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

2015

Open to Public Inspection

For calendar year 2015, or tax year beginning , 2015, and ending ,

Name of foundation
AARON & GERTRUDE KARCHMER MEMORIAL FOUNDATION

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
PO BOX 436

City or town, state or province, country, and ZIP or foreign postal code
OKLAHOMA CITY OK 73101

A Employer identification number
73-1463604

B Telephone number (see instructions)
(405) 236-2210

C If exemption application is pending, check here ▶ ☐

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 ▶ ☐

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

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

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

I Fair market value of all assets at end of year *(from Part II, column (c), line 16)* ▶ $ 941,732.

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

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE 1	Contributions, gifts, grants, etc, received (attach schedule)				
2	Ck ▶ ☒ if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	3.	3.		
4	Dividends and interest from securities	24,019.	24,019.		
5 a	Gross rents				
b	Net rental income or (loss)				
6 a	Net gain or (loss) from sale of assets not on line 10				
b	Gross sales price for all assets on line 6a				
7	Capital gain net income (from Part IV, line 2)		118,436.		
8	Net short-term capital gain			0.	
9	Income modifications				
10 a	Gross sales less returns and allowances				
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	24,022.	142,458.	0.	
OPERATING AND ADMINISTRATIVE EXPENSES 13	Compensation of officers, directors, trustees, etc				
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16 a	Legal fees (attach schedule)				
b	Accounting fees (attach sch)				
c	Other prof fees (attach sch) L-16c Stmt	8,092.	7,142.		
17	Interest	16.	16.		
18	Taxes (attach schedule)(see instrs) See Line 18 Stmt	1,062.	662.		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) ADR Fees	31.	31.		
24	**Total operating and administrative expenses** Add lines 13 through 23	9,201.	7,851.		
25	Contributions, gifts, grants paid	33,850.			33,850.
26	**Total expenses and disbursements** Add lines 24 and 25	43,051.	7,851.		33,850.
27	Subtract line 26 from line 12:				
a	**Excess of revenue over expenses and disbursements**	-19,029.			
b	**Net investment income** (if negative, enter -0-)		134,607.		
c	**Adjusted net income** (if negative, enter -0-)			0.	

RECEIVED
NOV 14 2016
OGDEN, UT
IRS-OSC
3048

SCANNED NOV 17 2016

BAA For Paperwork Reduction Act Notice, see instructions. TEEA0301 12/04/15 Form **990-PF** (2015)

G27 12

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	-51,149.	34,342.	34,342.
	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 sch) ►			
		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) L-10b Stmt	664,640.	678,556.	907,390.
	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)	613,491.	712,898.	941,732.
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ►)			
	23	**Total liabilities** (add lines 17 through 22)			
NET ASSETS OR FUND BALANCES		**Foundations that follow SFAS 117, check here ► ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ► ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	613,491.	712,898.	
	30	**Total net assets or fund balances** (see instructions)	613,491.	712,898.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	613,491.	712,898.	

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	613,491.
2	Enter amount from Part I, line 27a	2	-19,029.
3	Other increases not included in line 2 (itemize) ► Net Capital Gains	3	135,526.
4	Add lines 1, 2, and 3	4	729,988.
5	Decreases not included in line 2 (itemize) ► Net Capital Losses	5	17,090.
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	712,898.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	Short Term Common Stock See Attached Schedule	P	Various	Various
b	Long Term Common Stock See Attached Schedule	P	02/01/13	12/31/15
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	318,311.		335,402.	-17,091.
b	452,885.		317,358.	135,527.
c				
d				
e				

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

	(i) F M V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				-17,091.
b				135,527.
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** 118,436.

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** -17,091.

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))
2014	164,385.	901,740.	0.182298
2013	107,463.	940,723.	0.114234
2012	30,787.	854,700.	0.036021
2011	57,070.	822,597.	0.069378
2010	67,736.	456,243.	0.148465

2	**Total** of line 1, column (d)	2	0.550396
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	0.110079
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	942,684.
5	Multiply line 4 by line 3	5	103,770.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,346.
7	Add lines 5 and 6	7	105,116.
8	Enter qualifying distributions from Part XII, line 4	8	33,850.

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)

1 a	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 instrs)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☐ and enter 1% of Part I, line 27b			1	2,692.
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	2,692.
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	2,692.
6	Credits/Payments·				
a	2015 estimated tax pmts and 2014 overpayment credited to 2015	6 a	807.		
b	Exempt foreign organizations — tax withheld at source	6 b			
c	Tax paid with application for extension of time to file (Form 8868)	6 c	0.		
d	Backup withholding erroneously withheld	6 d			
7	Total credits and payments Add lines 6a through 6d			7	807.
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached			8	1.
9	**Tax due** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ►			9	1,886.
10	**Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►			10	0.
11	Enter the amount of line 10 to be **Credited to 2016 estimated tax** ► 0. **Refunded** ►			11	

Part VII-A Statements Regarding Activities

			Yes	No
1 a	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?	1 a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1 b		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?	1 c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. **(1)** On the foundation ► $ ________ **(2)** On foundation managers ► $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If 'Yes,' attach a detailed description of the activities*	2		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
4 a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4 a		X
b	If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4 b		
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	
8 a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► OK - Oklahoma			
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*	8 b	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 2015 or the taxable year beginning in 2015 (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)*

