
The Stewart Huston Charitable Trust

Coatesville, Pennsylvania



2007 Annual Report

From History of the Huston Families and Their Descendants, 1450-1912

With a Genealogical Record – Copyright 1912

By E. Rankin Huston

General Sam Houston gave the following description of the origin of the Coat of Arms to Miss Mary Houston, sister of the former Governor George S. Houston of Alabama:

“At an early period in the history of the Houstons, Sir John Houston, with a body of soldiers, reinforced a broken column, and for his great courage and unexampled energy was knighted on the field of battle. The greyhounds indicate the fleetness of his command in coming to the rescue; the last sand in the hourglass represents the perilous extremity of the army; and the motto (in time) its victory.”

The early history of the Huston family can be traced back to the thirteenth century and probably to a soldier of fortune whose arms had largely aided the then King of Scotland, and who was rewarded with what now constitutes the Houston estate near Johnstone, Scotland. From Crawford's History of Rensfrewshire, "This donation is in the reign of Malcomb the IV as also in the same reign the lands of Kilpeter in Strathgrief are given by Baldwin de Bigress to Hugh de Padvinaw from which Hugh these lands were called Hugh's town of whom is lineally descended, Sir John Houston, six generations later in the mid 1400s."

The Houstons took a decided stand in favor of the Reformation; adopted early tenets of Calvin; sustained the religious views of John Knox; and were persecuted for their rigid adherence to the Bible and the Bible alone as the rule of their faith and practice, and to Presbytery as the scriptural form of church government. At this time in the early seventeenth century, a considerable emigration of the Scotch Houstons was made to the north of Ireland, one Robert Houston having been given three townships of land in Londonderry County. **These Irish Houstons seem to have dropped the letter 'o' on their name and spelled it Huston.** In Scotland, the name is pronounced 'Hooston'. The early emigration of the Hustons to this country were of Scotch-Irish descent.

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MISSION

The Purpose of the Trust is to provide funds, technical assistance and collaboration on behalf of non-profit organizations engaged exclusively in religious, charitable or educational work; to extend opportunities to deserving needy persons and, in general, to promote any of the above causes.

LUKENS STEEL – A BRIEF HISTORY

— EARLY IRON INDUSTRY —

Colonial Americans, in their drive inland from the east coast, continually struggled to turn virgin land into farms and settlements. The need for iron and the furnaces developed as the need for hardware grew to clear and work the fields. Most of the early iron works in the Americas were partnerships of English or European men and capital. Yet in 1700s' Pennsylvania a different type of iron industry was beginning. The first successful furnace named Rutter's Forge was erected by Thomas Rutter west of Germantown on the old Indian trail then and now called Ridge Road. Others quickly followed Coventry, Reading, and Warwick, to name a few. Yet in 1750 a bill was introduced in English Parliament preventing the construction of slitting or rolling mills in the colonies. The American Revolution threw off British rule and established a government which soon began protecting its most important infant iron industry through tariffs and taxes on import and export activity. By the late 1780s the iron industry seemed to be a way in which to make a dependable living. By 1793 the first of a long and deep line of iron masters and later steel executives, Isaac Pennock was owner and operator of the Federal Slitting Mill located on the Buck Run. This operation was probably named as such to symbolize the confidence and pride that existed toward the new government at that time.

— EARLY PENNOCKS —

Isaac Pennock was the grandson of a prominent Quaker farmer Joseph Pennock, who arrived in Philadelphia in 1701 to oversee his many land titles in the Philadelphia region. In addition to land in Philadelphia, near Market Street, Joseph owned land on the south bank of the Schuylkill River near Merion Meeting House, as well as land in West Fallowfield Township Chester County. Joseph inherited this land from his father Christopher Pennock. Since he was a devout Quaker Joseph attended meeting in Philadelphia, and Springfield on a regular basis, before moving out to the frontier of early Pennsylvania before 1710. There in his later years Joseph built Primitive Hall in 1738 and soon thereafter petitioned the New Garden Meeting to establish the London Grove in a grove of trees in the northeastern section of the London tract.

— ISAAC PENNOCK —

Isaac grew up in the Quaker community around Primitive Hall and the London Grove Meeting House. He soon was eager to try new pursuits especially in iron and steel. The turmoil that encompassed the Revolutionary War, soon began to ease with the developments of the Constitution protecting trade and the presidency of George Washington enforcing this document in its infancy. The county was now free to expand

its frontiers. All frontiersmen needed tools and nails to tend to their fields and build their plank houses. Housing back then was accomplished with the local saw mill producing wooden planks that were nailed together with rod nails furnished by the slitting mills. This is where Isaac wanted to make his mark, by producing iron and nails for use in developing settlements. Therefore against his parents' wishes he operated the Federal Slitting Mill on the Buck Run tributary to the Brandywine River in 1793. This works produced iron rods for cutting into nails, strips for wagon rims and barrel hoops as well as blacksmith iron. At a later point in time it was renamed the Rokeby Slitting Mill. Isaac, throughout his life must have seen a constant flow of wagon traffic from Philadelphia and Wilmington come through Chester County on the way to settling the frontier.

— BRANDYWINE IRON AND NAIL —

This mill did very well for Isaac for he was able to purchase in 1810, with his co-investor Kersey, the Coates farm along the West Brandywine at a point that straddled the new east/west Turnpike Road from Philadelphia to Lancaster, laid out in 1794. He converted the saw mill on the property into the Brandywine Iron and Nail Co. Shortly thereafter his daughter Rebecca Webb Pennock traveled to Philadelphia and met Charles Lukens. They were married on March 23, 1813 at the Friends of Fallowfield Meeting House, just south of Coatesville. Isaac bought out Kersey's share of the business in 1816 and began leasing it to his son-in-law, Charles, for \$420 a year. The couple began looking at updating the site and by December 1818 the United State's first boiler plate steel was rolled along with split rods and cut nails.

REBECCA LUKENS: — CHALLENGES AND GROWTH —

In November of 1822, Rebecca gave birth to a daughter, Isabella Pennock Lukens. Two years later in 1824 Isaac passed away leaving the ownership of the Brandywine Iron and Nail still in doubt. Rebecca's mother laid claim to the site. The next year, 1825 Dr. Charles Lukens died at the age of 39. While the settlement of ownership of the mill was being settled with Rebecca agreeing to pay loans and rents to buy out her mother's interest, operations continued. In November of 1825, a very important ship named the Codorus was being launched, the first with an iron hull constructed with plates from the Brandywine Iron and Nail. The building of the Philadelphia and Columbia Railroad in the 1830s near the Lancaster Pike brought new markets to the iron and steel business. The transportation revolution had begun, brought about by the opening of the United States to the Mississippi and beyond. The company was turning out boiler plates for riverboat companies in New Orleans and for Baldwin locomotives on the

Pennsylvania Railroad. Rebecca turned to updating her mill. By 1834 “the mill had been entirely remodeled, and rebuilt from the very foundation. Dam entirely newly built, Wheels put in, castings, furnaces, mill head, mill house much larger, all were built anew; not a vestige of the old remained ... I have thoroughly repaired the mansion house, built good and substantial tenant houses for my workmen, and put much time and fencing on the farm and have been at the whole expense of defending the property from an attempt made to destroy the water right ... I had a very superior mill, though a plain one, and our character for making boiler plate stood first in the market, hence we had as much business as we could do.”

