

S E E I N G P O S S I B I L I T I E S



A H I S T O R Y O F T H E
A L F R E D I . D U P O N T
T E S T A M E N T A R Y T R U S T

alfrediduponttrust.org



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T E S T A M E N T A R Y T R U S T



A HISTORY OF THE
ALFRED I. DUPONT
TESTAMENTARY TRUST



SEEING POSSIBILITIES



MISSION OF THE ALFRED I. DUPONT TESTAMENTARY TRUST

Alfred I. duPont

The Trustees and staff of the Alfred I. duPont Testamentary Trust act as loyal stewards of Alfred I. duPont's legacy through prudent financial management and faithfulness to his mission, and by advancing his mission appropriately through the Trust's charitable beneficiary, The Nemours Foundation.

INTRODUCTION



Created in 1935 after the death of Alfred I. duPont, the Alfred I. duPont Testamentary Trust is one of the country's most important financial supporters of pediatric health care. The Trust was established by Alfred I. duPont's will, which specifically expressed his desire to serve the neediest among us, particularly children.

duPont was one of America's major turn-of-the-century philanthropists. A man of boundless energy and imagination, he saw endless possibilities wherever his wide interests took him, whether in business, the arts or his philanthropic endeavors. His vision and compassion have given hundreds of thousands of sick children the hope of realizing their own possibilities.

During his lifetime, Alfred I. duPont was a successful industrialist, prolific inventor, published musician and quiet benefactor to a multitude of the needy. He left behind an estate valued at about \$40 million and a last will and testament with specific instructions for the creation of a charitable foundation devoted to providing healthcare services to children.

Today, duPont's legacy is as strong as ever, guided by a dedicated group of Trustees. By the end of 2005, The Trust's assets totaled approximately \$4 billion. In addition, during its first 70 years in operation, the Alfred I. duPont Testamentary Trust has distributed more than \$1.5 billion in financial support to the Trust's primary beneficiary, The Nemours Foundation, for the care and treatment of children in Delaware and Florida.

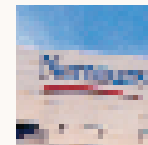
Until her death in 1970, Mrs. Jessie Ball duPont and a limited number of Mr. duPont's friends and family were the named beneficiaries of the Trust. During her lifetime, Mrs. duPont donated a substantial portion of her income to create and build The Nemours Foundation. Today, The Nemours Foundation is the primary beneficiary of the Trust. The Nemours Foundation includes the Alfred I. duPont Hospital for Children in Wilmington, Delaware, four Nemours Children's Clinics in Delaware and Florida, Nemours Health and Prevention Services and the Nemours Health Clinic — duPont's last legacy of health service to the elderly.

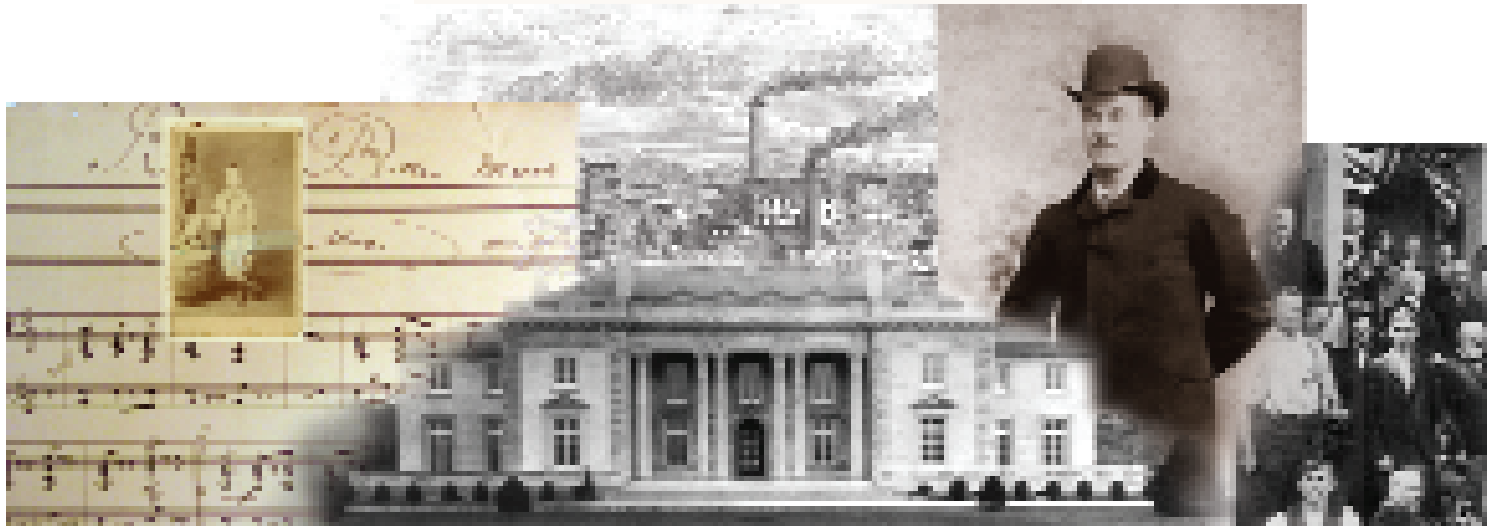
This book takes a look back at the extraordinary life and vision of Alfred I. duPont and the many individuals, especially duPont's beloved wife Jessie Ball duPont and her brother Edward Ball, who played major roles in the successful creation and growth of the duPont Trust and The Nemours Foundation.

The Alfred I. duPont story is one of unwavering stewardship and unbending dedication to duPont's last will and testament by a succession of remarkable Trustees, who, over the years, have had the difficult task of adapting to changing times while remaining faithful to duPont's vision. The Trustees remain as committed as ever to the mission of ensuring that the duPont Trust is properly positioned for generations and generations to come.

We hope this book will help inform and inspire all of those who come in contact with the Alfred I. duPont Testamentary Trust, The Nemours Foundation and the Nemours Children's Clinics.

— The Trustees of the Alfred I. duPont Testamentary Trust, 2006





TALENT & CONVICTION

ALFRED IRÉNÉE DUPONT

was a man of intriguing contrasts. A successful industrialist and banker, he also had a flair for playing and writing music. His wealth allowed him to travel the world, but he had some of his happiest moments hunting in rural Virginia. He left his fortune for the care and healing of crippled children, yet was not known to have had any significant relationship with disabled children during his lifetime.