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 ► N/A

14 The books are in care of ► DON A KARCHMER Telephone no ► (405) 236-2210

Located at ► 21 EAST MAIN, OKLAHOMA CITY, OK ZIP + 4 ► 73104

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

		Yes	No
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?	16		X
See the instructions for exceptions and filing requirements for FinCEN Form 114. If 'Yes,' enter the name of the foreign country ►			

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

		Yes	No
File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.			
1 a 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)?	1 b		
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 2015?	1 c		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 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)	2 b		
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__ .			
3 a 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.)*	3 b		
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a		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 2015?	4 b		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required *(continued)*

5 a 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)? **5 b**

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)

6 a 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? **6 b** No: X

If 'Yes' to 6b, file Form 8870

7 a 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? **7 b**

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

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

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
DON A KARCHMER 21 EAST MAIN, OKC, OK 73104	PRES/TREAS 4.00	0.	0.	0.
TERE BOND 21 EAST MAIN, OKC, OK 73104	SECRETARY 2.00	0.	0.	0.

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

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

Total number of other employees paid over $50,000 ► None

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 ► None

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 ►	

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	1 a	947,344.
b	Average of monthly cash balances	1 b	9,696.
c	Fair market value of all other assets (see instructions)	1 c	
d	**Total** (add lines 1a, b, and c)	1 d	957,040.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1 e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	957,040.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	14,356.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	942,684.
6	**Minimum investment return.** Enter 5% of line 5	6	47,134.

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	47,134.
2 a	Tax on investment income for 2015 from Part VI, line 5	2 a	2,692.		
b	Income tax for 2015. (This does not include the tax from Part VI.)	2 b			
c	Add lines 2a and 2b			2 c	2,692.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	44,442.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	44,442.
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	44,442.

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	1 a	33,850.
b	Program-related investments — total from Part IX-B	1 b	
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)	3 a	
b	Cash distribution test (attach the required schedule)	3 b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	33,850.
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	33,850.

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					44,442.
2 Undistributed income, if any, as of the end of 2015					
a Enter amount for 2014 only				0.	
b Total for prior years 20 __, 20 __, 20 __					
3 Excess distributions carryover, if any, to 2015					
a From 2010	2,687.				
b From 2011	16,174.				
c From 2012	0.				
d From 2013	68,746.				
e From 2014	165,100.				
f **Total** of lines 3a through e		252,707.			
4 Qualifying distributions for 2015 from Part XII, line 4 ► $ 33,850.					
a Applied to 2014, but not more than line 2a					
b Applied to undistributed income of prior years (Election required — see instructions)					
c Treated as distributions out of corpus (Election required — see instructions)					
d Applied to 2015 distributable amount					
e Remaining amount distributed out of corpus		33,850.			
5 Excess distributions carryover applied to 2015 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		44,442.			44,442.
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		242,115.			
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					
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 2015. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2016					0.
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)					
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		242,115.			
10 Analysis of line 9.					
a Excess from 2011	0.				
b Excess from 2012	0.				
c Excess from 2013	43,165.				
d Excess from 2014	165,100.				
e Excess from 2015	33,850.				

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 2015, 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) 2015	(b) 2014	(c) 2013	(d) 2012	(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).)

DON A KARCHMER

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

DON A KARCHMER
PO Box 436
OKLAHOMA CITY OK 73101 (405) 236-2210

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

LETTER REGARDING EXEMPT PURPOSE, AND INFORMATION REGARDING THE ORGANIZATION, PROOF OF EXEMPT STATUS

c Any submission deadlines:

NONE

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

RESTRICTED TO 501(c)(3) ORGANIZATIONS

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				
Jewish Federation of Greater OKC 2600 NW 55th PL Oklahoma City OK 73112	NA	501(c)(3)	CHARITY	5,000.
Okla Israel Exchange 2600 NW 55th PL Oklahoma City OK 73112	NA	501(c)(3)	CHARITY	1,050.
Allied Arts 1015 N Broadway Oklahoma City OK 73101	NA	501(c)(3)	CHARITY	1,000.
Oklahoma Health Center FND 800 Research Parkway Oklahoma City OK 73104	NA	501(c)(3)	CHARITY	1,000.
OU Foundation 100 Timberdell Road Norman OK 73019		501(c)(3)	CHARITY	1,500.
Centralia Foundation 115 East Second Street Centralia IL 62801		501(c)(3)	CHARITY	1,000.
OKC All Sports Association 211 N Robinson Ave N250 Oklahoma City OK 73102		501(c)(3)	CHARITY	5,000.
Oklahoma State University FND 400 South Monroe Stillwater OK 74074		501(c) (3)	CHARITY	5,000.
Friends of the Capitol 7100 N Classen Blvd #100 Oklahoma City OK 73116		501(c) (3)	CHARITY	1,000.
See Line 3a statement				12,300.
Total . . . . ► **3 a**				33,850.
b Approved for future payment				
Total . . . . ► **3 b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	3.	
4 Dividends and interest from securities			14	24,019.	
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					
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)				24,022.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . . **13** 24,022.

(See worksheet in line 13 instructions to verify calculations.)