— G R O W T H A N D S U C C E S S I O N —

During 1834 Rebecca also opened a store, warehouse and freight agency at the Coatesville depot providing access to Philadelphia and Pittsburgh. The panic of 1837 brought very hard times on the local businesses. But she had battled through much to get where she was and had to battle more in the future such as transportation tariffs. Yet she was getting older and her daughters began to marry. Martha Lukens married first, Abram Gibbons Jr. in October 1841 at the Fallowfield Friends Meeting House. He joined the firm in 1842 and was made a full partner in 1844. In 1847 Isabella married Dr. Charles Huston who like Dr. Charles Lukens was a physician from Philadelphia. Dr. Charles Huston’s father Robert Huston Mendenhall, M.D. was a distinguished physician and a trustee of Jefferson Medical College until 1840. These two sons-in-law slowly took over all operations and the firm’s name was Gibbons & Huston by 1849. Shortly thereafter, in 1850, Abraham Gibbons left the business solely to Huston. At the age of 60 Rebecca passed away on December 10, 1854 and was laid to rest in the Orthodox Fallowfield Friends Meeting House about a half-mile from her husband.

— C H A R L E S H U S T O N , M . D . —

The Mill was renamed the Lukens Rolling Mill to honor the matriarch of the company. The foundations were laid for success through her determination. Yet others such as Dr. Charles Huston now had to carry on. Using his medical background, he became interested in the chemical composition of steel. By analyzing these characteristics ironmasters were able to control more closely the quality of their products. Modernization became necessary for survival. In 1870 the mill was again refitted with new rolls, and the significant shift to steam driven power moving away from water-wheel driven energy. The old mill was also converted into a puddling mill to handle the reheating of pig iron to refine and purify the iron. By 1881 Huston’s two sons, Abram Francis Huston and Charles Lukens Huston, began to show an interest in the business and the firm became

— LUKENS STEEL COMPANY —

By 1890, traditional company organization had to be reformed to reflect the changing way in which business was done. On February 5, 1890, the last of the family partnerships were dissolved as the Lukens Iron and Steel Company was incorporated as a stock company in the Commonwealth of Pennsylvania. Dr. Charles Huston was the first president of the Company and the first meeting was in his home. In 1890 the company also reorganized and added a three-high reversing mill to attract more of the competitive market and attract investors. This allowed a hot plate to pass both ways through a roller without having to be handled. The company then built in 1892, two 30-ton open hearth furnaces along South First Avenue. The first tap was on February 25, 1892. Dr. Charles Huston passed away in 1897 succeeded by his son A. F. Huston as president of Lukens.

— MODERN INDUSTRY —

As the 1900s opened the success of the company was evident. A.F. Huston had recently finished building Graystone mansion, built in 1889. To go along with the growth of the family the growth of the company also had to be managed. In 1902 the Main Office Building was constructed to accommodate the ever expanding staff. The building was designed by Cope and Stewardson in Georgian style to reflect grace, restraint and dignity. The expanding staff had by 1916 created a need for the back wing addition. The early 1900s brought the formation of the giant steel makers by consolidating many works under the name of Carnegie Steel Company and the Bethlehem Steel Company. The 1900s also brought the height of the boiler plate demand with the height of the railroad industry and in 1917 Lukens Steel was established on the New York Stock Exchange. The race continued though to build the largest plates: the 140, 160, 204 and in 1919 the 206 mill. World War II saw the company's level of employment top 6,000 over its many locations. The plant was enlarged by the Department of the Navy construction facilities to handle the large amounts of materials needed to supply the navy plate steel for its vast armada of combat and auxiliary ships. The Company purchased these facilities from the government at the end of the war. The 1950s and 1960s saw continued expansion as the world came to the post modern era, with nuclear submarines, such as the Pennsylvania, and oil tankers, such as the Manhattan, along with skyscrapers, namely the World Trade Center. The electrical era also brought an end to the open hearth furnaces as one 100-ton electric-arc furnace was installed in 1958. A second 100-ton furnace was installed in 1960, with a 150-ton following in 1962. As the 1960's came to a close Charles Lukens Huston Jr. became chief executive officer and chairman of the board. Stewart Huston, Charles Lukens Huston Jr.'s older brother, passed away in 1971 after 48 years of working in Lukens as senior vice president and director. The Company's independent status came to an end with the close of the 1990s; after 187 years of continuous operation Lukens Steel Company was sold to Bethlehem Steel Company and formally delisted from the New York Stock Exchange on April 1, 1998.

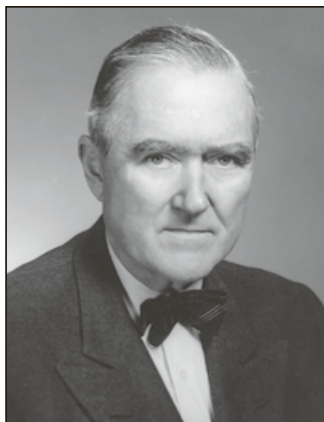
The Stewart Huston Charitable Trust was created in 1989 under the Will of Stewart Huston (1898-1971). James Stewart Huston was born in Coatesville, Pennsylvania to Charles Lukens Huston, of Coatesville, and Annie McGregor Stewart Huston, of Savannah, Georgia. Stewart as he preferred to be called, attended Coatesville public schools, Cedarcroft School in Kennett Square, Nazareth Hill Military School in Nazareth, Haverford School and Haverford College.

He was raised in the Presbyterian Church, but his Quaker roots were very influential as he had a great sense of the Quaker traditions of truth, honesty, human equality and seeing the light of God in everyone. These beliefs led him to assist others in need. He left Haverford College to enlist for World War I in the 69th Infantry Division Section 625, United States Army Ambulance Service, and with the French Army as a Private First Class. He was awarded the Croix de Guerre to mark his efforts.

After serving in World War I, in 1923 at the age of 25 Stewart Huston graduated from Lehigh University with a metallurgical engineer degree. Along with other family members, Stewart Huston started work on the floor in the family mill, the Lukens Steel Company in Coatesville. He advanced to plant metallurgist before becoming Secretary of the Board a position he held from 1928 until 1963.

His search for knowledge led him to genealogy and local history, particularly in iron and steel in Chester County. He went on to publish, in 1937, *Rambles ... by Dictation, Seven Scenic Drives to Historic Places in Chester County, Delaware, Lancaster and Montgomery Counties, Pennsylvania*, as well as *The Iron Industry of Chester County*, a chapter in southern Pennsylvania: a history of the counties of Berks, Bucks, Chester, Delaware, Montgomery, Philadelphia and Schuylkill, Vol. 1. Stewart also focused on his genealogical studies and tracking his Scottish, Quaker and southern family heritages.

