ $ 0. (2) On foundation managers ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		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?	6	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*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TX			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	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*	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ WWW.KDK-HARMAN.ORG

14 The books are in care of ▶ JANET E. HARMAN Telephone no ▶512-328-9400

Located at ▶1000 WESTBANK, BLDG 3, AUSTIN, TX ZIP+4 ▶78746

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

			Yes	No
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?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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

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

				Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☒ Yes ☐ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		1b		X
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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 | 5b | |

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

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

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | 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 11		107,495.	0.	0.

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

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

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

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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
PRICE WEALTH MANAGEMENT INC. - 300 WEST 6TH STREET, SUITE 1840, AUSTIN, TX 78701	INVESTMENT MANAGEMENT	67,113.
Total number of others receiving over $50,000 for professional services ▶		0

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

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

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
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	24,085,952.
b	Average of monthly cash balances			1b	1,000,952.
c	Fair market value of all other assets			1c	
d	**Total** (add lines 1a, b, and c)			1d	25,086,904.
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	25,086,904.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)			4	376,304.
5	**Net value of noncharitable-use assets** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	24,710,600.
6	**Minimum investment return.** Enter 5% of line 5			6	1,235,530.

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	1,235,530.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	16,432.		
b	Income tax for 2013 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	16,432.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	1,219,098.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	1,219,098.
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	1,219,098.

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	1,161,058.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	1,161,058.
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	1,161,058.

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				1,219,098.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			1,122,981.	
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				
e From 2012				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ $ 1,161,058.				
a Applied to 2012, but not more than line 2a			1,122,981.	
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				38,077.
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))	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 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				1,181,021.
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)

	Tax year	Prior 3 years			
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year-see instructions.)

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

JANET E. HARMAN

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

MELANIE MOORE, 512-328-9400
1000 WESTBANK DRIVE, BLDG 3, AUSTIN, TX 78746

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

REFER TO WEBSITE FOR DETAILS

c Any submission deadlines

GRANTS ARE REVIEWED ON A QUARTERLY BASIS AT QUARTERLY BOARD MEETINGS

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

MISSION IS TO BREAK CYCLE OF POVERTY THROUGH EDUCATION.

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SEE ATTACHED - STATEMENT C				923,317.
Total			▶ 3a	923,317.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

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

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	73,782.	
4 Dividends and interest from securities			14	537,185.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	298,811.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		909,778.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 909,778.

(See worksheet in line 13 instructions to verify calculations)

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

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

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

[signature] 11/13/14 PRESIDENT

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
WESLEY M. KRUGER	[signature]	11/13/14		P00104858

Firm's name ▶ FLIELLER, KRUGER, SKELTON & PLYLER, PLL — Firm's EIN ▶ 74-2939657

Firm's address ▶ 221 WEST SIXTH STREET, SUITE 1200
AUSTIN, TX 78701 — Phone no (512)479-6000

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	**Employer identification number**
KDK-HARMAN FOUNDATION	61-1478157

Organization type (check one):

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

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

General Rule

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

Special Rules

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

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

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

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

Name of organization	Employer identification number
KDK-HARMAN FOUNDATION	61-1478157

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	JANET E HARMAN 1000 WESTBANK DRIVE, BLDG 3 AUSTIN, TX 78746	$ 160,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
2	JANET E HARMAN 1000 WESTBANK DRIVE, BLDG 3 AUSTIN, TX 78746	$ 320,410.	Person [ ] Payroll [ ] Noncash [X] (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
KDK-HARMAN FOUNDATION	61-1478157

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

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
2	2930 SHS ISHARES S&P SMALLCAP 600 INDEX	$ 320,410.	12/27/13

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(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
KDK-HARMAN FOUNDATION	61-1478157

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

Use duplicate copies of Part III if additional space is needed.

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

SCHWAB
INSTITUTIONAL

Schwab One® Account of
KDK-HARMAN FOUNDATION

Statement Period
December 1-31, 2013

Investment Detail - Mutual Funds

Bond Funds	Quantity	Market Price	Market Value
DOUBLELINE TOTAL RETURN ◊ BD FD CL I SYMBOL DBLTX	189,674 2170	10 7800	2,044,688 06

Investment Detail - Mutual Funds (continued)

Bond Funds (continued)	Quantity	Market Price	Market Value
JPMORGAN HIGH YIELD FD ◊ SLCT CL SYMBOL OHYFX	118,204 2200	7 9800	943,269 68
PIMCO TOTAL RETURN FUND ◊ INSTL CL SYMBOL PTTRX	236,480 9350	10 6900	2,527,981 20
RIDGEWORTH US GOV SEC ◊ ULTRA SHORT BD I SYMBOL SIGVX	24 2360	10 1100	245 03
TCW EMERGING MARKETS ◊ INCOME FUND CL I SYMBOL TGEIX	14,672 7860	8 4000	123,251 40
TEMPLETON GLOBAL BOND ◊ FUND ADV CL SYMBOL TGBAX	77,419 9310	13 0900	1,013,426 90
Total Bond Funds	**636,476.3250**		**6,652,862.27**

Equity Funds	Quantity	Market Price	Market Value
BBH CORE SELECT FUND ◊ CLASS N SYMBOL BBTEX	101,847 0780	21 4000	2,179,527 47
FIDELITY SPARTAN INTL ◊ INDEX FUND INV SYMBOL FSIIX	42,274 8000	40 6700	1,719,316 12

Investment Detail - Mutual Funds (continued)

Equity Funds (continued)	Quantity	Market Price	Market Value
FIDELITY SPARTAN TOTAL ◊ MKT INDEX SYMBOL FSTMX	51,186 1510	54 1200	2,770,194 49
FMI LARGE CAP FUND ◊ SYMBOL FMIHX	110,342 3220	20 8600	2,301,740 84
HARBOR INTERNATIONAL ◊ FUND INST CL SYMBOL HAINX	12,277 5530	71 0100	871,829 04
LAZARD INTL STRATEGIC ◊ EQUITY PORT INST CL SYMBOL LISIX	63,907 3220	14 4600	924,099 88
THORNBURG DEVELOPING ◊ WORLD FD INST SYMBOL THDIX	64,817 2480	19 0600	1,235,416 75
Total Equity Funds	446,652.4740		12,002,124.59
Total Mutual Funds	1,083,128.7990		18,654,986.86

Statement A (Page 3 of 4)

