Rose Fitzgerald Kennedy Greenway Conservancy
Investment Policy Statement
Adopted May 2011; revised January 28, 2014

I. Introduction

A. This document articulates a specific set of investment policies and provides a set of guidelines that will permit the Rose Fitzgerald Kennedy Greenway Conservancy's (The Conservancy) Investment Committee to oversee the investment of the Conservancy's assets. It details the authority and responsibility for the safekeeping and effective management of the Conservancy's funds and other assets. These guidelines serve a fourfold purpose:

   1. To articulate a plan for investing the Conservancy's endowment fund assets;
   2. To communicate an investment framework between the Investment Committee and the Investment Consultant(s) or Investment Advisor(s);
   3. To articulate standards for the measurement of portfolio, consultant and manager performance; and
   4. To define the Conservancy's spending policies.

II. Background / Mission

A. The Conservancy was established in 2004. Its mission is to provide broad- based support to ensure standards of excellence in the design, sustainability and use of the Rose Fitzgerald Kennedy Greenway and to secure the Greenway's future as one of America's foremost urban parks.

B. The Conservancy is a non-profit organization as defined in Section 501 (c)(3) of the United States Internal Revenue Service Code of 1986, as amended.

C. The Conservancy operates on a fiscal year. The fiscal year begins on July 1st and ends June 30th. The annual operating and spending budgets coincide with the fiscal year.

III. Duties and Responsibilities

A. Investment Committee - The Conservancy's Board of Directors is responsible as fiduciaries to manage all its investable funds. In order to execute this mandate, the Conservancy has directed the Investment Committee to be responsible for activities that include, but are not limited to the following:

   1. Establishing sound investment goals with regards to spending policy, target return and appropriate risk exposure;
   2. Establishing appropriate spending policies and updating these as needed for adoption by the Board of Directors during its annual budget preparation;
   3. Selecting and retaining a qualified professional Investment Consultant(s) or

Investment Advisor(s);

4. Providing the Investment Consultant(s) or Investment Advisor(s) with annual budget and anticipated spending needs;
5. Reviewing asset allocation at least annually;
6. Overseeing the duties and responsibilities of those accountable for designing and implementing investment strategy;
7. Reviewing the investment managers and/or investment vehicles;
8. Voting the proxies of any investment vehicle (e.g. mutual fund, equity, etc.) directly owned by the Conservancy without the discretion of a money manager;
9. Monitoring and evaluating results against benchmarks to ensure that the Conservancy's investment guidelines are being adhered to and that its objectives are being met;
10. Reviewing invested assets with the Investment Consultant(s) or Investment Advisor(s) and reporting results to the Board of Directors;
11. Convening annual investment review.

B. Investment Advisor - The "Investment Advisor" may be a consultant, an advisor directly to the Conservancy or a registered investment advisor overseeing one or more diversified, multi-manager vehicles used as part or all of the investment solution. The Investment Advisor is responsible for activities that include, but are not limited to the following:

1. Developing a working knowledge of the Conservancy's mission and spending policies;
2. Applying this knowledge to gauge the fit and appropriateness of underlying investment vehicles;
3. Assisting the Conservancy in the management of assets under its care, custody, and/or control in accordance with the IPS, its stated objectives and guidelines set forth herein, when deviation is deemed prudent and desirable by the Investment Committee and the Board of Directors;
4. Selecting and monitoring investment managers and/or investment vehicles consistent with the needs and objectives of the Conservancy. Investment managers in turn may have investment discretion with the parameters set by the Investment Advisor;
5. Informing the Investment Committee in writing, at least quarterly, regarding all significant and/or material matters and changes pertaining to the investment of Conservancy assets, including, but not limited to:

    a) Investment strategy;
    b) Portfolio structure;
    c) Tactical shifts;
    d) Ownership;
    e) Organizational structures;
    f) Financial condition;
    g) Professional staff;

h) Recommendations for IPS guideline changes; and
i) All material legal, SEC and other regulatory agency proceedings affecting the Investment Advisor.

