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Return of Private Foundation  
or Section 4947(a)(1) Trust Treated as Private Foundation

2013

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Information about Form 990-PF and its separate instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf).

For calendar year 2013, or tax year beginning 7/01, 2013, and ending 6/30, 2014

Herbert W. Vaughan Charitable Foundation  
c/o The Philadelphia Trust Company  
1760 Market Street  
Philadelphia, PA 19103

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

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16) ☐ Accounting method ☒ Cash ☐ Accrual  
☐ Other (specify) \_\_\_\_\_

\$ 4,638,270.

(Part I, column (d) must be on cash basis)

A Employer identification number  
45-6911090  
B Telephone number (see the instructions)  
215.979.3462  
C If exemption application is pending, check here ☐  
D 1 Foreign organizations, check here ☐  
2 Foreign organizations meeting the 85% test, check here and attach computation ☐  
E If private foundation status was terminated under section 507(b)(1)(A), check here ☐  
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

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 (att sch)	240,489.			
	2 Ck <input type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	93,874.	95,581.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	176,414.			
	b Gross sales price for all assets on line 6a	1,652,245.			
	7 Capital gain net income (from Part IV, line 2)		176,411.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit/(loss) (att sch)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	510,777.	271,992.	0.		
ADMINISTRATIVE AND OTHER EXPENSES	13 Compensation of officers, directors, trustees, etc.	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) See St 1	509.	255.		254.
	b Accounting fees (attach sch)				
	c Other prof fees (attach sch) See St 2	24,165.	12,083.		12,082.
	17 Interest				
	18 Taxes (attach schedule) (see instrs) See Stm 3	1,530.			
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
23 Other expenses (attach schedule) See Statement 4	150.			150.	
24 Total operating and administrative expenses. Add lines 13 through 23	26,354.	12,338.		12,486.	
25 Contributions, gifts, grants paid					
26 Total expenses and disbursements. Add lines 24 and 25	26,354.	12,338.	0.	12,486.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	484,423.				
b Net investment income (if negative, enter -0-)		259,654.			
c Adjusted net income (if negative, enter -0-)			0.		

<b>Part II Balance Sheets</b>		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>ASSETS</b>	1 Cash — non-interest-bearing				
	2 Savings and temporary cash investments		168,998.	213,788.	213,788.
	3 Accounts receivable				
	Less: allowance for doubtful accounts				
	4 Pledges receivable				
	Less: allowance for doubtful accounts				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7 Other notes and loans receivable (attach sch)				
	Less: allowance for doubtful accounts				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments — U.S. and state government obligations (attach schedule)		1,425,414.	763,054.	754,629.
	b Investments — corporate stock (attach schedule)		1,842,380.	2,752,430.	3,347,381.
	c Investments — corporate bonds (attach schedule)		130,452.	322,391.	322,472.
	11 Investments — land, buildings, and equipment: basis				
<b>LIABILITIES</b>	Less: accumulated depreciation (attach schedule)				
	12 Investments — mortgage loans				
	13 Investments — other (attach schedule)				
	14 Land, buildings, and equipment: basis				
	Less: accumulated depreciation (attach schedule)				
	15 Other assets (describe )				
	16 <b>Total assets</b> (to be completed by all filers—see the instructions. Also, see page 1, item I)		3,567,244.	4,051,663.	4,638,270.
	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Deferred revenue				
<b>NET ASSETS OR FUND BALANCES</b>	20 Loans from officers, directors, trustees, & other disqualified persons				
	21 Mortgages and other notes payable (attach schedule)				
	22 Other liabilities (describe )				
	23 <b>Total liabilities</b> (add lines 17 through 22)		0.	0.	
	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.	<input type="checkbox"/>			
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.	<input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds		3,567,244.	3,807,733.	
<b>ASSETS</b>	28 Paid-in or capital surplus, or land, building, and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds			243,930.	
	30 <b>Total net assets or fund balances</b> (see instructions)		3,567,244.	4,051,663.	
	31 <b>Total liabilities and net assets/fund balances</b> (see instructions)		3,567,244.	4,051,663.	

