

# PRINCIPLES



A Quarterly Newsletter published by Christian Brothers Investment Services, Inc.

Q3 2011

## Your Money at Work: Mid-Year SRI Updates

*As weak stocks crimp financial returns, CBIS is pressing hard for strong social returns.*

While the stock market's performance so far this year has been disappointing, it's helpful to remind ourselves that periodic negative returns are painful but inevitable aspects of long-term investing. Yet there is no comparable volatility in the "social return" from CBIS' investment programs. We and our SRI partners work constantly — regardless of market conditions — to leverage the influence you give us as stewards of your assets to promote better governance, social justice, environmental sustainability and global human rights around the world. We call the result of these efforts the social return on your investments with us.

By targeting investing's double return — financial return and social return — Catholic institutions can align their missions with their investments and unify faith and finance. Following are summaries of our work so far this year with a number of multinational corporations.

For broad SRI issue overviews and the latest updates on these and all other CBIS SRI initiatives, please visit The Shareholder Advocacy Directory at the CBIS website ([www.cbisonline.com](http://www.cbisonline.com)).

### BP

In May, CBIS and other U.S. shareholders attended a meeting in New York with Mark Bly, BP's Executive Vice President, Safety and Operational Risk (S&OR) and Bernard Looney, BP's Executive Vice President, Upstream

Development. Both report directly to BP's CEO, Bob Dudley. The executives offered us additional insights about how BP is working to improve safety across its global operations. They explained how staff from the S&OR unit is now stationed at BP sites, with the power to intervene in any aspect of operations should safety concerns arise. Our meeting (which occurred approxi-

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mately one year after the Deepwater Horizon drilling explosion in the Gulf of Mexico) helped rebuild relationships between the company and U.S. SRI investors following three years of non-engagement.

BP has put new standards in place that address the 26 recommendations that came out of the Deepwater Horizon Investigation Report and have established a timeframe to complete the work. The company made clear it is still in the early stages of development of the S&OR unit, which it created in April 2011. While the meeting was

helpful and significant, SRI shareholders have many open questions, such as:

- The broad safety goals and objectives to which BP will hold itself and the S&OR unit accountable;
- Key performance indicators and metrics;
- The nature of board oversight of the S&OR unit; and
- Board action in response to the 43% combined against/abstain vote received by Sir William Castell, chair of the Social and Environmental Assurance Committee.

Importantly, the company's management of contractors and new strategy for operating in emerging markets with national oil companies was given little attention during our discussions, and we look forward to a follow-up

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*Mid-Year SRI Updates (cont.)*

meeting with a member of BP's board in October. Their commitment to SRI shareholders to meet in June and October were part of the understanding that influenced our decision not to file a shareholder resolution in January of this year.

#### Exxon Mobil

Our shareholder group's resolution that asked Exxon Mobil to adopt quantitative goals to reduce greenhouse gas (GHG) emissions received support from 26.5% of voting shareholders at the company's spring 2011 annual meeting. Back in February, we met with the company for an update on its GHG emission reduction strategy. We discussed its research and development work on low-carbon energy sources and its concerns about GHG regulatory uncertainty. Shareholders requested additional information that would indicate the level of importance the company is placing on low-carbon energy production relative to other strategic priorities.

In May, we met with the company to discuss unconventional drilling operations including hydraulic fracturing (fracking). The company said it has been engaged in fracking for more than 40 years and that there is very little risk to groundwater or aquifers when the wells are drilled properly and when drilling fluids are handled and disposed of correctly. Shareholders are now seeking more information from Exxon Mobil and other companies involved in fracking so we can better assess the attendant environmental risks and companies' preparedness for any regulatory changes.

#### Layne Christensen

In a surprise move, global infrastructure builder Layne Christensen recommended that shareholders vote in favor of a resolution co-filed by CBIS for the 2011 proxy season that asked the company to prepare a report on its water use. Soon after issuing the recommen-

dation, the company published its first corporate sustainability report — a robust first effort, accessible to readers and effective at describing its work on water issues and general environmental sustainability. Importantly, the report follows Global Reporting Initiative (GRI) guidelines. At Layne Christensen's June annual meeting, our shareholder proposal received support from 93% of voting shareholders, a new record for this issue.

#### Newmont Mining

CBIS organized a meeting with ICCR members and Newmont Mining in June at our New York office to discuss Newmont's latest effort to implement recommendations from the Community Relationships Review

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report released in 2009. Although two years have passed, the company has disclosed little about how it has implemented the report's recommendations.