Mr. Huston was president and a director of the Allegheny Ore & Iron Company of Oriskany, Virginia; chairman of the board and a director of Quartz Mosaic Inc. of Kennett Square; president, treasurer and a director of the Citizens Hotel Co. of Coatesville. Mr. Huston was instrumental in establishing a Coatesville Community Industrial Development Corporation in 1961 for the purpose of bringing new business into the Coatesville area. It was primarily his unflagging interest, leadership and financial support that held the organization together until, in 1969, the Central and Western Chester County Industrial Development Authority and Corporation were formed to continue and expand the industrial development operation.



STEWART HUSTON

Stewart Huston was an original member of the Chester County Airport Authority and was influential in the construction of the present G. O. Carlson Airport. Peter J. Short, Jr., vice chairman of the Airport Authority, stated, "He was a prime mover behind the whole beginning of the airport. And, like so many things he was involved in, he took a back seat and let so many others get the credit."

Not only was Stewart Huston active in Chester County business, he was active with numerous community groups. He was also a director of the Atkinson Hospital in Coatesville, the Coatesville and Chester County Chambers of Commerce, director-councilor of the Pennsylvania Chamber of Commerce, director of the Genealogical Society of Pennsylvania, member of the executive board of the Philadelphia Lyric Opera Company, member of the board of managers of Spring Garden College, the founding trustee of the Primitive Hall Foundation, a former trustee of Lincoln University, a director of the Delaware Valley Council, the Pennsylvania Sanitary Water Board, the Water Research Foundation of Wilmington, Delaware, the Water Resources Foundation of the Delaware Valley, and a past member of the board of overseers of Old Sturbridge Village in Sturbridge, Massachusetts.

Other memberships include the Coatesville Presbyterian Church, Coatesville Country Club, Hamilton Club of Lancaster, Union League and Racquet Clubs of Philadelphia, American Field Service, Chester County Planning Commission, Delta Phi Fraternity, American and British Iron and Steel Institutes, American Society for Testing Materials, American Institute for Mining, Metallurgical and Petroleum Engineers.

Mr. Huston was also a member of the Franklin Institute, the Georgia, Pennsylvania and Chester County Historical Societies, Philadelphia Museum of Art, Pennsylvania Academy of Fine Arts, Rotary International, Swedish Colonial Society and Preservation Society of Charleston, South Carolina. He was a member of the Clan Gregor Society of Edinburgh, Genealogy and Stewart Societies and National Trust of Scotland, American Italy Society, Lehigh University Club, Pottstown Historical Society, Stewart Society of America, American Society of Metals, American Public Relations Society, Historic Savannah Foundation, National Association of Manufacturers, Government Expenditures Committee, Metropolitan Museum of Art, Chester County Art Association, and the Netherlands Society of Philadelphia.

During his lifetime, Stewart Huston preferred to give anonymously. However, this was hard for him due to his family's local prominence. To the Coatesville Area Chamber of Commerce, of which he was past president, he was "a man who deserves the affection of all Coatesville; who has never faltered for one moment in his love for Coatesville and Chester County."

Elliott R. Jones, president of the Coatesville Area Chamber of Commerce, said that "In a way, Stewart Huston was a loner but his influence was

widespread and always he worked with unflagging zeal, many times at a risk to his health for total community improvement. The impact of his passing will be immediate and long-range in the areas of his major interests. It will be immediate because there will be one less strong and determined voice to promote vigorously day-by-day this area's growth and improvement. It will be long-range because his physical and financial support was enduring in generous portion."

James Stewart Huston was many things to many people. To some he was an executive of his family's Lukens Steel Company. To others he was a serious student of history and a man concerned with the preservation of his nation's heritage. No public claims of infallibility, Stewart Huston was just a man – in part removed from his fellow citizens by his position – who never lost sight of that crucial fact.

Stewart Huston was a well-rounded man, he was human and displayed an openness and humility with everyone he came in contact with. In associating with his many friends, he preferred not to be judged by his position but to be accepted on his worth as a man and a friend.

He also had strong attachments to Savannah, Georgia, the birthplace of his mother, Annie McGregor Stewart Huston, and home of his wife, Harriet Lawrence Huston, who was an artist and a poet. She was very active in community activities in both Coatesville and Savannah, Georgia. She was also a founding member of what is now the Poetry Society of Georgia. Between the time of his birth and his passing, James Stewart Huston experienced life to the fullest. Upon his passing, Harriet is remembered to have remarked "good to the end".

Stewart and Harriet remain together in Bonaventure Cemetery, Savannah.



Subsequently, upon the direction of his Last Will and Testament, a trust was created for his wife to use until her passing, and thereafter for charitable purposes. The Stewart Huston Charitable Trust began its activities when Mrs. Harriet Huston passed away in 1989. Active management of the Trust began in 1991 in Conshohocken, Pennsylvania. Funding under his direction has allotted money specifically for Trinitarian Evangelical activities as well as for secular activities and is primarily provided to programs in Chester County, Pennsylvania, and Savannah, Georgia. When granting to Chester County organizations, an emphasis is placed on those programs directly in or serving the city of Coatesville.

TRUSTEES' REPORT

In 2007, over \$1,000,000 was distributed to 58 charities qualified under the Section 509 of the Internal Revenue Service Code 501(c)(3), including, but not limited to, historic preservation, Trinitarian/Evangelical groups, and the fields of education, health, and the arts.



Highlights of grantmaking include the continued funding for the operations and perpetual care of Terracina (1849) the home of Isabella and Charles Huston as well as their son Stewart Huston and his wife Harriet, Brandywine Mansion (1750) the home of Rebecca Lukens. Calvary Baptist Day School in Savannah, Georgia, received funding for furniture and the Media Center. The Hope House, a Savannah organization that assists low-income single mothers, also received funding.

The Trust continued to employ an investment asset management organization who provides a diversified portfolio team of managers dedicated to specific classes of assets. The chief investment officer in charge of the Trust's account provides the Trustees with an overall asset allocation performance review quarterly. Our asset value grew 10.3%, after all fees, for fiscal year 2007.

We believe our current structure enables us, through the efforts of the ten specialist managers, to review and act on opportunities in different asset classes.

Our manager is also helping us review some of the investment issues that have become more mainstream in recent years like indexing, alternative investments and hedge funds, upside capture, etc. Many of the practices we are currently following were highlighted by our peers in publications like the recent 2005 NACUBO Endowment Study.

The Trustee meetings were divided between Savannah, Georgia, the home of both Cann Trustees, and Coatesville, Pennsylvania, the headquarters' office of the Trust.

The Trustees continue the legal services of Morgan, Lewis & Bockius, LLP, and the accounting services provided by Rainer and Company, Inc.

The Huston Properties, Inc., a wholly owned subsidiary managing the Trust headquarters building, continues to work closely with the residents and elected officials of the greater Coatesville community.

— TRUSTEES —

Charles L. Huston, III

Samuel A. Cann, Esq.

