

For calendar year 2016, or tax year beginning 01-01-2016, and ending 12-31-2016

Name of foundation THE PHILIP AND HARRIET KLEIN FOUNDATION INC		A Employer identification number 52-2046127	
Number and street (or P O box number if mail is not delivered to street address) 1777 REISTERSTOWN ROAD SUITE 245		Room/suite	B Telephone number (see instructions) (410) 902-5994
City or town, state or province, country, and ZIP or foreign postal code BALTIMORE, MD 21208		C If exemption application is pending, check here ☐	
G Check all that apply ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐	
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐	
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 11,678,310	J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	21,836	21,836	21,836	
	4 Dividends and interest from securities	93,581	93,581	93,581	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	135,647			
	b Gross sales price for all assets on line 6a				
		2,393,273			
	7 Capital gain net income (from Part IV, line 2)		135,647		
	8 Net short-term capital gain				
	9 Income modifications				
Operating and Administrative Expenses	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	-464,705	-464,705	-464,705	
	12 Total. Add lines 1 through 11	-213,641	-213,641	-349,288	
	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	27,500	27,500	27,500	27,500
	c Other professional fees (attach schedule)				
	17 Interest	14,184	14,184	14,184	14,184
	18 Taxes (attach schedule) (see instructions)	1,370	1,370	1,370	1,370
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	41,251	41,251	41,251	41,251
	24 Total operating and administrative expenses. Add lines 13 through 23	84,305	84,305	84,305	84,305
	25 Contributions, gifts, grants paid	663,687			663,687
	26 Total expenses and disbursements. Add lines 24 and 25	747,992	84,305	84,305	747,992
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-961,633			
	b Net investment income (if negative, enter -0-)		0		
	c Adjusted net income (if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions.)			
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	353,166	506,956	506,956
	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)	6,641,727	5,414,826	6,601,978
	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)	4,482,787	3,160,770	4,569,376
	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)	11,477,680	9,082,552	11,678,310	
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 ▶ _____)	1,445,928		
	23	Total liabilities (add lines 17 through 22)	1,445,928	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			
	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	10,031,752	9,082,552	
	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)	10,031,752	9,082,552		
31	Total liabilities and net assets/fund balances (see instructions) .	11,477,680	9,082,552		

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	10,031,752
2	Enter amount from Part I, line 27a	2	-961,633
3	Other increases not included in line 2 (itemize) ▶ _____	3	13,922
4	Add lines 1, 2, and 3	4	9,084,041
5	Decreases not included in line 2 (itemize) ▶ _____	5	1,489
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	9,082,552

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1 a SEE ATTACHED EXHIBIT A	P	2016-01-01	2016-01-01
b SEE ATTACHED EXHIBIT B	P	2001-01-01	2016-01-01
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 333,255		340,940	-7,685
b 2,060,018		1,916,686	143,332
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			-7,685
b			143,332
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	135,647
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	-7,685

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))
2015	1,192,344	14,457,670	0 08247
2014	473,732	15,932,864	0 02973
2013	694,310	13,303,439	0 05219
2012	629,970	13,969,923	0 04510
2011	505,978	13,446,596	0 03763

2 Total of line 1, column (d)	2	0 247118
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 049424
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	13,710,021
5 Multiply line 4 by line 3	5	677,604
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	
7 Add lines 5 and 6	7	677,604
8 Enter qualifying distributions from Part XII, line 4	8	747,992

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1	0
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2.	3	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	13,027
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	13,027
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed ▶	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid . . . ▶	10	13,027
11	Enter the amount of line 10 to be Credited to 2017 estimated tax ▶ 13,027 Refunded ▶	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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 ▶ \$ _____ (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? <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	No
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 2016 or the taxable year beginning in 2016 (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 DANIEL J KLEIN Telephone no (410) 902-5994			

Located at **1777 REISTERSTOWN RD SUITE 245 BALTIMORE MD** ZIP+4 **21208**

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 2016, 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.