TALENT & CONVICTION



As the eldest son of the eldest son of the eldest son of Eleuthère Irénée duPont, the founder of the duPont gunpowder dynasty, Alfred took seriously his sense of duty to his family's heritage. He was a man of intense convictions who held tightly to his own judgment of what was right and wrong. His determination to pave his own path earned him a reputation as the duPont's "family rebel."

Alfred's passions, besides business, were music and machinery. He was as adept at playing the violin as he was conjuring up a business deal or designing a gadget for his home. An amateur musician and composer, he formed an orchestra called the Tankopanicum Musical Club with friends and his workers. During his life Alfred



Alfred (left), age eight, circa 1872, enjoyed the violin from an early age.

published nine pieces of music, eight marches and one *gavotte*, a French peasant dance, which was performed at the Grand Opera House in Wilmington, Delaware in 1907. Another musical highlight was when one of Alfred's marches was performed by his friend John Philip Sousa.

A HAPPY CHILDHOOD

Born in 1864 into a loving family, Alfred was one of five children. He had a happy childhood swimming, hunting, and playing with friends and siblings in the Brandywine Valley region of Delaware. His father, Eleuthère Irénée duPont II, a partner in the family gunpowder





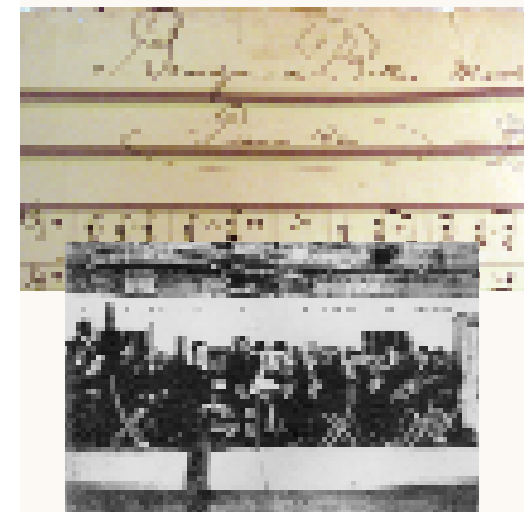
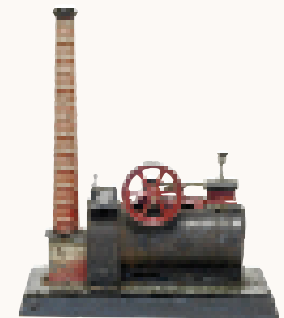
These later 19th century images offer a glimpse of the Hagley gunpowder works on the Brandywine River in Wilmington that Alfred knew as a boy. E.I. duPont de Nemours and Company was founded there in 1802.

business, was a major influence on young Alfred. Father and son often toured the family powder mills together, as the senior duPont explained the production process to his eager son. He also apparently picked up his lifelong fascination with machines from his father. In 1876, when Alfred was 12, his father gave him a small steam engine. It didn't take Alfred long to figure out how to disassemble and reassemble the engine.

Even as a young boy, Alfred showed signs of a kind of individualism that he would exhibit throughout his life. Instead of playing with his privileged duPont cousins, he preferred the companionship of the children of DuPont mill workers.

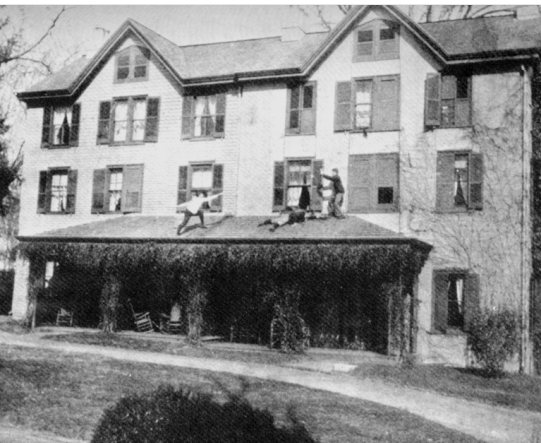
Alfred also loved to hear his mother's tales of exotic travel. He was particularly intrigued by her stories of trips to Florida where she encountered alligators, the Everglades, white sand beaches, and the St. Johns River in Northeast Florida that flowed north into the Atlantic Ocean.

Alfred's parents Eleuthère Irénée duPont and Charlotte Henderson duPont. Both died in 1877, leaving Alfred and his four siblings orphaned.



(Top) Mechanical objects intrigued Alfred his entire life. This passion was equaled by his love for music. He composed and led his own orchestra, as shown here. Deafness would later rob him of these joys.

TALENT & CONVICTION



DEATHS IN THE FAMILY

His idyllic childhood ended, however, in 1877 when Alfred's father and mother died of illness within a month of one another. The future of the five duPont orphans was in the hands of elder relatives.

When word reached the five siblings that they would have to leave the family home, Swamp Hall, and be sent to live with various duPont relatives, young Alfred, who was 13 at the time, led a rebellion to keep his family intact. The children armed themselves with a rolling pin, an axe, an antique pistol and twelve-gauge shotgun and refused to back down. They eventually won a victory. They were all sent off to boarding school but they were able to keep ownership of Swamp Hall.

At 18, after attending Phillips Andover Academy, Alfred entered Massachusetts Institute of Technology. He was not an exceptional student, but he showed a knack for all things mechanical. At MIT, he studied mathematics, chemistry, shopwork and German. He was a champion boxer at Andover and MIT. He also enjoyed himself in the evening, often attending theater and concerts in Boston with his cousin, T. Coleman duPont, who was a year ahead of Alfred at MIT.

(Left) "The Orphans of Swamp Hall," Alfred's siblings. Alfred (above, far right) is seen roughhousing with brothers Maurice and Louis at the family home.



Anna duPont Waller



Marguerite duPont Lee



Maurice duPont



Louis duPont





A CAREER BEGINS

After the death of a favorite uncle – Lammot duPont – in an explosion at a DuPont chemical plant in 1884, Alfred decided to rethink his priorities. Another uncle, Fred duPont, in Louisville offered him a job in his paper mill or as a writer for the *Louisville Courier-Journal*.

Alfred had shown some interest in a career as a writer, but, always true to his role as a bearer of the family tradition, he realized his place was in Brandywine working in the family business. At the age of 20 Alfred left MIT and went to work as a common laborer in the DuPont Company's Hagley gunpowder mills.