Alex L. Cann, Sr

Scott G. Huston, Executive Director

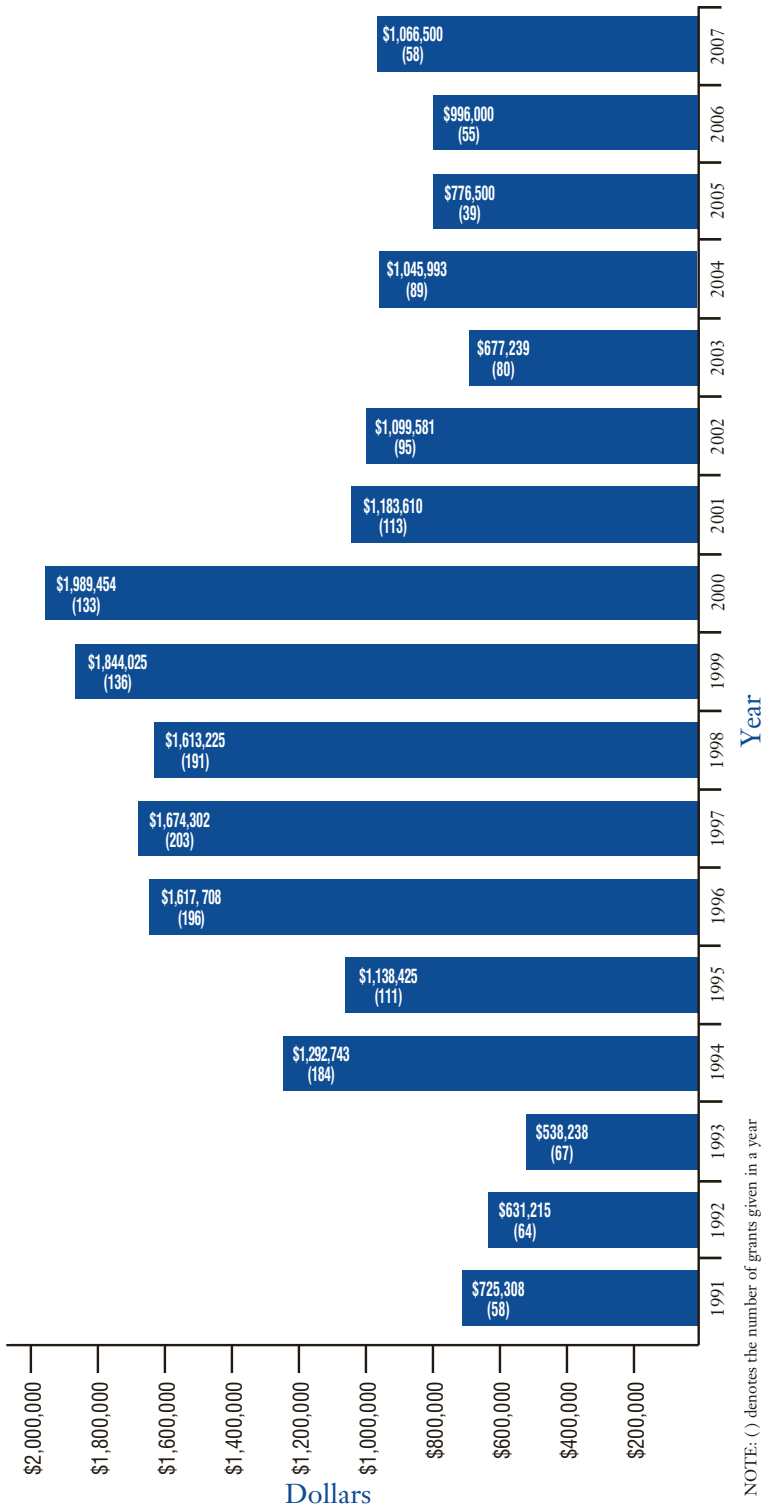
ACCOUNTANT'S REPORT

Statement of Financial Position For the Years ended December 31,

| <u>ASSETS</u> | <u>2007</u> | <u>2006*</u> |
|--|----------------------|----------------------|
| Cash and Cash Equivalents: | | |
| SmithBarney Citigroup Money Fund | \$ 643,478 | \$ 345,597 |
| Willow Financial Bank | 89,441 | 24,354 |
| TOTAL CASH AND CASH EQUIVALENTS | <u>\$ 732,919</u> | <u>\$ 369,951</u> |
| Marketable Securities and Bonds | \$ 23,976,200 | 23,660,253 |
| Investment in Subsidiary | 2,035,087 | 1,984,134 |
| Receivable - Other | 15,454 | -0- |
| Property and Equipment, Net of Accumulated Depreciation | 8,734 | 11,609 |
| Collections | 84,889 | 84,889 |
| TOTAL ASSETS | <u>\$ 26,853,283</u> | <u>\$ 26,110,836</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| Payroll Taxes Payable | \$ 363 | \$ 451 |
| Net Assets - Unrestricted | <u>26,852,920</u> | <u>26,110,385</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 26,853,283</u> | <u>\$ 26,110,836</u> |
| <hr/> | | |
| <i>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES (BROUGHT FORWARD)</i> | <u>2007</u> | <u>2006</u> |
| Contributions | <u>1,068,117</u> | <u>966,000</u> |
| CHANGE IN NET ASSETS | <u>\$ 849,703</u> | <u>\$ (415,298)</u> |
| Net Change in Market Value of Marketable Securities | (107,168) | 1,619,311 |
| Net Assets - Unrestricted - Begin | <u>26,110,385</u> | <u>24,906,372</u> |
| Net Assets - Unrestricted - End | <u>\$ 26,852,920</u> | <u>\$ 26,110,385</u> |

* After the 2006 annual report was published, adjustments have been made to the 2006 accountants report. Therefore these figures printed here in the 2007 Annual Report differ slightly from the figures listed in the 2006 Annual report.

Distribution Amounts 1991-2007



NOTE: () denotes the number of grants given in a year

GRANT ANALYSIS

| | | | |
|---------------------------------|----|-----------|--------|
| Total amount granted in 2006: | \$ | 1,066,500 | (100%) |
| Total number of grants in 2006: | | 58 | (100%) |
| Average grant: | \$ | 18,000 | |
| Large grants: | \$ | 250,000 | |
| | \$ | 50,000 | |
| Small grants: | \$ | 1,000 | |
| | \$ | 2,000 | |

Programmatic Breakdown:

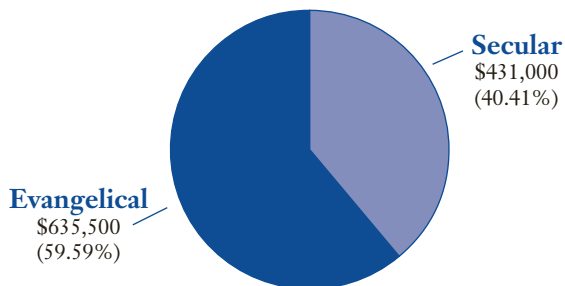
Grants to Secular organizations:

| | | | |
|-------------------------|----|---------|----------|
| Total amount granted: | \$ | 431,000 | (40.41%) |
| Total number of grants: | | 16 | (27.59%) |
| Average grant: | \$ | 27,000 | |
| Large grants: | \$ | 250,000 | |
| | \$ | 37,500 | |
| Small grants: | \$ | 1,000 | |
| | \$ | 2,000 | |

