Foundation for MetroWest
Investment Policy Statement
Adopted May 2, 2016

Overview

This Investment Policy Statement ("IPS") sets forth policies and objectives for supervising, implementing, evaluating and monitoring the investments of the Foundation for MetroWest ("Foundation").

Delegation of Responsibilities

As directed by the Board of Trustees, the Investment Committee ("Committee") is responsible for the development of an Investment Policy Statement establishing the policies and objectives covering the investments of the Foundation. Once the Investment Policy Statement is approved by the Board, the Investment Committee is responsible for the monitoring, supervision and administration of the Foundation investment assets providing interaction and oversight of the investment managers and apprising the Board of important portfolio information. At least annually, the Committee shall review this policy to ensure that the policies contained herein remain current and appropriate.

Investment Objective

The primary investment objective of the Foundation is to preserve and enhance the purchasing power of the organization’s assets. Accordingly, the Foundation seeks a long-term rate of return on investments that will grow its assets by an amount sufficient to offset inflation, required spending and program fees and expenses, over a full market cycle, while maintaining sufficient liquidity to meet obligations arising from planned activities.

In furtherance of this objective, the Foundation will diversify the portfolio among various asset classes and securities issuers with the goals of reducing the investment portfolio’s volatility of returns and the non-systematic, single issuer, principal risk.

Investment Portfolio

The Foundation’s assets may be invested in a wide range of investment options spanning the risk/return spectrum. The broad asset classes to be offered include:

- U.S. Equity
- International Equity - including emerging markets
- U.S. Fixed Income - Investment Grade and High Yield
- International Fixed Income
- Real Assets – including real estate and commodities
- Alternative Investments – hedge fund of funds
- Cash and Cash Equivalents

Adopted May 24, 2016
Investments in commingled funds such as registered no-load mutual funds, exchange traded funds, common trust funds, and hedge fund of funds are permitted, so long as all the other policies herein stated are followed.

Permissible equity investments include, without limitation, common stocks, ADRs, and fixed income securities convertible into common stocks.

Permissible investment grade fixed income investments include, without limitation, U.S. Treasuries and Government Agency securities, investment grade fixed income securities (at least BBB-/Baa3 as rated by Standard & Poor's or Moody's at the time of purchase) and preferred stocks.

Investments in non-investment grade or high yield fixed income securities, international debt securities (both investment and non-investment grade) and inflation protected securities will, in general, be accomplished using diversified, commingled vehicles.

Investments in domestic and international real estate and commodities will generally be accessed using diversified, commingled fund vehicles and exchange traded funds (ETFs).

Hedge fund and private equity investments will generally be accessed through diversified, commingled fund of funds vehicles. However, single strategy or more concentrated “sleeve” hedge fund investments may be utilized where appropriate. Northern Trust will not purchase hedge fund and private equity investments without written consent of the Investment Committee.

Asset Allocation Guidelines

The Committee will establish and approve asset allocation guidelines for the Foundation Account. The asset allocation guidelines will include a Policy Target, representing the strategic asset allocation mix for the Foundation assets managed by Investment Manager. The asset allocation guidelines will also include an approved target range for each asset class managed by the Investment Manager that: (i) recognizes various asset classes may be under- and over-weighted due to the trading, settlement, and timing delays associated with fully implementing an investment program; (ii) recognizes it may be prudent and necessary for the Investment Manager to operate outside the Policy Target when the financial markets are stressed and subject to extreme levels of volatility; and (iii) allows the Investment Manager to deliberately over- and under-weight the investment program’s asset classes within prescribed target ranges when the Investment Manager concludes an asset class represents either an excess return opportunity or presents too much incremental risk.

The approved Foundation Account asset allocation guidelines for the Investment Manager, when considered together, will reflect the overall liquidity needs and the risk tolerance of the Foundation and will, in the judgment of the Committee, represent the asset mix likely to satisfy the Foundation’s long-term investment objectives.

Rebalancing

Consistent with the limitations above, the Investment Manager may periodically adjust the allocation of assets within its applicable target ranges depending on: (i) routine cash flows and net new money available for investment; (ii) relative performance of asset classes. If the weighting of an asset class exceeds the target range, the Investment Manager shall either (a)
rebalance the portfolio to within target range within a reasonable period of time or (b) seek
approval from the Committee to adjust the target range.

In general, the Investment Manager is expected to review their portfolio at least quarterly to
determine if any rebalancing activities are required.

The Operating Reserves Account will be invested in a short-term investment grade bond fund and
cash with the primary objective to preserve capital; however, the Operating Reserve Account will
also receive donations including but not limited to stocks, bonds, mutual funds, and exchange
traded funds which shall be sold per the standing instructions letter. The benchmark for the
Operating Reserves Account is the 90-day Treasury Bill.

Investment Performance Expectations

The Committee will establish and approve investment performance expectations for each
Investment Manager. Such expectations will vary by asset class and will be based on appropriate
index returns, composites or other recognized industry performance standards deemed appropriate
by the Committee. The overall investment performance objective for the Foundation’s
portfolio is to meet a policy benchmark weighted to the asset allocation set forth for each
Investment Manager over a full market cycle.

