

MEYER MEMORIAL TRUST

August 6, 1982

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GENERAL STATEMENT OF INVESTMENT OBJECTIVES & POLICIES

INTRODUCTION

This statement of investment objectives and policies governs the investment management of the Investment Pool (“the Trust”) of Meyer Memorial Trust.

PURPOSE OF TRUST

The purpose of the MEYER MEMORIAL TRUST is to provide grants in support of general charitable and special purpose programs within the state of Oregon and Southwest Washington and to engage in related philanthropic activity.

FINANCIAL OBJECTIVE

The overall financial objective of the Trust is to maintain the real (inflation-adjusted) value of the endowment through a diversified, volatility-managed portfolio, capable of supporting spending needs. Performance of the overall endowment against this objective should be measured over rolling periods of at least ten years, but monitored over rolling three- to five-year periods or a full market cycle, whichever is longer.

INVESTMENT OBJECTIVES

The primary long-term investment objective of the endowment is to earn a total rate of return that exceeds the spending rate plus long-term inflation (as measured by the Consumer Price Index) plus the costs of managing the investment fund and allowable administrative expenses. Thus, if the spending rate averages 5%, the rate of inflation averages

3%, and investment management and allowable administrative costs average 1%, then total return should exceed 9% per year. Performance against this objective should be measured over rolling periods of at least ten years and monitored in the interim.

The medium-term objective for the endowment is to outperform each of the capital markets benchmarks in which assets are invested, measured over rolling periods of five years or complete market cycles, with emphasis on whichever measure is longer.

Investments that further Meyer Memorial Trust's mission are a priority of the Trust. Investments in Oregon and the Pacific Northwest and managers that consider environmental, social, and governance (ESG) and economic impact factors are examples. When appropriate investment options are available, the Board of Trustees will seek out and consider mission related investment managers in manager searches.

SPENDING

Spending from the endowment will generally average 5% of the monthly market values of the endowment for the previous 12 months. The Trustees may set a spending policy that deviates from this target for reasons deemed appropriate and prudent by the Trustees.

ASSET SELECTION AND ALLOCATION

The portfolio may be invested in readily-marketable securities such as domestic and non-U.S. common stocks, domestic and non-U.S. bonds, and cash equivalents; or in non-marketable securities such as private placements or limited partnerships in real estate, venture capital, timberland, etc.

The total endowment shall be diversified both by asset class and, within asset classes, by economic sector, industry, and market capitalization (size). The purpose of diversification is to limit the specific risk associated with any single security or class of securities.

The securities of any one issuer, other than the U.S. Government, shall not exceed 5% at cost of the total value of the endowment. However, with prior approval of the Board, the endowment may take short or long index futures positions to adjust its effective asset allocation, provided that the full exposure of such positions is covered by endowment assets.

No investment will be made that might jeopardize the Trust's tax-exempt status under the Internal Revenue Code, nor will any investment be made that constitutes an excess business holding within the meaning of Section 4943 of the Internal Revenue Code (i.e., more than 20% of a corporation's stock).

The purpose of investments in common stocks (both domestic and non-U.S.) is to earn high real rates of return, so that both capital appreciation and growth in current income exceed the rate of inflation.

The purpose of investments in bonds is to provide a hedge against deflation, a source of current income, and diversification of the endowment. Consideration of the role of bonds as a deflation hedge will be an important factor in structuring the maturity of the Trust's bond portfolio. Bonds that are appropriate deflation hedges are those with an average maturity of five years or greater, quality ratings of Corporate AA or better, and at least five years of call protection.

The purpose of investments in real estate and energy/resources is to provide a hedge against inflation, a source of current income, and diversification of the endowment.

The purpose of investments in venture capital, leveraged buy-outs, and similar assets is to provide high rates of return and diversification of the endowment.

The purpose of investments in hedge funds is to diversify the portfolio, dampen volatility, and provide equity-like returns over the long run.

The purpose of investments in cash equivalents is to provide adequate liquidity for investment reserves and current operations, and from time to time to serve as equity or bond substitutes for defensive purposes in adverse investment conditions.