1a	During the year did the foundation (either directly or indirectly)		Yes	No
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? ☐ 1b			No
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 2016? ☐ 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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ 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			No
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 2016 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 2016). ☐ 3b			No
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 2016?	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)? ☐ Organizations relying on a current notice regarding disaster assistance check here. ▶ ☐	5b		No
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 <i>If "Yes," attach the statement required by Regulations section 53.4945–5(d)</i>			
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? ☐ Yes ☒ No <i>If "Yes" to 6b, file Form 8870</i>	6b		No
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? ☐ Yes ☒ No	7b		No

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).				
(a) Name and address	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
JEFFREY F KLEIN 228 SALTGRASS DRIVE GLEN BURNIE, MD 21060	Trustee/VP 0 00	0		
MICHAEL F KLEIN 2307 HIDDEN GLEN DRIVE OWINGS MILLS, MD 21117	Trustee/PRES 0 00	0		
DANIEL J KLEIN 1777 REISTERSTOWN ROAD STE 245 BALTIMORE, MD 21208	Trtee/TR,SY 0 00	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	Title, and average hours per week (b) devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	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. ►		

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.	1a	7,291,250
b	Average of monthly cash balances.	1b	724,331
c	Fair market value of all other assets (see instructions).	1c	5,903,222
d	Total (add lines 1a, b, and c).	1d	13,918,803
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	
3	Subtract line 2 from line 1d.	3	13,918,803
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	208,782
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	13,710,021
6	Minimum investment return. Enter 5% of line 5.	6	685,501

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	685,501
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	685,501
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	685,501
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	685,501

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	747,992
b	Program-related investments—total from Part IX-B.	1b	
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	747,992
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions).	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	747,992

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 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				685,501
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.				
c From 2013.				
d From 2014.				
e From 2015.				261,234
f Total of lines 3a through e.	261,234			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ <u>747,992</u>				
a Applied to 2015, 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).	0			
d Applied to 2016 distributable amount.				685,501
e Remaining amount distributed out of corpus	62,491			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	323,725			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				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 2011 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	323,725			
10 Analysis of line 9				
a Excess from 2012.				
b Excess from 2013.				
c Excess from 2014.				
d Excess from 2015.				261,234
e Excess from 2016.				62,491

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 2016, 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) 2016	(b) 2015	(c) 2014	(d) 2013	
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))	
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	

Part XV **Supplementary Information** (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i> See Additional Data Table				
Total			3a	663,687
b <i>Approved for future payment</i>				
Total			3b	

Enter gross amounts unless otherwise indicated

(See worksheet in line 13 instructions to verify calculations)

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)
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Form **990-PF** (2016)

Part XVII

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

[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

Form **990-PF** (2016)

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i>				
AMERICAN TECHNION SOCIETY 55 EAST 59TH STREET NEW YORK, NY 10022	N/A	EDUC	GENERAL SUPPORT	130,000
UNIVERSITY OF BALTIMORE FOUNDATION 1130 N CHARLES STREET BALTIMORE, MD 21201	N/A	EDUC	GENERAL SUPPORT	100,000
THE ASSOCIATED 101 W MOUNT ROYAL AVENUE BALTIMORE, MD 21201	N/A	PUBLIC	GENERAL SUPPORT	210,000
BAR ILAN 160 E 56TH STREET NEW YORK, NY 10022	N/A	EDUC	GENERAL SUPPORT	12,000
SHORESH 3723 OLD COURT RD STE 206 BALTIMORE, MD 21208	N/A	RELIG	GENERAL SUPPORT	5,000
Total ▶ 3a				663,687

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i>				
BALTIMORE EDUCATIONAL SCHOLARSHIP TRUST 808 NORTH CHARLES STREET BALTIMORE, MD 21201	N/A	EDUC	GENERAL SUPPORT	5,000
JEWISH NATIONAL FUND 78 RANDALL AVENUE ROCKVILLE CENTRE, NY 11570	N/A	PUBLIC	GENERAL SUPPORT	10,000
AMERICAN VISIONARY ART MUSEUM 800 KEY HIGHWAY BALTIMORE, MD 21230	N/A	PUBLIC	GENERAL SUPPORT	5,000
BOYSTOWN JERUSALEM 1 PENN PLAZA SUITE 6250 NEW YORK, NY 10119	N/A	PUBLIC	GENERAL SUPPORT	5,000
BALTIMORE MUSEUM OF ART 10 ART MUSEUM DRIVE BALTIMORE, MD 21218	N/A	PUBLIC	GENERAL SUPPORT	3,375
Total ▶ 3a				663,687

