

Sterling College Endowment

INVESTMENT POLICY STATEMENT

LAST MODIFIED: June 27, 2013

Account Information:

Account Opened: June 5, 2013

Custodian/Broker: Schwab

Account State of Domicile: VT

Tax Status: Non-Taxable

Investment Information:

Does account manager have full discretion over all investment decisions?: Yes

Investment Horizon: Long (10+ years)

The client is willing to accept Moderate risk for this account.

Asset Allocation Strategy: Custom Allocation (See Breakdown Below)

Equity: 75%

Fixed: 20%

Cash: 3%

International Funds/ETFs: 0%

Community Investments: 2%

Equity Investment Style and Benchmark: Fossil Fuel Free Strategy benchmarked to the S&P 1500

Equity performance, if applicable, is measured against the benchmark index over a market cycle (typically 3-5 years). The equity portion of the portfolio uses a growth-at-a-reasonable-price discipline.

Fixed Income Benchmark(s): Barclays Gov/Credit Interm Bond

This account may hold Treasuries.

This account may hold taxable government agency bonds and socially screened corporate bonds

Additional Client Notes:

Refer to Sterling College's Statement of Investment Policy for more details. Target Allocation Per Statement of Investment Policy is 60-80% Publically Traded Equities, 15-35% Fixed income, 0-5% Direct Alternative Investments, cash 5-10%.

General Constraints:

Where applicable, domestic equities (including preferred stock, convertibles, warrants, and rights), mutual funds, ETFs, ADR's, and Certificates of Deposit are permitted. Generally, the portfolio will not invest more than five percent in any single corporate issuer.

Social Guidelines:

To the extent possible, the portfolio seeks to invest in companies demonstrating sustainable business practices, including a strong commitment to environmental leadership, progressive workplace policies, responsible overseas operations, and strong corporate governance practices. In particular, the portfolio seeks investment in companies that innovate and develop new technologies to provide renewable energy and enhance efficiency, value workers and uphold human rights in their global supply chains, support organic/ sustainable agriculture and forestry and have visionary leadership.

The portfolio seeks to avoid companies we assess to have systematically failed in protecting the environment, human rights, workers, or that prove unwilling to engage in a meaningful process of change. The portfolio will typically avoid investment in companies with egregious environmental profiles, direct involvement with severe human rights abuses, pervasive or longstanding patterns of discriminatory behavior, a record of not addressing sweatshop labor issues, significant operational exposure to the mining or to the nuclear power industries, and companies that derive significant revenues from producing, distributing or marketing firearms, alcohol, tobacco, gaming, pornography, or military weapons systems.

Where Trillium holds stock in companies with mixed records in any of the above areas, we use dialogue and shareholder resolutions to press for further positive changes in policy and practice. Based on the client's preferences, portfolio holdings may be used to advance social change through shareholder advocacy on environmental, human rights and diversity issues.

Additional Client Social Screens:

Proxy Voting:

Is Trillium Asset Management responsible for voting all proxies related to securities held in the account?: Yes

Class Action Suits:

Does Trillium file Class Action claims on behalf of the client?: Yes

If yes, Trillium Asset Management has contracted with Chicago Clearing Corporation (CCC) to handle all class action litigation and securities claims filings. CCC will file all claims on behalf of the client, and will distribute the net proceeds to the client. CCC charges a contingency processing fee of 20% of the amount awarded.

If no, the client assumes responsibility for filing all class action litigation and securities claims filings, and the custodian is instructed to forward such materials to the client.

Communication:

Trillium Asset Management will provide a quarterly appraisal of the holdings of the portfolio, as well as an economic report and an accompanying letter discussing investment performance relative to the selected benchmarks. The client also receives a copy of our quarterly newsletter. The portfolio management team will have periodic updates with the client, either by phone or in-person. In addition, the team is available by telephone or email on an as-needed basis.

Disclosure:

Due to market volatility, your managed account may deviate from the asset allocation and weightings indicated on the Investment Policy Statement. The asset allocation percentages serve as a general guide to the preferred mix of equity and/or fixed income securities to be utilized in the management of your account. Such allocation percentages are meant to be soft guidelines rather than absolute portfolio mandates. Although Trillium strives to maintain your asset allocations near the indicated levels, daily market movements cause those allocations to continuously change. Trillium uses its

professional judgment and investment discretion when deciding the appropriate time and manner to rebalance managed portfolios towards those guidelines. Trillium may choose not to rebalance the portfolio in the short term due to the Company's expectations of longer term market movements, increased trading costs associated with excessive short term rebalancing, as well as tax considerations associated with frequent trading. Please contact your adviser at Trillium for additional information specific to your account.

This Investment Policy Statement ("IPS") details Trillium's understanding of your specific investment objectives and goals and particular financial circumstances. If the information contained in this IPS is incorrect or changes, please promptly contact your adviser at Trillium. If you do not contact Trillium within 60 days of receiving this IPS the information contained herein is assumed correct.