Based on discussion at the meeting, it appears that efforts are now underway to train staff, revise environmental and social standards guidelines, and to develop benchmarks to evaluate progress. We plan to learn more in future conference calls about the company's timeline for resolution of community concerns at existing and proposed operations and its efforts to establish an oversight mechanism, among other items.

We also discussed concerns surrounding Newmont's announced plan to develop gold mining operations at Cerro Quilish in Peru. In 2004, local

communities opposed development of the same mine site due to the spiritual significance of the location and likely impacts to the area's watershed. At the time, Newmont suspended plans to develop the mine, forcing a write-down of proven and probable reserves. CBIS and other SRI shareholders want to understand how Newmont intends to work with local communities this time around and what plans are underway to adopt a free, prior and informed consent policy for mining.

#### Wyndham

CBIS is leading a dialogue with Wyndham Hotels and other ICCR members on the general topic of human trafficking and child sexual exploitation (CSE). We are now focused on seeking information from the company about how it plans to address the discovery by the FBI of a gang-run prostitution ring involving underage women that operated out of a Wyndham-owned Travelodge in California.

A consumer petition on Change.org to encourage Wyndham to sign The Code of Conduct ([www.thecode.org](http://www.thecode.org)) against child sexual exploitation generated 10,000 signatures. Advocacy organizations believe the slow pace of progress at Wyndham calls into question the company's commitment and, coupled with its lack of reporting, provoked the call to action.

While many hotels in the U.S. have experienced such incidences, this is among the most egregious. Wyndham released a statement acknowledging the incident and reiterating its commitment against CSE. Shareholder and consumer pressure may convince Wyndham to join Hilton and Carlson as the only major U.S. hotel chains to endorse The Code, which now has more than 900 signers in 35 countries.

Wyndham has taken the positive step of creating a policy against CSE and has trained employees on the issue. We look forward to additional meetings with Wyndham and hope they will also join The Code.

### Goldman Sachs

CBIS is leading an engagement with Goldman Sachs that asks the company to separate the positions of CEO and board chair, considered a best practice in corporate governance. We recently participated in a call with the company to discuss the release of its first Environmental, Social and Governance Report. We welcome this disclosure. Previously, the bank was one of the few major financial institutions that did not produce a corporate citizenship report. We are pleased that the company included the following positive change (which our shareholder group recommended) to its corporate governance guidelines: “In March 2011, our Board adopted amendments to our Corporate Governance Guidelines to provide that the review of our leadership structure will occur at least annually to enhance the effectiveness of the review process and to help to clarify the important role of our Presiding Director.”

The report details the objectives of The Business Standards Committee (BSC), created after Goldman was accused of securities fraud, tasked with reviewing its business practices to ensure it was properly serving its customers and the public interest. During the call, we strongly encouraged the company to provide semi-annual updates to shareholders on the implementation of the committee’s 39 recommendations and to make clear to shareholders that the board takes seriously the operational failures that required the creation of the committee. We also recommended the company regularly seek input from shareholders on its corporate governance performance, and we suggested the creation of a stakeholder dialogue group that would enable Goldman to receive feedback on its ESG report to help it continuously improve disclosure.

The report also provides links to the company’s new Statement on Human Rights, another welcome addition. Private sector banks can sometimes enable human rights violations through

their financing and investments. It is a best practice for banks to create and follow human rights policies that mandate due diligence at the beginning and throughout the duration of financing activity, and to provide a framework for dealing with any conflicts that arise. As financiers, banks have a unique responsibility with regard to the duty to respect human rights.

### Royal Dutch Shell

In mid-August, CBIS participated in a conference call with Shell to discuss the oil leak that had recently erupted from a flow line system serving the Shell-operated Gannet Alpha platform, 112 miles east of Aberdeen, Scotland in the North Sea. We appreciate the company’s responsiveness to our share-

**“Many concerns remain regarding the safety and viability of deep water drilling in general — especially in areas that are remote, fragile or subject to extreme weather conditions.”**

holder group’s request to engage and the daily updates it provided on the status of the leak. As of August 17, total spill volume was estimated at 1,300 barrels, the largest in the region in a decade (although minor compared to BP’s Deepwater Horizon accident in April of 2010).

Shell explained the steps being taken to stop the oil remaining in the flowline from leaking, although it has still not determined the best way to safely close the relief valve. Shell says it does not believe the oil will reach shore or impact wildlife, although it appears to us too early to make this determination. The cause of the leak is unknown and Shell continues to investigate.