Investment Detail - Other Assets

Other Assets	Quantity Units Purchased	Market Price Cost Per Share	Market Value Cost Basis
ISHARES CORE S&P ETF ◊	**15,458.3134**	**109.1300**	**1,686,965.74**
SMALLCAP	130 9753	98 1037 r	12,849 17
SYMBOL IJR	367 3381	69 6464 r	25,583 79
	600 0000	35 1608	21,096 50
	834 0000	35 1608	29,324 13
	1,496 0000	35 1708	52,615 56
	8,733 0000	61 2543	534,934 52
	3,297 0000	91 0112	300,063 97
Cost Basis			*976,467 64*
ISHARES TRUST ◊	**20,063.2683**	**50.9800**	**1,022,825.42**
MSCI EAFE SMALL-CAP ETF	510 7327	47 0488 r	24,029 40
SYMBOL SCZ	2,043 5356	38 9278 r	79,550 49
	17,509 0000	38 2395	669,536 59
Cost Basis			*773,116 48*
JP MORGAN EXCH TRADED NT	**4,414.0000**	**46.3500**	**204,588.90**
ALERIAN MLP	4,414 0000	33 7269	148,870 95
SYMBOL AMJ			
VANGUARD REIT ◊	**5,981.4722**	**64.5600**	**386,163.85**
SYMBOL VNQ	197 1958	67 1275 r	13,237 28
	273 1203	55 3359 r	15,113 38
	3,988 1561	50 4791	201,318 90
	1,523 0000	65 6248	99,946 69
Cost Basis			*329,616 25*
Total Other Assets	45,917.0539		3,300,543.91
		Total Cost Basis:	*2,228,071.32*

Investment Detail - Fixed Income

U.S. Treasuries	Par	Market Price	Market Value *Cost Basis*
US TREASU NT 0.625%04/18 UST NOTE DUE 04/30/18 CUSIP 912828UZ1	**155,000.0000**	**96.4063**	**149,429.77** *151,314 31*

Investment Detail - Fixed Income (continued)

U.S. Treasuries (continued)	Par	Market Price	Market Value / *Cost Basis*
US TREASUR NT 0.25%02/14	**65,000.0000**	**100.0313**	**65,020.35**
UST NOTE DUE 02/28/14 CUSIP 912828SG6			*65,086 10*
US TREASUR NT 0.25%03/14	**110,000.0000**	**100.0469**	**110,051.59**
UST NOTE DUE 03/31/14 CUSIP 912828SL5			*110,072 56*
US TREASUR NT 0.25%05/15	**25,000.0000**	**100.0469**	**25,011.73**
UST NOTE DUE 05/31/15 CUSIP 912828VD9			*25,005 92*
US TREASURY NT 1%03/17	**145,000.0000**	**100.2188**	**145,317.26**
UST NOTE DUE 03/31/17 CUSIP 912828SM3			*146,831 25*
US TREASURY 1.625%11/22	**95,000.0000**	**90.0938**	**85,589.11**
UST BOND DUE 11/15/22 CUSIP 912828TY6			*87,251 81*

Investment Detail - Fixed Income (continued)

U.S. Treasuries (continued)	Par	Market Price	Market Value / *Cost Basis*
US TREASURY 3.125%05/21	40,000.0000	104.0938	41,637.52
UST BOND DUE 05/15/21 CUSIP 912828QN3			*44,002 69*
Total U.S. Treasuries	635,000.0000		622,057.33
		Total Cost Basis:	*629,564.64*

Agency Securities	Par	Market Price	Market Value / *Cost Basis*
FHLMC 1%14	40,000.0000	100.5523	40,220.92
DUE 08/27/14 CUSIP 3137EACV9 MOODY'S Aaa S&P AA+			*40,629 40*
FHLMC 1%17	125,000.0000	100.2361	125,295.13
DUE 03/08/17 CUSIP 3137EADC0 MOODY'S Aaa S&P AA+			*124,401 25*

Investment Detail - Fixed Income (continued)

Agency Securities (continued)	Par	Market Price	Market Value / *Cost Basis*
FNMA 1.25%17 DUE 01/30/17 CUSIP 3135G0GY3 MOODY'S Aaa S&P AA+	75,000.0000	101.1377	75,853.28 *76,564 00*
Total Agency Securities	240,000.0000		241,369.33
		Total Cost Basis:	*241,594.65*