He worked his way up to yard supervisor, and along the way earned the reputation as one of the nation's top powder men. He not only mastered the art of making gunpowder but invented new machinery to improve the gunpowder-making process. In all, he registered over 200 patents during his life, mostly for machinery and equipment used in the powder-making process. *"Most of my inventions were powder making machinery which led to greater safety, the elimination of men from the mills and reducing the number of accidents, handling large amounts of powder at one time,"* he said of his contributions.

For the next 14 years, Alfred worked his way up through the DuPont Company. In 1898 Alfred proved himself when he was



(Left) Alfred and his cousin Samuel Francis duPont as young men at Phillips Andover Academy. He is shown above as a student at MIT. The traction engine (top) was one of many inventions of Alfred's that improved worker safety and efficiency at the Hagley gunpowder works.

TALENT & CONVICTION



As yard superintendent at Hagley during the Spanish-American War, Alfred performed a feat unsurpassed in the history of the explosives industry by raising his yard's production dramatically to meet the needs of more modern, heavy guns.

handed the improbable task of producing incredibly large amounts of brown powder for the U.S. military in the Spanish-American War. But Alfred organized the effort, put in 18-hour days working alongside his crew and delivered the gunpowder as promised.

A BOLD RESCUE PLAN

In 1902, the death of then-family patriarch Eugene duPont left the family company adrift. With no apparent duPont ready or willing to take over leadership of E.I. duPont de Nemours and Company, the elders on the board decided to sell to rival Laflin & Rand.

Despite his stellar performance supporting the military during the Spanish-American War,

Alfred was considered too young to lead the company. Outraged at the prospect of seeing the family company sold to outsiders, he convinced his cousins, Pierre S. duPont and T. Coleman duPont, to join him in an audacious plan to buy the company.

It was one of the best business deals in American history. The cousins bought the company for \$15.4 million – \$12 million in notes and 33,000 shares of the reorganized DuPont – and retained ownership of 86,400 shares, valued at \$8.6 million. Their out-of-pocket cost at the time of closing was just \$700 each – lawyers fees for drawing up the legal documents.



Alfred's cousins and business partners, T. Coleman duPont and Pierre S. duPont. (Below, left to right) First wife Bessie Gardner duPont, with whom Alfred had four children. Second wife Alicia Bradford duPont, who brought a daughter to their marriage. Together they adopted a French orphan.

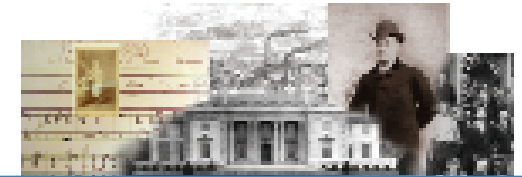


Once in control, the duPont trio set about transforming the 100-year-old company from an explosives manufacturer into a more diversified chemical company. They modernized management, built research labs and marketed new products such as paints, plastics and dyes.

A FAMILY FRACTURED

Small fissures in the cousins' partnership began to form. Alfred felt his contribution to the company's successes had not been fully appreciated by Pierre and Coleman. Meanwhile, Alfred's personal life caused serious consternation among the duPont clan. After divorcing his first wife, Bessie Gardner, mother of his four children, he shocked the duPont family when he married second cousin Alicia Bradford, a divorcee with one child, in 1907. Getting divorced was bad enough for the duPonts, but marrying a cousin whose husband worked for the DuPont Company was intolerable.

Undeterred, Alfred gave Alicia a most spectacular gift – a new home built on 300 acres in Wilmington. The 47,000-square-foot mansion was designed in classic French style, based on Marie Antionette's petite Trianon, by New York architects Carrère and Hastings.



The grand facade of Nemours, the 47,000-square-foot mansion that Alfred built for Alicia. Famed architects Carrère and Hastings of New York, pictured below, designed the home.



TALENT & CONVICTION



In 1911, when Alfred was removed from his operating duties at the DuPont company, old-timers in the Brandywine yards gave him a touching farewell. He stands behind the left pillar.

Their renowned firm had been responsible for the edifices of the New York Public Library and the Senate Office Building. Alfred named the estate Nemours, after the French town his great-great-grandfather, Pierre Samuel duPont, represented in the court of Louis XVI.

Alfred's relationship with cousins Pierre and Coleman continued to deteriorate. In 1915, Coleman's sale of a block of his stock to a group of company officers and directors irked Alfred, who, contending the stock should be bought back by the company, sued. When the courts finally upheld the sale two years later, Alfred resigned from the family company he had helped rescue 15 years earlier.

HIS OWN MAN

Once out of the family company, Alfred pursued his own business ventures in Delaware and New York. He established an investment firm, Nemours Trading Corporation, and an

import-export operation in New York. He also invested in banks, eventually acquiring a 60 percent interest in Delaware Trust Co.

Alfred also took an interest in political and social issues. Concerned about the financial hardships among the elderly, he lobbied the Delaware Legislature to enact a public pension plan. When the Legislature failed to act, Alfred funded the pensions himself for several years. He helped launch the Delaware Symphony. And, as he had been doing for years, he continued to privately give money to the needy.

Alfred's life took yet another dramatic turn in January 1920 when his wife Alicia died of a heart attack while en route to Florida. The duPont family motto, Rectitudine Sto, or "I stand upright," always seemed a perfect description of Alfred. No matter the hardship of the situation or the consequence of his decision, he stood tall and pushed on, which is just what he did in the next phase of his life.



CREATING A LASTING WILL

When he died, Alfred I. duPont left an estate valued at \$40 million consisting of securities, mostly in E.I. duPont de Nemours and Company shares, Florida land, seven Florida National Banks and the estates of Nemours and Epping Forest.

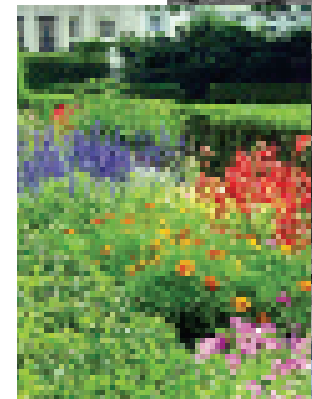
CREATING A LASTING WILL



For years, Alfred had given considerable thought as to how best to provide for those who had become dependent upon him and yet still have enough of his estate left to support his philanthropic wishes after his death. Beginning in 1930, he and his Jacksonville attorney, Raymond D. Knight, worked and reworked his last will and testament. Finally, two years later, Alfred signed it on November 19, 1932.

