

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

Name of foundation FRIEDMAN-KLINE FAMILY FOUNDATION		A Employer identification number 90-0795812	
Number and street (or P O box number if mail is not delivered to street address) 3262 WESTHEIMER ROAD NO 628		Room/suite	B Telephone number (see instructions) (713) 385-5415
City or town, state or province, country, and ZIP or foreign postal code HOUSTON, TX 77098		C If exemption application is pending, check here ☐	
G Check all that apply ☐ Initial return ☐ Final return ☐ Address change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐	
Initial return of a former public charity ☐ Amended return ☐ Name change ☐		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐	
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐	
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 4,538,564		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 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	4,288	4,288		
	4 Dividends and interest from securities	162,130	162,130		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	137,743			
	b Gross sales price for all assets on line 6a				
	539,331				
	7 Capital gain net income (from Part IV, line 2)		137,743		
	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)	11,257	11,257		
	12 Total. Add lines 1 through 11	315,418	315,418		
	13 Compensation of officers, directors, trustees, etc	112,000	100,800		11,200
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	3,500	3,150		350
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	20,211	19,319		892
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	1,313	1,203		110
	24 Total operating and administrative expenses. Add lines 13 through 23	137,024	124,472		12,552
	25 Contributions, gifts, grants paid	242,000			242,000
	26 Total expenses and disbursements. Add lines 24 and 25	379,024	124,472		254,552
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-63,606			
	b Net investment income (if negative, enter -0-)		190,946		
	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	77,163	36,041	36,041
	2	Savings and temporary cash investments			
	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)	3,274,431	3,154,167	4,174,599
	c	Investments—corporate bonds (attach schedule)	253,183	350,963	326,420
	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 ▶ _____)	1,504	1,504	1,504	
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	3,606,281	3,542,675	4,538,564	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable.			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule).			
	22	Other liabilities (describe ▶ _____)			
	23	Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	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	3,453,362	3,453,362	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
	29	Retained earnings, accumulated income, endowment, or other funds	152,919	89,313	
30	Total net assets or fund balances (see instructions)	3,606,281	3,542,675		
31	Total liabilities and net assets/fund balances (see instructions) .	3,606,281	3,542,675		

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	3,606,281
2	Enter amount from Part I, line 27a	2	-63,606
3	Other increases not included in line 2 (itemize) ▶ _____	3	0
4	Add lines 1, 2, and 3	4	3,542,675
5	Decreases not included in line 2 (itemize) ▶ _____	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	3,542,675

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a See Additional Data Table			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a See Additional Data Table			
b			
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 See Additional Data Table			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	2	137,743
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	

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	187,926	4,409,516	0 042618
2014	169,369	4,227,968	0 040059
2013	113,697	3,219,818	0 035312
2012	80,536	1,334,755	0 060338
2011			

2 Total of line 1, column (d)	2	0 178327
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 044582
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	4,377,554
5 Multiply line 4 by line 3	5	195,160
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,909
7 Add lines 5 and 6	7	197,069
8 Enter qualifying distributions from Part XII, line 4	8	254,552

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	1,909
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	1,909
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	1,909
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	6,840
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	6,840
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	4,931
11	Enter the amount of line 10 to be Credited to 2017 estimated tax ☐ 4,931 Refunded ☐	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>	1b	No
c Did the foundation file Form 1120-POL for this year?	1c	No
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ☐ \$ 0 (2) On foundation managers ☐ \$ 0		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ 0		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>	2	No
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3	No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	Yes
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	Yes
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) ☐ _____		
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 ARTHUR S FRIEDMAN Telephone no (713) 385-5415			