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i>				
BETH TFILOH CONGREGATION 3300 OLD COURT ROAD BALTIMORE, MD 21208	N/A	RELIG	GENERAL SUPPORT	10,000
LIFEBRIDGE HEALTH 2401 WEST BELVEDERE AVENUE BALTIMORE, MD 21215	N/A	PUBLIC	GENERAL SUPPORT	12,500
TEMPLE BETH SHALOM 1461 BALTIMORE-ANNAPOLIS BOULEVARD ARNOLD, MD 21012	N/A	RELIG	GENERAL SUPPORT	15,000
TEMPLE OHEB SHALOM 7310 PARK HEIGHTS AVENUE BALTIMORE, MD 21208	N/A	RELIG	GENERAL SUPPORT	10,120
MARYLAND INSTITUTE COLLEGE OF ART 1300 W MOUNT ROYAL AVENUE BALTIMORE, MD 21217	N/A	EDUC	GENERAL SUPPORT	32,500
Total 				663,687
3a				

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i>				
BALTIMORE SCHOOL FOR THE ARTS 712 CATHEDRAL STREET BALTIMORE, MD 21201	N/A	EDUC	GENERAL SUPPORT	6,000
BALTIMORE ZIONIST DISTRICT 3655-B OLD COURT ROAD SUITE 24 BALTIMORE, MD 21208	N/A	PUBLIC	GENERAL SUPPORT	5,000
THE PARK SCHOOL OF BALTIMORE PO BOX 8200 BROOKLANDVILLE, MD 21022	N/A	EDUC	GENERAL SUPPORT	30,000
FRIENDS OF THE ISRAEL DEFENSE FORCES 60 EAST 42ND STREET NEW YORK, NY 10165	N/A	PUBLIC	GENERAL SUPPORT	5,000
THE JEWISH MUSEUM OF MARYLAND 15 LLOYD STREET BALTIMORE, MD 21202	N/A	PUBLIC	GENERAL SUPPORT	2,500
Total 				663,687
3a				

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i>				
BNAI ISRAEL CONGREGATION 27 LLOYD STREET BALTIMORE, MD 21202	N/A	RELIG	GENERAL SUPPORT	5,000
SNYDER CENTER FOR APHASIA 413 WARREN AVENUE BALTIMORE, MD 21230	N/A	PUBLIC	GENERAL SUPPORT	5,000
ELIJAH CUMMINGS YOUTH PROGRAM IN IS 5700 PARK HEIGHTS AVENUE BALTIMORE, MD 21215	N/A	PUBLIC	GENERAL SUPPORT	1,800
CHABAD HOUSE AT JOHNS HOPKINS 3701 NORTH CHARLES STREET BALTIMORE, MD 21218	N/A	PUBLIC	GENERAL SUPPORT	12,500
HADASSAH MEDICAL RELIEF ASSOCIATION 40 WALL STREET NEW YORK, NY 10005	N/A	PUBLIC	GENERAL SUPPORT	10,120
Total ► 3a				663,687

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i>				
MORGAN STATE UNIVERSITY FOUNDATION 1700 E COLD SPRING LANE BALTIMORE, MD 21251	N/A	EDUC	GENERAL SUPPORT	15,272
Total 				663,687
3a				

TY 2016 Accounting Fees Schedule

Name: THE PHILIP AND HARRIET KLEIN
FOUNDATION INC

EIN: 52-2046127

Software ID: 16000303

Software Version: 2016v3.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FELDMAN, BLUM & ASSOCIATES, LLC	27,500	27,500	27,500	27,500