ALFRED'S GIFTS

Under the terms of the document, Jessie received Epping Forest, all of Alfred's personal possessions and the annual income of his estate for the rest of her life. She would also have use of the Nemours mansion and grounds during her lifetime. A number of relatives and longtime employees, including the Nemours caretaker and a former secretary, were to receive grants and annuities with annual payments of at least \$1,200 for the remainder of their lives. He also left 5,000 shares of Almour's Securities, his holding company, to each of his children and Ed Ball and 1,000 each to Jessie's three other siblings.



The sprawling Nemours mansion and gardens in Wilmington is a rare example of French Neo-Classical architecture in America.



The bulk of Alfred's estate went to the Alfred I. duPont Testamentary Trust. He named as Trustees his wife Jessie Ball duPont, his brother-in-law Edward Ball, his son-in-law Reginald S. Huidekoper, and the Florida National Bank of Jacksonville as Corporate Trustee. The Trustees were instructed to create a charitable corporation named The Nemours Foundation for the *"care and treatment of crippled children, but not of incurables, or the care of old men or old women, and particularly old couples"* with *"first consideration, in each instance, being given to beneficiaries who are residents of Delaware."*

As for the 300-acre Nemours estate in Wilmington, Alfred indicated that the



*Pierre Samuel
duPont de Nemours*

Trustees' first duty was *"to care for the mansion and grounds and gardens surrounding Nemours in order that they be maintained for the pleasure and benefit of the public in their present condition and the grounds improved from time to time, as their funds warrant."*

REMEMBERING FAMILY AND THE NEEDY

The Nemours Foundation, Alfred indicated in his will, was meant *"as a memorial to my great, great grandfather, Pierre Samuel duPont de Nemours, and to my father, Eleuthère Irénée duPont de Nemours."* A plaque on the grounds of Nemours pays homage to his great, great grandfather.



As stated by Mr. duPont's will, the Trust supports the mansion and grounds' upkeep and preservation. The home is open to the public between May and December each year.

CREATING A LASTING WILL



In his will, Alfred wrote: *"It has been my firm conviction throughout life that it is the duty of everyone in this world to do what is within his power to alleviate human suffering and I have sedulously striven to that end. It is, therefore, natural that I should desire after having made proper provision for the immediate members of my family and others whom I have seen fit to remember, that the remaining portion of my estate should be utilized for charitable needs."*

Still, it has remained a bit of a mystery as to why Alfred I. duPont left his fortune specifically for the care and cure of crippled children. He never explicitly explained the decision. But there are hints. We do know that duPont had a profoundly deep work ethic. He thought all able-bodied Americans should perform some type of work. In that context, then, it is understandable why he would want to help curable crippled children lead productive lives.

What isn't open to question was Jessie Ball duPont's eagerness to fulfill her husband's wishes. Alfred's last will and testament indicated that all of the income from his estate was to be given to Jessie during her lifetime. While Jessie was free to spend the income any way she wished, she didn't hesitate to use the money for the creation of The Nemours Foundation.



BUILDING A LEGACY

After Alfred's death in 1935, Jessie Ball duPont accompanied her husband's body back to Delaware where he was laid to rest beneath the 210-foot carillon tower on the grounds of Nemours. For the remainder of her life, Jessie resided at Nemours during the spring and summer months and at Epping Forest during the winter.

BUILDING A LEGACY

Shortly after Alfred was buried, Jessie returned to Epping Forest in Jacksonville to begin laying the groundwork for creating her husband's legacy. She immediately established The Nemours Foundation and dedicated a substantial portion of her income to personally support it during her lifetime.

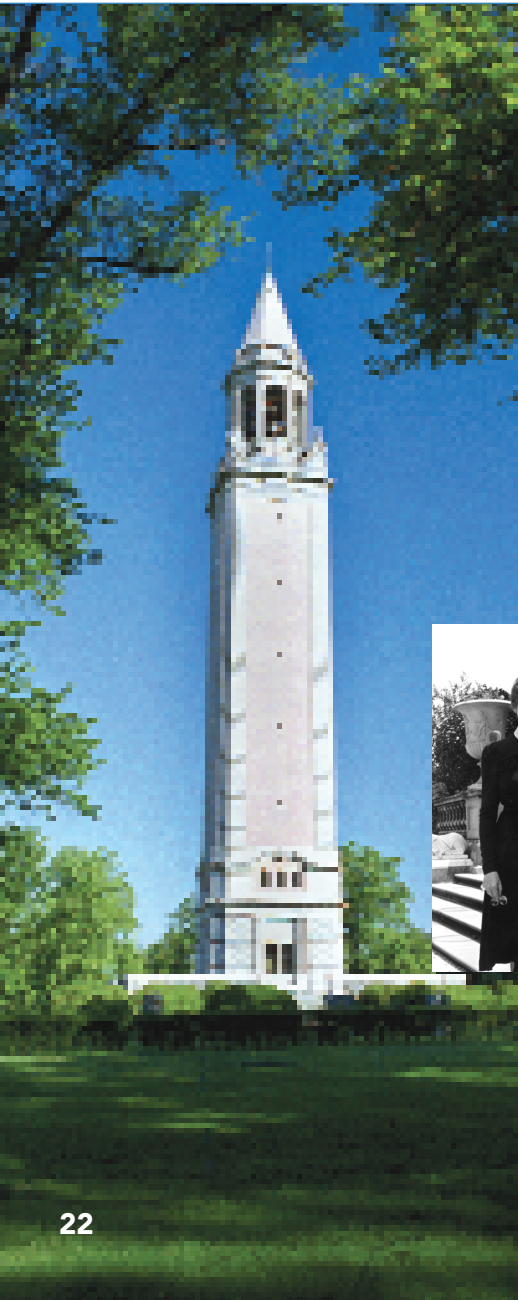
Once established, her first step was the construction of a children's hospital on the grounds of the Nemours mansion in Wilmington. She hired Alfred's son, Alfred Victor duPont, as the architect of the hospital.

MEDICAL EXPERTISE

Jessie searched the medical landscape for the best medical director. She eventually hired Dr. Alfred R. Shands, Jr., a professor of surgery in charge of orthopedics at Duke University Medical School, as the hospital's first medical director. Shands had helped establish Duke University's medical school and authored the classic text *The Handbook of Orthopaedic Surgery*.