Grants to Trinitarian Evangelical organizations:

| | | | |
|-------------------------|----|---------|----------|
| Total amount granted: | \$ | 635,500 | (59.59%) |
| Total number of grants: | | 42 | (72.41%) |
| Average grant: | \$ | 14,500 | |
| Large grants: | \$ | 50,000 | |
| | \$ | 40,000 | |
| Small grants: | \$ | 1,500 | |
| | \$ | 4,000 | |

Programmatic Breakdown for Grant Distributions



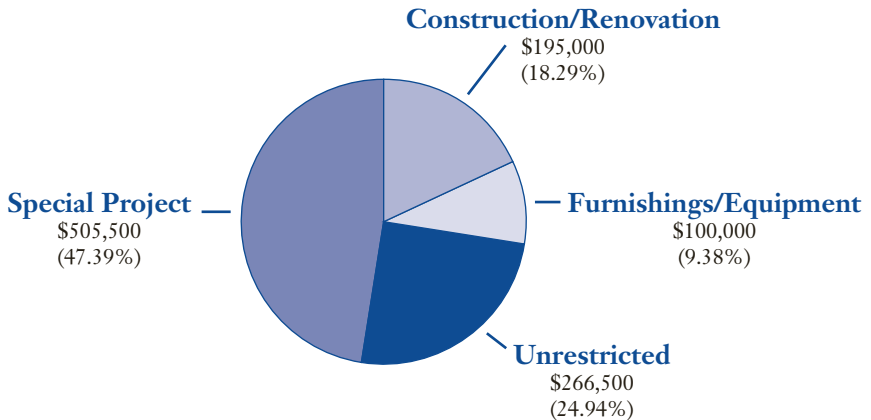
GRANT SUMMARY BY PAYMENT FUND

| | <u>Payment Amount</u> | <u>% of Total Amount</u> | <u>Payment Count</u> | <u>% of Total Count</u> |
|----------------------------|---------------------------|------------------------------|--------------------------|-----------------------------|
| Secular | \$ 431,000 | 40.41% | 16 | 27.59% |
| SH Trinitarian-Evangelical | \$ 635,500 | 59.59% | 42 | 72.41% |
| Total | <u>\$ 1,066,500</u> | <u>100%</u> | <u>58</u> | <u>100.00%</u> |

GRANT PAYMENT BY SUPPORT TYPE

| | <u>Payment Amount</u> | <u>% of Total Amount</u> | <u>Payment Count</u> | <u>% of Total Count</u> |
|--------------------------|---------------------------|------------------------------|--------------------------|-----------------------------|
| <u>CAPITAL</u> | | | | |
| Construction/Renovation | \$ 195,000 | 18.29% | 11 | 18.66% |
| Furnishings/Equipment | \$ 100,000 | 9.38% | 5 | 8.47% |
| <u>GENERAL OPERATING</u> | | | | |
| Unrestricted | \$ 266,000 | 24.94% | 21 | 35.59% |
| <u>SPECIAL PROJECT</u> | \$ 505,500 | 47.39% | 21 | 37.28% |
| Total | <u>\$ 1,066,500</u> | <u>100.00%</u> | <u>58</u> | <u>100.00%</u> |

Support Type Breakdown for Grant Distributions



GEOGRAPHIC BREAKDOWN

Grants to Coatesville, PA

| | | |
|--------------------------|-------------------|-----|
| Total amount of grants: | \$ 440,500 | 41% |
| Total number of grants: | 16 | 28% |
| Average grant: | \$ 27,500 | |
| Largest/ Smallest grant: | \$250,000 / 2,000 | |

Grants to Chester County, PA (excluding Coatesville):

| | | |
|--------------------------|------------------|-----|
| Total amount of grants: | \$ 83,000 | 8% |
| Total number of grants: | 10 | 17% |
| Average grant: | \$ 8,300 | |
| Largest/ Smallest grant: | \$25,000 / 1,500 | |

Grants to Pennsylvania (excluding Chester County, Coatesville):

| | | |
|--------------------------|-------------------|----|
| Total amount of grants: | \$ 15,000 | 1% |
| Total number of grants: | 1 | 1% |
| Average grant amount: | \$ 15,000 | |
| Largest/ Smallest grant: | \$15,000 / 15,000 | |

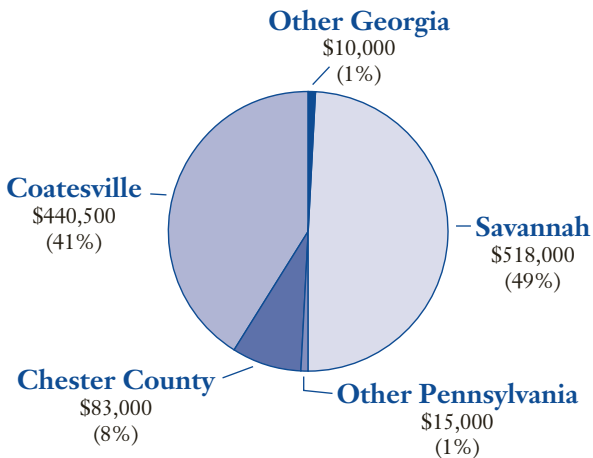
Grants to Savannah, GA:

| | | |
|--------------------------|------------------|-----|
| Total amount of grants: | \$ 518,000 | 49% |
| Total number of grants: | 30 | 53% |
| Average grant: | \$ 16,500 | |
| Largest/ Smallest grant: | \$50,000 / 5,000 | |

Grants to Georgia (excluding Savannah):

| | | |
|--------------------------|-------------------|----|
| Total amount of grants: | \$ 10,000 | 1% |
| Total number of grants: | 1 | 1% |
| Average grant amount: | \$ 10,000 | |
| Largest/ Smallest grant: | \$10,000 / 10,000 | |

Grants by Geographic Area

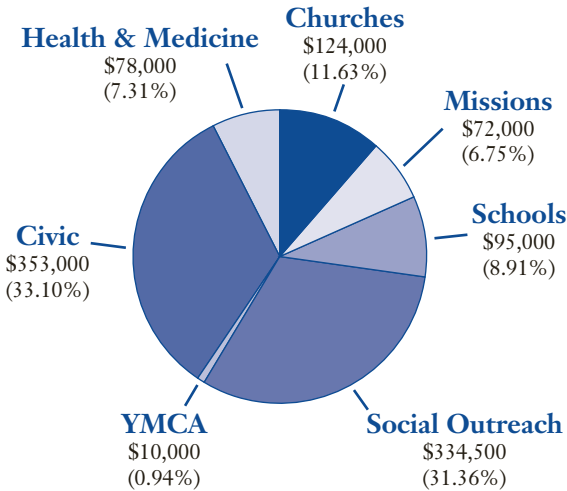


* Grants usually focus on benefiting communities of Coatesville and Savannah

GRANT BY PROGRAM AREA

| | <u>Payment Amount</u> | <u>% of Total Amount</u> | <u>Payment Count</u> | <u>% of Total Count</u> |
|----------------------------|-----------------------|--------------------------|----------------------|-------------------------|
| Religious | | | | |
| Churches | \$ 124,000 | 11.63% | 6 | 10.34% |
| Missions | \$ 72,000 | 6.75% | 8 | 13.79% |
| Schools | \$ 95,000 | 8.91% | 4 | 6.90% |
| Social Outreach | \$ 334,500 | 31.36% | 23 | 39.66% |
| YMCA's | \$ 10,000 | .94% | 1 | 1.73% |
| Civic | | | | |
| Civic | \$ 353,000 | 33.10% | 10 | 17.24% |
| Health and Medicine | | | | |
| Health and Medicine | \$ 78,000 | 7.31% | 6 | 10.34% |
| Total | \$ 1,066,500 | 100.00% | 58 | 100.00% |

Program Area Breakdown for Grant Distributions



SECULAR

Civic

General Community Activities

Brandywine Valley Association, Inc.

