

Bridgewater Board of Trustees

Town of Bridgewater

Town Hall • P.O. Box 216 • Bridgewater, CT 067542

SUBJECT: Investment Policy Guidelines and Trading Authorization
(Originally dated October 19, 2007)

TO WHOM IT MAY CONCERN:

The Town of Bridgewater has entrusted and empowered the Board of Trustees (Board) to make investment decisions for the following Town accounts:

| <u>Account</u> | <u>Investment Objective</u> |
|--|--|
| Bridgewater Library Growth Fund | Capital appreciation |
| Bridgewater Library Fund | Current income primary, growth of income secondary |
| Bridgewater Scholarship Fund | Current income primary, growth of income secondary |
| Brooks-Piggot/Cowin Fund | Current income primary, growth of income secondary |
| Burnham Fund | Current income primary, growth of income secondary |
| Winifred Sills Gould Scholarship Fund | Preservation of Capital with current income secondary |
| Jespersen Scholarship Fund | Current income primary, growth of income secondary |
| Open Space and Land Acquisition Fund | Capital appreciation |
| Richard T. Harris Fund | Capital appreciation |

The following Investment Policy Guidelines and Trading Authorization are effective immediately:

The Board consists of five (5) Trustees and meets at least quarterly. Using each Trustee's talents and insights, as well as those of UBS Financial Services, its investment advisor and other research, the Board follows the prudent investor rule to make investment decisions in accordance with the needs and investment objectives of each account.

Authorized investments include: common, preferred and convertible stock; exchange traded funds, including equity growth and value funds, equity indexes, sector index funds, country funds and bond funds; fixed income securities, including corporate bonds, convertible bonds, mortgage-backed securities, treasury and agency bills, notes, bonds and pools; mutual funds, including stock, fixed income, balanced or money market; certificates of deposit; money market funds and cash equivalents. Investments can be made in U.S., International or Global market securities.

Authorized investments for the Gould Scholarship Fund are federally insured (or guaranteed) or original obligations of the United States only.

***Effective April 26, 2002**, regarding the asset allocation of the Richard T. Harris Fund, the Board established a range for equities investments from a low of 60% to a high of 75%.

All orders submitted to UBS Financial Services must be in writing and may be faxed to the branch office.

All orders are a result of Board votes documented in the Minutes of the Board of Trustees Meetings. All orders must be signed by any one of the following: First Selectman, Town Treasurer, Chairman of the Board, Vice Chairman of the Board or Secretary of the Board.

These Guidelines and trading authorizations are effective immediately until superseded in writing.

***Effective January 21, 2010:**

(a) Correct all references in the document, regarding UBS, to Merrill Lynch.

(b) Regarding the asset allocation of the Richard T. Harris Fund, the Board established a range of equities investments from a low of 40% to a high of 75%, subject to the Board decision to modify this range as market conditions require.

Effective April 27, 2011:

(a) Correct all references in the document, regarding Merrill Lynch to Ameriprise Financial.

(b) Orders submitted to Ameriprise Financial may be sent via email