The Alfred I. duPont Institute opened in 1940 for the treatment of disabilities of the musculoskeletal system, such as polio, curvature of the spine, and congenital malformations like clubfoot and cleft-palate. The hospital provided care to all children at no charge until the 1970s.

(Far left to right) The carillon tower at Nemours, Jessie Ball duPont and the Alfred I. duPont Institute in Wilmington.





THE TRUST BUILDER

As Jessie busied herself carrying out Alfred's vision and advancing his legacy, her brother, Ed Ball, was just as busy making sure the estate was well positioned financially to stand the test of time.

While governance of the Alfred I. duPont Trust was left to the four Trustees – Jessie, Ed Ball, Reginald Huidekoper and a representative of Florida National Bank – it became clear that the principal guiding force was Ed Ball, working closely with his sister, Jessie.

Perhaps Alfred had anticipated this; he clearly had confidence in Ed Ball. Writing to his wife near the end of his life, Alfred noted, *"Don't let anyone ever minimize Ed Ball's ability to you. I have worked with him for years; I know his ability, his integrity and his devotion to you and to me and his loyalty to a trust."*

(Top left) Dr. Alfred R. Shands, Jr., whom Jessie Ball duPont hand picked to lead the Institute. duPont Institute nurses are shown (middle left) with young patients in the 1940s. (Lower left) A rendering of the Institute, which is adjacent to the grounds of Nemours.



Edward Ball was known as a tough businessman, but exhibited unwavering faithfulness in carrying out Alfred duPont's will.

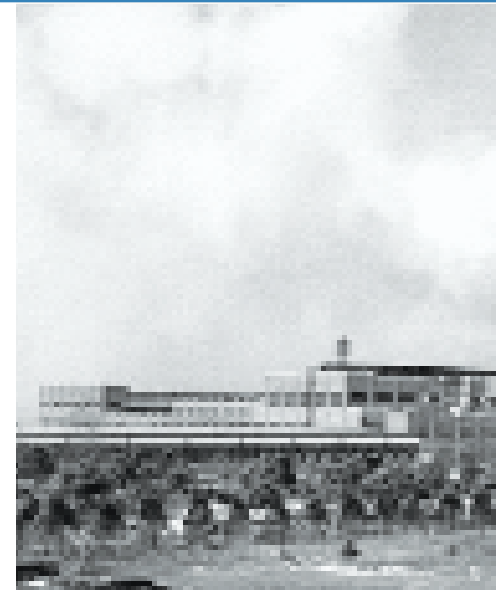
B U I L D I N G A L E G A C Y

Ed Ball was confident of his own abilities. As a first step, in 1936, he and the Trustees incorporated the Trust's Florida assets as the St. Joe Paper Company. In 1938, he liquidated the \$50 million in holdings at Almour's Securities and temporarily deferred paying annuities to duPont relatives. This move gave Ball the funds he needed to pursue the Trust's ambitious plans. After several years, the Trust resumed the annuity payments to Alfred's relatives.

PAPER MILLS AND RAILROADS

Ball thought the building of a new town on Florida's Panhandle was not an optimal use of the estate's assets. He did, however, vigorously push ahead with construction of the paper mill in Port St. Joe, which began operations in 1938.

Under Ball's direction, the duPont Trust increased the number of banks it owned from the seven acquired during Alfred's life to 30 by 1970. The Trust continued to buy more timberland to feed the St. Joe Paper Co. mill. Its output was directed to the 30 corrugated box plants that the Trust bought or developed over the ensuing years. By the 1970s, St. Joe owned nearly one million acres of land, making it the largest private landowner in Florida.



A worker at a St. Joe corrugated box plant. The St. Joe Paper Company mill in Port St. Joe. Below, a Florida East Coast Railway Company freight engine pulling cargo after passenger service was discontinued by the 1960s.



In 1961, after years of legal battle, Ball acquired the bankrupt Florida East Coast Railway Company, built by Henry Flagler in the 1890s. Ball reversed the railroad's fortunes by trimming costs and fighting a long battle to eliminate antiquated work rules.

But in 1966 a new federal law prohibited charitable trusts such as the Alfred I. duPont Trust from owning both banks and operating companies. Ball decided to sell the banks and keep St. Joe Paper and Florida East Coast Railway.

Jessie Ball duPont died in 1970 at the age of 86. She was buried next to Alfred at Nemours. From 1939 until her death, Jessie had contributed \$22.5 million of her own money to the operation of The Nemours Foundation. She also directed much of her annual income to a vast array of charities such as colleges, churches and scholarships for deserving and needy students through her own separate trust, the Jessie Ball duPont Foundation.



Jessie Ball duPont (1884-1970) gave generously of her own funds to support The Nemours Foundation and many other causes.

BUILDING A LEGACY



*Jessie Ball duPont together
with her younger brother,
Edward Ball, in 1959.*

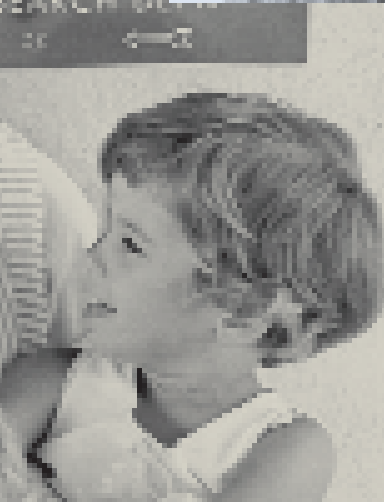
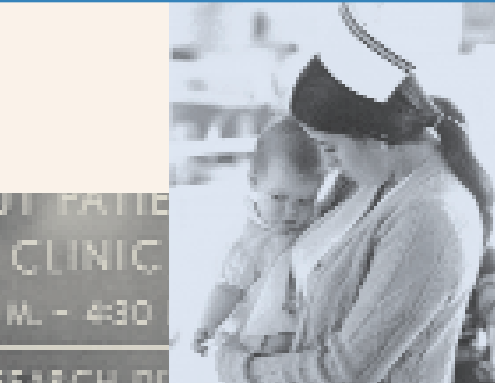
INCREASED INCOME

Jessie's death signaled a major change for the Alfred I. duPont Trust. With all of the income from the Trust now coming directly to The Nemours Foundation, the Trustees were faced with a new challenge: how to best use the money.

In light of the increased income to The Nemours Foundation, the Trustees wanted to expand the activities and scope of its operations, including building a new, modern hospital next to the Alfred I. duPont Institute in Wilmington. But first the Trustees needed some direction.

