



The Dwight Hall SRI Fund

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Market Driven Portfolio 2011 Report

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Asset Allocation

The portfolio is currently organized into of four distinct asset classes—global developed equity (54%), fixed income (30%), real estate (13%), and cash (2%). Our present allocation has not deviated significantly from our initial proposed fund allocation last winter (55% equity, 30% fixed income, 15% real estate). Though some funds have outperformed others, the combination of the high fees associated with rebalancing as well as the fact that overall class allocation has not altered leads us to recommend against rebalancing the portfolio at this time.

Global Equity

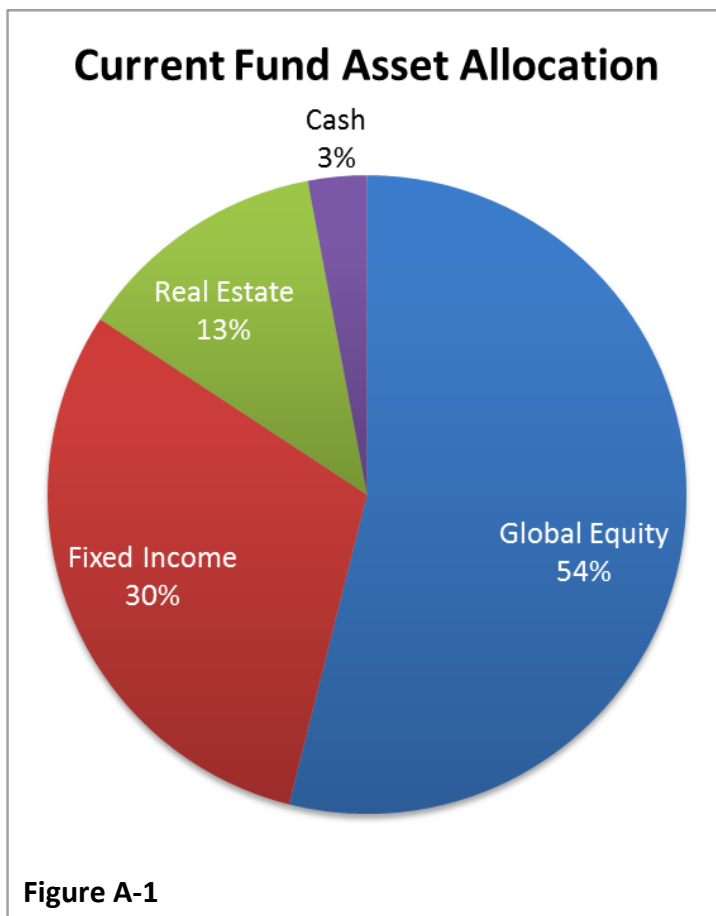
Our global equity class is composed of the six SRI mutual funds [The Parnassus Fund (PARNX), Parnassus Equity Income (PRBLX), TIAA CREF Institutional Social (TICRX), Appleseed Fund (APPLX), Pax World Global Green Fund (PGRNX), and Portfolio 21 (PORTX)] that were proposed and purchased in February 2010. They provide diversification across global and domestic equity.

Fixed Income

Our fixed income assets, purchased in late March 2010, consist of a laddered treasury exchange traded fund (ETF) (Invesco PowerShares 1-30 Laddered Treasury Fund) and a Treasury Inflation-Protected Securities (TIPS) fund (Barclays iShares TIPS Bond Fund).

Real Estate

Our real estate class is an internally managed real estate index based on a screened version of the Cohen & Steers Realty Majors Index that emphasizes superior environmental, social, and governance (ESG) performance. It is composed of 13 real estate investment trusts (REITs) purchased in June 2010, each comprising no more than 2% of the total portfolio. (These REITs are Boston Properties, Duke Realty Corporation, Healthcare REIT, HCP Inc., Host Hotels & Resorts, Kimco Realty Corporation, Liberty Property



Trust, Macerish Co., ProLogis Share of Beneficial, Regency Centers Corporation, Ventas Inc, and Weingarten Realty Investors.)

Cash

Finally, the remainder of our portfolio, a combination of dividends and capital, is in cash.

