

INVESTMENT POLICY STATEMENT
Investment Plan for Endowment Assets of The Minor Memorial Library
and the Trust of the Hodge Memorial Library and Museum
Adopted October 18, 1999

The endowment assets of the Library include two funds: (1) the endowment of the Minor Memorial Library and (2) the Trust of the Hodge Memorial Library and Museum. These assets are long-term in nature and are intended to help the Board of Directors and Trustees accomplish its mission.

The Investment Policy Statement provides guidance to the Library's investment manager, Sanford C. Bernstein & Co., Inc., as to the Board's investment objectives, guidelines, and performance objectives/measurement.

Investment Objectives

The primary objective of the investments is to provide competitive investment results from a defensive balanced investment approach. Both funds should be reviewed as one to accomplish this balanced plan.

Investment Guidelines

1. The endowments should be managed to provide a balance of capital appreciation, preservation, and current income.
2. The asset mix between stocks and bonds should never be less than 30 percent stocks and 70 percent bonds, nor more than 70 percent stocks and 30 percent bonds.
3. The current preferred asset mix should be 50 percent stocks and 50 percent bonds.
4. The account should be able to provide a real rate of return above inflation and taxes.

The following transactions are prohibited:

- ◆ Commodity trading
- ◆ Future transactions
- ◆ Purchasing letters of credit or other restricted securities
- ◆ Short selling
- ◆ Use of margin
- ◆ Purchasing of call options
- ◆ Selling of put options
- ◆ Bonds rated below investment grade
- ◆ More than 10 percent of the market value of the account assets in the securities of any one company
- ◆ More than 25 percent of the market value of the account assets in the securities of any one industry

Performance Objective Measurement

Each quarter the investment manager will review the Library's fund performance against its long-term objectives:

1. The Board expects the investment manager to be in the top half of all investment advisors with a comparable approach in each five-year period.
2. The specific performance objective is to achieve a return over time in excess of the CPI by three percentage points per year.

Review

The selection of investment manager is subject to a three-year review by the Board or more frequently subject to Board discretion. The review should coincide with the Board's review of the fourth quarterly report in the year. Performance will be reviewed quarterly, although investment perspective is long term. Bernstein's performance was last reviewed on October 9, 2000.

In Effect

This policy is in effect until otherwise amended in writing by the Board of Directors and Trustees on the Minor and Hodge Libraries.

Resolution to Be Approved at the June 13 2005 Meeting
of the Roxbury Public Library Board of Directors

Article VIII of the Bylaws states: "All checks, drafts, deposits, investments shall be signed on behalf of the library in the manner authorized by the Board from Time to time."

We hereby authorize the Chair of the Board and the Treasurer of the Board as signatory individuals for the bank accounts of the Library. Currently, the two designated individuals are Stan Mongin and Cynthia Newby.

Approved by the Roxbury Public Library Board

,Chair

6/13/2005

Dated