As Florida-based legal entities, the Alfred I. duPont Testamentary Trust and The Nemours Foundation come under the jurisdiction of the state Circuit Court in Jacksonville. In 1971, the Trustees sought – and received – clarification of the intent and purpose of Alfred I. duPont's will, and more specifically, a clearer definition of "crippled children."





A NEW DIRECTION

The court ruling broadened the allowable treatment of children to include other forms of maladies beyond orthopedic disabilities. The ruling also established The Nemours Foundation as a hospital operating foundation, which paved the way for the new hospital in Delaware and the subsequent openings of children's clinics in Florida.

When Ed Ball died in 1981 at the age of 93, he too honored his mentor by leaving his entire \$100 million estate to The Nemours Foundation for the treatment of curable crippled children in Florida. During his life, when asked for his title, Ed Ball would always answer that he was a "trustee."

Jessie Ball duPont was the epitome of a giver. Ed Ball was the quintessential builder and accumulator. Now that both were deceased, the guidance of the Alfred I. duPont Trust and The Nemours Foundation was passed on to the next generation of Trustees, who would be faced with their own set of challenges as they tried to adhere to Alfred I. duPont's vision.

The Trust's children's health mission continued to flourish through the work of The Nemours Foundation in Delaware throughout the 1960s and 1970s.



This painting of Edward Ball hangs in the halls of the Alfred I. duPont Testamentary Trust offices as a memorial to his service and impact. His sister Jessie is prominently featured, as well.

BUILDING A LEGACY

The expanded Alfred I. duPont Institute, now called the Alfred I. duPont Hospital for Children of The Nemours Foundation, was built in 1984. The carillon tower, beneath which Alfred and Jessie Ball duPont are buried, stands just several hundred yards away.





A MISSION WITHOUT END

In the years following the death of Ed Ball, the Alfred I. duPont Testamentary Trust made significant advances in its mission of supporting The Nemours Foundation. The Alfred I. duPont Hospital for Children, a large, state-of-the-art medical facility, opened in 1984 adjacent to the original duPont Institute in Wilmington, Delaware. The 180-bed hospital allowed Nemours doctors to broaden their services to include emergency care and transplants.

A MISSION WITHOUT END



The Nemours Children's Clinic in Jacksonville marked the first major expansion of The Nemours Foundation in Florida, although it had acquired a children's hospital in Florida in 1981. Today, the Jacksonville subspecialty clinic and others in Orlando and Pensacola maintain strategic relationships with inpatient children's hospitals.

Then, in 1991, The Nemours Foundation opened the Nemours Children's Clinic in a new 10-story building adjacent to Wolfson Children's Hospital in Jacksonville. The Jacksonville facility was followed by the opening of additional children's clinics in Pensacola and Orlando, Florida, and in Delaware.

INVESTING FOR THE FUTURE

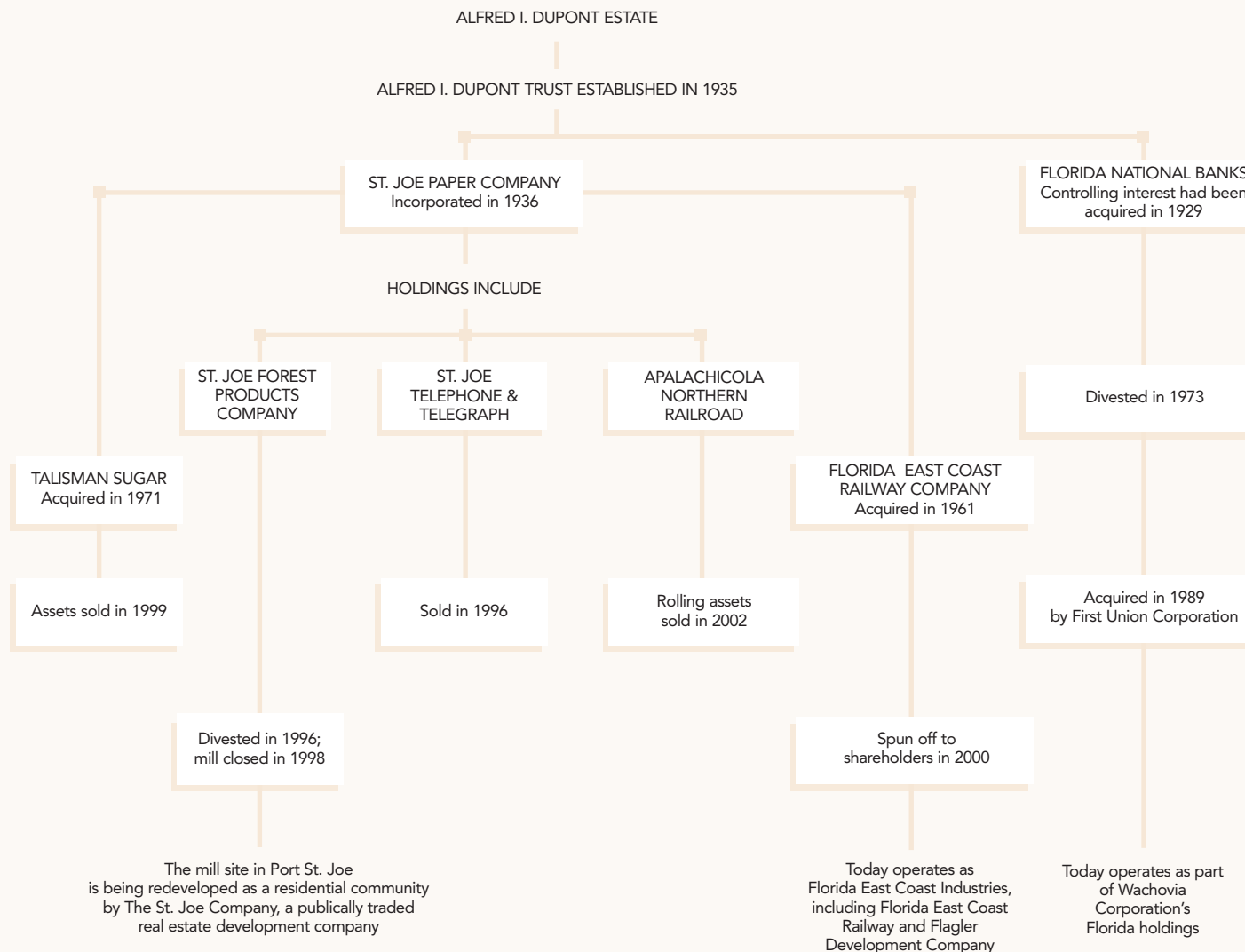
With the medical achievements of the early 1990s completed, the Trustees turned their attention to the Trust itself, specifically its investment portfolio. For most of its history, the Trust had basically one investment: St. Joe Paper Company. Although St. Joe itself was a diversified company, with paper, timber,

transportation, telecommunications and sugar holdings, it didn't provide the kind of portfolio diversification pursued by most modern trusts.

