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For calendar year 2015, or tax year beginning 01-01-2015 , and ending 12-31-2015

Name of foundation KENNETH & RHODA HERMAN FOUNDATION INC		A Employer identification number 52-2062784	
Number and street (or P O box number if mail is not delivered to street address) 9601 EAGLE RIDGE DRIVE		Room/suite	B Telephone number (see instructions) (301) 654-9000
City or town, state or province, country, and ZIP or foreign postal code BETHESDA, MD 20817		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 ☐ E If private foundation status was terminated under section 507(b)(1)(A), check here ☐	
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐	
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 392,741		J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis)	

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</i>		Revenue and expenses per books (a)	Net investment income (b)	Adjusted net income (c)	Disbursements for charitable purposes (d) (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	14,584	14,584	14,584	
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10 _____	3,829			
	b Gross sales price for all assets on line 6a _____ 178,147				
	7 Capital gain net income (from Part IV, line 2)		3,829		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances _____				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	18,413	18,413	14,584	
	13 Compensation of officers, directors, trustees, etc	0	0	0	0
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule).				
	b Accounting fees (attach schedule). 	1,185	0	0	0
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) 	143	0	0	0
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings.				
	22 Printing and publications				
	23 Other expenses (attach schedule). 	8,162	8,162	8,162	0
	24 Total operating and administrative expenses. Add lines 13 through 23	9,490	8,162	8,162	0
	25 Contributions, gifts, grants paid	0			0
	26 Total expenses and disbursements. Add lines 24 and 25	9,490	8,162	8,162	0
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	8,923			
	b Net investment income (if negative, enter -0-)		10,251		
	c Adjusted net income (if negative, enter -0-)			6,422	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	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	26,466	30,653	30,653
	3	Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4	Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions).			
	7	Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	339,507	344,243	362,088
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15	Other assets (describe ▶ _____)				
16	Total assets(to be completed by all filers—see the instructions Also, see page 1, item I)	365,973	374,896	392,741	
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 (attach schedule).			
	22	Other liabilities (describe ▶ _____)			
	23	Total liabilities(add lines 17 through 22)	0	0	
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	365,973	374,896	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances(see instructions)	365,973	374,896	
31	Total liabilities and net assets/fund balances(see instructions)	365,973	374,896		

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	365,973		
2	Enter amount from Part I, line 27a	2	8,923		
3	Other increases not included in line 2 (itemize) ▶ _____	3	0		
4	Add lines 1, 2, and 3	4	374,896		
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	374,896		

Part IV

Capital Gains and Losses for Tax on Investment Income

List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)		How acquired P—Purchase D—Donation (b)	Date acquired (c) (mo , day, yr)	Date sold (d) (mo , day, yr)
1 a	MORGAN STANLEY LONG TERM COVERED		2013-12-02	2015-03-24
b	MORGAN STANLEY SHORT TERM COVERED		2015-02-02	2015-09-22
c	MORGAN STANLEY CAPITAL GAIN DISTROBUTION			
d				
e				

(e) Gross sales price	Depreciation allowed (f) (or allowable)	Cost or other basis (g) plus expense of sale	Gain or (loss) (h) (e) plus (f) minus (g)
a 106,926		103,799	3,127
b 70,949		70,519	430
c 272			272
d			
e			

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

(i) F M V as of 12/31/69	Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h)) (l)
a			3,127
b			430
c			272
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	3,829
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	430

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 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))
2014	25,474	375,580	0 067826
2013	16,600	344,728	0 048154
2012	16,000	356,001	0 044944
2011	44,452	353,607	0 125710
2010	27,905	415,128	0 067220

2	Total of line 1, column (d).	2	0 353854
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 070771
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5.	4	398,842
5	Multiply line 4 by line 3.	5	28,226
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	103
7	Add lines 5 and 6.	7	28,329
8	Enter qualifying distributions from Part XII, line 4.	8	0