Corporate Bonds	Par	Market Price	Market Value / *Cost Basis*
AFLAC INCORPORATED 4%22 DUE 02/15/22 CUSIP 001055AJ1 MOODY'S A3 S&P A-	15,000.0000	100.4785	15,071.78 *15,878 95*
AMERICAN HONDA 2.125%18 DUE 10/10/18 CUSIP 02665WAC5 MOODY'S A1 S&P A+	15,000.0000	99.2741	14,891.12 *14,967 10*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
APACHE CORPORATI 3.25%22	**11,000.0000**	**98.3549**	**10,819.04**
DUE 04/15/22 CALLABLE 02/01/14 AT 100 00000 CUSIP 037411AZ8 MOODY'S A3 S&P A-			*11,504 57*
APPLE INC. 2.4%23	**15,000.0000**	**89.3830**	**13,407.45**
DUE 05/03/23 CUSIP 037833AK6 MOODY'S Aa1 S&P AA+			*15,068 80*
AUTOZONE, INC. 4%20	**25,000.0000**	**102.8371**	**25,709.28**
DUE 11/15/20 CALLABLE 02/01/14 AT 100 00000 CUSIP 053332AL6 MOODY'S Baa2 S&P BBB			*27,300 70*
BANK AMER CORP 5%21	**25,000.0000**	**109.1039**	**27,275.98**
DUE 05/13/21 CUSIP 06051GEH8 MOODY'S Baa2 S&P A-			*26,942 75*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
BANK AMER CORP 5.75%16	**20,000.0000**	**109.9259**	**21,985.18**
DUE 08/15/16 CUSIP 060505CL6 MOODY'S Baa3 S&P BBB+			*20,349 40*
BANK OF NOVA S 1.375%17F	**15,000.0000**	**98.3746**	**14,756.19**
DUE 12/18/17 BANK OF NOVA SCOT CALLABLE 11/18/17 AT 100 00000 CUSIP 064159BE5 MOODY'S Aa2 S&P A+			*15,008 35*
BB&T CORPORATION 2.15%17	**25,000.0000**	**101.3478**	**25,336.95**
DUE 03/22/17 CALLABLE 02/22/17 AT 100 00000 CUSIP 05531FAK9 MOODY'S A2 S&P A-			*25,799 25*
BHP BILLITON FIN 1%15F	**40,000.0000**	**100.6132**	**40,245.28**
DUE 02/24/15 BHP BILLITON FIN CUSIP 055451AN8 MOODY'S A1 S&P A+			*40,099 40*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
BNP PARIBAS 2.4%18F DUE 12/12/18 BNP PARIBAS CUSIP 05574LTX6 MOODY'S A2 S&P A+	25,000.0000	100.1546	25,038.65 *24,966 50*
BOARDWALK PIPEL 5.875%16 DUE 11/15/16 CUSIP 096630AA6 MOODY'S Baa2 S&P BBB-	10,000.0000	110.9035	11,090.35 *11,384 40*
BUNGE LTD FIN COR 4.1%16 DUE 03/15/16 CUSIP 120568AU4 MOODY'S Baa2 S&P BBB-	20,000.0000	105.6160	21,123.20 *20,389 60*
CAPITAL ONE FC 2.15%15 DUE 03/23/15 CUSIP 14040HAZ8 MOODY'S Baa1 S&P BBB	15,000.0000	101.6553	15,248.30 *15,370 00*
CATERPILLAR FIN 1.375%14 DUE 05/20/14 CUSIP 14912L4V0 MOODY'S A2 S&P A	15,000.0000	100.4010	15,060.15 *15,200 35*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
CATERPILLAR FINL VAR 15 DUE 08/28/15 CUSIP 14912L5U1 MOODY'S A2 S&P A	**15,000.0000**	**100.0485**	**15,007.28** *15,025 00*
COMCAST CORPORATI 6.3%17 DUE 11/15/17 CUSIP 20030NAU5 MOODY'S A3 S&P A-	**25,000.0000**	**116.6869**	**29,171.73** *30,155 50*
CONAGRA FOODS I 5.875%14 DUE 04/15/14 CUSIP 205887BE1 MOODY'S Baa2 S&P BBB-	**15,000.0000**	**101.5008**	**15,225.12** *16,133 25*
CONOCOPHILLIPS C 1.05%17 DUE 12/15/17 CALLABLE 02/01/14 AT 100 00000 CUSIP 20826FAB2 MOODY'S A1 S&P A	**15,000.0000**	**98.1602**	**14,724.03** *14,990 65*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
DIRECTV HOLDINGS LL 5%21 DUE 03/01/21 CUSIP 25459HBA2 MOODY'S Baa2 S&P BBB	**25,000.0000**	**105.2086**	**26,302.15** *26,377 95*
DOW CHEMICAL CO 3%22 DUE 11/15/22 CALLABLE 02/01/14 AT 100 00000 CUSIP 260543CH4 MOODY'S Baa2 S&P BBB	**15,000.0000**	**93.0962**	**13,964.43** *14,906 35*
ENERGY TRANSFER P 5.2%22 DUE 02/01/22 CALLABLE 02/01/14 AT 100 00000 CUSIP 29273RAQ2 MOODY'S Baa3 S&P BBB-	**15,000.0000**	**104.8273**	**15,724.10** *16,089 85*
ENSCO PLC 4.7%21F DUE 03/15/21 ENSCO PLC CUSIP 29358QAA7 MOODY'S Baa1 S&P BBB+	**15,000.0000**	**105.7407**	**15,861.11** *16,737 35*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
EQUITY RESIDENT 5.125%16 DUE 03/15/16 CUSIP 29476LAC1 MOODY'S Baa1 S&P BBB+	15,000.0000	108.8172	16,322.58 *16,360 35*
EXELON CORPORATIO 4.9%15 DUE 06/15/15 CUSIP 30161NAD3 MOODY'S Baa2 S&P BBB-	15,000.0000	105.4391	15,815.87 *16,097 50*
EXELON GENERATIO 5.35%14 DUE 01/15/14 CUSIP 30161MAD5 MOODY'S Baa2 S&P BBB	15,000.0000	100.1229	15,018.44 *15,289 00*
EXPRESS SCRIPTS H 2.1%15 DUE 02/12/15 CUSIP 30219GAB4 MOODY'S Baa3 S&P BBB+	15,000.0000	101.4683	15,220.25 *15,285 10*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
FIRST HORIZON N 5.375%15 DUE 12/15/15 CUSIP 320517AA3 MOODY'S Baa3 S&P BB+	20,000.0000	107.5134	21,502.68 *20,751 50*
GENERAL ELECTRI 4.375%20 DUE 09/16/20 CUSIP 36962G4R2 MOODY'S A1 S&P AA+	35,000.0000	107.9644	37,787.54 *34,931 95*
GENERAL ELECTRI 5.625%17 DUE 09/15/17 CUSIP 36962G3H5 MOODY'S A1 S&P AA+	5,000.0000	113.7413	5,687.07 *5,501 75*
GENERAL ELECTRIC 5.4%17 DUE 02/15/17 CUSIP 36962G2G8 MOODY'S A1 S&P AA+	20,000.0000	111.1764	22,235.28 *20,687 60*
GEORGIA PWR CO 3%16 DUE 04/15/16 CUSIP 373334JV4 MOODY'S A3 S&P A	15,000.0000	104.5224	15,678.36 *15,925 80*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
GOLDMAN SACHS G 2.375%18 DUE 01/22/18 CUSIP 38141GRC0 MOODY'S Baa1 S&P A-	**20,000.0000**	**100.2243**	**20,044.86** *20,109 20*
GOLDMAN SACHS GR 5.95%18 DUE 01/18/18 CUSIP 38141GFG4 MOODY'S Baa1 S&P A-	**25,000.0000**	**113.7071**	**28,426.78** *28,308 75*
HCP INC. 5.375%21 DUE 02/01/21 CALLABLE 02/01/14 AT 100 00000 CUSIP 40414LAD1 MOODY'S Baa1 S&P BBB+	**20,000.0000**	**108.5194**	**21,703.88** *21,459 85*
HEALTH CARE REIT 2.25%18 DUE 03/15/18 CUSIP 42217KAZ9 MOODY'S Baa2 S&P BBB	**20,000.0000**	**98.9185**	**19,783.70** *20,342 30*
HSBC FIN CORP 5%15 DUE 06/30/15 CUSIP 40429CCS9 MOODY'S Baa1 S&P A	**25,000.0000**	**105.7721**	**26,443.03** *26,037 80*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
HSBC FIN CORP 6.676%21	**15,000.0000**	**115.0577**	**17,258.66**
DUE 01/15/21			*17,928 70*
CUSIP 40429CGD8			
MOODY'S Baa2 S&P A-			
INGREDION 3.2%15	**20,000.0000**	**103.7222**	**20,744.44**
DUE 11/01/15			*20,991 95*
CUSIP 219023AE8			
MOODY'S Baa2 S&P BBB			
INTERCONTINENTALEXC 4%23	**20,000.0000**	**99.9940**	**19,998.80**
DUE 10/15/23			*19,870 00*
CUSIP 45866FAA2			
MOODY'S A3 S&P A			
JEFFERIES GROUP 5.125%18	**15,000.0000**	**107.8420**	**16,176.30**
DUE 04/13/18			*15,482 00*
CUSIP 472319AK8			
MOODY'S Baa3 S&P BBB			
JOHN DEERE CAPITA 0.7%15	**20,000.0000**	**100.4508**	**20,090.16**
DUE 09/04/15			*20,001 40*
CUSIP 24422ERV3			
MOODY'S A2 S&P A			