The Trustees – consisting of former Ed Ball lieutenants J.C. Belin, W.L. "Win" Thornton and Tom Coldewey, along with Mr. duPont's grandson, Alfred duPont Dent, and a representative from NCNB, the Corporate Trustee – took a first tentative step toward diversification in 1990 when the Trust sold five million shares of St. Joe stock in a public offering. The stock sale reduced the Trust's ownership of St. Joe from 80 percent to 69 percent. But the diversification effort was delayed for several years as the Trustees clarified their mission and future direction.



ENTERPRISE LEGACY OF THE ALFRED I. DUPONT TESTAMENTARY TRUST



The diversification strategy gained momentum in early 1995 with the addition of three new Trustees. They were W.T. Thompson III, a Richmond, Va., vice president of A.G. Edwards & Sons Inc. and a great nephew of Jessie Ball duPont and Ed Ball, John F. Porter III, then-Chairman and CEO of The Delaware Trust Co., and Herbert H. Peyton, a Jacksonville businessman who, interestingly, had acquired the duPont's Epping Forest estate.

The newly constituted group of Trustees quickly took up the issue of portfolio diversification. After a thorough review of appropriate investment strategies, the Trustees concluded the Trust was still too heavily invested in St. Joe, which represented nearly 70 percent of its total assets, which were valued at \$1.64 billion in early 1995.

A M I S S I O N W I T H O U T E N D



St. Joe Paper Company's vast land holdings, historically mined and replanted for timber and subsequent pulp production, would soon see a different use.

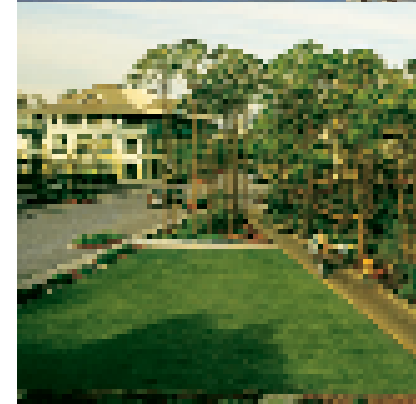
TRANSFORMING ST. JOE

Investment bankers hired by the Trust successfully sold St. Joe's telephone company, paper mill in Port St. Joe and corrugated box plants located throughout the Eastern U.S. The Trustees pondered selling off some or all of St. Joe's vast timberland holdings, but decided to keep the land and transform St. Joe into a real estate operating company.

By 1997, St. Joe's holdings included one million acres of land, mostly located in Florida's Panhandle, a 54 percent interest in Florida East Coast Industries, Talisman Sugar, \$500 million in cash and no debt.

As part of the broad plan to transform St. Joe from an industrial operating company into a real estate development company, Win Thornton stepped down as chairman and CEO of both St. Joe and Florida East Coast Industries. Peter Rummell, a well-regarded Walt Disney Co. real estate executive, was hired as St. Joe's chairman and chief executive officer. Carl Zellers was named chairman and CEO of FECI.

That same year, Alfred duPont Dent died and the Trust also hired Wachovia as its new Corporate Trustee. Hugh Durden, president of Wachovia's Institutional Banking division in Atlanta, was named as the Corporate Trustee's representative.



The communities of the modern-day St. Joe Company are, perhaps, not too unlike what Mr. duPont envisioned when he contemplated his "workers' utopia" on Florida's Panhandle.



The Alfred I. duPont Trust continued to coalesce around its asset diversification strategy. In 1998, another public stock offering was held. The Trust sold 12 million St. Joe shares, further reducing its ownership to 57 percent of all outstanding shares. In 2000, the Trust hired a chief investment officer to oversee the investment portfolio.

A MODERN TRUST

By 2005, St. Joe and its relationship to the Alfred I. duPont Trust looked very different from the company and Trust Ed Ball spent 50 years building. St. Joe had been fully transformed into a real estate development company after the sale of Talisman Sugar and other non-core assets and the tax-free spin off of its ownership of Florida East Coast Industries to its shareholders. One result of these actions was that the Trust became a direct shareholder of FECI holdings that were subsequently divested. FECI continues today as a separately traded company.

The Trust had completed its transformation from an operating entity to a diversified investment Trust and redefined The Nemours Foundation's purpose to include prevention as well as health care and treatment. Under its modern, diversified investment strategy, the Trust will not own more than five percent of any one company's shares, nor will the Trust allow any one investment to represent more than five percent of its total assets.



Florida East Coast Industries, parent to Florida East Coast Railway and Flagler Development Company, is a major player in the Florida business economy.

A M I S S I O N W I T H O U T E N D



Neonatal care is one of many subspecialties for which Nemours is known as a national leader.

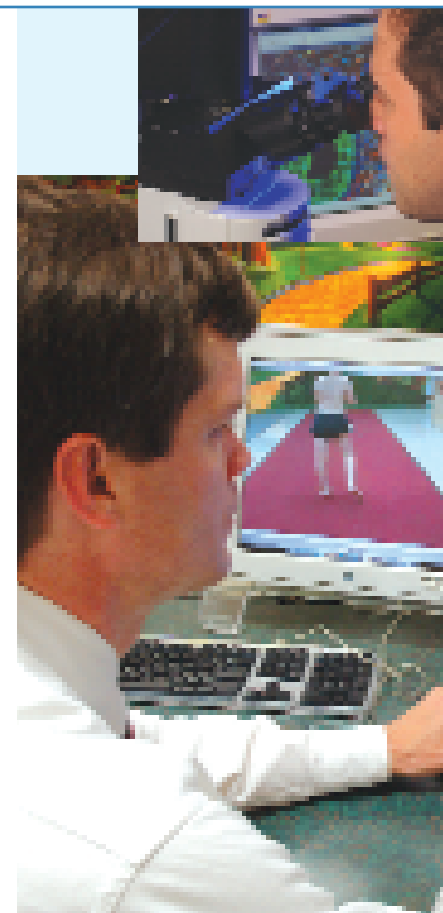
By 2005, the need for a Corporate Trustee had been eliminated and the Trust was now comprised of six individual Trustees. After Jake Belin died in April 2000, Win Thornton was the last of Ed Ball's handpicked designees on the Trust. John S. Lord became a Trustee in July 2000. Hugh Durden, now retired from Wachovia, was elected to succeed Thornton as Chairman of the Trust. Thornton, who served as Chairman for 23 years, continues as a Trustee.