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

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

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

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

2 a 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

Signature of officer or trustee

Date 11/10/16

Title President

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

Paid Preparer Use Only

Print/Type preparer's name: Laura Cooke, Attorney

Preparer's signature: Laura Cooke, Atty

Date: 11/08/16

Check ☒ if self-employed

PTIN: P01385268

Firm's name ► Laura Cooke, Attorney

Firm's EIN ►

Firm's address ► 3100 W BRITTON RD STE E
OKLAHOMA CITY OK 73120-2036

Phone no (405) 755-5199

Underpayment Penalty Statement 2015

► Attach to return

Name: AARON & GERTRUDE KARCHMER MEMORIAL FOUNDATION

Employer Identification No.: 73-1463604

'Event'	Date	Amount Due	Amount Paid	Balance Due (Overpayment)	Percent	# of Days	Penalty
Amount Due	05/15/15	178.		178.	3.00	0	
Applied	05/15/15		407.	-229.	3.00		
Amount Due	06/15/15	179.		-50.	3.00		
Amount Due	09/15/15	179.		129.	3.00	91	0.96
Amount Due	12/15/15	179.		308.	3.00	0	
Payment	12/15/15		400.	-92.	3.00		
Date Filed	05/15/16			-92.	3.00		

Total Penalty 0.96

Form 990-PF, Page 1, Part I, Line 18

Line 18 Stmt

Taxes	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Foreign Tax on Dividends	662.	662.		
Federal Income Tax	400.			
Total	1,062.	662.		

Form 990-PF, Page 11, Part XV, line 3a

Line 3a statement

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	Person or Business Checkbox Amount
a *Paid during the year*				
Anshe Emet Synagogue 3751 North Broadway Chicago IL 60613		501(c) (3)	CHARITY	Person or ☐ Business ☒ 1,800.
Mental Health Association Oklahoma 400 N Walker Ave Oklahoma City OK 73102		501(c) (3)	CHARITY	Person or ☐ Business ☒ 1,000.
OKC Natl Memorial & Museum 620 N Harvey Ave Oklahoma City OK 73102		501(c) (3)	CHARITY	Person or ☐ Business ☒ 5,000.
Science Museum OK 2020 Remington Pl Oklahoma City OK 73111		501(c) (3)	CHARITY	Person or ☐ Business ☒ 500.
Tatitha Baptist Church 1219 NE Grand Blvd Oklahoma City OK 73117		501(c) (3)	CHARITY	Person or ☐ Business ☒ 500.
Oklahoma City Museum of Art 415 Couch Drive Oklahoma City OK 73102		501(c) (3)	CHARITY	Person or ☐ Business ☒ 1,000.
Myriad Gardens Fnd 301 W Reno Ave Oklahoma City OK 73102		501(c) (3)	CHARITY	Person or ☐ Business ☒ 2,500.
Total				12,300.

Form 990-PF, Page 1, Part I

Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Morgan Stanley	INVESTMENT SERVICES	7,142.	7,142.		

Form 990-PF, Page 1, Part I Continued

Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LAURA COOKE	INCOME TAX SERVICES	950.			
Total		8,092.	7,142.		

Form 990-PF, Page 2, Part II, Line 10b

L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
Morgan Stanley INVESTMENT ACCOUNT - See attached schedule	678,556.	907,390.
Total	678,556.	907,390.

Account Detail

Portfolio Management Active Assets Account
074-893763-870

AARON & GERTRUDE KARCHMER
MEMORIAL FDN A NON-PROFIT ORG

MONEY MARKET FUND (MMF) AND BANK DEPOSIT PROGRAM ACTIVITY

Date	Activity Type	Description	Credits/(Debits)
12/1	Automatic Investment	BANK DEPOSIT PROGRAM	$1 060 83
12/4	Automatic Investment	BANK DEPOSIT PROGRAM	284 25
12/7	Automatic Investment	BANK DEPOSIT PROGRAM	16,176 15
12/10	Automatic Redemption	BANK DEPOSIT PROGRAM	(5 475 80)
12/11	Automatic Investment	BANK DEPOSIT PROGRAM	183 60
12/14	Automatic Investment	BANK DEPOSIT PROGRAM	2 69
12/15	Automatic Investment	BANK DEPOSIT PROGRAM	75 00
12/16	Automatic Investment	BANK DEPOSIT PROGRAM	124 00
12/17	Automatic Investment	BANK DEPOSIT PROGRAM	349 35
12/18	Automatic Investment	BANK DEPOSIT PROGRAM	125 80
12/23	Automatic Investment	BANK DEPOSIT PROGRAM	152 60
12/28	Automatic Investment	BANK DEPOSIT PROGRAM	19,863 35
12/31	Automatic Investment	BANK DEPOSIT PROGRAM	0 28
12/31	Automatic Redemption	BANK DEPOSIT PROGRAM	(862 75)
NET ACTIVITY FOR PERIOD			$32,059.35