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
JPMORGAN CHASE 6%18 DUE 01/15/18 CUSIP 46625HGY0 MOODY'S A3 S&P A	**30,000.0000**	**115.1165**	**34,534.95** *34,576 30*
JPMORGAN CHASE 1.625%18 DUE 05/15/18 CUSIP 46625HJL5 MOODY'S A3 S&P A	**25,000.0000**	**97.8406**	**24,460.15** *24,984 50*
KIMCO REALTY CO 3.125%23 DUE 06/01/23 CALLABLE 02/01/14 AT 100 00000 CUSIP 49446RAK5 MOODY'S Baa1 S&P BBB+	**35,000.0000**	**90.0498**	**31,517.43** *34,046 45*
METLIFE INC. 6.817%18 DUE 08/15/18 CUSIP 59156RAR9 MOODY'S A3 S&P A-	**10,000.0000**	**119.7223**	**11,972.23** *12,037 60*
METLIFE INC. 7.717%19 DUE 02/15/19 CUSIP 59156RAT5 MOODY'S A3 S&P A-	**10,000.0000**	**123.9848**	**12,398.48** *12,309 20*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
NOMURA HLDGS 2%16F	20,000.0000	100.6486	20,129.72
DUE 09/13/16 NOMURA HLDGS CUSIP 65535HAD1 MOODY'S Baa3 S&P BBB+			*19,957 80*
NORDSTROM INC. 4.75%20	15,000.0000	109.2790	16,391.85
DUE 05/01/20 CUSIP 655664AN0 MOODY'S Baa1 S&P A-			*16,456 23*
ONEOK PARTNERS 3.375%22	20,000.0000	93.6652	18,733.04
DUE 10/01/22 CALLABLE 02/01/14 AT 100 00000 CUSIP 68268NAJ2 MOODY'S Baa2 S&P BBB			*20,006 20*
PEMEX PROJECT F 5.75%18F	20,000.0000	111.4443	22,288.86
DUE 03/01/18 PEMEX PROJECT FUN CUSIP 706451BS9 MOODY'S Baa1 S&P BBB+			*22,305 00*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
PEPSICO INC. 0.75%15 DUE 03/05/15 CUSIP 713448BX5 MOODY'S A1 S&P A-	15,000.0000	100.3398	15,050.97 *15,108 70*
PHILLIPS 66 2.95%17 DUE 05/01/17 CUSIP 718546AJ3 MOODY'S Baa1 S&P BBB	15,000.0000	104.0732	15,610.98 *15,601 75*
PROLOGIS L.P. 2.75%19 DUE 02/15/19 CALLABLE 01/15/19 AT 100 00000 CUSIP 74340XAV3 MOODY'S Baa2 S&P BBB	15,000.0000	99.3233	14,898.50 *15,019 75*
PRUDENTIAL FINL 4.75%15 DUE 09/17/15 CUSIP 74432QBJ3 MOODY'S Baa1 S&P A	20,000.0000	106.5789	21,315.78 *21,860 00*
ROYAL BANK OF 2.875%16F DUE 04/19/16 ROYAL BANK OF CAN CUSIP 78008K5V1 MOODY'S Aa3 S&P AA-	15,000.0000	104.3300	15,649.50 *15,847 65*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
RYDER SYSTEM, IN 2.35%19	**15,000.0000**	**98.1575**	**14,723.63**
DUE 02/26/19 CALLABLE CUSIP 78355HJU4 MOODY'S Baa1 S&P BBB			*15,123 25*
SAFEWAY INC. 6.35%17	**20,000.0000**	**112.3091**	**22,461.82**
DUE 08/15/17 CUSIP 786514BP3 MOODY'S Baa3 S&P BBB			*22,920 60*
SEMPRA ENERGY 6.5%16	**15,000.0000**	**112.3506**	**16,852.59**
DUE 06/01/16 CUSIP 816851AN9 MOODY'S Baa1 S&P BBB+			*15,914 15*
SHELL INTL FIN 1.125%17F	**15,000.0000**	**98.6240**	**14,793.60**
DUE 08/21/17 SHELL INTL FIN BV CUSIP 822582AR3 MOODY'S Aa1 S&P AA			*15,037 45*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
SNTANDER HLDGS U 3.45%18	**15,000.0000**	**102.2220**	**15,333.30**
DUE 08/27/18			*14,997 70*
CALLABLE 07/27/18 AT 100 00000			
CUSIP 80282KAC0			
MOODY'S Baa2 S&P BBB			
STARBUCKS CORP 6.25%17	**15,000.0000**	**116.5584**	**17,483.76**
DUE 08/15/17			*17,657 90*
CUSIP 855244AC3			
MOODY'S Baa1 S&P A-			
SYMANTEC CORPORAT 4.2%20	**15,000.0000**	**102.8156**	**15,422.34**
DUE 09/15/20			*15,802 75*
CUSIP 871503AH1			
MOODY'S Baa2 S&P BBB			
TARGET CORPORAT 1.125%14	**15,000.0000**	**100.4587**	**15,068.81**
DUE 07/18/14			*15,153 60*
CUSIP 87612EAW6			
MOODY'S A2 S&P A+			
THE BOEING COMPAN 3.5%15	**10,000.0000**	**103.2583**	**10,325.83**
DUE 02/15/15			*10,821 90*
CUSIP 097023AY1			
MOODY'S A2 S&P A			

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
THE KROGER CO. 2.2%17 DUE 01/15/17 CUSIP 501044CP4 MOODY'S Baa2 S&P BBB	**20,000.0000**	**101.6675**	**20,333.50** *20,458 40*
TOYOTA MOTOR CRED 3.2%15 DUE 06/17/15 CUSIP 89233P4B9 MOODY'S Aa3 S&P AA-	**20,000.0000**	**103.9078**	**20,781.56** *21,378 40*
U.S. BANCORP 3.15%15 DUE 03/04/15 CUSIP 91159HGU8 MOODY'S A1 S&P A+	**20,000.0000**	**103.1030**	**20,620.60** *20,338 40*
UNITEDHEALTH GROU 4.7%21 DUE 02/15/21 CALLABLE 02/01/14 AT 100 00000 CUSIP 91324PBP6 MOODY'S A3 S&P A	**15,000.0000**	**108.2756**	**16,241.34** *15,737 05*
VALERO ENERGY C 9.375%19 DUE 03/15/19 CUSIP 91913YAN0 MOODY'S Baa2 S&P BBB	**15,000.0000**	**129.6874**	**19,453.11** *18,188 50*

