

ADOPTED JUNE 25, 2019

THE TRUSTEES OF TOWN DONATIONS
TOWN OF CONCORD

DISTRIBUTION POLICY

In developing the Distribution Policy for each of the Trust Funds (each a "Fund" and collectively, the "Funds") under the purview of the Trustees of Town Donations of the Town of Concord (the "Trustees"), the Trustees have taken into consideration the following:

- the purpose of each Fund as set forth in the relevant Fund documents by the relevant donor(s);
- the Trust's financial condition;
- the Fund's liquidity requirements; and
- the range of historic and expected returns, both nominal and real.


Based upon these considerations, the Trustees have recommended and adopted this Distribution Policy to set forth the guidelines for distributions from each Fund. This Distribution Policy shall be used as a governing principal, provided that the Trustees shall have the power, upon the vote of the requisite number of Trustees in accordance with the Town Charter to deviate from this Distribution Policy if the Trustees (i) believe it is in the best interest of the Fund and is keeping with the intent of the donor(s) or (ii) are required by the terms of the relevant governing documents of the Fund to distribute the principal and/or interest upon a date certain of the occurrence of other event or conditions.

In 2019, the Trustees established the 2019 Fiscal Year Target Market Value for each fund as set forth on Exhibit A to this Distribution Policy. At the beginning of each subsequent fiscal year, the Trustees shall calculate that year's Target Market Value for each Fund by (i) increasing or decreasing the Target Market Value for each fund by the percentage increase or decrease in the Consumer Price Index (CPI) (All Urban Consumers (Current Series)) over the twelve months of the prior fiscal year as reported by the US Bureau of Labor Statistics and (ii) increasing the Target Market Value by the amount of contributions, if any, to the Fund during the previous fiscal year.

Under normal circumstances, the Trustees may recommend annual aggregate distributions of up to 4% of the market value of the Fund from assets eligible for distribution from the Fund, as determined in accordance with the terms of the relevant Fund documents ("Eligible Assets"). The annual aggregate amount distributed should be the lower of (i) the amount requested and (ii) 4% of the market value of the Fund.

If a request is made, whether a standing request or a new request, to distribute more than 4% of the market value of the Fund from Eligible Assets, the Trustees may recommend an annual aggregate distribution of up to 5% of the market value of the Fund from Eligible Assets if the market value of the Fund at the end of the prior fiscal year exceeds 110% of the current year's Target Market Value.

If the market value of the Fund at the end of the prior fiscal year is lower than 90% of the current year's Target Market Value for such Fund, the Trustees may recommend an annual aggregate distribution of no more than 2.75% of the market value of such Fund from Eligible Assets.


Chairman