6. Utilizing the same care, skill, prudence, and due diligence under the circumstances then prevailing that experienced, investment professional acting in like capacity and fully familiar with such matters would use in like activities for like portfolios with like aims in accordance and compliance with all applicable laws, rules, and regulations from local, state, federal and international political entities as they pertain to fiduciary duties and responsibilities;
7. Acknowledging and agreeing, in writing, to their fiduciary responsibility to fully comply with the entire IPS set forth herein, and as modified in the future or if one or more diversified, multi-manager vehicles are utilized, acknowledging their fiduciary responsibility to those vehicles;
8. Providing the Conservancy with reports on holdings, values, and activity, to be submitted no less than monthly with quarterly, semi-annual, and annual summaries that augment the monthly data and articulate performance, portfolio allocation and diversification; portfolio adjustment strategies and recommendations; updates on the status of portfolio managers including notification of any changes in any portfolio manager; and benchmarks of comparable classes or funds;
9. Evaluating and executing when deemed necessary the rebalancing of the portfolio to maintain the desired risk and return profile; and
10. Developing a plan with all Investment Managers via the voting of any and all proxies solicited in connection with the securities held by the custodian(s).

IV. Investment Goals

A. The investment goals of the Conservancy are:

1. To preserve capital through downside risk management;
2. To provide a reasonable rate of total return, net of investment, custodial, money management, transaction costs and other fees, from which expenses can be taken;
3. To plan and provide for cash distributions at times aligned with the approved budget and spending policy of the Conservancy without the need to sell short or at a loss;
4. To produce real portfolio growth above Conservancy expenses over a full economic cycle of seven years that is 4.5% (450 basis points) greater than the anticipated rate of inflation. (The Investment Committee will annually review consensus forecasts of CPI inflation for the coming year to assess the appropriateness of this goal).
5. Over a full economic cycle of seven years, Investment Managers should perform in the top quartile of their peer group and consistent with their asset class index. The total endowment should perform in the upper third of a group of comparably sized endowments over a full market cycle.

V. Spending Policy

A. The Board of Directors approves the Conservancy's administrative budget, in accordance with a spending policy adopted annually during the budget's preparation. The annual cash payout is defined for the forthcoming year. It is anticipated that the spending policy will approximate 4.5% of the average fair market value of the endowment, using a 12-quarter trailing average.

VI. Investment Risk Parameters

A. The Conservancy recognizes that volatility occurs in the investment markets for many reasons including political, economic, and psychological factors. The volatility will be reviewed on an annual basis.

B. The Investment Consultant or Investment Advisor may utilize risk metrics including standard deviation, beta, Sharpe Ratio and Info Ratio among other quantitative and qualitative measures to help evaluate Investment Managers' performance and the overall portfolio's performance as a whole.

C. In general, the Conservancy seeks to experience the minimum level of volatility necessary to meet the return objectives. To that end, the Investment Consultant or Investment Advisor may rely upon modeling approaches it deems appropriate in helping the Conservancy evaluate target allocation options and will analyze volatility and risk-adjusted returns when evaluating Investment Managers.

D. The Conservancy shall diversify its investments across asset classes and investment styles in order to pursue its investment objectives. With respect to investment management providers, the Conservancy will seek some level of organizational diversification if practical.

VII. Asset Allocation Guidelines

A. Annually, the Investment Committee shall review the overall portfolio's asset allocation against its own framework of minimum/maximum asset class exposure guidelines. These guidelines are meant to be broad enough to allow managers or advisors to multi- manager vehicles significant flexibility and major adjustments to these guidelines are expected to be rare.

B. If working with an Investment consultant, the following criteria apply:

1. The Consultant shall provide the Investment Committee with risk and return assumptions for each asset class;
2. The Investment Committee shall determine which asset classes it is willing to consider and what constraints if any shall be placed on a single asset class;
3. The Consultant shall provide the Investment Committee with a set of recommended asset class allocations using the Efficient Frontier. At the request of

the Investment Committee, the Consultant will provide a series of at least three potential allocations with differing risk and return profiles charted on The Efficient Frontier;

4. The Investment Committee shall choose an allocation that reflects the long-term goals of the Conservancy; and
5. While the Investment Committee may make tactical adjustments within asset classes, the Committee does not revisit the target asset allocation except at its annual allocation review.