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
VERIZON COMMS 5.5%18	**30,000.0000**	**113.0477**	**33,914.31**
DUE 02/15/18			*33,437 30*
CUSIP 92343VAL8			
MOODY'S Baa1 S&P BBB+			
VORNADO REALTY L 4.25%15	**15,000.0000**	**103.2570**	**15,488.55**
DUE 04/01/15			*15,095 60*
CALLABLE 01/01/15 AT 100 00000			
CUSIP 929043AF4			
MOODY'S Baa2 S&P BBB			
WASTE MGMT INC 2.9%22	**20,000.0000**	**92.7544**	**18,550.88**
DUE 09/15/22			*19,887 60*
CALLABLE 02/01/14 AT 100 00000			
CUSIP 94106LAY5			
MOODY'S Baa3 S&P A-			
WELLS FARGO BAN 4.125%23	**10,000.0000**	**99.5646**	**9,956.46**
DUE 08/15/23			*9,990 90*
CUSIP 94974BFN5			
MOODY'S A3 S&P A			

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*
WELLS FARGO BAN 5.625%17 DUE 12/11/17 CUSIP 949746NX5 MOODY'S A2 S&P A+	30,000.0000	114.5882	**34,376.46** *34,258 50*
WELLS FARGO BANK 5.75%17 DUE 06/15/17 CUSIP 929903DT6 MOODY'S A2 S&P A+	20,000.0000	114.1435	**22,828.70** *21,110 75*
WHIRLPOOL CORP 4.85%21 DUE 06/15/21 CUSIP 96332HCD9 MOODY'S Baa3 S&P BBB	15,000.0000	105.2902	**15,793.53** *16,167 25*
372491 4.8%24 DUE 02/15/24 CUSIP 372491AB6 MOODY'S Baa3 S&P BBB-	25,000.0000	98.5868	**24,646.70** *24,887 50*
Total Corporate Bonds	1,441,000.0000		1,509,381.35
		Total Cost Basis:	*1,516,491.10*

Investment Detail - Fixed Income (continued)

Mortgage Pools	Par	Market Price	Market Value *Cost Basis*
FNMA PL 850862 **2.481%35** DUE 12/01/35 CUSIP 31408GJF5 FACTOR= 192710020 REMAIN PRIN=$21,198 10	110,000.0000	105.8250	22,432 89 *21,631 37*
FNMA PL 913253 **2.018%37** DUE 03/01/37 CUSIP 31411RTJ7 FACTOR= 246511480 REMAIN PRIN=$21,939 52	89,000.0000	105.9513	23,245.21 *18,452 00*
Total Mortgage Pools	199,000.0000		45,678.10
		Total Cost Basis:	*40,083.37*

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities	Par	Market Price	Market Value *Cost Basis*
ALLY AUTO RECEIV 0.48%15 REMIC DUE 05/15/15 D - SER 124 - CUSIP 02006EAB5 MOODY'S Aaa S&P AAA FACTOR= 277797467 REMAIN PRIN=$6,944 94	**25,000.0000**	**99.9688**	**6,942.77** *6,944 57*
ALLY AUTO RECVBLS 0.7%15 REMIC DUE 01/15/15 D - SER 123 - CUSIP 02005EAB6 MOODY'S Aaa S&P AAA FACTOR= 023213421 REMAIN PRIN=$696 40	**30,000.0000**	**100.0248**	**696.58** *696 37*
AMERICR AUTO REC 0.49%16 REMIC DUE 04/08/16 D - SER 124 - CUSIP 03063XAC9 S&P AAA FACTOR= 405614751 REMAIN PRIN=$8,112 30	**20,000.0000**	**100.0173**	**8,113.70** *8,112 02*

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities (continued)	Par	Market Price	Market Value / *Cost Basis*
AMERICREDIT AUTOM 0%17 REMIC DUE 03/08/17 - - CUSIP 03065EAC9 MOODY'S Aaa FACTOR=1 000000000 REMAIN PRIN=$20,000 00	**20,000.0000**	**99.9032**	**19,980.64** *20,025 00*
BA CREDIT CARD 0.2366%19 REMIC DUE 12/16/19 BAC--0711A CUSIP 05522RBG2 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$30,000 00	**30,000.0000**	**98.9956**	**29,698.68** *29,705 05*
CARMAX AUTO OWNE 0.52%17 REMIC DUE 07/17/17 D - SER 123 - CUSIP 14313KAC2 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$35,000 00	**35,000.0000**	**99.9409**	**34,979.32** *35,006 99*

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities (continued)	Par	Market Price	Market Value / *Cost Basis*
CARMAX AUTO OWNE 0.84%17 REMIC DUE 03/15/17 D - SER 122 - CUSIP 14313JAC5 MOODY'S Aaa FACTOR=1 000000000 REMAIN PRIN=$30,000 00	**30,000.0000**	**100.3112**	**30,093.36** *29,993 82*
CITIBANK CREDIT 4.15%17 REMIC DUE 07/07/17 CD-- SER 03A7 CUSIP 17305EBU8 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$20,000 00	**20,000.0000**	**105.3145**	**21,062.90** *21,874 20*
CITIGRP COML MT 1.987%46 REMIC DUE 04/12/46 - 13GJ11 - CUSIP 17320DAC2 MOODY'S Aaa FACTOR=1 000000000 REMAIN PRIN=$15,000 00	**15,000.0000**	**99.3828**	**14,907.42** *15,474 82*

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities (continued)	Par	Market Price	Market Value / *Cost Basis*
COMM 2012-CCRE4 2.853%45 REMIC DUE 10/17/45 - 12CRE4 - CUSIP 12624QAR4 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$15,000 00	**15,000.0000**	**93.9648**	**14,094.72** *15,399 84*
COMM 2012-LC4 M 3.288%22 REMIC DUE 01/12/22 - 12LC4 - CUSIP 126192AD5 MOODY'S Aaa FACTOR=1 000000000 REMAIN PRIN=$15,000 00	**15,000.0000**	**98.7266**	**14,808.99** *15,181 64*
COMM 2013-CCRE 4.2373%45 REMIC DUE 07/12/45 - 13CRE9 - CUSIP 12625UBF9 S&P AAA FACTOR=1 000000000 REMAIN PRIN=$10,000 00	**10,000.0000**	**103.4688**	**10,346.88** *10,501 56*