REALIZED GAIN/(LOSS) DETAIL

LONG-TERM GAIN/(LOSS)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
ABBVIE INC COM	10/23/13	01/27/15	50 000	$3,167 57	$2,430 50	$737 07	
ANHEUSER BUSCH INBEV SA SPON	12/12/11	01/27/15	35 000	4 242 60	2,056 14	2,186 46	
APPLIED MATERIALS INC	06/25/13	01/27/15	200 000	4,760 53	3,043 32	1,717 21	
	06/25/13	04/07/15	1,025 000	22,399 11	15,597 01	6,802 10	
AUTOMATIC DATA PROCESSING INC	09/26/11	01/27/15	20 000	1,723 27	824 98	898 29	
BLACKROCK INC	01/02/13	01/27/15	15 000	5,296 23	3,185 90	2,110 33	
BOEING CO	10/31/11	01/27/15	20 000	2,653 45	1,324 16	1,329 29	
	10/31/11	02/19/15	5 000	763 29	331.04	432 25	
BRISTOL MYERS SQUIBB CO	07/03/13	01/21/15	90 000	5,582 82	3 902 36	1,680 46	
	07/03/13	01/27/15	60 000	3 737 49	2,601 57	1,135 92	
CARDINAL HEALTH INC	12/11/13	01/27/15	90 000	7,648 57	5 972 39	1 676 18	
COCA COLA CO	09/30/09	01/27/15	60 000	2,542 91	1,609 98	932 93	
	09/30/09	04/09/15	338 000	13,862 07	9,069 57	4,792 50	
	01/14/11	04/09/15	70 000	2 870 84	2 210 25	660 59	

Security Mark
at Right

Account Detail

Portfolio Management Active Assets Account
074-893763-870

AARON & GERTRUDE KARCHMER
MEMORIAL FDN A NON-PROFIT ORG

REALIZED GAIN/(LOSS) DETAIL (CONTINUED)

LONG-TERM GAIN/(LOSS) (CONTINUED)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
	03/29/11	04/09/15	120 000	4,921 44	3 940 80	980 64	
	08/21/13	04/09/15	42 000	1,722 51	1,609 44	113 07	
DOW CHEMICAL CO	09/11/13	08/25/15	520 000	21,366 82	20,800 68	566 14	
EATON CORP PLC SHS	12/03/12	08/25/15	355 000	19,316 32	17,419 40	1 896 92	R
EXXON MOBIL CORP	01/06/14	04/22/15	200 000	17,486 66	19,885 28	(2,398 62)	
	02/12/14	04/22/15	35 000	3,060 16	3,187 10	(126 94)	
HONEYWELL INTERNATIONAL INC	11/05/12	01/27/15	50.000	5,071 82	3,136 31	1,935 51	
INTERNATIONAL PAPER CO	08/28/13	01/27/15	50.000	2,702 77	2,305 17	397 60	
	08/28/13	05/05/15	450 000	23,100 37	20,746 57	2,353 80	
JOHNSON & JOHNSON	07/05/12	01/27/15	40.000	4,100.81	2,722 00	1,378 81	
	07/05/12	08/25/15	235 000	22,147 33	15,991 72	6,155 61	
LORILLARD INC	02/21/13	01/27/15	55 000	3,621 28	2,354 92	1,266 36	
	02/21/13	05/12/15	225 000	16,083 22	9,633 76	6,449 46	
	07/15/13	05/12/15	65 000	4,646 26	3,001 05	1,645 21	
	08/21/13	05/12/15	75.000	5,361 07	3,146 25	2,214 82	
LYONDELLBASELL NV CL-A	05/15/13	01/02/15	170.000	13,624 45	10,971 78	2,652 67	
	08/21/13	01/02/15	50 000	4,007 19	3,395 50	611 69	
NEXTERA ENERGY INC COM	01/23/14	01/27/15	55 000	6,113 41	4,879 06	1,234 35	
	01/23/14	06/25/15	170 000	16,757 68	15,080 74	1,676 94	
	06/16/14	06/25/15	50 000	4,928.73	4,871 00	57 73	
NORTHROP GRUMMAN CP(HLDG CO)	06/22/11	01/12/15	45 000	6,802 78	3,012 18	3,790 60	
	06/22/11	01/27/15	20 000	3,072 73	1,338 75	1,733 98	
NOVARTIS AG ADR	09/24/12	01/27/15	55 000	5 469 55	3,376 85	2,092 70	
OGE ENERGY CORPORATION	08/06/10	01/02/15	660 000	23,324 21	13,084 37	10,239 84	
	01/18/11	01/02/15	80.000	2,827 18	1,812 00	1,015 18	
ONEOK INC NEW	01/23/09	01/27/15	60 000	2,691 53	765 58	1,925 95	
	01/23/09	06/02/15	360 000	15,006 29	4,593 47	10,412.82	
PFIZER INC	02/03/11	01/27/15	100 000	3,275 24	1,889 80	1,385.44	
PHILIP MORRIS INTL INC	01/14/11	01/05/15	244 000	19,508.19	13,841 88	5,666.31	
PPG INDUSTRIES INC	02/11/10	01/27/15	20 000	4,552 11	1,204 45	3,347.66	
ROCHE HOLDINGS ADR	01/27/12	01/05/15	750 000	25,801.37	16,102 50	9,698 87	
STARBUCKS CORP WASHINGTON	10/30/14	11/16/15	100 000	6,040 24	3,859 66	2,180 58	
TEXAS INSTRUMENTS	06/06/13	01/27/15	60 000	3,310 29	2,135 90	1,174 39	
TRAVELERS COMPANIES INC COM	07/01/10	01/27/15	50 000	5,317 93	2,467 84	2,850 09	
UNITED TECHNOLOGIES CORP	12/05/08	01/27/15	30 000	3 591 71	1,445.14	2,146 57	
V F CORPORATION	02/11/08	01/21/15	35.000	2,507 80	696 37	1,811 43	
	02/11/08	01/27/15	60.000	4,275 66	1,193 78	3,081 88	
WALGREENS BOOTS ALLIANCE INC	10/04/13	01/27/15	40.000	3,004 33	2,235 49	768 84	
	10/04/13	04/14/15	20 000	1,843.36	1,117 75	725 61	
WELLS FARGO & CO NEW	07/02/12	01/27/15	75 000	3,991 41	2,492 33	1,499 08	