- *Brandywine Watershed* \$ 2,500

Coatesville Christmas Parade, Inc.

- *Operating expenses for the parade* \$ 2,000

Fairview Cemetery Association

- *Operating support* \$ 10,000

Graystone Society, Inc., The

- *Operating for Terracina and Brandywine Mansion* \$ 37,500
- *Matching Gift SGH* \$ 1,000
- *Operating for Terracina and Brandywine Mansion* \$ 37,500

Historic Huston Properties

- *Endowment for Terracina and Brandywine Mansion* \$ 250,000

Junior Achievement of Delaware Valley, Inc.

- *Elementary school program in Coatesville* \$ 5,000

Pennsylvania State Police Camp Cadet

- *One-week summer camp for 110 Chester County boys and girls* \$ 5,000

Western Chester County Chamber of Commerce

- *Operating support* \$ 2,500

Total Civic **\$ 353,000**

10 Grants

Health & Medicine

Brandywine Health Foundation

- *Brandywine Health & Housing Center* \$ 15,000

Center on Hearing and Deafness, Inc.

- *Operating support* \$ 5,000

Chester County Intermediate Unit

- *Child and Career Development Center*
- *Reading Technology upgrade* \$ 13,000

Handi-Crafters, Inc.

- *Expansion and renovation of facility* \$ 25,000

Juvenile Diabetes Research Foundation (JDRF)

- *Operating support* \$ 15,000

Quest Therapeutic Services

- *Fencing for play area* \$ 5,000

Total Health & Medicine **\$ 78,000**

6 Grants

TRINITARIAN EVANGELICAL

Church

Asbury Memorial United Methodist Church

- *Renovations to Sanctuary* \$ 25,000

Grace United Methodist Church

- *Renovations to facility for use by church and Jenkins Boys Club* \$ 50,000

Lutheran Church of the Good Shepherd

- *Training activities and materials* \$ 5,000

Montgomery Presbyterian Church (USA)

- *Jenkins Boys Club* \$ 30,000

Olivet United Methodist Church

- *Operation Thanksgiving / Christmas* \$ 5,000

Upper Octorara Presbyterian Church

- *To provide funds for needy families seeking christian education for pre-school aged children* \$ 9,000

Total Church \$ 124,000

6 Grants

Mission

Christ Church - Partners in Progress

- *Equipment, supplies, and renovations to install kitchen and lunch room* \$ 10,000
- *Funds to build a 24x12 picnic shed & purchase tables, chairs & kitchen supplies for work in Belize* \$ 5,000

Christ Church - Partners in Teaching

- *Teachers' workshops in Belize* \$ 10,000
- *Mission to Belize to provide educational instruction and materials for teachers. Also assist in repairing school facilities* \$ 12,000

City Gate, Inc.

- *General operating expenses* \$ 15,000

County Corrections Gospel Mission

- *Improvements to historic facility* \$ 10,000

Project Smile

- *Dental supplies for Belize* \$ 15,000

Total Mission \$ 77,000

7 Grants

TRINITARIAN EVANGELICAL

Schools

Calvary Baptist Day School

- School furniture and equipment \$ 40,000
- Media Center \$ 25,000

Christ Church Children's School

- Mobile gym program \$ 20,000
- Carpeting for class room and common area
& renovate the bathroom area \$ 10,000

Total School **\$ 95,000**
4 Grants

Social Outreach

Bridge of Hope Lancaster and Chester Counties

- Upgrade phone system to better serve clients \$ 7,000

Cathedral of St. Philip

- Support for Open Hand: home delivery of meals to disadvantaged and chronically ill. \$ 10,000

Chester County Christian Chorale

- 2007 Messiah Sing-along \$ 1,500

Chester County Women's Services

- Parenting instruction for at-risk parents \$ 10,000

Episcopal Youth & Children's Services

- Scholarships to attend college and summer camp \$ 5,000
- College and camp scholarships to students who need financial assistance \$ 5,000

Good Works, Inc.

- Purchase supplies; part-time repair technician \$ 15,000

His Love Ministries

- Operating support \$ 4,000
- General operating expenses \$ 5,000

Hope House of Savannah, Inc.

- Renovations to Peeler Home \$ 30,000
- Hope house general operating expenses \$ 30,000
- Peeler Home general operating expenses \$ 25,000

House of His Creation, Inc.

- Replace all of the windows at the Coatesville Maternity home \$ 10,000

Life Transforming Ministries

- Program expenses \$ 20,000

TRINITARIAN EVANGELICAL

Living Vine, Inc.

- *Purchased additional property to house missionaries* \$ 35,000
- *Sponsor a Resident: shelter, food, clothing, school, counseling, childbirth education for women in crisis* \$ 12,000

Old Savannah City Mission

- *Seed money to initiate the building of an on-site residence for Fresh Start students* \$ 10,000

Salvation Army

- *Purchase mini-buses* \$ 15,000

Savannah Port Society, Inc.

- *Purchase of a new trailer for use at dock* \$ 5,000

Skidaway Island United Methodist Church

- *Support for Betbesada Home for Boys* \$ 30,000

Union Mission, Inc.

- *Renovations in buildings for homeless and disadvantaged children* \$ 10,000

United Ministries of Savannah - Emmaus House

- *Assistance with Lunches for homeless* \$ 20,000
- *Purchase, prepare and distribute approximately 26,000 meals to homeless and near homeless* \$ 15,000
- *Utility Assistance for near-homeless* \$ 15,000
- *Distribution of rent, utility and food to the poor and at-risk community in Savannah* \$ 15,000

Total Social Outreach **\$ 329,500**
24 Grants

YMCA

YMCA of Coastal Georgia, Inc.

- *Saturday Y-on-Wheels program: staff, supplies, meals awards and transportation* \$ 10,000

Total YMCA **\$ 10,000**
1 Grant

GENERAL ORGANIZATIONAL REQUIREMENTS

The following requirements are mandatory for all organizations requesting funds from The Stewart Huston Charitable Trust:

Tax Status: Applicants must have evidence of being granted 501© (3) tax-exemption status by the Internal Revenue Service.

Demonstrated Need: Requests for support must demonstrate that the program/organization is addressing a known community need, and not simply duplicating existing efforts.