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities (continued)	Par	Market Price	Market Value / *Cost Basis*
COMM 2013-CCRE10 4.21%46	**20,000.0000**	**103.1172**	**20,623.44**
REMIC DUE 08/10/46 -13CC10- CUSIP 12626BAD6 MOODY'S Aaa FACTOR=1 000000000 REMAIN PRIN=$20,000 00			*20,623 97*
FHLMC 3.5%25	**95,000.0000**	**104.0378**	**36,574.69**
REMIC DUE 03/15/25 FHLMC7-G CUSIP 3137A45Y9 MOODY'S NR S&P NR FACTOR= 370054690 REMAIN PRIN=$35,155 20			*36,782 66*
FNMA 4%42	**60,000.0000**	**103.7597**	**26,965.80**
REMIC DUE 03/25/42 FNMA2-8A CUSIP 3136A33E9 FACTOR= 433145100 REMAIN PRIN=$25,988 71			*25,580 38*

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities (continued)	Par	Market Price	Market Value / *Cost Basis*
FORD CR AUTO OWN 0.57%17 REMIC DUE 10/15/17 D - SER 13B - CUSIP 34530EAC1 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$30,000 00	30,000.0000	99.8880	29,966.40 *30,023 44*
FORD CR FLOORP 0.6366%18 REMIC DUE 09/15/18 -135- CUSIP 34528QCW2 S&P AAA FACTOR=1 000000000 REMAIN PRIN=$30,000 00	30,000.0000	100.1297	30,038.91 *30,048 43*
FORD CREDIT AU 0.4381%16 REMIC DUE 01/15/16 - - CUSIP 34530FAC8 MOODY'S Aaa FACTOR=1 000000000 REMAIN PRIN=$20,000 00	20,000.0000	100.2212	20,044.24 *20,000 00*

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities (continued)	Par	Market Price	Market Value / *Cost Basis*
G S MORTGAGE SE 2.833%46	**30,000.0000**	**102.9648**	**30,889.44**
REMIC DUE 11/10/46			*30,924 64*
- -			
CUSIP 36248GAB6			
MOODY'S Aaa			
FACTOR=1 000000000			
REMAIN PRIN=$30,000 00			
GS MTG SEC 2012 2.773%45	**15,000.0000**	**93.3867**	**14,008.01**
REMIC DUE 11/13/45			*15,399 67*
- 12GCJ9 -			
CUSIP 36192PAJ5			
MOODY'S Aaa			
FACTOR=1 000000000			
REMAIN PRIN=$15,000 00			
HONDA AUTO RECEI 0.94%16	**25,000.0000**	**100.0978**	**10,815.97**
REMIC DUE 12/21/16			*10,799 65*
D - SER 103 -			
CUSIP 43813BAD4			
MOODY'S Aaa			
FACTOR= 432216205			
REMAIN PRIN=$10,805 41			

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities (continued)	Par	Market Price	Market Value / *Cost Basis*
HYUNDAI AUTO RCV 0.57%16	**20,000.0000**	**100.1309**	**20,026.18**
REMIC DUE 06/15/16 - SER 13C - CUSIP 44890QAB9 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$20,000 00			*20,024 08*
HYUNDAI AUTO REC 0.53%17	**35,000.0000**	**100.0399**	**35,013.97**
REMIC DUE 04/17/17 D - SER 12C - CUSIP 44890KAC0 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$35,000 00			*35,020 59*
JP MORGAN CHAS 2.8291%45	**20,000.0000**	**94.1914**	**18,838.28**
REMIC DUE 10/17/45 - SER 12C8 - CUSIP 46638UAC0 S&P AAA FACTOR=1 000000000 REMAIN PRIN=$20,000 00			*20,499 92*

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities (continued)	Par	Market Price	Market Value *Cost Basis*
LB-UBS COML MTG 5.347%38 REMIC DUE 11/15/38 - SER 06C7 - CUSIP 50180CAD2 S&P AAA FACTOR=1 000000000 REMAIN PRIN=$10,000 00	**10,000.0000**	**109.6328**	**10,963.28** *10,859 77*
MERCEDES BENZ AU 0.47%16 REMIC DUE 10/17/16 D - SER 121 - CUSIP 587680AC3 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$35,000 00	**35,000.0000**	**99.9936**	**34,997.76** *34,996 64*
MERRILL LYNCH 4.542%41 REMIC DUE 11/10/41 - SER 045 - CUSIP 05947UXR4 MOODY'S Aaa S&P AAA FACTOR= 307293222 REMAIN PRIN=$15,364 66	**50,000.0000**	**101.7734**	**15,637.14** *15,895 79*

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities (continued)	Par	Market Price	Market Value *Cost Basis*
MERRILL LYNCH 4.857%43 REMIC DUE 07/10/43 - SER 052 - CUSIP 05947UM21 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$15,000 00	**15,000.0000**	**104.0898**	**15,613.47** *16,427 34*
NISSAN AUTO RECV 0.46%16 REMIC DUE 10/17/16 D - SER 12B - CUSIP 65476GAC6 MOODY'S Aaa FACTOR=1 000000000 REMAIN PRIN=$30,000 00	**30,000.0000**	**99.9724**	**29,991.72** *29,999 61*
TOYOTA AUTO RECV 0.46%16 REMIC DUE 07/15/16 D - SER 12B - CUSIP 89231NAC7 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$20,000 00	**20,000.0000**	**99.9720**	**19,994.40** *19,998 08*

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities (continued)	Par	Market Price	Market Value / *Cost Basis*
WACH BK COML MT 5.308%48 REMIC DUE 11/15/48 - 06C29 - CUSIP 92978PAE9 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$10,000 00	10,000.0000	108.7852	10,878.52 / *10,942 58*
WFRBS COML MTG 4.153%46 REMIC DUE 08/17/46 - 13C15 - CUSIP 92938CAD9 MOODY'S Aaa FACTOR=1 000000000 REMAIN PRIN=$20,000 00	20,000.0000	101.9180	20,383.60 / *20,623 46*
WORLD FINANCIAL 1.76%21 REMIC DUE 05/17/21 D - SER 12B - CUSIP 981464DB3 MOODY'S NR S&P AAA FACTOR=1 000000000 REMAIN PRIN=$25,000 00	25,000.0000	98.3152	24,578.80 / *24,999 35*

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities (continued)	Par	Market Price	Market Value / *Cost Basis*
WORLD OMNI ART 1 0.64%17	25,000.0000	100.4130	25,103.25
REMIC DUE 02/15/17 D - SER 12A - CUSIP 98157HAB3 MOODY'S Aaa S&P AAA FACTOR=1 000000000 REMAIN PRIN=$25,000 00			*24,998 13*
Total CMO & Asset Backed Securities	905,000.0000		707,673.23
		Total Cost Basis:	*714,384.06*
Total Fixed Income	3,420,000.0000		3,126,159.34
		Total Cost Basis:	*3,142,117.82*