IMPROVING PEDIATRIC HEALTH CARE

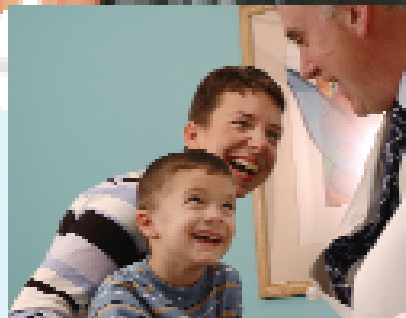
The Alfred I. duPont Testamentary Trust's achievements are best seen in the growth and accomplishments of its primary beneficiary –

The Nemours Foundation. Nemours is one of the leading pediatric health care systems in the nation, operating the Alfred I. duPont Hospital for Children in Wilmington, Delaware, Nemours Children's Clinic in Delaware, Nemours Children's Clinics in Florida (Jacksonville, Pensacola and Orlando), and the emerging Nemours Health and Prevention Services initiative. The Foundation Directors are also committed to building a new, full-scale hospital in Orlando to meet the growing need for pediatric health care in Central Florida.

Nemours now employs more than 400 physicians and surgeons in nearly every pediatric subspecialty. In 2005, Nemours physicians and surgeons treated 230,000



The "Gait Lab" at the Wilmington Nemours facility helps physicians analyze the dynamics of human motion. This technology-assisted diagnostic tool supports the formation of corrective orthopedic treatments and healing protocols.



young patients and performed 38,000 surgeries. The duPont Trust's \$112 million contribution in 2005 helped Nemours subsidize charitable care for thousands of young patients.

In recognition of outstanding pediatric care, the duPont Trust and Nemours created the Alfred I. duPont Award for Excellence in Children's Health Care in 2001 to honor Alfred duPont's legacy of care for children. The annual award recognizes an individual whose efforts and achievements have demonstrated "Excellence in Pediatric Clinical Care Research and Education." The duPont Award reflects Nemours' national commitment to upholding the delivery of safe, high quality care to patients and to support individuals who advocate the improvement of health care for children. The recipient receives an original crystal sculpture and a \$50,000 award.

As the Trustees have worked to refine and strengthen their stewardship of the Trust's assets, they have been just as focused on remaining faithful to Alfred I. duPont's mission of treating sick and disabled children – but doing so in a different era.



Each year, the Alfred I. duPont Award for Excellence in Children's Health Care honors a leading contributor in the field of pediatric medicine, and Alfred duPont's legacy of care for children.

A MISSION WITHOUT END



FOCUS ON THE MISSION

The Trustees, working with The Nemours Foundation Board of Directors, undertook a review of the mission and developed a long-range plan for the Foundation. The results of that process prompted the duPont Trust and The Nemours Foundation to make a major commitment to prevention as an extension of its children's health care mission. A specific focus is addressing the growing problem of childhood obesity in Delaware. A pilot program to treat dyslexia was started in Jacksonville.

Governance of The Nemours Foundation is also undergoing a transformation. Since the beginning, the Trustees of the Alfred I. duPont Testamentary Trust served a dual role as board members of The Nemours Foundation. But as the Nemours system and health care management issues in general have

broadened and become more complex, the Trustees decided to seek additional perspectives and expertise to help set policy and govern. In 2005 the Trustees began expanding The Nemours Foundation board to include up to nine additional directors.

The Trustees hope that if Alfred I. duPont were able to see The Nemours Foundation today he would be enormously proud of the care it provides to children and how it enables them to make the most of life's possibilities.

"Everyone has the duty to do what is within their power to alleviate human suffering," Alfred duPont wrote in his will. Those words continue to guide the Trustees on their mission of fulfilling Alfred duPont's vision.

TRUSTEES OF THE ALFRED I. DUPONT
TESTAMENTARY TRUST, 1939 - PRESENT

JESSIE BALL DUPONT	9/19/39	-	9/26/70
EDWARD BALL	9/19/39	-	6/24/81
REGINALD S. HUIDEKOPER	9/19/39	-	9/28/43
ELBERT DENT	12/4/43	-	5/8/65
WILLIAM B. MILLS	5/10/65	-	1/10/86
THOMAS S. COLDEWEY	5/10/65	-	5/19/94
ALFRED DUPONT DENT	5/10/65	-	8/21/97
A. L. HARGRAVES	5/10/65	-	1/7/66
JACOB C. BELIN	12/4/67	-	5/31/00
WINFRED L. THORNTON	12/4/67	-	PRESENT
HERBERT H. PEYTON	1/18/95	-	PRESENT
JOHN F. PORTER III	1/18/95	-	PRESENT
W.T. THOMPSON III	1/18/95	-	PRESENT
JOHN S. LORD	7/25/00	-	PRESENT
HUGH M. DURDEN	1/18/05	-	PRESENT

ACKNOWLEDGEMENTS

The development of this history document was overseen by the Trustees of the Alfred I. duPont Testamentary Trust. Direction and editorial oversight was provided by Hugh M. Durden, Chairman, and Winfred L. Thornton, Past Chairman. The history was written by John Finotti of Jacksonville. Project management, layout, design and production was handled by Burdette/Ketchum of Jacksonville.

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Facts were derived from internal Trust documents, interviews with long-standing Trustees and from the following published sources: *Alfred I. duPont - The Man & His Family* by Joseph Frazier Wall, Oxford University Press, 1990; *Alfred I. duPont - The Family Rebel* by Marquis James, The Bobbs-Merrill Company, 1941; *Jessie Ball duPont* by Richard Greening, Hewlett University Press of Florida, 1992; *The Estate of Alfred I. duPont and The Nemours Foundation*, The Estate of Alfred I. duPont, 1974.

Special thanks to Jeff Wadsworth, President & CEO of The Nemours Foundation, for his insights and historical knowledge.