Located at **3262 WESTHEIMER SUITE 628 HOUSTON TX** ZIP+4 **770981002**

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)? ☐ Organizations relying on a current notice regarding disaster assistance check here. ☐	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		
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		
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)? ☐ Yes ☒ No 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 <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> 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	5b 6b 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
ARTHUR S FRIEDMAN 3262 WESTHEIMER 628 HOUSTON, TX 77098	PRESIDENT 14 00	100,000	0	0
JAMES MICHAEL LITTLE 5718 WESTHEIMER SUITE 1840 HOUSTON, TX 77057	VP / DIRECTOR 0 50	0	0	0
SUZANNE HICKS FRIEDMAN 3262 WESTHEIMER 628 HOUSTON, TX 77098	DIRECTOR 0 50	12,000	0	0
DAVID A FRIEDMAN 3262 WESTHEIMER 628 HOUSTON, TX 77098	DIRECTOR 0 50	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	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. ▶ 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)
3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services. ►		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

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

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities.	1a	4,379,510
b	Average of monthly cash balances.	1b	64,707
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	4,444,217
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	0
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	4,444,217
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	66,663
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	4,377,554
6	Minimum investment return. Enter 5% of line 5.	6	218,878

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	218,878
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	1,909
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	26
c	Add lines 2a and 2b.	2c	1,935
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	216,943
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	216,943
6	Deduction from distributable amount (see instructions).	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	216,943

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	254,552
b	Program-related investments—total from Part IX-B.	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	
b	Cash distribution test (attach the required schedule).	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	4	254,552
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	1,909
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	252,643

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				216,943
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.			89,618	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.				
c From 2013.				
d From 2014.				
e From 2015.				
f Total of lines 3a through e.	0			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ 254,552				
a Applied to 2015, but not more than line 2a			89,618	
b Applied to undistributed income of prior years (Election required—see instructions).		0		
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2016 distributable amount.				164,934
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a))	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				52,009
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions).	0			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions). . . .	0			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2012.				
b Excess from 2013.				
c Excess from 2014.				
d Excess from 2015.				
e Excess from 2016.				

Part XIV

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.	☐ 4942(j)(3) or ☐ 4942(j)(5)				
b Check box to indicate whether the organization is a private operating foundation described in section					
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 e-mail address of the person to whom applications should be addressed

ARTHUR FRIEDMAN PRESIDENT
3262 WESTHEIMER SUITE 628
HOUSTON, TX 770981002
(713) 385-5415
N/A

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

SOLICITATIONS OF CHARITABLE NEEDS MUST INCLUDE INTRODUCTORY LETTER FROM A QUALIFIED ORGANIZATION

- 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

THE FRIEDMAN-KLINE FAMILY FOUNDATION IS ORGANIZED FOR RELIGIOUS, CHARITABLE, SCIENTIFIC, LITERARY, AND EDUCATIONAL PURPOSES WITHIN THE MEANING OF SECTION 501(C)3 OF THE INTERNAL REVENUE CODE AS AMENDED SPECIFICALLY, THE FOUNDATION SHALL MAKE DISTRIBUTIONS TO OTHER CHARITABLE ORGANIZATIONS

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	242,000
b <i>Approved for future payment</i>				
Total			3b	0

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	4,288	
4 Dividends and interest from securities. . . .			14	162,130	
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.	523000	1,170	14	10,087	
8 Gain or (loss) from sales of assets other than inventory			18	137,743	
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). .		1,170		314,248	

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

[illegible]

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

**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.

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

**Paid
Preparer
Use Only**

Print/Type preparer's name STEVEN BLATT	Preparer's Signature	Date	Check if self-employed ▶ ☐	PTIN P00058929
Firm's name ▶ SQUAR MILNER LLP				Firm's EIN ▶ 33-0835986
Firm's address ▶ 11111 SANTA MONICA BLVD SUITE 800 LOS ANGELES, CA 90025				Phone no (310) 826-4474

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
62 SHS PJT PARTNERS INC	P	2015-07-06	2016-04-28
58 SHS PJT PARTNERS INC	P	2015-07-28	2016-04-28
2636 SHS CONSOLIDATED EDISON INC	P	2012-05-31	2016-03-31
1500 SHS CONSOLIDATED EDISON INC	P	2012-05-31	2016-06-01
400 SHS CHEMOURS CO	P	2012-05-31	2016-04-28
CASH/LIEU CALIFORNIA RES CORP COM	P	2014-11-12	2016-06-10
80 SHS PJT PARTNERS INC	P	2013-02-06	2016-04-28
REDEMPTION 2000 RBS CAP FDG TR VII CLD NEW MONEY	P	2012-05-31	2016-06-13
374 SHS TALEN ENERGY CORP	P	2012-12-17	2016-04-28
50 SHS UNION PACIFIC CORP	P	2013-02-06	2016-06-03