KDK-Harman Foundation
EIN 61-1478157
2013 Awarded Grants

Recipient Name	Address				EIN	Purpose of Grant	Amount
Phoenix Arising Aviation Academy	10435 Burnet Road	Austin	TX	78758	74-1552713	2013 STEM-Inflight Summer Program	$25,000 00
Design,Technology,and EngineeringForAll Children (DTEACh) at UT Cockrell School of Engineering	1 University Station, C2200	Austin	TX	78712	-	2013 Beyond Blackboards	$50,000 00
AISD Office of Innovation and Development	1111 West Sixth Street Suite C150	Round Rock	TX	78703	74-6000064	2013 Eastside Memorial Vertical Team (EMVT) Elementary Summer STEM & Robotics Academy	$44,358 00
RRISD Partners in Education Foundation	595 Round Rock West Drive	Austin	TX	78681	74-2488709	2013 RRISD Summer KICKS Program	$45,958 88
Austin Partners in Education	1601 Rio Grande St	Austin	TX	78701	20-1024501	2013-2014 Math Classroom Coaching and Step-Up Math	$50,000.00
Wayside Schools	6405 S. IH 35	Austin	TX	78744	74-2869144	2013 Student Computer Lab	$30,000 00
AISD Department of School, Family, and Community Education	1111 W Sixth St	Austin	TX	78703	74-6000064	2013 Project STAARburst	$30,000 00
UTeach Outreach, College of Natural Sciences	University of Texas Foundation, Inc	Austin	TX	78767-0250	74-1587488	2013 UT PREP Pipeline Support	$50,000 00
Boys & Girls Clubs of the Austin Area	5407 N IH 35	Austin	TX	78723	74-6087356	2013 Ace it! Program with Sylvan	$37,000 00
East Austin College Prep Academy	6002 Jain Lane	Austin	TX	78721	26-1609474	2013 East Austin College Prep Academy STEM Summer	$25,000 00
Foundation Communities	3036 S First St	Round Rock	TX	78704	74-2678601	2013 PATHS After School and Summer Youth Program	$55,000 00
Changing Expectations	P O. Box 1965	Austin	TX	78680-1965	20-3122281	2013 STEM Summer Academy for Central Texas	$40,000.00
The BeHive	8815 Silverarrow Circle	Manor	TX	78759	30-0033889	2013 STEM Learning at Camp BeHive	$50,000 00
Making Awesome Things Happen	18100 Topsail St	Marble Falls	TX	78653	27-1650549	2013 Fourth Annual Summer M A T.H Camp	$10,000 00
Boys & Girls Clubs of the Highland Lakes	P O Box 190	Austin	TX	78654	74-2907284	2013 Boys & Girls Clubs of the Highland Lakes_Sylvan Tutorial & Freedom Flyers(FF) Education Programs	$60,000 00
E3 Alliance	5930 Middle Fiskville Rd.	Austin	TX	78752	64-0963235	2013 E3 Alliance Operating Grant STEM	$45,000 00
Breakthrough	1050 East 11th St., Suite 350	Austin	TX	78702	74-2991346	2013 Breakthrough's Annual Program	$25,000 00
UT Elementary School	UT Foundation	Austin	TX	78767	74-1587488	2013 STEM Course for Elementary Students	$60,000 00
Girlstart	1400 West Anderson Lane	Austin	TX	78757	31-1595414	2013 Girlstart After School	$40,000 00
Texas Advanced Computing Center	ROC 1 101 (R8700)	San Marcos	TX	78758	74-1587488	2013 TACC Education and Outreach Programs	$10,000 00
Mathworks	ASBS110	Austin	TX	78666	74-1982979	2013 Mathworks Algebra Program (MAP) - Year 2 of 3	$36,000 00
Communities in Schools	3000 S IH 35, Suite 200	Austin	TX	78704	74-2369020	2013 ASPIRE Summer Programming for School-Aged Kids	$50,000 00
Texas Education Grantmakers Advocacy Consortium (TEGAC)	Austin Community Foundation		TX	78751	74-1934031	2013 Collective Impact to Protect and Improve Texas Public Education Mobilizing Texas Philanthropy Around Expanded Lear	$55,000 00
							$923,316.88

Statement C

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
SCHWAB #8863	73,782.	73,782.	
TOTAL TO PART I, LINE 3	73,782.	73,782.	

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
SCHWAB #6244	723,866.	186,707.	537,159.	537,159.	
SCHWAB #8863	26.	0.	26.	26.	
TO PART I, LINE 4	723,892.	186,707.	537,185.	537,185.	

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL AND PROFESIONAL FEES	5,158.	2,579.		2,579.
TO FORM 990-PF, PG 1, LN 16B	5,158.	2,579.		2,579.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAXES - FORM 990PF	10,000.	0.		0.
PAYROLL TAXES	12,750.	0.		12,750.
FOREIGN TAXES	6,917.	6,917.		0.
TO FORM 990-PF, PG 1, LN 18	29,667.	6,917.		12,750.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INSURANCE	1,247.	0.		1,247.
INVESTMENT MANAGEMENT FEES	78,555.	78,555.		0.
PROGRAM EXPENSES	3,689.	0.		3,689.
OFFICE SUPPLIES & SUBSCRIPTIONS	1,004.	0.		1,004.
MEMBERSHIP FEES	4,160.	0.		4,160.
OTHER EXPENSES	2,247.	0.		3,188.
PAYROLL SERVICES FEES	1,185.	0.		1,185.
PROFESSIONAL DEVELOPMENT	676.	0.		676.
UTILITIES	1,645.	0.		1,645.
INTERNET	1,035.	0.		1,035.
SUBSCRIPTIONS	200.	0.		200.
WEBSITE DESIGN & MAITENANCE	472.	0.		472.
MISCELLANEOUS EXPENSE	124.	0.		122.
AMORTIZATION	234.	117.		117.
TO FORM 990-PF, PG 1, LN 23	96,473.	78,672.		18,740.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 6

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT B	X		241,369.	241,369.
SEE STATEMENT B	X		622,057.	622,057.
TOTAL U.S. GOVERNMENT OBLIGATIONS			863,426.	863,426.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			863,426.	863,426.

FORM 990-PF CORPORATE STOCK STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT A	12,002,125.	12,002,125.
TOTAL TO FORM 990-PF, PART II, LINE 10B	12,002,125.	12,002,125.