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

Part VI **Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)**

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b	1	205
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	205
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	205
6	Credits/Payments		
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868).	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d.	7	0
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed ▶	9	205
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid ▶	10	
11	Enter the amount of line 10 to be Credited to 2015 estimated tax ▶ Refunded ▶	11	

Part VII-A **Statements Regarding Activities**

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?		Yes	No
1a				No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)? <i>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</i>	1b		No
c	Did the foundation file Form 1120-POL for this year?	1c		No
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? <i>If "Yes," attach a detailed description of the activities</i>	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MD _____			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i> .	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9		No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10		No

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	13	Yes	
14	The books are in care of ▶ ROBERT HERMAN Telephone no ▶ (301) 654-9000 Located at ▶ 5574 NORTH OCEAN BLVD OCEAN RIDGE FL ZIP+4 ▶ 33435			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			
16	At any time during calendar year 2015, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ▶	16	Yes	No

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a	During the year did the foundation (either directly or indirectly) (1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here. ▶ ☐	1b		
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 2015?	1c		No
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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? ☐ Yes ☒ No If "Yes," list the years ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2015 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 2015).	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2015?	4b		No

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required (Continued)

5a

During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes

☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes

☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes

☒ No

(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions).

☐ Yes

☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes

☒ No

b

If any answer is "Yes" to 5a(1)–(5), did **any**of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b

Organizations relying on a current notice regarding disaster assistance check here.

☐

c

If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

☐ Yes

☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d)

6a

Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes

☒ No

b

Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6b

No

If "Yes" to 6b, file Form 8870

7a

At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes

☒ No

b

If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

7b

Part VIII

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

1

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

(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation(If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
RHODA HERMAN	VICE-PRESIDENT 1 00	0	0	0
5574 NORTH OCEAN BLVD OCEAN RIDGE,FL 33435				
ROBERT HERMAN	SECRETARY 1 00	0	0	0
5574 NORTH OCEAN BLVD OCEAN RIDGE,FL 33435				

2

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

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

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

Part VIII

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

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	
2	
3	
4	

Part IX-B

Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0

Part X Minimum Investment Return

(All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	369,186
b	Average of monthly cash balances.	1b	35,730
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	404,916
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	404,916
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	6,074
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	398,842
6	Minimum investment return. Enter 5% of line 5.	6	19,942

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	19,942
2a	Tax on investment income for 2015 from Part VI, line 5.	2a	205
b	Income tax for 2015 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	205
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	19,737
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	19,737
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	19,737

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

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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				19,737
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only.			0	
b Total for prior years 2013 , 2012 , 2011		0		
3 Excess distributions carryover, if any, to 2015				
a From 2010.				0
b From 2011.				13,244
c From 2012.				
d From 2013.				
e From 2014.				
f Total of lines 3a through e.	13,244			
4 Qualifying distributions for 2015 from Part XII, line 4 ▶ \$ 0				
a Applied to 2014, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see instructions).		0		
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2015 distributable amount.				0
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a))	13,244			13,244
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 2014 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				6,493
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions).	0			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7 (see instructions). . .	0			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2011. . . .				
b Excess from 2012. . . .				
c Excess from 2013. . . .				
d Excess from 2014. . . .				
e Excess from 2015. . . .				

Part XIV

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

1a

If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2015, enter the date of the ruling.

b

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

2a

Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2015	(b) 2014	(c) 2013	(d) 2012	
b 85% of line 2a				
c Qualifying distributions from Part XII, line 4 for each year listed				
d Amounts included in line 2c not used directly for active conduct of exempt activities				
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c				

3

Complete 3a, b, or c for the alternative test relied upon

a

"Assets" alternative test—enter

(1)

Value of all assets

(2)

Value of assets qualifying under section 4942(j)(3)(B)(i)

b

"Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.

c

"Support" alternative test—enter

(1)

Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)

(2)

Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).

(3)

Largest amount of support from an exempt organization

(4)

Gross investment income

Part XV

Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see instructions.)