**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	3,567,244.
2	Enter amount from Part I, line 27a	2	484,423.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	4,051,667.
5	Decreases not included in line 2 (itemize) <u>See Statement 5</u>	5	4.
6	Total net assets or fund balances at end of year (line 4 minus line 5)— Part II, column (b), line 30	6	4,051,663.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
<b>1 a</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				

(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)
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

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

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

<b>2</b> Capital gain net income or (net capital loss)	<div style="border: 1px solid black; padding: 2px;">           If gain, also enter in Part I, line 7            If (loss), enter -0- in Part I, line 7         </div>	<b>2</b>	176,411.
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	<div style="border: 1px solid black; padding: 2px;">           If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0-            in Part I, line 8         </div>	<b>3</b>	

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes☒ No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

**1** Enter the appropriate amount in each column for each year, see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2012	260,686.	3,864,245.	0.067461
2011			
2010			
2009			
2008			

<b>2</b> Total of line 1, column (d)	<b>2</b>	0.067461
<b>3</b> 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	<b>3</b>	0.067461
<b>4</b> Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	<b>4</b>	4,257,895.
<b>5</b> Multiply line 4 by line 3	<b>5</b>	287,242.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	2,597.
<b>7</b> Add lines 5 and 6	<b>7</b>	289,839.
<b>8</b> Enter qualifying distributions from Part XII, line 4	<b>8</b>	12,486.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling or determination letter _____ (attach copy of letter if necessary— see instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here. <input type="checkbox"/> and enter 1% of Part I, line 27b		1	5,193.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	5,193.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 <b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-		5	5,193.
6 Credits/Payments:			
a 2013 estimated tax pmts and 2012 overpayment credited to 2013	6 a		
b Exempt foreign organizations— tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c	5,875.	
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7	5,875.	
8 Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 <b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9	0.	
10 <b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10	682.	
11 Enter the amount of line 10 to be: <b>Credited to 2014 estimated tax</b>	11	682.	<b>Refunded</b>

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1 b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the 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>		X
1 c Did the foundation file <b>Form 1120-POL</b> for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 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>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year?		N/A
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>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <b>MA</b>		
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 <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

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**Part VII-A Statements Regarding Activities (continued)**

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>The Philadelphia Trust Co.</u> Telephone no. <u>215.979.3462</u> Located at <u>1760 Market Street Philadelphia PA</u> ZIP + 4 <u>19103</u>			
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 <u>N/A</u>	15		N/A
16	At any time during calendar year 2013, 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 the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country <u></u>	16		X

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

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

	Yes	No
1 a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? <b>Exception.</b> 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 <input type="checkbox"/>	1 b	N/A
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 2013?	1 c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? If 'Yes,' list the years <u>20</u> , <u>20</u> , <u>20</u> , <u>20</u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement— see instructions.)	2 b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u>20</u> , <u>20</u> , <u>20</u> , <u>20</u>		
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If 'Yes,' did it have excess business holdings in 2013 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 2013.)	3 b	N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?	4 b	X

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**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 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

**b** If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?Organizations relying on a current notice regarding disaster assistance check here ☐**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?N/A ☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d)

**6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If 'Yes' to 6b, file Form 8870

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction? N/A

5b N/A

6b X

7b

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Robert P. George Dept of Politics, 244 Corwin H Princeton, NJ 08544	Trustee 0	0.	0.	0.
Christopher C. DeMuth Hudson Inst, 1015 15th St, NW Washington, DC 20036	Trustee 0	0.	0.	0.
James R. Stoner, Jr. 240 Stubbs, Louisiana St. Univ Baton Rouge, LA 70803	Trustee 0	0.	0.	0.

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

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

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

0

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

**Part IX-A Summary of Direct Charitable Activities**

Expenses

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

Amount

**BAA**

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

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b> Average monthly fair market value of securities	<b>1 a</b>	4,115,940.
<b>b</b> Average of monthly cash balances	<b>1 b</b>	206,796.
<b>c</b> Fair market value of all other assets (see instructions)	<b>1 c</b>	
<b>d</b> Total (add lines 1a, b, and c)	<b>1 d</b>	4,322,736.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1 e</b>	0.
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	4,322,736.
<b>4</b> Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	64,841.
<b>5</b> Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	4,257,895.
<b>6</b> Minimum investment return Enter 5% of line 5	<b>6</b>	212,895.