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
1,385		236	1,149
1,295		221	1,074
200,357		159,056	41,301
109,760		90,510	19,250
3,744		4,656	-912
13		11	2
1,787		305	1,482
50,000		27,220	22,780
4,361		6,288	-1,927
4,166		3,334	832

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

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	
			1,149
			1,074
			41,301
			19,250
			-912
			2
			1,482
			22,780
			-1,927
			832

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
60 SHS UNION PACIFIC CORP	P	2013-02-06	2016-06-08
4175 SHS WEINGARTEN RLTY INVS SBI REIT	P	2012-05-31	2016-04-28
CAPITAL GAINS DIVIDENDS	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
5,296		4,001	1,295
156,121		105,750	50,371
1,046			1,046

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

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	
			1,295
			50,371
			1,046

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 Paid during the year				
CENTER FOR HEARING AND SPEECH 3636 WEST DALLAS ST HOUSTON, TX 77019	NONE	501(C)3	MEDICAL RESEARCH	20,000
CRIME STOPPERS OF HOUSTON PO BOX 541654 HOUSTON, TX 77254	NONE	501(C)3	CHARITABLE	5,000
CHILDRENS ADVOCACY CENTER OF LARE 111 N MERIDA DR LAREDO, TX 78043	NONE	501(C)3	CHARITABLE	2,500
EXCHANGE CLUB FAM SUPPORT CENTER 8320 IOWA STREET DOWNEY, CA 90241	NONE	501(C)3	CHARITABLE	6,000
HERMANN PARK CONSERVANCY 6201 HERMANN PARK DR HOUSTON, TX 77030	NONE	501(C)3	CHARITABLE	10,000
LA CRIME STOPPERS PO BOX 86906 LOS ANGELES, CA 90086	NONE	501(C)3	CHARITABLE	15,000
MIRACLE FARM 1301 N MAYS ROUND ROCK, TX 78664	NONE	501(C)3	CHARITABLE	5,000
NORTHWESTERN UNIVERSITY 633 CLARK ST EVANSTON, IL 60208	NONE	501(C)3	EDUCATIONAL	150,000
PLANNED PARENTHOOD LOS ANGELES 400 WEST 30TH STREET LOS ANGELES, CA 90007	NONE	501(C)3	CHARITABLE	15,000
MERCY MINISTRIES OF LAREDO 2500 ZACATECAS ST LAREDO, TX 78046	NONE	501(C)3	CHARITABLE	2,500
PLANNED PARENTHOOD GOLF COAST 4747 LOUETTA RD SPRING, TX 77388	NONE	501(C)3	CHARITABLE	5,000
IMAGINARIUM OF SOUTH TX 5300 SAN DARIO AVE LAREDO, TX 78041	NONE	501(C)3	CHARITABLE	5,000
SOUTH TEXAS FOOD BANK 1907 FREIGHT STREET LAREDO, TX 78044	NONE	501(C)3	CHARITABLE	1,000
Total ► 3a				242,000

TY 2016 Accounting Fees Schedule**Name:** FRIEDMAN-KLINE FAMILY FOUNDATION**EIN:** 90-0795812

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	3,500	3,150		350

TY 2016 Investments Corporate Bonds Schedule**Name:** FRIEDMAN-KLINE FAMILY FOUNDATION**EIN:** 90-0795812

Name of Bond	End of Year Book Value	End of Year Fair Market Value
2000 ALLSTATE CORP	50,000	49,500
1000 BB&T CORPORATION	25,000	22,800
1000 JP MORGAN CHASE & CO	25,000	25,360
1000 KIMCO REALTY CORP	25,963	23,420
2000 NEXTERA ENERGY CAP HLDGS	50,000	43,560
2000 PUBLIC STORAGE	50,000	46,500
2000 RBS CAP FDG TR VII	0	0
2000 PUBLIC STORAGE	50,000	43,620
1000 QUEST CORPORATION	25,000	25,150
1000 QUEST CORP	25,000	22,850
1000 WELLS FARGO & COMPANY	25,000	23,660