Types of Support: While the Trustees prefer to provide support for specific projects that address a particular community need or issue, support is considered for general operations, capital projects, equipment purchases, and last-resort funding on a selective case-by-case and meritorious basis.

Leveraged Resources: The Trust prefers not to be the major source of funding for an organization, but prefers to make grants to organizations which already have commitments from other funding sources. Special consideration is given to programs that encourage other commitments of human and financial resources. Of particular interest are programs that generate a high level of volunteer involvement from the community and/or attract a high level of funding from other sources.

GENERAL ORGANIZATIONAL RESTRICTIONS

The following requirements are mandatory for all organizations requesting funds from The Stewart Huston Charitable Trust:

All grant awards are subject to the vote of the full Trustee body.

It is not the intention of the Trustees to establish a permanent grant relationship with grantees.

During the period in which a present grantee is receiving tentative payments on a previously awarded grant, the Trustees will not entertain a new grant request until the multi-year commitment is completed.

Additionally, for good and sufficient reasons, the Trustees reserve the right to cancel future grant payments on any multi-year commitments they have made.

The Trustees will not award a new grant to an organization which has unfulfilled reporting requirements from a previous grant award.

With regard to types of grants, the Trustees do not make grant awards for:

- Financial support to individuals
- Endowment purposes
- Purchases of tickets for benefit purposes
- Coverage of continuing operating deficits

Concerning types of organizations, support is not provided to the following:

- Organizations not qualified for tax-exempt status under Section 501(c) (3) of the IRS code.
- Intermediate or pass-through organizations (other than United Way and Chester County Community Foundation) which in turn allocate funds to beneficiaries of their own selection
- Groups such as fraternal organizations, political parties or candidates, veterans, labor or local civic groups, volunteer fire companies, and groups involved in influencing legislation.

TRINITARIAN/EVANGELICAL DISTRIBUTION GUIDELINES

Trinitarian Evangelical Grants

Sixty percent of the annual distributions from the Trust are to be made for the benefit of Trinitarian Evangelical activities. Fifty percent of the annual distributions will be made for the benefit of Trinitarian Evangelical organizations in the Savannah, Georgia, area while ten percent of the annual distributions will be made for the benefit of Trinitarian Evangelical organizations in the Coatesville Pennsylvania, and other areas.

The Chester County Court has decreed that the phrase “Trinitarian Evangelical activities”, as used in Mr. Huston’s will, includes activities carried on by Protestant churches (other than Unitarian churches) and affiliated or related organizations which follow the Christian Gospel, including dissemination of the Christian Gospel and exemplification of Christian principles through social welfare and other charitable endeavors.

The court further rules that dissemination of the Christian Gospel includes activities such as preaching and conducting services, offering religious instruction, and distributing religious literature. Exemplification of Christian principles includes activities such as providing food and shelter to the homeless, maintaining orphanages, operating hospices, and conducting drug and alcohol abuse prevention and rehabilitation programs.

Process for Trinitarian/Evangelical Organizations Requesting Grants

Although it is not required, organizations interested in submitting a grant request are encouraged to call and discuss their project with the Trust’s staff. Please comply with the process outlined below.

The Request For Contribution form should be completed and sent to the Trust along with a proposal. **Proposals are due on March 1 and September 1.** Proposals should contain a summary of the organization, a description of the project, and be accompanied by the following attachments:

1. **The Request For Contribution form, which can be found on our Website, can be completed online and e-mailed to us at admin@stewarthuston.org. Please use care in completing the form, and be sure to include all of the required information.**
2. IRS tax-exempt letter

3. Pennsylvania Charitable Organizations Registration Certificate (any organization that has over \$25,000 in gross revenue, regardless of location, must register in Pennsylvania before soliciting funds) of written confirmation of exemption (churches are exempt from this requirement)
4. Current by-laws
5. Current board of directors list (with professional affiliation)
6. Most recent 990 form filed with the IRS (churches exempt)
7. Most recent independent financial audit
8. Overall operating budget for current fiscal year
9. List of public/private funding sources for your organization during the past fiscal year
10. Current semi-annual or annual report
11. Examples of published media reviews
12. Strategic plan for your organization
13. Organizational flow chart
14. Statement of Christian ministry faith-based initiatives (Trinitarian/Evangelical organizations only)
15. Statement that there has been no change in purpose, character or method of operation since the Agency's IRS tax ruling was issued

Trinitarian/Evangelical grants are awarded twice each year: in the spring and in the fall. Organizations who are interested in submitting a grant request are encouraged to visit the Trust's Website, www.stewarthuston.org in order to view the distribution guidelines to determine whether they may qualify for a grant. Once they have reviewed the guidelines, they are welcome to call the office at 610-384-2666, between the hours of 8:30 AM and 4:30 PM, EST, Monday through Friday, if they have any questions or concerns. Once eligibility has been established, the submission process should be followed as outlined below.

Trinitarian/Evangelical proposals are due in the Trust office by March 1 and September 1 each year. Proposals consist of the following documents:

1. The Request For Contribution form, which can be found on our Website, can be completed online and e-mailed to us at admin@stewarthuston.org. Please use care in completing the form, and be sure to include all of the required information.
2. IRS tax-exempt letter

3. Pennsylvania Charitable Organizations Registration Certificate (any organization that has over \$25,000 in gross revenue, regardless of location, must register in Pennsylvania before soliciting funds) of written confirmation of exemption (churches are exempt from this requirement)
4. Current by-laws
5. Current board of directors list (with professional affiliation)
6. Most recent 990 form filed with the IRS (churches exempt)
7. Most recent independent financial audit
8. Overall operating budget for current fiscal year
9. List of public/private funding sources for your organization during the past fiscal year
10. Current semi-annual or annual report
11. Examples of published media reviews
12. Strategic plan for your organization
13. Organizational flow chart
14. Statement of Christian ministry faith-based initiatives (Trinitarian/Evangelical organizations only)
15. Statement that there has been no change in purpose, character or method of operation since the Agency's IRS tax ruling was issued

Proposals can be paper-clipped or stapled together. *Please do not put proposals in binders.*

SECULAR DISTRIBUTION GUIDELINES

Secular Grants

Mr. Huston further stipulated that forty percent of the annual distributions from the Trust are to be used for secular charitable activities within one hundred miles of Coatesville, Pennsylvania.

Process for all Secular Organizations Requesting Grants for the Year

Secular grants are awarded once a year: in the spring. Organizations who are interested in submitting a grant request are encouraged to visit the Trust's Website, www.stewarthuston.org in order to view the distribution guidelines to determine whether they may qualify for a grant. Once they have reviewed the guidelines, they are welcome to call the office at 610-384-2666, between the hours of 8:30 AM and 4:30 PM, EST, Monday through Friday, if they have any questions or concerns. Once eligibility has been established, the submission process should be followed as outlined below.

1. Initial screening begins with a Letter of Intent, which should be received by the Trust no later than January 15. In the event the 15th falls on a weekend or a holiday, letters will be accepted during that following week.