**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.)

<b>1</b> Minimum investment return from Part X, line 6		<b>1</b>	212,895.
<b>2 a</b> Tax on investment income for 2013 from Part VI, line 5	<b>2 a</b>	5,193.	
<b>b</b> Income tax for 2013 (This does not include the tax from Part VI.)	<b>2 b</b>		
<b>c</b> Add lines 2a and 2b	<b>2 c</b>		5,193.
<b>3</b> Distributable amount before adjustments Subtract line 2c from line 1	<b>3</b>		207,702.
<b>4</b> Recoveries of amounts treated as qualifying distributions	<b>4</b>		
<b>5</b> Add lines 3 and 4	<b>5</b>		207,702.
<b>6</b> Deduction from distributable amount (see instructions)	<b>6</b>		
<b>7</b> Distributable amount as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1	<b>7</b>		207,702.

**Part XIII** Qualifying Distributions (see instructions)

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b> Expenses, contributions, gifts, etc.— total from Part I, column (d), line 26	<b>1 a</b>	12,486.
<b>b</b> Program-related investments— total from Part IX-B	<b>1 b</b>	
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b> Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b> Suitability test (prior IRS approval required)	<b>3 a</b>	
<b>b</b> Cash distribution test (attach the required schedule)	<b>3 b</b>	
<b>4</b> Qualifying distributions Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	12,486.
<b>5</b> 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)	<b>5</b>	
<b>6</b> Adjusted qualifying distributions Subtract line 5 from line 4	<b>6</b>	12,486.

**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 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				207,702.
2 Undistributed income, if any, as of the end of 2013:				
a Enter amount for 2012 only			0.	
b Total for prior years 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2013:				
a From 2008				
b From 2009				
c From 2010				
d From 2011				
e From 2012	69,002.			
f Total of lines 3a through e	69,002.			
4 Qualifying distributions for 2013 from Part XII, line 4. ▶ \$ 12,486.				
a Applied to 2012, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2013 distributable amount				12,486.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))	69,002.			69,002.
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 2012. Subtract line 4a from line 2a. Taxable amount – see instructions			0.	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				126,214.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013				

---

N/A

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

**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(i)(3)(B)(iii)

**(3) Largest amount of support from an exempt organization**

**(4) Gross investment income**

<b>Part XV</b>	<b>Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year – see instructions.)</b>
----------------	--

### 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).)

None

**b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

None

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs:**

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number or e-mail of the person to whom applications should be addressed

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

c Any submission deadlines?

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

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<b>a</b> Paid during the year				
<b>Total</b>				<b>3 a</b>
<b>b</b> Approved for future payment				
<b>Total</b>				<b>3 b</b>





**Schedule B**  
(Form 990, 990-EZ,  
or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

► Attach to Form 990, Form 990-EZ, or Form 990-PF  
► Information about Schedule B (Form 990, 990-EZ, 990-PF) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2013**

Name of the organization **Herbert W. Vaughan Charitable Foundation  
c/o The Philadelphia Trust Company**

Employer identification number  
**45-6911090**

**Organization type** (check one).

**Filers of:**

Form 990 or 990-EZ

**Section:**

- ☐ 501(c)( ) (enter number) organization  
☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation  
☐ 527 political organization

Form 990-PF

- ☒ 501(c)(3) exempt private foundation  
☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation  
☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules**

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (i) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for *arexclusively* religious, charitable, etc, purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year. ► \$ \_\_\_\_\_

**Caution:** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990EZ, or 990-PF.**

Schedule **B** (Form 990, 990-EZ, or 990-PF) (2013)

Name of organization

Herbert W. Vaughan Charitable Foundation

Employer identification number

45-6911090

**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Estate of Herbert W. Vaughan C/O WilmerHale, 60 State St. Boston, MA 02109	\$ 46,679.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	Estate of Herbert W. Vaughan c/o WilmerHale, 60 State St. Boston, MA 02109	\$ 188,791.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)



Employer identification number

45-6911090

## Part II

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
2	Various marketable securities: 35,000 Berkshire Hathaway Note 4.625% due 10/15/13 20,000 Colgate-Palm Co MTN 2.625% due 5/1/17 25,000 Dow Chemical Co MTM 2.8% due 6/15/16 25,000 GE Cap Crp MTN 2.15% due 1/9/15	\$ 188,791.	8/14/13
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
- - - -	- - - - - - - - - - - -	\$ - - - -	- - - -
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
- - - -	- - - - - - - - - - - -	\$ - - - -	- - - -
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
- - - -	- - - - - - - - - - - -	\$ - - - -	- - - -
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
- - - -	- - - - - - - - - - - -	\$ - - - -	- - - -
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
- - - -	- - - - - - - - - - - -	\$ - - - -	- - - -

Schedule B (Form 990, 990-EZ, or 990-PF) (2013)

Name of organization

Herbert W: Vaughan Charitable Foundation

Employer identification number

45-6911090

<b>Part III</b>	<b>Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8) or (10)</b>
-----------------	--

**organizations that total more than \$1,000 for the year.** Complete columns (a) through (e) and the following line entry.