Account Detail

Portfolio Management Active Assets Account
074-893763-870

AARON & GERTRUDE KARCHMER
MEMORIAL FDN A NON-PROFIT ORG

REALIZED GAIN/(LOSS) DETAIL (CONTINUED)

LONG-TERM GAIN/(LOSS) (CONTINUED)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
WILLIAMS CO INC	01/23/12	04/16/15	50 000	2,613 73	1,452.85	1,160 88	
	01/23/12	06/16/15	345 000	16,394 10	10,024 66	6,369 44	
	07/15/13	06/16/15	75 000	3,563 93	2,536 50	1,027 43	
YUM BRANDS INC	01/14/11	06/02/15	30 000	2,707 83	1,440 53	1,267 30	
Long-Term This Period				**$0.00**	**$0.00**	**$0.00**	
Long-Term Year to Date				**$452,884.55**	**$317,358.33**	**$135,526.22**	

SHORT-TERM GAIN/(LOSS)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
AFLAC INCORPORATED	01/21/15	01/27/15	40 000	2,348 05	2,318 80	29 25	
AMERICAN EXPRESS CO	01/08/15	03/30/15	220 000	17,279 80	20,116 62	(2,836 82)	
	01/27/15	03/30/15	70.000	5,498.12	5,800 52	(302 40)	
ASTRAZENECA PLC ADS	03/14/14	01/27/15	30 000	2,156 52	1,962 00	194 52	
	03/14/14	02/10/15	335 000	22,858.78	21,909.00	949 78	
BROADCOM CORP CL A	03/30/15	07/20/15	525 000	28,035 95	23,080.94	4,955 01	
CANON INC ADR NEW	04/22/15	07/13/15	625 000	20,070 07	23,393 75	(3,323 68)	
CAPITAL ONE FINANCIAL CORP	06/16/15	12/21/15	275 000	19,863.35	24,170.05	(4,306 70)	
CONAGRA FOODS INC	07/29/15	12/01/15	550 000	22,580.27	24,314.02	(1,733.75)	
DOW CHEMICAL CO	01/27/15	08/25/15	20 000	821 80	890.77	(68 97)	
EATON CORP PLC SHS	01/27/15	08/25/15	15 000	816 18	977.92	(161 74)	
EXXON MOBIL CORP	01/27/15	04/22/15	30 000	2,623.00	2,738.92	(115.92)	
MACY'S INC	03/16/15	09/14/15	350 000	20,158.19	22,421.49	(2,263 30)	
ONEOK INC NEW	01/12/15	06/02/15	180 000	7,503 14	7,334.10	169.04	
ORACLE CORP	05/05/15	07/20/15	525 000	20,991 74	23,232.77	(2,241.03)	
PHILIP MORRIS INTL INC	02/12/14	01/05/15	36.000	2,878.26	2,839.68	38 58	
ROYAL BANK OF CANADA	01/27/15	07/29/15	400 000	23,225.09	24,257.44	(1,032.35)	
SCHLUMBERGER LTD	01/27/15	03/16/15	275 000	22,142 78	23,353.99	(1,211.21)	
STARBUCKS CORP WASHINGTON	10/30/14	01/27/15	50.000	4,451 40	3,859 66	591.74	
	10/30/14	06/02/15	50 000	2,603 20	1,929 83	673 37	
STEEL DYNAMICS INC	06/25/15	12/01/15	1,000 000	17,342 98	22,309 90	(4,966 92)	
TIME WARNER INC NEW	01/27/15	02/03/15	300 000	23,866 72	24,364 89	(498 17)	
TOYOTA MOTOR CP ADR NEW	11/05/14	01/27/15	15.000	1,973 23	1,822.15	151 08	
	11/05/14	10/13/15	185 000	22,421.19	22,473 23	(52 04)	
WILLIAMS CO INC	01/27/15	06/16/15	80 000	3,801 53	3,529.38	272 15	
Short-Term This Period				**$59,786.60**	**$70,793.97**	**$(11,007.37)**	

Account Detail

Portfolio Management Active Assets Account
074-893763-870

AARON & GERTRUDE KARCHMER
MEMORIAL FDN A NON-PROFIT ORG

REALIZED GAIN/(LOSS) DETAIL (CONTINUED)

SHORT-TERM GAIN/(LOSS) (CONTINUED)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
Short-Term Year to Date				$318,311.34	$335,401.82	$(17,090.48)	
Net Realized Gain/(Loss) This Period				$59,786.60	$70,793.97	$(11,007 37)	
Net Realized Gain/(Loss) Year to Date				$771,195.89	$652,760.15	$118,435 74	

Treasury regulations require that we report on Form 1099-B a) adjusted cost basis on the sale of covered securities acquired on or after 1/1/11 (or the applicable date for the type of security), b) the gain or loss as either long-term or short-term, and c) basis adjustments on covered securities due to wash sales, certain corporate actions and transfers by gift or inheritance. This section may not reflect all the basis adjustments required when filing your tax return Refer to the Expanded Disclosures