C. If working with an Investment Advisor overseeing one or more diversified, multimanager vehicles, the following criteria apply:

    1. The diversified, multi-manager vehicle(s) shall be consistent with the investment goals and objectives of the Conservancy;
    2. The diversified, multi-manager vehicle(s) shall seek to achieve its (their) objective(s) through diversification across multiple asset classes;
    3. The diversified, multi-manager vehicle(s) may use, in whole or in part, a manager of manager approach and thereby achieve "manager diversification" in addition to “asset class diversification”;
    4. The Investment Committee shall review the diversified, multi-manager vehicle(s) on at least an annual basis to assess performance and to confirm the presence of adequate asset class and manager diversification; and
    5. The diversified, multi-manager vehicle(s) is (are) managed by an Investment Advisor(s) registered with the United States Securities and Exchange Commission.

Diversified, multi-manager vehicles meeting all of the above criteria need not comply with the specific asset allocation and other requirements set out above for the Conservancy if the Investment Committee reasonably determines that such vehicle(s) are structured and operated in a manner calculated to achieve the overall objectives of the Conservancy's IPS Statement.

VIII. Rebalancing

A. Each quarter, and/or as funds are added/withdrawn from the portfolio, the Investment Consultant or Investment Advisor will assist the Conservancy in reviewing and when appropriate, rebalancing the portfolio.

IX. Separately Managed Accounts

A. Selection of Investment Managers if working with an Investment Consultant

    1. The Investment Committee will review recommendations made by the Investment Consultant and select Investment Managers that are either banks, insurance companies, investment management companies, or investment advisers as defined by the Registered Investment Advisers Act of 1940.

2. Investment Managers under consideration shall make available directly or through the Consultant:

    a) Historical quarterly performance information calculated on a time weighted basis, based on a composite of all fully discretionary accounts of similar investment style, and reported net and gross of fees. Performance information should include a comparison to appropriate market indexes and peer groups, taking into consideration both risk and return;
    b) Form ADV Part II, a prospectus, or comparable information, such as an annual report from a bank or insurance company; and,
    c) History and ownership of the firm, key investment personnel stability, key clients, fee schedule, and support personnel.

3. The Investment Consultant shall select investment managers appropriately suited for implementing the Conservancy's investment strategy and pursuing the Conservancy's objectives. To this end, the Consultant shall consider at least the following:

    a) Stability, capacity and integrity of the money management firm;
    b) Length of tenure of portfolio managers and length of track record of investment strategy;
    c) Regulatory and legal standing (to the extent possible).
    d) Investment philosophy, including risk management strategy;
    e) Historic performance under various market conditions;
    f) Risk adjusted performance;
    g) Fees; and
    h) Willingness and ability to service account.

B. Selection of Investment Managers if investing in one or more diversified, multi-manager vehicle(s)

1. The Investment Advisor(s) to the vehicle(s) is (are) expected to perform on-going due diligence on existing and prospective managers.
2. Manager changes are permitted, indeed expected, without consulting with the Investment Committee.
3. The Investment Advisor(s) shall provide the Conservancy with its Form ADV Part II and with a prospectus or offering memorandum for each diversified, multimanager vehicle.

C. Investment Directions

1. Within separately managed accounts, equity holdings will be restricted to readily marketable securities of corporations that are actively traded on the major U.S.-based national or regional exchanges.
2. These holdings must represent companies meeting a minimum capitalization requirement of $100 million on the date of purchase.

3. Separate account Investment Managers may purchase marketable securities not in conflict with the prohibited securities below:

    a) Unregistered or restricted stock;
    b) Securities purchased via the use of margin financing;
    c) Securities sold short;
    d) Future and options contracts;
    e) Other types of derivative investment;
    f) Commodities; (unless traded on the exchanges in ETF form)
    g) Collectibles; (unless traded on the exchanges in ETF form)
    h) Direct loans, or collateral agreements;
    i) Bonds with an average credit rating of no less than BBB as defined by Standard & Poor's; and/or
    j) Indirect & Direct Real Estate Investments. (with the exception of publically traded REITs)

4. Investments in diversified, multi-manager vehicles meeting the standard set forth in Section VII (C) (5) hereof are not subject to the restrictions above, but instead are governed by the prospectus or offering memorandum investment guidelines.