1

Information Regarding Foundation Managers:

a

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

See Additional Data Table

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

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 email address of the person to whom applications should be addressed

b

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

c

Any submission deadlines

d

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

Form 990-PF (2015)

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

Form **990-PF** (2015)

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2015)

1. Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting foundation to a noncharitable exempt organization of		
(1) Cash.	1a(1)	No
(2) Other assets.	1a(2)	No
b Other transactions		
(1) Sales of assets to a noncharitable exempt organization.	1b(1)	No
(2) Purchases of assets from a noncharitable exempt organization.	1b(2)	No
(3) Rental of facilities, equipment, or other assets.	1b(3)	No
(4) Reimbursement arrangements.	1b(4)	No
(5) Loans or loan guarantees.	1b(5)	No
(6) Performance of services or membership or fundraising solicitations.	1b(6)	No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	1c	No
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

[illegible]

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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.		
	*****	2016-08-08	*****
	_____ 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 PHILIP R BAKER	Preparer's Signature	Date	Check if self-employed ☐	PTIN P00010692
	Firm's name ▶ CITRIN COOPERMAN & COMPANY LLP			Firm's EIN ▶ 22-2428965	
	Firm's address ▶ 7101 WISCONSIN AVE SUITE 1012 BETHESDA, MD 20814			Phone no (301) 654-9000	

Form 990PF Part XV Line 1a - 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).

RHODA HERMAN

ROBERT HERMAN

TY 2015 Accounting Fees Schedule**Name:** KENNETH & RHODA HERMAN FOUNDATION INC**EIN:** 52-2062784

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
	1,185	0	0	0

TY 2015 Investments Corporate Stock Schedule**Name:** KENNETH & RHODA HERMAN FOUNDATION INC**EIN:** 52-2062784

Name of Stock	End of Year Book Value	End of Year Fair Market Value
	344,243	362,088

TY 2015 Other Expenses Schedule**Name:** KENNETH & RHODA HERMAN FOUNDATION INC**EIN:** 52-2062784