R - The cost basis for this tax lot was adjusted due to a reclassification of income

MESSAGES

Statement of Financial Condition (In Millions of Dollars)

At June 30, 2015 Morgan Stanley Smith Barney LLC had net capital of $5 031 which exceeded the Securities and Exchange Commission's minimum requirement by $4,868 A copy of the Morgan Stanley Smith Barney LLC Consolidated Statement of Financial Condition at June 30, 2015 can be viewed online at http //www morganstanley com/about-us-ir/shareholder/morganstanley_smithbarney_llc pdf or may be mailed to you at no cost by calling 1 (866) 825-1675, after September 15, 2015

FINRA BrokerCheck

FINRA has established the public disclosure program, known as BrokerCheck, to provide certain information regarding the disciplinary history of FINRA members and their associated persons The BrokerCheck Hotline Number is 1-800-289-9999 The FINRA web site address is www finra org An investor brochure that includes information describing FINRA BrokerCheck may be obtained from FINRA

Sign up for eDelivery of your Statements Today

Would you like to receive your Statements and other documents faster, more securely and with the added benefit of reducing paper mail? Simply visit www morganstanley com/edelivery to set your eDelivery preferences today Please note, if you have not already, you will first need to register for Morgan Stanley Online, to make your eDelivery selections

Important Tax Information Related To Your International Securities Holdings

You may be eligible to benefit from a reduction of the amount of foreign taxes you pay on dividends on international securities in your account These taxes are withheld by foreign tax authorities Contact your Financial Advisor to determine qualification eligibility and requirements

Important Information About Advisory Accounts

Please notify your Financial Advisor if there have been any changes in your financial situation or investment objectives, or if you wish to impose any reasonable restrictions on the management of your Investment Advisory accounts, or to reasonably modify existing restrictions

For a copy of the applicable ADV Brochure for Morgan Stanley Smith Barney LLC, or for any investment advisor with whom we contract to manage your investment advisory account, please visit www morganstanley com/ADV, or contact your Financial Advisor These ADV Brochures contain important information about advisory programs

Account Detail

Portfolio Management Active Assets Account
074-893763-870

AARON & GERTRUDE KARCHMER
MEMORIAL FDN A NON-PROFIT ORG

Investment Objectives† Capital Appreciation, Aggressive Income

Investment Advisory Account

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change

HOLDINGS

This section reflects positions purchased/sold on a trade date basis "Market Value" and "Unrealized Gain/(Loss)" may not reflect the value that could be obtained in the market Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date Estimated Annual Income a) is calculated on a pre-tax basis, b) does not include any reduction for applicable non-US withholding taxes, c) may include return of principal or capital gains which could overstate such estimates, and d) for securities that have a defined maturity date within the next 12 months, is reflected only through maturity date Actual income or yield may be lower or higher than the estimates Current yield reflects the income generated by an investment, and does not reflect changes in its price Structured Investments, identified on the Position Description Details line as "Asset Class Struct Inv," may appear in various statement product categories When displayed, the accrued interest, annual income and current yield for those with a contingent income feature (e g , Range Accrual Notes or Contingent Income Notes) are estimates and assume specified accrual conditions are met during the relevant period and payment in full of all contingent interest For Floating Rate Securities, the accrued interest, annual income and current yield are estimates based on the current floating coupon rate and may not reflect historic rates within the accrual period

CASH, BANK DEPOSIT PROGRAM AND MONEY MARKET FUNDS

Cash, Bank Deposit Program, and Money Market Funds are generally displayed on a settlement date basis You have the right to instruct us to liquidate your bank deposit balance(s) or shares of any money market fund balance(s) at any time and have the proceeds of such liquidation remitted to you Estimated Annual Income, Accrued Interest, and APY% will only be displayed for fully settled positions

Description	Market Value	7-Day Current Yield %	Est Ann Income	APY %
MORGAN STANLEY BANK N.A. #	**$34,741 68**	—	$7 00	0 020

	Percentage of Holdings	Market Value	Est Ann Income
CASH, BDP, AND MMFs	3.69%	**$34,741.68**	**$7 00**

 # Bank Deposits are held at Morgan Stanley Bank, N A and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney LLC and each a national bank and FDIC member

STOCKS

COMMON STOCKS

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
ABBVIE INC COM (ABBV) *Next Dividend Payable 02/2016; Asset Class Equities*	10/23/13	380 000	$48 610	$59 240	$18,471 77	**$22,511.20**	$4,039 43 LT	$866 00	3 84
AFLAC INCORPORATED (AFL) *Next Dividend Payable 03/2016; Asset Class Equities*	1/21/15	410 000	57 970	59 900	23 767 70	**24,559.00**	791 30 ST	672 00	2 73
ANHEUSER BUSCH INBEV SA SPON (BUD) *Asset Class. Equities*	12/12/11	200 000	58 747	125 000	11 749 36	**25,000 00**	13 250 64 LT	645 00	2 58
AUTOMATIC DATA PROCESSING INC (ADP) *Next Dividend Payable 01/01/16, Asset Class Equities*	9/26/11	280 000	41 249	84 720	11,549 70	**23,721.60**	12,171 90 LT	594 00	2 50