FORM 990-PF CORPORATE BONDS STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT A	6,652,862.	6,652,862.
SEE STATEMENT B	1,509,381.	1,509,381.
TOTAL TO FORM 990-PF, PART II, LINE 10C	8,162,243.	8,162,243.

FORM 990-PF OTHER INVESTMENTS STATEMENT 9

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
NET LEASE PRIVATE QP REIT IX, INC.	FMV	270,660.	270,660.
SEE STATEMENT A	FMV	3,300,544.	3,300,544.
SEE STATEMENT B	FMV	45,678.	45,678.
SEE STATEMENT B	FMV	707,673.	707,673.
TOTAL TO FORM 990-PF, PART II, LINE 13		4,324,555.	4,324,555.

FORM 990-PF OTHER LIABILITIES STATEMENT 10

DESCRIPTION	BOY AMOUNT	EOY AMOUNT
DUE TO VANGUARD	1,260.	1,260.
AMERICAN EXPRESS	6,198.	430.
TOTAL TO FORM 990-PF, PART II, LINE 22	7,458.	1,690.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 11

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JANET E. HARMAN 1000 WESTBANK DRIVE, BLDG 3 AUSTIN, TX 78746	PRES. 7.00	3.	0.	0.
EUGENE SEPULVEDA 1000 WESTBANK DRIVE, BLDG 3 AUSTIN, TX 78746	VP 1.00	0.	0.	0.
JENNIFER ESTERLINE 1000 WESTBANK DRIVE, BLDG 3 AUSTIN, TX 78746	EXEC. DIRECTOR 35.00	5,520.	0.	0.
KENT MAYES 1000 WESTBANK DRIVE, BLDG 3 AUSTIN, TX 78746	TRUSTEE 1.00	0.	0.	0.
MARK WILLIAMS 1000 WESTBANK DRIVE, BLDG 3 AUSTIN, TX 78746	TREASURER & SECRETARY 1.00	0.	0.	0.
MELANIE P. MOORE 1000 WESTBANK DRIVE, BLDG 3 AUSTIN, TX 78746	EXEC. DIRECTOR 35.00	101,972.	0.	0.
KEVIN SOOCH 1000 WESTBANK DRIVE, BLDG 3 AUSTIN, TX 78746	EX OFFICIO 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		107,495.	0.	0.

2013 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1 990-PF

Asset No	Description	Date Acquired	Method	Life	Conv	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
1	ORGANIZATION COSTS	01/01/05		180M	HY	43	3,503.				3,503.	1,872.		234.	2,106.
	* TOTAL 990-PF PG 1 DEPR & AMORT						3,503.				3,503.	1,872.		234.	2,106.

(D) - Asset disposed

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

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

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

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

OMB No 1545-0172

2013

Attachment Sequence No 179

Name(s) shown on return	Business or activity to which this form relates	Identifying number
KDK-HARMAN FOUNDATION	FORM 990-PF PAGE 1	61-1478157

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	
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	
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						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property	/		27.5 yrs	MM	S/L	
	/		27 5 yrs	MM	S/L	
i Nonresidential real property	/		39 yrs	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 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	0.
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	

316251 12-19-13 LHA **For Paperwork Reduction Act Notice, see separate instructions.** Form **4562** (2013)

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

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

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

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

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

Section B - Information on Use of Vehicles

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

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

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

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

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

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

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2013 tax year:					
43 Amortization of costs that began before your 2013 tax year				43	234.
44 **Total.** Add amounts in column (f) See the instructions for where to report				44	234.

Form **8868** (Rev. January 2013)
Department of the Treasury Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ **File a separate application for each return.**

OMB No. 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing ***(e-file).*** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits.*

Part I — Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ▶ [ ]

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization or other filer, see instructions.	Employer identification number (EIN) or
	KDK-HARMAN FOUNDATION	61-1478157
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 1000 WESTBANK DRIVE, BLDG 3	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. AUSTIN, TX 78746	

Enter the Return code for the return that this application is for (file a separate application for each return) [0|4]

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ JANET E. HARMAN 1000 WESTBANK, BLDG 3 - AUSTIN, TX 78746
  Telephone No. ▶ 512-328-9400 FAX No. ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ____ . If this is for the whole group, check this box ▶ [ ] . If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 2013 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ [X] calendar year 2012 or
▶ [ ] tax year beginning ____ , and ending ____ .

2 If the tax year entered in line 1 is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$ 7,908.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$ 14,146.
c	**Balance due.** Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$ 0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

Form **8868**
(Rev. January 2014)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.
▶ Information about Form 8868 and its instructions is at *www.irs.gov/form8868*

OMB No. 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing *(e-file)*. You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits.*

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ▶ [ ]

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization or other filer, see instructions.	Enter filer's identifying number: Employer identification number (EIN) or
File by the due date for filing your return See instructions	KDK-HARMAN FOUNDATION	61-1478157
	Number, street, and room or suite no. If a P.O. box, see instructions. 1000 WESTBANK DRIVE, BLDG 3	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. AUSTIN, TX 78746	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ JANET E. HARMAN 1000 WESTBANK, BLDG 3 - AUSTIN, TX 78746
  Telephone No. ▶ 512-328-9400 Fax No. ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______. If this is for the whole group, check this box ▶ [ ]. If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 2014, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ [X] calendar year 2013 or
▶ [ ] tax year beginning ______, and ending ______.

2 If the tax year entered in line 1 is for less than 12 months, check reason: [ ] Initial return [ ] Final return
[ ] Change in accounting period

3a	If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$ 25,267.
b	If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$ 14,267.
c	**Balance due.** Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$ 11,000.

Caution. If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions.	Employer identification number (EIN) or
File by the due date for filing your return See instructions	KDK-HARMAN FOUNDATION	61-1478157
	Number, street, and room or suite no. If a P.O. box, see instructions. 1000 WESTBANK DRIVE, BLDG 3	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. AUSTIN, TX 78746	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ JANET E. HARMAN 1000 WESTBANK, BLDG 3 - AUSTIN, TX 78746

Telephone No. ▶ 512-328-9400 Fax No. ▶

- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box ▶ [ ] . If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until NOVEMBER 15, 2014.

5 For calendar year 2013 , or other tax year beginning ______ , and ending ______ .

6 If the tax year entered in line 5 is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension
TAXPAYER REQUIRES ADDITIONAL TIME TO COMPILE INFORMATION NECESSARY TO PREPARE A COMPLETE AND ACCURATE TAX RETURN. THEREFORE, AN EXTENSION OF TIME TO FILE IS RESPECTFULLY REQUESTED.

8a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	$	25,267.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	$	25,267.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	$	0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ Title ▶ CPA Date ▶ 7/30/14