For organizations completing Part III, enter total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.)

► \$ N/A

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
N/A			
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

2013

## Federal Statements

Page 1

Client 103433-2

Herbert W. Vaughan Charitable Foundation  
c/o The Philadelphia Trust Company

45-6911090

4/24/15

03:47PM

**Statement 1**  
**Form 990-PF, Part I, Line 16a**  
**Legal Fees**

	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Morgan, Lewis & Bockius, LLP	\$ 509.	\$ 255.		\$ 254.
Total	<u>\$ 509.</u>	<u>\$ 255.</u>	<u>\$ 0.</u>	<u>\$ 254.</u>

**Statement 2**  
**Form 990-PF, Part I, Line 16c**  
**Other Professional Fees**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment Advisory Fees	\$ 24,165.	\$ 12,083.		\$ 12,082.
Total	<u>\$ 24,165.</u>	<u>\$ 12,083.</u>	<u>\$ 0.</u>	<u>\$ 12,082.</u>

**Statement 3**  
**Form 990-PF, Part I, Line 18**  
**Taxes**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise Tax	\$ 1,530.			
Total	<u>\$ 1,530.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**Statement 4**  
**Form 990-PF, Part I, Line 23**  
**Other Expenses**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Commonwealth of MA - Filing Fee	\$ 150.			\$ 150.
Total	<u>\$ 150.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 150.</u>

**Statement 5**  
**Form 990-PF, Part III, Line 5**  
**Other Decreases**

Rounding on Sale of Assets				\$ 4.
Total				<u>\$ 4.</u>

2013

## Federal Worksheets

Page 2

Client 103433-2

Herbert W. Vaughan Charitable Foundation  
c/o The Philadelphia Trust Company

45-6911090

4/24/15

03.47PM

Average Monthly Fair Market Value of Securities  
Form 990-PF, Part X, Line 1a

Security	July	August	September	October	November	December	January	February	March	April	May	June
Philadelphia Trust - Cust	3,832,432	3,868,897	3,864,716	4,049,882	4,183,576	4,225,828	4,042,471	4,120,844	4,196,516	4,312,019	4,269,616	4,424,483
Averages	3,832,432	3,868,897	3,864,716	4,049,882	4,183,576	4,225,828	4,042,471	4,120,844	4,196,516	4,312,019	4,269,616	4,424,483
Totals	49,391,280											
Average Monthly Fair Market Value												

Philadelphia Trust - Cust

3,832,432 3,868,897 3,864,716 4,049,882 4,183,576 4,225,828 4,042,471 4,120,844 4,196,516 4,312,019 4,269,616 4,424,483

Averages 3,832,432 3,868,897 3,864,716 4,049,882 4,183,576 4,225,828 4,042,471 4,120,844 4,196,516 4,312,019 4,269,616 4,424,483

Totals 49,391,280

Number of Months 12

Average Monthly Fair Market Value 4,115,940

Cash Bal	July	August	September	October	November	December	January	February	March	April	May	June
Cash Bal	July	August	September	October	November	December	January	February	March	April	May	June

Totals	2,481,554	12
Number of Months		12

**Average Monthly Cash Balances** 206,796



## Asset Detail

### Statement of Value and Activity

June 1, 2014 - June 30, 2014

## Asset Detail

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized G/L	Est. Ann. Income	Current Yield
<b>Cash and Equivalents</b>						
SEI Daily Income Treasury II Ptf A CUSIP: 783965619	129,393.13	\$129,393.13	\$129,393.13	\$0.00	\$13.07	0.01%(l)
SEI Daily Income Treasury II Ptf A CUSIP: 783965619	84,395.03	\$84,395.03	\$84,395.03	\$0.00	\$8.52	0.01%
<b>Total Cash and Equivalents</b>		\$213,788.16	\$213,788.16	\$0.00	\$21.59	
<b>Fixed Income</b>						
<b>Municipal Bonds</b>						
Chatham Massachusetts General Obligation DTD 05/14/2009 4.000% 07/01/2014 Non Callable CUSIP: 162105TK6	100,000.00	\$100,011.00	\$102,345.98	-\$2,334.98	\$4,000.00	4.00%
Massachusetts Bay Massachusetts Transportation Revenue DTD 12/05/2006 5.000% 07/01/2014 Non Callable CUSIP: 575579MB0	130,000.00	\$130,018.20	\$133,337.07	-\$3,318.87	\$6,500.00	5.00%
Massachusetts State Education Revenue DTD 08/17/2005 5.000% 08/15/2014 Non Callable Agm CUSIP: 576000AT0	25,000.00	\$25,153.00	\$25,201.95	-\$48.95	\$1,250.00	4.97%