X. Alternative Investments

A. Selection of Investments

1. "Alternative Investments" are broadly defined investments that generally possess low correlation to stock and/or bond markets, diversify the Conservancy's portfolio, support the Conservancy's goals, and may be available in a variety of investment structures. In general, these investments would serve as alternatives to separately managed accounts.
2. The Investment Committee will review recommendations made by the Investment Consultant and may implement alternative investment strategies designed to meet the Conservancy's goals. Philosophically, they only may be used in an effort to potentially reduce overall portfolio risk or volatility.
3. When considering these alternative investments, the Committee shall work with the Consultant to review and evaluate the following:

    a) Appropriate private placement memoranda, offering memoranda, prospectus, and/or additional risk disclosures;
    b) Stability, capacity and integrity of the money management firm;
    c) Length of tenure of portfolio managers and length of track record of investment strategy;
    d) Regulatory and legal standing (to the extent possible).
    e) Investment philosophy, including risk management strategy;
    f) Historic performance under various market conditions;
    g) Risk adjusted performance;

h) Fees;
i) Willingness and ability to service account; and,
j) Liquidity, transparency and time horizon of the investment.

4. Diversified, multi-manager vehicle(s) meeting the standard set forth in Section VII (C) (5) hereof may employ alternative investments subject to the terms and conditions of the prospectus or offering memorandum.

B. Investment Directions

1. When investing directly in alternative investments the Conservancy permits the following investment strategies :

   a) Unregistered and restricted stock;
   b) Securities purchased via the use of margin financing;
   c) Securities sold short;
   d) Future, forward and options contracts,
   e) Managed futures funds;
   f) Other types of derivative investments;
   g) Commodities;
   h) Direct loans, or collateral agreements; or
   i) Bonds with an average credit rating of less than BBB as defined by Standard & Poor's.

XI. Monitoring of Investment Consultant or Investment Advisor

A. The Investment Committee will monitor the Investment Consultant's or Investment Advisor's service at least annually and review:

   1. Fees (transparency of activity and fees);
   2. Ease in working relationship, communications and reporting;
   3. Effectiveness in assisting the Conservancy to meet its objectives;
   4. Performance in strategizing to meet liquidity needs; and
   5. Quality of ongoing due diligence and reporting.

XII. Monitoring of Investment Managers and Alternative Investments

A. Quarterly performance will be evaluated to measure progress toward the attainment of longer-term investment goals. It is understood that there are likely to be short-term periods during which performance deviates from Conservancy objectives and/or market indices. The Investment Committee will monitor performance on both absolute and relative basis over a full economic cycle of seven years. Additionally, the Committee will at least annually review each money manager's or each vehicle's:

   1. Appropriateness vis the IPS guidelines;
   2. Material changes in organization, investment philosophy and/or personnel;

3. Risk and return results relative to Conservancy objectives;
4. Risk and return results relative to appropriate indexes and peer groups;
5. Adherence to investment style.

B. Managers are expected to perform:

1. In a manner consistent with their investment mandate given prevailing market conditions;
2. In the upper quartile of the Investment Manager's respective peer group or style universe; and
3. In a manner consistent with pursuing the long-term investment goals of the Conservancy.

C. An additional review of an Investment Manager will be conducted by the Consultant whenever the Investment Manager's performance falls below that of its peer group index for more than two consecutive quarters or to a degree that requires further investigation.

D. While material changes to money managers with regards to the matters above shall be reviewed at regularly scheduled Investment Committee meetings, the Consultant is expected to be proactive about informing the Committee about any such changes in a timely manner, regardless of the date of the next meeting.

XIII. Monitoring of Goals

A. Since changes in the Conservancy's needs or changes in the basic nature of the capital markets will develop only gradually, decisions to change the IPS are not anticipated to be made on a frequent basis. The IPS will be reviewed annually and will be reviewed thoroughly should any significant event occur or be anticipated.

B. Nonetheless, the Investment Consultant or Investment Advisor is expected to make timely recommendations to the Investment Committee regarding opportunities and specific strategies to change the IPS that the Investment Consultant or Investment Advisor believes are prudent based on then existing conditions. If, at any time, the Investment Consultant or Investment Advisor believes that a specific guideline or restriction is impeding the ability to implement or meet the performance goals, the Investment Consultant or Investment Advisor must present this information to the Investment Committee in a timely manner.