

**Columbia Congregational Church
Legacy Endowment Fund
Investment Policy**

This investment policy (this “Investment Policy”) is applicable to the Columbia Congregational Church Legacy Endowment Fund (the “Endowment”) established by the members of the Columbia Congregational Church on the _____ day of the month of _____ in the year of our Lord 2011 pursuant to a document entitled the same and bearing such date, which is on file with the Church (the “Indenture”).

I. Investment Objectives

The investment objectives of the Endowment are:

1. Preservation of purchasing power – to assist the Church as the beneficiary of the Endowment to pursue its mission and to provide assurance to the donors to the Endowment of the enduring benefit of their gifts.
2. Protection of Endowment assets through limiting the volatility of investments relative to the general market – to provide a reasonable assurance to the Church and the donors to the Endowment that risks are being managed in a prudent and balanced fashion.
3. Socially responsible investment – to provide capital only to Portfolio investments that meet the standards of social responsibility as established below.

II. Investment Policy Guidelines

The following guidelines shall apply to the investment of Endowment assets:

Portfolios

1. The Endowment assets shall be invested in a financially prudent manner in assets of the kinds described in guideline 2 below. Until otherwise determined by two-thirds of the active membership of the Church in the same manner as is provided in the Indenture for the amendment thereof, the Fund shall be invested in one or more pooled common investment portfolios or funds (“Portfolios”) established and maintained by the United Church of Christ or any Conference of the United Church of Christ, provided that any such Conference Portfolio maintains a socially responsible investment policy found satisfactory by the Church’s Investment Committee.

Portfolios shall be selected by the Church's Investment Committee with such professional assistance as it shall deem prudent in a manner reasonably perceived by the Investment Committee to be consistent with the following guidelines:

- a. Diversification – The Endowment shall be prudently diversified among asset classes and among investments within asset classes.
 - b. Quality – Each Portfolio shall generally have a bias for quality and a prudent balance between historic measures of risk and return.
2. Each Portfolio's investments shall expressly exclude real estate and other assets generally viewed as being illiquid (unless investment in such assets are in the form of readily marketable, publicly traded investment vehicles such as exchange traded funds) and shall otherwise be one or more of the following:
- a. common stocks traded on national exchanges;
 - b. public bonds;
 - c. convertible securities;
 - d. short-term securities, including, without limitation, so-called money market mutual funds and U.S. Treasury bills;
 - e. bank deposits;
 - f. readily marketable commodities; and
 - g. other securities and recognized investment grade financial products not listed above, e.g., options, futures, foreign, venture capital, etc., provided that the given Portfolio's managers have generally committed to maintain such investments so that they represent no more 20% of fair market value of the Portfolio, or that the Investment Committee manages the Endowment's investment in any and all such Portfolios so that no more than 20% of the Endowment's assets are invested in any such Portfolio at some point within 90 days before or after each Determination Date.

III. Performance Evaluation

1. Each Portfolio's performance results will be monitored annually and evaluated on a long-term basis, generally over a 3-5 year time period or full market cycle, by the Church's Investment Committee. Specific attention shall be placed on:
 - a. Real and absolute total returns;
 - b. Comparisons against appropriately weighed results of generally accepted stock, bond and other investment indices;
 - c. Comparisons of the results against other Portfolios with similar objectives available for investment;

- d. Consistency of results over interim periods;
 - e. Volatility of asset values and investment income;
 - f. Portfolio transaction and management costs; and
 - g. Economic costs to the Endowment associated with restrictions on investments considered to be socially unacceptable to the Endowment.
2. Based upon the foregoing evaluation assessments, the allocation of Endowment Assets among selected Portfolios shall be reassessed and readjusted annually.

IV. Reporting

The Church's Investment Committee will meet at least twice a year to review Portfolio objectives, strategy and performance and to report such information to the Church Council as may be reasonably necessary for Council to oversee compliance with this Investment Policy. The Investment Committee shall coordinate such interim Portfolio information reporting as is reasonably requested by the Church Council. The Church's Investment Committee shall also make an annual report to the members of the Church containing such information as the Committee shall determine or Church Council or at least 5% of the membership of the Church may request.

V. Amendment

This Investment Policy may only be amended in accordance with the Endowment's Indenture.