**Asset Detail (continued)****Statement of Value and Activity**

June 1, 2014 - June 30, 2014

<b>Description</b>	<b>Shares/Par Value</b>	<b>Market Value</b>	<b>Tax Cost</b>	<b>Unrealized G/L</b>	<b>Est. Ann. Income</b>	<b>Current Yield</b>
Massachusetts State Higher Education DTD 11/13/2008 5.000% 08/15/2014 Non Callable CUSIP: 57586EAV3	125,000.00	\$125,763.75	\$129,617.94	-\$3,854.19	\$6,250.00	4.97%
Boston Massachusetts Wtr & Swr Commn Water Revenue DTD 03/26/2009 5.000% 11/01/2014 Non Callable CUSIP: 101029PV2	50,000.00	\$50,823.00	\$51,403.83	-\$580.83	\$2,500.00	4.92%
Massachusetts State General Obligation DTD 03/24/2004 5.250% 08/01/2015 Non Callable Natl-Re-lbc CUSIP: 57582NM28	50,000.00	\$52,778.50	\$54,068.04	-\$1,289.54	\$2,625.00	4.97%
Massachusetts State Dev FIN AGY Revenue Bond DTD 05/29/2008 4.000% 01/01/2016 Non Callable Assured Gty CUSIP: 57583RWS0	30,000.00	\$31,616.40	\$30,597.71	\$1,018.69	\$1,200.00	3.79%
Massachusetts State Dev FIN AGY Education Revenue DTD 05/21/2009 4.000% 07/01/2016 Non Callable CUSIP: 57583RF75	25,000.00	\$26,809.25	\$25,802.03	\$1,007.22	\$1,000.00	3.73%

**Asset Detail (continued)****Statement of Value and Activity**

June 1, 2014 - June 30, 2014

<b>Description</b>	<b>Shares/Par Value</b>	<b>Market Value</b>	<b>Tax Cost</b>	<b>Unrealized G/L</b>	<b>Est. Ann. Income</b>	<b>Current Yield</b>
Dow Chemical Co/The Medium Term Note DTD 06/23/2011 2.800% 06/15/2016 Callable CUSIP: 26054LMF7	25,000.00	\$24,926.00	\$25,152.75	-\$226.75	\$700.00	2.81%
Colgate-Palmolive Co Medium Term Note DTD 05/04/2011 2.625% 05/01/2017 Non Callable CUSIP: 19416QDU1	20,000.00	\$20,936.20	\$21,557.90	-\$621.70	\$525.00	2.51%
Citigroup Funding Inc Medium Term Note DTD 09/23/2010 Var Cpn 09/23/2017 Callable CUSIP: 1730T0KH1	45,000.00	\$45,527.40	\$41,907.74	\$3,619.66	\$801.00	1.76%
Univ of Massachusetts Bldg Higher Education DTD 06/03/2014 1.758% 11/01/2018 Non Callable CUSIP: 914437QZ4	150,000.00	\$150,168.00	\$149,925.00	\$243.00	\$2,637.00	1.76%
<b>Total Fixed Income</b>						
		\$322,472.35	\$322,391.14	\$81.21	\$7,188.00	
		\$1,077,101.60	\$1,085,445.55	-\$8,343.95	\$40,778.00	
<b>Equities</b>						
Consumer Discretionary Darden Restaurants CUSIP: 237194105	2,000.00	\$92,540.00	\$98,212.90	-\$5,672.90	\$4,400.00	4.75%
		\$92,540.00	\$98,212.90	-\$5,672.90	\$4,400.00	