There are many unresolved concerns

regarding the safety and viability of deep water drilling in general — especially in areas that are remote, fragile or subject to extreme weather conditions. The Obama administration recently granted Shell conditional approval for exploratory drilling in the Arctic, which is expected to begin during the next twelve months. While the company stated that lessons learned from BP’s April 2010 Macondo well disaster were incorporated in its Arctic permits, many investors and other stakeholders remain concerned about the difficulty of avoiding environmental damage in the event of a spill or leak.

In response to criticism of the time lag between informing authorities about the spill and alerting the public, Shell maintained that it was imperative to first work with regulators and appropriate government agencies before broadly releasing information, especially since the scope had not yet been determined.

The oil field is co-owned by Esso (a subsidiary of U.S. oil firm Exxon) but is operated by Shell. We plan to ask Exxon similar questions to those raised with Shell. CBIS will continue to engage with Shell on the following:

- The board’s role in ensuring the implementation of a substantive risk management system;
- Concerns raised by environmental organizations regarding safety and maintenance at Gannet, with reports of several leak incidents occurring from 2009 to 2010; and,
- Strengthening training programs, risk assessments and emergency response plans at Gannet and at other high-risk Shell projects around the world.

The leak comes in the wake of Shell’s agreement to pay compensation and accept full liability for two major oil spills in Nigeria that impacted more than 50,000 people. CBIS is also seeking to engage Shell on the rupture in 2008 of the Bodo-Bonny trans-Niger pipeline that pumped 120,000 barrels of

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*Mid-Year SRI Updates (cont.)*

oil per day through the area, devastating a network of creeks and inlets vital to more than 30 communities. The clean-up is expected to take more than 10 years. A United Nations report found that oil pollution in the region is worse than previously believed and that it has had a devastating impact on its

economy, human health and development. The company has stated that 30 percent of Shell Nigeria's oil spills in the Delta "have been caused by operational failure or human error... this is unacceptable and [Shell Nigeria] has to improve its performance. It is determined to do everything within its control to reduce operational spills." The

National Coalition on Gas Flaring and Oil Spills in the Niger Delta (NAC-GOND) — formed by partner organizations of our colleagues at the Ecumenical Council for Corporate Responsibility (ECCR) — welcomed the report, highlighting the extraordinary scale of oil spills in the Ogoni area of the Niger Delta. ■

## SRI Issue Brief: Hydraulic Fracturing, Boon or Bust?

A number of participants have expressed concerns about hydraulic fracturing (commonly referred to as "fracking") during recent discussions with CBIS. Some focused on the general technique, while others voiced specific worries about local operations. In addition to raising the issue in our dialogues with Exxon-Mobil and other energy companies, CBIS will begin an active ownership engagement in 2012 with a company involved in fracking to better understand how the process and attendant drilling operations impact the environment and local communities. As with all environmental issues, we expect companies to be transparent about risks in their operations and responsive to the concerns of all stakeholders.

### What is Fracking?

Hydraulic fracturing is a technique for extracting natural gas from shale rock formations by injecting fluids at high pressure into the ground to create cracks in rocks through which embedded natural gas can be captured. The technique has been used since the early 1950s, but it was only in the past decade that it became commercially viable on a large scale. According to the U.S. Department of Energy, shale gas production has grown at an annual rate of 48% over the past five years. Globally, shale gas reserves account for approximately 25% of all natural gas reserves. In North America, that figure is 40%.

### A Range of Concerns

Despite the significant energy resource that these reserves represent, several

concerns have been raised about hydraulic fracturing that have led communities, policy makers and investors to look more closely at the technique and the companies involved.

Vast quantities of injection fluids are used in the process, and while they consist mostly of water, the liquids also include several chemicals considered toxic by the Environmental Protection Agency. In some wells, injection liquids become laced with naturally occurring radioactivity released during the frac-

**“Over the past two years, 21 shareholder proposals have been filed at companies addressing hydraulic fracturing.”**

turing process. Some of the injection liquids remain in the rock formation and may contaminate local drinking water.

Injection liquids that are returned to the surface need to be stored and disposed of properly to avoid surface-level environmental damage. Improperly lined storage pits and spillage during transportation have led to instances where injection liquids contaminated local lands. Some reports have identified a correlation between hydraulic fracturing and local seismic activity, particularly in Texas and Arkansas. Some of the companies currently involved in hydraulic fracturing are Chesapeake Energy, Chevron, Exxon Mobil, Southwestern Energy and Ultra Petroleum.