The Board may set asset allocation targets that deviate from these ranges and asset categories for reasons deemed appropriate and prudent by the Trustees. Such deviations must be approved and re-approved quarterly until the targets are set to fall within the ranges established.

The market value of investments in various assets shall remain within the following ranges, except for minor deviations due to fluctuations in market value or current spending:

	<u>Percent of Total Fund</u>	
	<u>Allowable Range</u>	<u>Long-Term Target</u>
<u>Marketable Assets</u>		
<u>Domestic Stocks</u>	10% - 25%	15%
<u>Non U.S. Equities</u>		
Developed	10% - 25%	15%
Emerging	<u>0% - 15%</u>	<u>5%</u>
Total Equities	30% - 50%	35%
Global Fixed Income	10% - 25%	14%
<u>Alternative Assets</u>		
Energy/Resources	0% - 10%	8%
Acorn Investors	0% - 10%	5%
Real Estate	0% - 12%	10%
Private Equities*	5% - 25%	15%
Hedge Funds	<u>5% - 15%</u>	<u>12%</u>
Total Alternative		50%
Cash		<u>1%</u>
<u>Total Assets</u>		<u>100%</u>

* Private equities includes venture capital, private placements, leveraged buyouts, distressed securities, and other lock-up investments.

INVESTMENT MANAGEMENT

The endowment of the Trust will be managed primarily by external investment management organizations. Investment managers have discretion to manage the assets in each portfolio to best achieve the

investment objectives, within the policies and requirements set forth in this statement and the statements for each investment manager.

Equity managers will be selected to provide diversification of the overall portfolio among industry groups, economic sectors, market capitalization, and investment philosophies.

Each investment manager will be provided with written statements of investment objectives and guidelines as part of the investment management contract that will govern his or her portfolio. These objectives shall describe the role the investment manager is expected to play within the manager structure, the objectives and comparative benchmarks that will be used to evaluate performance, and the allowable securities that can be used to achieve these objectives. These statements will be consistent with the Statement of Investment Objectives and Policies for the overall endowment, as set forth herein. Investment managers will be provided with a copy of the Statement of Investment Objectives and Policies for the endowment. The Trust generally cannot customize terms for commingled vehicles and would accept prospective terms.

RESPONSIBILITIES

Investments require prior approval by the Board. The oversight responsibilities of the Board include quarterly review of investment performance, development of investment policies, oversight of implementation, selection and monitoring of the managers, quarterly manager meetings, and monitoring of the spending policy. With respect to the investment process, specific responsibilities to be performed with the advice and assistance of appropriate consultants, professional advisors, and staff include:

- Ensuring that current spending requirements are supported while also preserving the purchasing power of the fund;
- Achieving an optimum level of return within specified risk tolerances;
- Developing a sound and consistent investment policy including asset allocation, diversification and quality guidelines;
- Selecting and maintaining qualified investment managers and consultants;
- Monitoring and evaluating results to ensure that policy guidelines are being adhered to and that policy objectives are being met; and
- Reporting on the status and performance of the fund on a regular basis.

CONFLICT OF INTEREST POLICY

Meyer Memorial Trust Trustees are charged with the responsibility for recommendations and decisions which in their judgment best serve the long-range interests and objectives of the organization.

From time to time, the Board may consider matters in which members of the Board, or persons affiliated with them, have a direct or indirect financial interest. In order to resolve any question of conflict of interest, whether real or apparent, the following procedures apply:

- Trustees shall disclose to the Board any relevant facts which might give rise to a conflict of interest with respect to any matter to be considered by the Board.
- Trustees so affected shall abstain from the Board discussion of any such matters, unless the Board specifically requests information from such Trustee.
- The affected Trustee, if requested to do so by any member of the Board, shall withdraw from the meeting during the Board consideration of the relevant matter. If, on any potential conflict of interest matter, the Board reaches a conclusion as to appropriate corrective action, the affected member will be obligated to comply.
- Under normal circumstances, members of the Trust's Board may not be employed by firms managing investments of the organization.