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT FEES	8,162	8,162	8,162	0

TY 2015 Taxes Schedule

Name: KENNETH & RHODA HERMAN FOUNDATION INC

EIN: 52-2062784

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
	143	0	0	0

Account Detail

Portfolio Management Active Assets Account

KENNETH & RHODA HERMAN FND
C/O ROBERT N. HERMAN
Nickname: DIVIDEND PORTFOLIO

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	FY Ann Income	Current Yield %
CVS HEALTH CORP COM (CVS) <i>Next Dividend Payable 02/20/16, Asset Class: Equities</i>	12/22/15	185,000	97.560	97.770	18,048.56	18,087.45	38.89 ST	315.00	1.74
EATON CORP PLC SHS (ETN)	10/23/13	154,000	65.422	52.040	10,074.92	8,014.16	(2,060.76) LT R		
	12/21/13	47,000	70.080	52.040	2,943.36	2,185.68	(757.68) LT R		
	12/31/13	29,000	70.020	52.010	2,070.48	1,509.16	(561.42) LT R		
	12/11/13	33,000	69.030	52.040	2,277.99	1,717.32	(560.67) LT R		
	1/29/14	5,000	71.086	52.040	355.43	260.20	(95.23) LT R		
	9/11/14	18,000	67.340	52.040	1,212.12	936.72	(275.40) LT R		
	2/27/15	8,000	64.070	52.040	512.56	416.32	(96.24) ST		
	9/22/15	46,000	52.457	52.040	2,413.01	2,393.84	(19.17) ST		
Total		335,000			21,819.97	17,433.40	(4,271.16) LT (115.41) ST	731.00	4.22
HOME DEPOT INC (HD) <i>Next Dividend Payable 02/20/16, Asset Class: Equities</i>	5/12/15	90,000	112.025	132.250	10,082.26	11,902.50	1,820.24 ST		
	6/25/15	63,000	112.690	132.250	7,099.46	8,331.75	1,232.29 ST		
Total		153,000			17,181.72	20,234.25	3,052.53 ST	361.00	1.78
HONEYWELL INTERNATIONAL INC (HON) <i>Next Dividend Payable 03/20/16, Asset Class: Equities</i>	8/12/15	92,000	104.002	103.510	9,568.18	9,528.44	(39.74) ST	219.00	2.29
JP MORGAN CHASE & CO (JPM)	10/23/13	167,000	53.027	66.030	8,855.44	11,027.01	2,171.57 LT		
	12/21/13	17,000	57.310	66.030	974.27	1,122.51	148.24 LT		
	12/31/13	38,000	56.830	66.030	2,159.54	2,509.14	349.60 LT		
	12/11/13	41,000	56.070	66.030	2,298.87	2,707.23	408.36 LT		
	5/9/14	14,000	53.975	66.030	755.65	924.42	168.77 LT		
	2/27/15	13,000	54.701	66.030	711.11	838.39	147.28 ST		
Total		290,000			15,754.88	19,148.70	3,246.54 LT 147.28 ST	510.00	2.66
L BRANDS INC COM (LB) <i>Next Dividend Payable 01/20/16, Asset Class: Equities</i>	10/23/13	55,000	61.035	95.820	3,356.91	5,270.10	1,913.19 LT		
	12/21/13	26,000	65.860	95.820	1,712.36	2,491.32	778.96 LT		
	12/31/13	35,000	64.930	95.820	2,272.55	3,353.70	1,081.15 LT		
	12/11/13	47,000	61.490	95.820	2,890.03	4,503.54	1,613.51 LT		
	5/9/14	28,000	56.205	95.820	1,573.15	2,682.96	1,109.21 LT		
	1/29/14	2,000	57.975	95.820	115.95	191.64	75.69 LT		
Total		193,000			11,921.55	18,493.26	6,571.71 LT	386.00	2.08

Account Detail

Portfolio Management Active Assets Account

KENNETH & RHODA HERMAN FND
C/O ROBERT N. HERMAN
Nickname DIVIDEND PORTFOLIO

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
Next Dividend Payable 02/20/16 Asset Class Equities									
RAYTHEON CO (NEW) (RTN)	4/9/14	150 000	97 979	124 530	14 696 84	18 679 50	3 982 66 LI		
	5/9/14	5 000	97 190	124 530	485 95	622 55	136 70 LI		
	7/29/14	16 000	93 007	174 530	1 488 02	1,992 48	504 46 LI		
Total		171 000			16 670 81	21,294.63	4 623 82 LI	458 00	2 15
Next Dividend Payable 01/08/16 Asset Class Equities									
SCHLUMBERGER LTD (SLB)	2/17/15	110 000	88 014	69 750	9,681 50	7,672 50	(2,009 00) SI		
	3/24/15	9 000	82 186	69 750	739 67	627 75	(111 92) SI		
	9/22/15	2 000	72 725	69 750	145 45	139 50	(5 95) SI		
Total		121 000			10 566 62	8,439.75	(2 176 87) SI	242 00	2 86
Next Dividend Payable 01/08/16 Asset Class Equities									
SEMPRA ENERGY (SRE)	9/22/15	94 000	93 279	91 010	8 708 21	8,836.94	68 73 SI	263 00	2 97
Next Dividend Payable 01/15/16 Asset Class Equities									
WILLIAMS CO INC (WMB)	12/2/13	110 000	35 395	25 700	3 893 17	2,827 00	(1,066 47) LI		
	12/3/13	83 000	35 700	25 700	2 963 10	2,133 10	(830 09) LI		
	12/11/13	116 000	34 397	25 700	3 990 05	2,981 20	(1,008 85) LI		
	2/2/15	85 000	44 479	25 700	3 780 73	2,184 50	(1,596 23) SI		
Total		394 000			14 627 35	10,125.80	(2 905 32) LI	1,009 00	9 96
Next Dividend Payable 03/20/16 Asset Class Alt									
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
STOCKS	92.15%				\$344,483.22	\$362,088.18	\$14,161.61 LI	\$10,948.00	3.02%
							\$3,443.35 SI		