TY 2016 Investments Corporate Stock Schedule

Name: THE PHILIP AND HARRIET KLEIN
FOUNDATION INC

EIN: 52-2046127

Software ID: 16000303

Software Version: 2016v3.0

Name of Stock	End of Year Book Value	End of Year Fair Market Value
SEE ATTACHED EXHIBIT C	5,414,826	6,601,978

TY 2016 Investments - Other Schedule

Name: THE PHILIP AND HARRIET KLEIN
FOUNDATION INC

EIN: 52-2046127

Software ID: 16000303

Software Version: 2016v3.0

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
MDK DEER PARK, LLC	AT COST	76,180	76,180
BOIII CUMBERLAND, LLC	AT COST	97,501	97,501
BROADFIN HEALTHCARE OFFSHORE FUND, LTD	FMV	516,805	1,925,411
MARYLAND/ISRAEL TRENDLINES	AT COST	83,730	83,730
WORLD TOTAL RETURN FUND	AT COST	288,498	288,498
SHELTER SENIOR LIVING V	AT COST	167,236	167,236
BROWNSAVANO DIRECT CAPITAL PARTNERS	AT COST	142,833	142,833
CRC FUND III LP	AT COST	325,432	325,432
CVPR GAMING HOLDINGS	AT COST	75,347	75,347
MDK FELS POINT, LLC	AT COST	22,337	22,337
GREENSPRING GLOBAL PARTNERS V LP	AT COST	183,695	183,695
MDK CHARLESTOWN CROSSING	AT COST	267,667	267,667
MDK RUN CROSSING LLC	AT COST	238,856	238,856
MDK TRIANGLE LLC	AT COST	35,291	35,291
SHELTER SENIOR LIVING VI	AT COST	157,025	157,025
U.S.A. FUND LLLP	AT COST	194,439	194,439
BDC FEEDER FUND	AT COST	87,066	87,066
GREENSPRING GLOBAL PARTNERS VI LP	AT COST	160,971	160,971
MDK SOMA, LLC	AT COST	52,876	52,876
MDK STONEY CREEK, LLC	AT COST	170,118	170,118
PRIAM CAPITAL FUND	AT COST	250,310	250,310
CONTINENTAL REALTY FUND IV	AT COST	141,856	141,856
GREENSPRING GLOBAL PARTNERS VII LP	AT COST	64,906	64,906
SAVANO II FEEDER FUND	AT COST	65,590	65,590
MDK SOUTHERLY SQUARE	AT COST	486,626	486,626
MDK FRANKLIN SQUARE	AT COST	483,791	483,791

TY 2016 Other Decreases Schedule

Name: THE PHILIP AND HARRIET KLEIN
FOUNDATION INC

EIN: 52-2046127

Software ID: 16000303

Software Version: 2016v3.0

Description	Amount
NON-DEDUCTIBLE EXPENSES	1,489

TY 2016 Other Expenses Schedule

Name: THE PHILIP AND HARRIET KLEIN
FOUNDATION INC

EIN: 52-2046127

Software ID: 16000303

Software Version: 2016v3.0

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
BANK CHARGES	390	390	390	390
INVESTMENT ADVISORY FEES	40,801	40,801	40,801	40,801
OFFICE	60	60	60	60

TY 2016 Other Income Schedule

Name: THE PHILIP AND HARRIET KLEIN
FOUNDATION INC

EIN: 52-2046127

Software ID: 16000303

Software Version: 2016v3.0

Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
MISCELLANEOUS	6,088	6,088	6,088
PASS-THRU K-1 ENTITIES	-470,793	-470,793	-470,793

TY 2016 Other Increases Schedule

Name: THE PHILIP AND HARRIET KLEIN
FOUNDATION INC

EIN: 52-2046127

Software ID: 16000303

Software Version: 2016v3.0

Description	Amount
PARTNERSHIP DISTRIBUTIONS RECEIVED AFTER LIQUIDATION	13,922

TY 2016 Taxes Schedule

Name: THE PHILIP AND HARRIET KLEIN
FOUNDATION INC

EIN: 52-2046127

Software ID: 16000303

Software Version: 2016v3.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAX WITHHELD-VARIOUS	1,370	1,370	1,370	1,370