

*Community Investing makes foray into public equity markets  
through market rate vehicles*

As part of its longstanding commitment to community investing, the F. B. Heron Foundation has engaged Lehman Brothers to create a suite of products that allow individual and institutional investors the opportunity to support ‘best in class’ firms without sacrificing expected return. At the core of these new investment vehicles is the US Community Investing Index, a positively screened subset of S&P 900 firms that demonstrate a commitment to strengthening America’s underserved communities.

While the criteria for firms’ inclusion in the Index are rigorous, the thinking behind it is simple. The F. B. Heron Foundation, like many mission-driven organizations, has struggled to balance a dual investment obligation: the commitment to maximize grant-making resources, and the conviction that its investments should reinforce, where possible, its philanthropic purpose. By offering access to **market-rate vehicles** around community investing, the Index and its related products bridge those two objectives.

Together with Innovest Strategic Advisors and an advisory board of executives drawn from the public, private, and non-profit sectors, the Foundation developed a set of highly focused, weighted criteria to assess S&P 900 firms across three principal areas: Strategic Alignment; Workforce Development and Wealth Creation; and Community Engagement and Corporate Philanthropy.

The screens were designed both to support firms currently adhering to community investing principles, as well as to encourage companies seeking to move in that direction. The Index uses positive screens capable of rewarding improvement as opposed to negative screens that automatically exclude firms or sectors based on a single data point (with the exception of tobacco companies which are ineligible for inclusion in the Index).

Lehman Brothers has been engaged to distribute a range of products developed around the Index for individuals and institutions that will be available in active and passive strategies. Product fees and account minimums will be competitive with other market rate products.

The Index will be accessible via Bloomberg and other market data providers by May 1 under the ticker CMTYIDX.

**For further information:**

Jason Baron  
Lehman Brothers, Inc.  
125 High Street, 16<sup>th</sup> Floor  
Boston, MA 02110  
Tel: (617) 342-4167  
Jason.baron@lehman.com