Account Detail

Portfolio Management Active Assets Account
074-893763-870

AARON & GERTRUDE KARCHMER
MEMORIAL FDN A NON-PROFIT ORG

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
BCE INC (NEW) (BCE)	11/16/15	535 000	42 970	38 620	22,988 90	**20,661.70**	(2,327 20) ST	1,058 00	5 12
Next Dividend Payable 01/15/16, Asset Class Equities									
BLACKROCK INC (BLK)	1/2/13	70 000	212 394	340 520	14 867 55	**23,836 40**	8,968 85 LT	610 00	2 55
Next Dividend Payable 03/2016, Asset Class Equities									
BOEING CO (BA)	10/31/11	175 000	66 208	144 590	11,586 40	**25,303.25**	13 716 85 LT	763 00	3 01
Next Dividend Payable 03/2016, Asset Class Equities									
BRISTOL MYERS SQUIBB CO (BMY)	7/3/13	190 000	43 360	68 790	8 238 31	13 070 10	4,831 79 LT		
	8/21/13	125 000	41 485	68 790	5,185 64	8,598 75	3 413 11 LT		
	6/16/14	75 000	47 167	68 790	3,537 56	5,159 25	1 621 69 LT		
	Total	390 000			16,961 51	**26,828.10**	9 866 59 LT	593 00	2 21
Next Dividend Payable 02/01/16, Asset Class Equities									
CARDINAL HEALTH INC (CAH)	12/11/13	285 000	66 360	89 270	18,912 57	**25,441.95**	6,529 38 LT	441 00	1 73
Next Dividend Payable 01/15/16; Asset Class Equities									
CISCO SYS INC (CSCO)	1/27/15	900 000	27 156	27 155	24,440 22	**24,439.50**	(0 72) ST	756 00	3 09
Next Dividend Payable 01/2016; Asset Class- Equities									
COSTCO WHOLESALE CORP NEW (COST)	5/12/15	165 000	144 754	161 500	23,884 38	**26,647 50**	2,763 12 ST	264 00	0 99
Next Dividend Payable 02/2016, Asset Class Equities									
HOME DEPOT INC (HD)	7/20/15	215 000	113 728	132 250	24,451 43	**28,433.75**	3 982 32 ST	507 00	1 78
Next Dividend Payable 03/2016; Asset Class Equities									
HONEYWELL INTERNATIONAL INC (HON)	11/5/12	240 000	62 726	103 570	15,054 29	**24,856.80**	9 802 51 LT	571 00	2 29
Next Dividend Payable 03/2016, Asset Class Equities									
L BRANDS INC COM (LB)	4/7/15	250 000	94 021	95 820	23,505 15	**23,955.00**	449 85 ST	500 00	2 08
Next Dividend Payable 03/2016, Asset Class Equities									
LYONDELLBASELL NV CL-A (LYB)	7/20/15	250 000	95 995	86 900	23,998 78	**21,725 00**	(2,273 78) ST	780.00	3 59
Next Dividend Payable 03/2016; Asset Class Equities									
MEDTRONIC PLC SHS (MDT)	7/13/15	285 000	74 937	76 920	21,356 99	**21,922.20**	565 21 ST	433 00	1 97
Next Dividend Payable 01/15/16; Asset Class Equities									
MICROSOFT CORP (MSFT)	10/11/13	550.000	34 082	55 480	18,745 10	30,514 00	11,768 90 LT		
	1/27/15	15 000	42 950	55 480	644 25	832 20	187 95 ST		
	Total	565.000			19,389 35	**31,346.20**	11,768.90 LT 187 95 ST	814 00	2 59
Next Dividend Payable 03/2016; Asset Class Equities									
MONDELEZ INTL INC COM (MDLZ)	6/2/15	565 000	40 527	44 840	22,897 92	**25,334.60**	2 436 68 ST	384 00	1 51
Next Dividend Payable 01/14/16; Asset Class Equities									

