

Maine Conference of the United Church of Christ

Consolidated Trust Fund

Investment Policy Statement

Objectives & Guidelines

(EXCERPTS RELATED *Socially Responsible Investing*)

As of July 27, 2006

Socially Responsible Investing

1. **Restrictions.** In its selection process, the Investment Manager should avoid securities of companies which derive a significant portion (as defined in the table below) of their revenues from the manufacture, sale or distribution of alcohol, gambling or tobacco.

| | |
|----------|-----|
| Alcohol | 10% |
| Gambling | 10% |
| Tobacco | 1% |

At the end of each financial year of the Consolidated Trust, each Investment Manager shall certify that these restrictions have been adhered to, or alternatively explain any deviations and the steps taken to redress the situation as well as to ensure compliance in future. These certifications and explanations shall be presented to the Board of Trustees by the Investment Consultant.

2. **Community Investing.** The Board of Trustees seeks, subject to availability of suitable investments, to invest 1% of current assets in companies and organizations which provide access to credit, equity, capital or basic banking products to communities which would otherwise lack such access. Such investments will be selected by the Board of Trustees acting upon the advice of the Investment Consultant.
3. **Proxy Voting.** The Investment Consultant will instruct the various Investment Managers to vote proxies in line with management's recommendations as explained in the proxy materials, unless it appears that Management is proposing something that is clearly self-serving and in management's interest rather than in the best interest of the shareholders. Investment Managers are, however, to be instructed to vote in favor of any proposal to 1) separate the functions of Chief Executive Officer and Chairman of the Board of Directors, and 2) require that the Chairman of the Board of Directors be an independent (non-employee) director. Investment Managers are to report to the Board of Trustees, through the Investment Consultant, when they have voted in opposition to management's recommendation.