**Asset Detail (continued)****Statement of Value and Activity**

June 1, 2014 - June 30, 2014

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized G/L	Est. Ann. Income	Current Yield
Groton Massachusetts General Obligation DTD 11/15/2003 3.900% 11/15/2017 Callable AMBAC CUSIP: 399316KZ0	135,000.00	\$136,476.90	\$135,679.86	\$797.04	\$5,265.00	3.86%
Agawam Massachusetts General Obligation DTD 10/01/2006 4.000% 04/01/2018 Callable Natl-Re CUSIP: 008428PL2	75,000.00	\$75,179.25	\$75,000.00	\$179.25	\$3,000.00	3.99%
<hr/>						
Taxable Corporate Bonds Sherwin-Williams Co DTD 12/21/2009 3.125% 12/15/2014 Non Callable CUSIP: 824348AN6	30,000.00	\$30,367.50	\$31,591.50	-\$1,224.00	\$937.50	3.09%
General Elec Cap Corp Medium Term Note DTD 01/09/2012 2.150% 01/09/2015 Non Callable CUSIP: 36962G5M2	25,000.00	\$25,246.25	\$25,720.50	-\$474.25	\$537.50	2.13%
Simon Property Group LP DTD 01/25/2010 4.200% 02/01/2015 Callable CUSIP: 828807CC9	25,000.00	\$25,301.00	\$26,535.75	-\$1,234.75	\$1,050.00	4.15%

**Asset Detail (continued)****Statement of Value and Activity**

June 1, 2014 - June 30, 2014

<i>Description</i>	<i>Shares/Par Value</i>	<i>Market Value</i>	<i>Tax Cost</i>	<i>Unrealized G/L</i>	<i>Est. Ann. Income</i>	<i>Current Yield</i>
<i>Consumer Staples</i>						
Cablevision NY Group Class A Common Stock CUSIP: 12686C109	5,000.00	\$88,250.00	\$83,942.25	\$4,307.75	\$3,000.00	3.40%
Colgate-Palmolive CUSIP: 194162103	1,500.00	\$102,270.00	\$65,707.50	\$36,562.50	\$2,160.00	2.11%
Conagra Foods Inc CUSIP: 205887102	2,500.00	\$74,200.00	\$72,104.50	\$2,095.50	\$2,500.00	3.37%
Kimberly-Clark Corp CUSIP: 494368103	1,250.00	\$139,025.00	\$86,656.25	\$52,368.75	\$4,200.00	3.02%
Pepsico Inc CUSIP: 713448108	1,500.00	\$134,010.00	\$95,092.50	\$38,917.50	\$3,930.00	2.93%
Procter & Gamble Company CUSIP: 742718109	1,500.00	\$117,885.00	\$93,315.00	\$24,570.00	\$3,861.00	3.27%
		\$655,640.00	\$496,818.00	\$158,822.00	\$19,651.00	
<i>Energy</i>						
Chevron Corporation CUSIP: 166764100	1,200.00	\$156,660.00	\$114,834.00	\$41,826.00	\$5,136.00	3.28%
Devon Energy Corporation New Com CUSIP: 25179M103	1,500.00	\$119,100.00	\$89,692.60	\$29,407.40	\$1,440.00	1.21%
Occidental Pete Corp Com CUSIP: 674599105	750.00	\$76,972.50	\$65,618.59	\$11,353.91	\$2,160.00	2.81%
		\$352,732.50	\$270,145.19	\$82,587.31	\$8,736.00	

0007891 - 1600001

**Asset Detail (continued)****Statement of Value and Activity**

June 1, 2014 - June 30, 2014

<b>Description</b>	<b>Shares/Par Value</b>	<b>Market Value</b>	<b>Tax Cost</b>	<b>Unrealized G/L</b>	<b>Est. Ann. Income</b>	<b>Current Yield</b>
<b>Financials</b>						
Berkshire Hathaway Inc-CIB CUSIP: 084670702	1,500.00	\$189,840.00	\$143,825.41	\$46,014.59	\$0.00	0.00%
Susquehanna Bancshares Inc PA CUSIP: 869099101	10,000.00	\$105,600.00	\$105,774.00	-\$174.00	\$3,200.00	3.03%
Univest Corporation of Pennsylvania CUSIP: 915271100	5,000.00	\$103,500.00	\$97,160.50	\$6,339.50	\$4,000.00	3.86%
		\$398,940.00	\$346,759.91	\$52,180.09	\$7,200.00	
<b>Health Care</b>						
Abbott Labs Inc CUSIP: 002824100	2,500.00	\$102,250.00	\$89,005.23	\$13,244.77	\$2,200.00	2.15%
Amgen Inc CUSIP: 031162100	1,000.00	\$118,370.00	\$114,852.48	\$3,517.52	\$2,440.00	2.06%
Glaxo Smithkline Sponsored American Depository Receipt CUSIP: 37733W105	700.00	\$37,436.00	\$29,867.04	\$7,568.96	\$1,791.30	4.78%
Johnson & Johnson CUSIP: 478160104	1,000.00	\$104,620.00	\$63,110.00	\$41,510.00	\$2,800.00	2.68%
Pfizer Inc CUSIP: 717081103	1,576.00	\$46,775.68	\$30,188.28	\$16,587.40	\$1,639.04	3.50%
		\$409,451.68	\$327,023.03	\$82,428.65	\$10,870.34	
<b>Industrials</b>						
Avery Dennison Corp CUSIP: 053611109	2,000.00	\$102,500.00	\$50,590.00	\$51,910.00	\$2,800.00	2.73%