TY 2016 Investments Corporate Stock Schedule

Name: FRIEDMAN-KLINE FAMILY FOUNDATION
EIN: 90-0795812

Name of Stock	End of Year Book Value	End of Year Fair Market Value
8000 ALTRA GROUP, INC.	269,599	540,960
1750 APPLE, INC	127,156	202,685
1500 AT&T, INC	53,156	63,795
8000 BLACKSTONE GROUP	246,291	216,240
3491 BOEING COMPANY	242,939	543,479
2000 BRISTOL-MYERS SQUIBB CO	66,530	116,880
441 BRITISH AMN TOBACO SPADR	50,807	49,687
800 CALIFORNIA RESOURCES	273	383
4136 CONSOLIDATED EDISON INC	0	0
400 CHEMOURS (THE) CO SHS	0	0
2000 CSX CORP	49,160	71,860
2800 CENTURYLINK INC SHS	84,445	66,584
2000 DOW CHEMICAL CO	56,919	114,440
2000 DU PONT E I DE NEMOURS	91,704	146,800
1500 ENERGY CORP NEW	96,958	110,205
587 EXXON MOBIL CORP	46,534	52,983
2500 EVERSOURCE ENERGY COM	98,199	138,075
2500 FIRSTENERGY CORP	103,082	77,425
500 FEDEX CORP DELEWARE COM	85,276	93,100
1000 GLAXOSMITHKLINE	46,164	38,510
4500 KINDER MORGAN INC DEL	202,515	218,925
1200 MERCK & CO	50,131	70,644
650 NORFOLK SOUTHERN CORP	50,225	70,246
2000 OCCIDENTAL PETE CORP	172,747	142,460
3000 PPL CORPORATION	81,231	102,150
3000 PHILIP MORRIS INTL INC	251,115	274,470
200 PJT PARTNERS INC SHS CL A	0	0
2792 REYNOLDS AMERICAN INC	210,276	280,200
1000 ROYAL DUTCH SHELL	71,236	57,970
3000 STARWOOD PPTY	62,244	65,850

Name of Stock	End of Year Book Value	End of Year Fair Market Value
374 TALEN ENERGY CORP SHS	0	0
750 UNION PACIFIC CORP	42,678	66,355
925 UNITED PARCEL SVCS	74,819	106,042
1000 VERIZON COMMUNICATNS COM	44,718	53,380
4175 WEINGARTEN RLTY INVS SBI REIT	0	0
2000 CLOUGH GLBL OPPTYS	21,257	17,900
172 NEXPOINT CR STRATEGIES	3,783	3,916

TY 2016 Other Assets Schedule

Name: FRIEDMAN-KLINE FAMILY FOUNDATION

EIN: 90-0795812

Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
DUE FROM MAX FRIEDMAN ESTATE	1,504	1,504	1,504

TY 2016 Other Expenses Schedule**Name:** FRIEDMAN-KLINE FAMILY FOUNDATION**EIN:** 90-0795812**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MANAGEMENT FEES	200	200		0
SHIPPING EXPENSE	13	13		0
PAYROLL PROCESSING FEES	1,100	990		110

TY 2016 Other Income Schedule**Name:** FRIEDMAN-KLINE FAMILY FOUNDATION**EIN:** 90-0795812**Other Income Schedule**

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
PASSTHROUGH INCOME	8,606	8,606	8,606
PASSTHROUGH INCOME - UBTI	1,170	1,170	1,170
OTHER INVESTMENT INCOME	1,481	1,481	1,481

TY 2016 Taxes Schedule**Name:** FRIEDMAN-KLINE FAMILY FOUNDATION**EIN:** 90-0795812

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAXES - IRS	11,289	11,289		0
TAXES - PAYROLL	8,922	8,030		892