Fund Performance

Overview

Since inception, the portfolio saw 14.79% total portfolio growth. In the same period, a weighted average of our three asset class benchmarks (MSCI World Index, DJ US Real Estate Index, and Ryan/Mergent 1-30 US Treasuries) marked a return of 10.86%. A comparable index, the Vanguard Balanced Index (VBAIX) posted 13.23% growth during the same period. A composite index of all weighted indices grew only 10.77% in the same time period.

During the same period, our global equity class saw growth of 11.70%, over performing as compared our benchmark, the MSCI World Index (7.85%). Our real estate portfolio overperformed its benchmark, the Dow Jones US Real Estate Index Fund, with growth of 20.73% as compared to 11.67%. Fixed income, which was purchased using an index, appreciated by 11.9%.

We paid a total of \$147 in fees while constructing the portfolio, amounting to approximately 1-3% of each stock purchase.

Dwight Hall SRI Fund vs. Benchmark Performance (6/15/10 - 2/24/12)

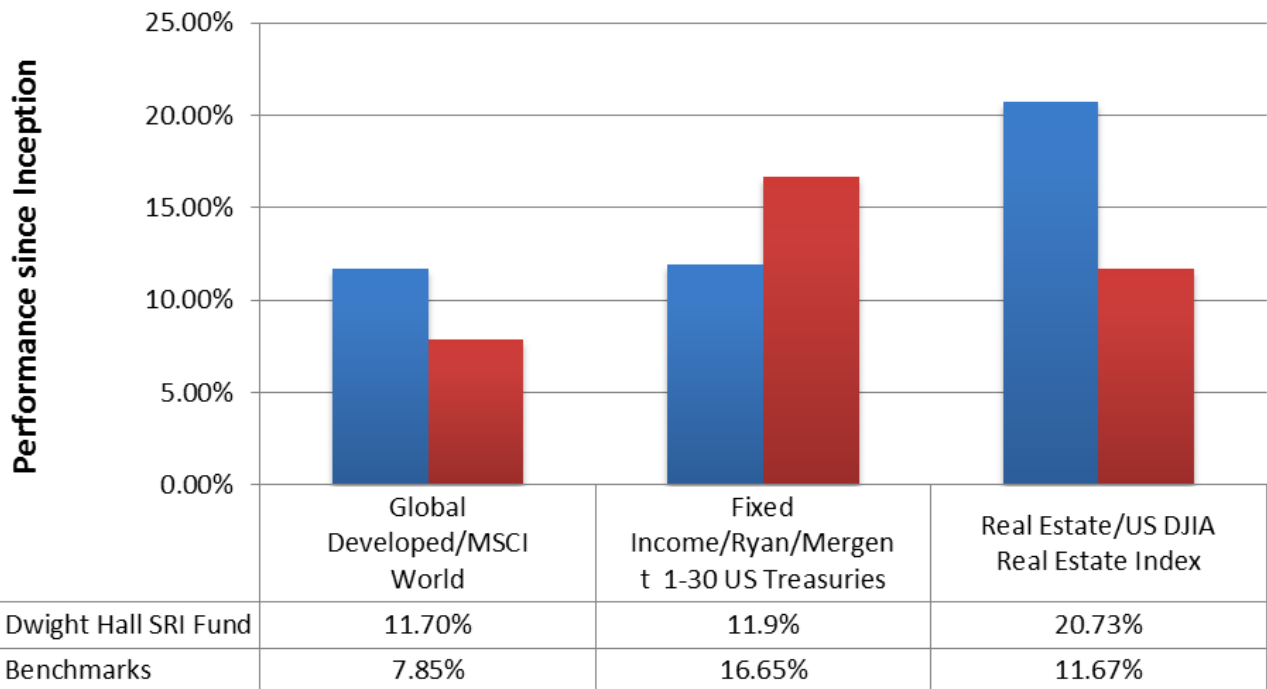


Figure A-2

Global Equity

Below is a more complete breakdown of our global equity portfolio.