## Asset Detail (continued)

### Statement of Value and Activity

June 1, 2014 - June 30, 2014

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized G/L	Est. Ann. Income	Current Yield
Regal Beloit Corp CUSIP: 758750103	1,500.00	\$117,840.00	\$99,266.11	\$18,573.89	\$1,320.00	1.12%
<hr/>						
Information Technology		\$220,340.00	\$149,856.11	\$70,483.89	\$4,120.00	
Agilent Technologies Inc CUSIP: 00846U101	2,000.00	\$114,880.00	\$104,118.09	\$10,761.91	\$1,056.00	0.92%
Automatic Data Processing Inc CUSIP: 053015103	1,250.00	\$99,100.00	\$61,490.63	\$37,609.37	\$2,400.00	2.42%
EMC Corp/Mass CUSIP: 268648102	3,500.00	\$92,190.00	\$93,837.45	-\$1,647.45	\$1,610.00	1.75%
Qualcomm Inc CUSIP: 747525103	1,000.00	\$79,200.00	\$77,490.00	\$1,710.00	\$1,680.00	2.12%
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Materials		\$385,370.00	\$336,936.17	\$48,433.83	\$6,746.00	
Ampco-Pittsburg Corp CUSIP: 032037103	5,000.00	\$114,700.00	\$100,552.00	\$14,148.00	\$3,600.00	3.14%
RPM International Inc CUSIP: 749685103	2,500.00	\$115,450.00	\$80,772.21	\$34,677.79	\$2,400.00	2.08%
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Telecommunications		\$230,150.00	\$181,324.21	\$48,825.79	\$6,000.00	
AT & T Inc CUSIP: 00206R102	2,500.00	\$88,400.00	\$89,944.56	-\$1,544.56	\$4,600.00	5.20%
Verizon Communications CUSIP: 92343V104	2,500.00	\$122,325.00	\$118,669.55	\$3,655.45	\$5,300.00	4.33%

**Asset Detail (continued)****Statement of Value and Activity**

June 1, 2014 - June 30, 2014

<b>Description</b>	<b>Shares/Par Value</b>	<b>Market Value</b>	<b>Tax Cost</b>	<b>Unrealized G/L</b>	<b>Est. Ann. Income</b>	<b>Current Yield</b>
Vodafone Group Sponsored American Depository Receipt CUSIP: 92857W308	1,090.00	\$36,395.10	\$58,676.98	-\$22,281.88	\$2,488.47	6.84%
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<b>Utilities</b>		\$247,120.10	\$267,291.09	-\$20,170.99	\$12,388.47	
Dominion RES Inc VA CUSIP: 25746U109	1,500.00	\$107,280.00	\$87,433.75	\$19,846.25	\$3,600.00	3.36%
Kinder Morgan Inc CUSIP: 49456B101	2,500.00	\$90,650.00	\$92,867.00	-\$2,217.00	\$4,200.00	4.63%
Williams Cos Inc CUSIP: 969457100	2,700.00	\$157,167.00	\$97,762.68	\$59,404.32	\$4,590.00	2.92%
<hr/>						
<b>Total Equities</b>		\$355,097.00	\$278,063.43	\$77,033.57	\$12,390.00	
<hr/>						
<b>Total All Assets</b>		<b>\$4,638,271.04</b>	<b>\$4,051,663.75</b>	<b>\$586,607.29</b>	<b>\$133,301.40</b>	

Note: (i) indicates a transaction in the income portfolio.