Performance Review and Evaluation

Investment Managers will review and evaluate investment performance periodically in the
context of the current investment environment and the long-term investment horizon of the
Foundation. Performance evaluation will be done for the total portfolio and for each asset and
sub-asset class.

Foundation for MetroWest

BY:

AS ITS:
EXHIBIT A
TO INVESTMENT SERVICES AGREEMENT
ASSET ALLOCATION GUIDELINES
AND
INVESTMENT PERFORMANCE BENCHMARKS

Effective______, 2016 the following Asset Allocation Guidelines and Investment Performance Benchmarks will apply to the management by Northern Trust for the Foundation (the Foundation), until such time as this document is revised on behalf of the Foundation in the manner described below.

ASSET ALLOCATION GUIDELINES

These Asset Allocation Guidelines describe the risk and return parameters determined to best meet the objectives of the Foundation. It is understood that other strategic allocations, representing varying levels of risk, are available to the Foundation.

As used in these guidelines: “Policy Target” means the strategic asset allocation mix that Northern Trust is expected to maintain under normal Account circumstances and market conditions; “long-term” means a period not less than five years; “volatility” means large positive or negative returns in short time periods; and “cash” refers to cash equivalents (or funds including cash equivalents) having maturities of one year or less.

It is understood that any asset classes or ranges identified are guidelines. Asset allocations within the Account may differ from the ranges outlined below depending on Account circumstances, Foundation directions and market conditions. Investments within the equity, fixed income, real assets, alternatives and cash categories may vary. Additions or withdrawals will affect the Account’s asset allocation as will market movements up or down. Therefore, a reasonable amount of time will be required to rebalance the Account’s asset allocation consistent with these Asset Allocation Guidelines. Notwithstanding the foregoing, the investment manager will not intentionally move outside the ranges unless directed by the Committee.
### Foundation Account

<table>
<thead>
<tr>
<th>Category</th>
<th>Lower Range</th>
<th>Policy Target</th>
<th>Upper Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Cap</td>
<td>14%</td>
<td>21.0%</td>
<td>30%</td>
</tr>
<tr>
<td>Mid Cap</td>
<td>0%</td>
<td>3.8%</td>
<td>8%</td>
</tr>
<tr>
<td>Small Cap</td>
<td>0%</td>
<td>2.2%</td>
<td>5%</td>
</tr>
<tr>
<td>Int'l Developed</td>
<td>16%</td>
<td>24.0%</td>
<td>32%</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>4%</td>
<td>9.0%</td>
<td>12%</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td><strong>40%</strong></td>
<td><strong>60.0%</strong></td>
<td><strong>70%</strong></td>
</tr>
<tr>
<td>Investment Grade</td>
<td>14%</td>
<td>20.0%</td>
<td>26%</td>
</tr>
<tr>
<td>Inflation Protected Securities</td>
<td>0%</td>
<td>3.0%</td>
<td>6%</td>
</tr>
<tr>
<td>High Yield</td>
<td>0%</td>
<td>3.0%</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Fixed Income</strong></td>
<td><strong>15%</strong></td>
<td><strong>26.0%</strong></td>
<td><strong>35%</strong></td>
</tr>
<tr>
<td>Commodities</td>
<td>0%</td>
<td>5.0%</td>
<td>7%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>0%</td>
<td>8.0%</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Real Assets</strong></td>
<td><strong>0%</strong></td>
<td><strong>13.0%</strong></td>
<td><strong>15%</strong></td>
</tr>
<tr>
<td>Cash</td>
<td>0%</td>
<td>1.0%</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>100.0%</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**INVESTMENT PERFORMANCE BENCHMARKS**

The performance review of Northern Trust at the asset class level will evaluate asset class performance versus the following benchmarks:

**Equity**
- Large Cap US Equity: S&P 500 Index
- Mid Cap US Equity: S&P MidCap 400 Index
- Small Cap US Equity: Russell 2000 Index
- International Developed Equity: MSCI EAFE Index
- Emerging Markets Equity: MSCI Emerging Markets Index

**Fixed Income**
- Investment Grade Bonds: Barclay's U.S. Aggregate Bond Index
- High Yield Bonds: Barclay's U.S. Corp. High Yield 2% Issuer Cap Index
- Treasury Inflation Bonds: Barclay's U.S. TIPS Index

**Real Assets**
Real Estate
Commodities

FTSE EPRA / NAREIT Global Index
DJ / UBS Commodity Index Total Return Index

These Asset Allocation Guidelines and Investment Performance Benchmarks will continue to apply to Northern Trust's management of the Account until changed and acknowledged in a signed and dated writing.

Foundation of MetroWest

BY: Kyle Schaffer

AS ITS: Chair, Investment Committee

ACKNOWLEDGED: Northern Trust, NA

BY: John A. Massey

AS ITS: Senior Vice President