| <u>Fund Name</u> | <u>Performance (Inception-1/22/12)</u> |
|---|--|
| Parnassus Fund (PARNX) PARNX Background | 17.45% With annualized returns that beat the S&P 500 by 3.5% over the past ten years, it quickly makes up for its relatively low 0.99% net expenses. Since its managers follows a strategy of attempting to identify and invest in undervalued companies, its returns tend to fluctuate and there have been a number of periods in its history where it has significantly underperformed or outperformed the S&P 500 for between one and three years. Regarding social responsibility, this fund follows the same approach to screening and shareholder advocacy as the Parnassus Equity Income Fund. |
| Parnassus Equity Income (PRBLX) PRBLX | 17.22% PRBLX aims to provide investors with both current income and capital appreciation by investing |

| | |
|---|---|
| Background | at least 75% of its assets in securities that pay interest or dividends. It has a conservative investment approach aiming to preserve capital in down markets while participating in up markets. The fund uses both positive and negative screens and participates in shareholder advocacy on a number of topics. It also invests up to 2% of funds in community development financial institutions. |
| TIAA-CREF Social Choice Equity (TICRX) TICRX Background | 14.84% TICRX aims to invest in a portfolio of screened companies that match the performance of the Russell 3000 benchmark. As an index fund, it also has minimal expenses. It uses a negative screening approach to exclude companies with significant involvement in alcohol, tobacco, gambling, firearms, military, and nuclear power. It also uses a positive screen to seek out companies that have strong environmental, labor, and community involvement standards. |
| The Appleseed Fund (APPLX) APPLX Background | 7.34% APPLX invests in variety of investment classes, seeking to generate market-beating returns by investing in quality, undervalued companies, real estate, and commodities screened for social and environmental responsibility. The manager takes an active position in managing his portfolio, seeking to outperform market benchmarks. Untied to any particular index, its managers are permitted greater freedom in its investments. It was this freedom, combined with the strength of its managers, which allowed the fund to realize gains while the market fell in 2008. The credibility of the Appleseed Management team was confirmed by both Lipper and Morningstar, who acknowledged Appleseed as the #1 midcap value fund and SRI domestic equity fund for the past twelve months. |
| Pax World Global Green (PGRNX) PGRNX Background | 10.63% PGRNX invests in a variety of environmental markets, including alternative energy, energy efficiency, water treatment, pollution control, waste technology, and resource management. We believe that this approach—which is diversified globally and across sectors—offers the best strategy for benefitting from a transition to a clean energy economy. Although the fund is relatively new (opened in 2008), it is sub-advised by Impax Asset Management, which has been managing similar alternative energy funds for U.K. investors for over a decade. Additionally, since the fund is managed by Pax World Investments, the oldest SRI mutual fund company, it benefits from their approach to shareholder activism and environmental, social, and governance analysis. |
| Portfolio 21 (PORTX) PORTX Background | 8.51% PORTX is a fund offered by asset manager Portfolio 21, a longtime leader in the SRI field since the firm's inception in 1982. (The global equity fund dates to 1999). As a global equity fund, non-US equities account for two-thirds of the portfolio. Because there currently exist no emerging-markets or strictly non-US SRI offerings that meet our financial and social criteria for acceptable investments, fund provides some degree of diversification. Since its inception, it has consistently demonstrated outperformance compared to the MSCI World Equity Index, a natural benchmark (net of fees). PORTX votes its proxies diligently and transparently. It engages in traditional SRI screens, and divests its holdings those companies that fail to honor their commitments to increased sustainability (making these divestments and the reasoning publicly available). More uniquely among our investments, Portfolio 21 participates in community investing by depositing cash in banks and credit unions with a primary focus on sustainability |

Fixed Income

As both of our fixed income investments (Invesco Powershares 1-30 Laddered Treasury Fund and iShares Barclays TIPS Fund) are based on indices, their performance does not deviate significantly from these indices. However, our fixed income portfolio, with 11.9% growth, does underperform perform the treasuries index (Ryan/Mergent 1-30 US Treasuries Index) on which our treasury fund is based, which recorded growth of 16.65%.

Real Estate

As our real estate class is an internally managed real estate index based on a screened version of the Cohen & Steers Realty Majors Index, with no specific asset amounting to more than 2% of the portfolio, we have only evaluated the total real estate portfolio against the Dow Jones US Real Estate Index Fund, a major real estate fund. We attribute our significant outperformance in this class to the fact that our SRI screen primarily eliminated residential real estate (homebuilding).

| <u>DH SRI</u> <u>Real Estate Performance</u> <u>(6/15/10-1/24/12)</u> | <u>Dow Jones US Real Estate Index Fund</u> <u>(Benchmark) Performance</u> <u>(6/15/10-1/24/12)</u> | <u>Performance Relative to</u> <u>Benchmark</u> |
|---|--|--|
| 20.73% | 11.67% | 77.61% |