Account Detail

Portfolio Management Active Assets Account
074-893763-870

AARON & GERTRUDE KARCHMER
MEMORIAL FDN A NON-PROFIT ORG

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
NORTHROP GRUMMAN CP(HLDG CO) (NOC)	6/22/11	80 000	66 937	188 810	5,354 99	15,104 80	9,749 81 LT		
	8/16/11	75 000	53 460	188 810	4 009 50	14,160 75	10 151 25 LT		
	Total	155 000			9,364 49	**29,265.55**	19,901 06 LT	496 00	1 69
Next Dividend Payable 03/2016, Asset Class Equities									
NOVARTIS AG ADR (NVS)	9/24/12	245 000	61 397	86 040	15,042 31	**21,079 80**	6 037 49 LT	553 00	2 62
Asset Class Equities									
OCCIDENTAL PETROLEUM CORP DE (OXY)	8/27/15	325 000	69 980	67 610	22 743 57	**21,973 25**	(770 32) ST	975 00	4 43
Next Dividend Payable 01/15/16; Asset Class Equities									
PEPSICO INC NC (PEP)	4/9/15	200 000	96 427	99 920	19,285 30	19 984 00	698 70 ST		
	6/2/15	35 000	96 214	99 920	3,367 48	3 497 20	129 72 ST		
	Total	235 000			22,652 78	**23,481.20**	828 42 ST	660 00	2 81
Next Dividend Payable 01/07/16 Asset Class Equities									
PFIZER INC (PFE)	2/3/11	714 000	18 898	32 280	13 493 17	23 047 92	9 554 75 LT		
	6/16/14	36 000	29 614	32 280	1 066 09	1,162 08	95 99 LT		
	Total	750 000			14 559 26	**24,210.00**	9 650 74 LT	900 00	3 71
Next Dividend Payable 03/2016; Asset Class Equities									
PPG INDUSTRIES INC (PPG)	2/11/10	210 000	30 111	98 820	6 323 34	**20,752.20**	14 428 86 LT	302 00	1 45
Next Dividend Payable 03/2016, Asset Class Equities									
SCHLUMBERGER LTD (SLB)	12/2/15	315 000	76 805	69 750	24,193 45	**21,971.25**	(2 222 20) ST	630 00	2 86
Next Dividend Payable 01/08/16, Asset Class Equities									
STARBUCKS CORP WASHINGTON (SBUX)	10/30/14	400 000	38 597	60 030	15,438 64	**24,012.00**	8,573 36 LT	320 00	1 33
Next Dividend Payable 02/2016, Asset Class Equities									
STRYKER CORP (SYK)	9/18/15	185 000	99 783	92 940	18 459 87	**17,193.90**	(1 265 97) ST	281 00	1 63
Next Dividend Payable 01/29/16, Asset Class Equities									
TEXAS INSTRUMENTS (TXN)	6/6/13	440 000	35 598	54 810	15 663 30	**24,116.40**	8,453 10 LT	669 00	2 77
Next Dividend Payable 02/2016, Asset Class Equities									
THE J.M. SMUCKER COMPANY (SJM)	10/13/15	200 000	118 874	123 340	23 774 72	**24,668.00**	893 28 ST	536 00	2 17
Next Dividend Payable 03/2016, Asset Class Equities									
TRAVELERS COMPANIES INC COM (TRV)	7/1/10	175 000	49 357	112 860	8,637 44	19,750 50	11,113 06 LT		
	1/18/11	50 000	54 620	112 860	2,731 00	5,643 00	2,912 00 LT		
	Total	225 000			11 368 44	**25,393.50**	14 025 06 LT	549 00	2 16
Next Dividend Payable 03/2016; Asset Class Equities									
U S BANCORP COM NEW (USB)	2/10/15	500 000	44 594	42 670	22 296 95	**21,335.00**	(961 95) ST	510 00	2 39
Next Dividend Payable 01/15/16, Asset Class Equities									

Security Mark at Right

Account Detail

Portfolio Management Active Assets Account
074-893763-870

AARON & GERTRUDE KARCHMER
MEMORIAL FDN A NON-PROFIT ORG

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
UNITED TECHNOLOGIES CORP (UTX)	12/5/08	135 000	48 171	96 070	6 503 13	12 969 45	6,466 32 LT		
	1/18/11	15 000	79 420	96 070	1 191 30	1,441 05	249 75 LT		
	3/29/11	25.000	84 020	96 070	2 100 50	2 401 75	301 25 LT		
	10/19/12	25 000	77 900	96 070	1 947 50	2 401 75	454 25 LT		
	Total	200 000			11,742 43	**19,214 00**	7 471 57 LT	512 00	2 66
Next Dividend Payable 03/2016, Asset Class Equities									
UNITEDHEALTH GP INC (UNH)	9/16/15	150 000	120 474	117 640	18 071 15	**17,646.00**	(425 15) ST	300 00	1 70
Next Dividend Payable 03/2016, Asset Class Equities									
V F CORPORATION (VFC)	2/11/08	200 000	19 896	62 250	3 979 27	12,450 00	8 470 73 LT		
	1/14/11	140 000	20 948	62 250	2,932 65	8,715 00	5 782 35 LT		
	Total	340 000			6 911 92	**21,165.00**	14 253 08 LT	503 00	2 37
Next Dividend Payable 03/2016, Asset Class Equities									
VALERO ENERGY CP DELA NEW (VLO)	2/3/15	445 000	53 801	70 710	23,941 53	**31,465.95**	7,524 42 ST	890 00	2 82
Next Dividend Payable 03/2016; Asset Class Equities									
WALGREENS BOOTS ALLIANCE INC (WBA)	10/4/13	300 000	55 887	85 155	16 766 18	**25,546.50**	8 780 32 LT	432 00	1 69
Next Dividend Payable 03/2016, Asset Class Equities									
WELLS FARGO & CO NEW (WFC)	7/2/12	400 000	33 231	54 360	13 292 44	21,744 00	8 451 56 LT		
	10/19/12	50 000	34 200	54 360	1,710 00	2,718 00	1,008 00 LT		
	Total	450 000			15,002 44	**24,462.00**	9,459 56 LT	675 00	2 75
Next Dividend Payable 03/2016, Asset Class Equities									
YUM BRANDS INC (YUM)	1/14/11	300 000	48 018	73 050	14,405 34	**21,915.00**	7,509 66 LT	552 00	2 51
Next Dividend Payable 02/2016; Asset Class. Equities									

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
STOCKS	96.31%	$678,556.08	$907,390 25	$218,658.91 LT $10,175.26 ST	$22,496 00	2 48%

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
TOTAL MARKET VALUE		$678,556.08	$942,131.93	$218,658.91 LT $10,175.26 ST	$22,503 00 $0 00	2 39%
TOTAL VALUE (includes accrued interest)	100.00%		$942,131.93			

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