Letters should be a maximum of 6 pages length, with the Request For Contribution form as the very first page. This form can be found on our Website, completed online, and e-mailed to us at admin@stewarthuston.org. Please use care in completing the form, and be sure to include all of the required information

The next 2-4 pages should describe the project for which the funds will be utilized.

The next page should be a brief history of the tax-exempt organization (location, purpose, etc.)

The final page should be the budget for the entire project, not just for the requested amount. If the request is for operating support, then the budget for the entire organization should be included.

Between January 15 to March 1 the Trustees will develop a list of all secular organizations requesting grants. At this time, the Trustees will know the prior year-end asset level and projected giving level for the then-current fiscal year. Organizations selected from this list will then be asked to submit the current form of the full proposal. The notification process normally takes place during the first two weeks in March.

Proposals can be paper-clipped or stapled together. Please do not put proposals in binders.

2. From January 15 to March 1 the Trustees will develop a list of all secular organizations requesting funds. At this time, the Trustees will know the prior year-end asset level and projected giving level for the then current fiscal year. Organizations selected from this list will then be asked to submit the current form of the full proposal. This notification of who is to submit a full proposal will take place during the first two weeks of March.

Grants generally are made in the following program categories:

Health and Human Services

- Activities which promote community-based health care.
- Programs which provide emotional and physical support to children, youth, adults, and senior citizens, as well as those which strengthen families and assist individuals with special needs.
- Programs which increase employment opportunities and provide a means for developing self-reliance, responsibility and productivity among individuals in need.

Civic Affairs

- **Projects that enhance the quality of life in local communities and revitalize them.**
- Programs which provide access to educational opportunities for individuals, including those with special needs.
- Projects which promote human relations and understanding among diverse populations.
- Activities addressing the special needs of youth at risk for delinquency, school drop-out, abuse, neglect, and pregnancy.

- Activities that enable a broad spectrum of citizens to have access to artistic and cultural experiences which may otherwise be denied them.
- Programs which help preserve/exhibit historic, artistic and cultural treasures.
- On a very limited basis, fundraising efforts such as festivals, concerts, and other events.

The Trustees, while not totally excluding other locations, have a primary focus in two geographic areas: Chester County, Pennsylvania, and Savannah, Georgia, which have strong relevance to Stewart Huston's life and which promote the opportunity for philanthropic impact with the Trust's giving.

“What is the use of living if it be not to make this world a better place for those who will live in it after we are gone?”

– Winston S. Churchill

From the North:

Proceed from northern Chester County to the intersection of Rts. 82 and 345. Take Rt.82 south to Rts. 82 & 340. Go straight at stop sign and proceed straight ahead on Rt. 82 for another mile. After going under the high bridge for the east-west railroad lines you will come to a traffic light (Business Route 30 or Main Street). Go straight through light. Go one block. Our offices are in the large brick office building on the right. We are located on the first floor in the front.

From the East:

From Philadelphia take I-76 west (Schuylkill Expressway) to King of Prussia. Take Route 202 south towards West Chester. After Great Valley, Malvern, Frazer exits look for signs for the Route 30 bypass west toward Coatesville/Downingtown. Go about 10 miles to Rt. 82 (Coatesville) exit. From the off ramp merge on to Rt. 82 south. Go about 1 mile on Rt. 82. After going under the high bridge for the east-west railroad lines you will come to a traffic light (Business Route 30 or Main Street). Go straight through light. Travel one block and our offices are in the large brick office building on the right. We are located on the first floor in the front.

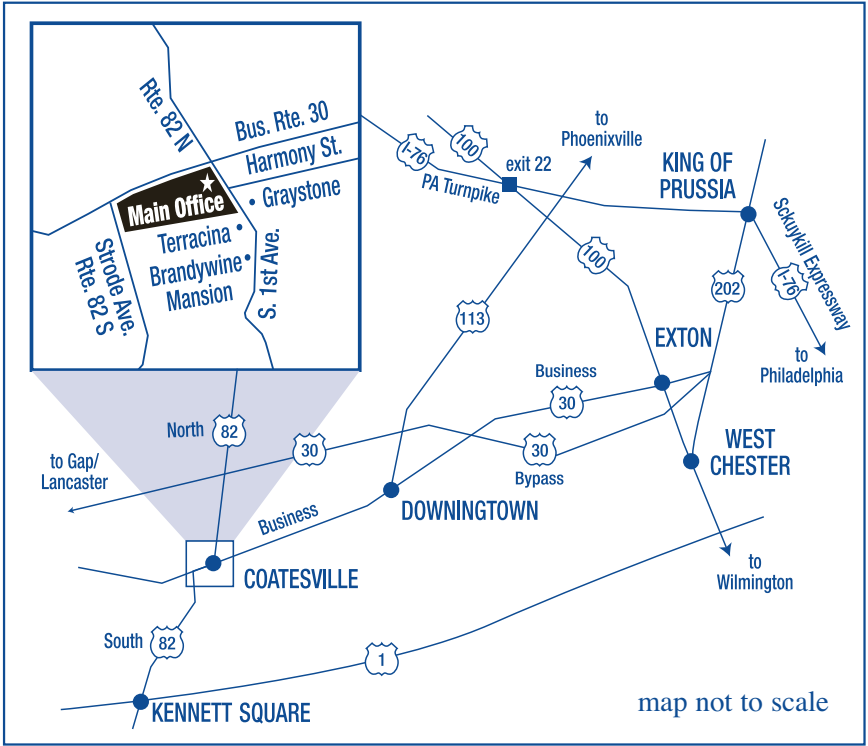
From the West:

From Lancaster take Rt. 30 east past Gap. After crossing the traffic light at Route 10, bear right on the Route 30 bypass. (Business Rt. 30 goes straight ahead - do not take it.) Follow the bypass for about 4 miles to the Rt. 82 (Coatesville) exit. Proceed down the off-ramp and merge onto Rt. 82 south. Go about 1 mile on Rt. 82. After going under the high bridge for the east-west railroad lines you will come to a traffic light (Business Route 30 or Main Street). Go straight through light. Travel one block and our offices are in the large brick office building on the right. We are located on the first floor in the front.

From the South:

From US 1, follow Rt. 82 north for about 10 miles through Unionville and premier Chester County farmland (the King Ranch near Doe Run) until you come to a 3-way stop at "Blow Horn." After passing the ruins of Rokeby Iron works on the left, continue up hill to Ercildoun and the Triple Fresh Deli on the right and the Fallowfield Meeting house on the left. Turn right on to Buck Run Road. Continue on this road for about 3 miles. You will cross Strasburg Road and go over several hills before descending into Coatesville. Follow the road straight through the mill. The road becomes First Avenue. After the next light look for us in the large brick office building on the left. This is just before you get to the traffic light at Business Rt 30 or Main Street. We are located on the first floor in the front.

DIRECTIONS



*They were
truly neighbors,
sharing the trials
of our daily life,
exhibiting a
tenacity of kindness...*

– Clara Huston Miller



The Stewart Huston Charitable Trust

Lukens Historic District

50 South First Avenue • Second Floor • Coatesville, Pennsylvania 19320

Phone: 610-384-2666 • Fax: 610-384-3396

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