### No Consensus on Safety

There is no consensus on the number or severity of concerns associated with hydraulic fracturing. Proponents argue that natural gas is the cleanest fossil fuel and that, when conducted properly, fracking taps abundant domestic energy reserves with minimal negative impact on the environment.

While some critics have demanded a halt to all hydraulic fracturing, many stakeholders instead want companies to improve their transparency and adopt best practices to minimize environmental and social harm. Some stakeholders have called on companies to improve disclosure, including publishing a complete list of chemical used in their injection liquids. Companies have also been pushed to adopt operational best practices that include water testing, well integrity testing, and greenhouse gas emission reduction.

### Fracking-Related Risks

In addition to potential reputational risk, companies engaged in fracking also face litigation risk for environmental impacts on local communities and regulatory risk should state or federal agencies restrict or ban the process until it is proven to be environmentally safe.

Hydraulic fracturing has recently become an important issue for shareholders. Over the past two years, 21 shareholder proposals have been filed at companies addressing hydraulic fracturing. Resolutions at six companies were withdrawn in response to commitments made by those companies. Four resolutions filed in 2011 received over 40% of shareholders' votes. ■

# CBIS to Offer Screens, Proxy Voting as Portfolio Overlay

*SRI Services delivers Catholic SRI for assets managed by other investment firms.*

Since 1981, CBIS has helped Catholic institutions achieve their financial goals through the socially responsible management of their investments. Today, we manage over \$4 billion on behalf of more than 1,000 Catholic institutions worldwide.

Over the past three decades, CBIS has developed and refined investment screening guidelines that enable Catholic institutions to achieve competitive portfolio returns without owning companies whose products or services violate core Catholic religious values. These screening guidelines draw on:

- Input from Catholic institutional investors
- Insights from Catholic ethicists and thought leaders
- Catholic social teaching
- Assessment of the impact on portfolio return

Previously, portfolio screening and proxy voting were provided only for assets managed by CBIS. We now offer these services as an overlay to portfolios managed by other investment firms.

## Portfolio Screening

- Clients can use CBIS screens, or CBIS will work with the client to develop customized screening guidelines. CBIS will then develop a list of restricted companies.
- CBIS will evaluate the client's portfolio to identify any restricted companies currently owned.
- CBIS will perform regular portfolio reviews to monitor compliance.

To stay current and accurate, a list of restricted companies must be managed like an investment portfolio, responding to and changing with the evolution of corporate businesses strate-

gies, business processes and product lines.

CBIS carefully monitors corporate activities — drawing on information supplied by vendors and on research conducted in-house by our SRI department — to ensure that the list of screened companies remains up-to-date.

Standard screens cover topics used by CBIS in our institutional funds as well as other common SRI guidelines. Screens can include: alcohol, abortion providers/abortifacients, contraceptives, embryonic stem cell research/fetal tissue research, for-profit healthcare

**Previously, portfolio screening and proxy voting were provided only for assets managed by CBIS. We now offer these services as an overlay to portfolios managed by other investment firms.**

providers, gambling, militarism, pornography, tobacco. Additional investment screens are available upon request. Clients may also provide CBIS with their own customized list of companies to be screened.

## Portfolio Screening Process

Each quarter, CBIS provides an updated list of screened companies to the client and the client's investment manager. CBIS will review portfolio holdings on a daily, weekly, monthly or quarterly basis, as directed by the client.

We will notify the client of any securities held in violation of the client's portfolio screens. Twice a year, the client will receive a report summarizing the violations identified over the preceding six months.

## Proxy Voting

Each year, CBIS votes proxy ballots at approximately 3,000 domestic and international companies. Our voting guidelines consider impact on shareholder value and alignment with Catholic social teaching on a wide range of issues, including: corporate governance best practices, executive compensation, election of directors, environmental concerns, equality and diversity, human rights and vendor standards, mergers and acquisitions, ratification of auditors.

## Proxy Voting Process

CBIS will work with the client and the client's custodian to have proxy ballots delivered to CBIS via our proxy voting vendor, Institutional Shareholder Services.

CBIS carefully considers each ballot issue and will vote the client's ballots in accordance with our proxy voting guidelines, which are based upon available research and our expertise applying Catholic values to the proxy voting process.

Twice a year, clients will receive two proxy voting reports, enabling them to track the voting records at individual companies and monitor voting trends on particular issues. The reports are:

- A complete report of each ballot voted
- A summary report of votes aggregated by issue (e.g. executive compensation, board declassification, etc.)

Customized proxy voting is also available.

**For more information about CBIS' SRI Services, please contact your Investment Advisor or Fred Devlin, Vice President, Head of Distribution and Marketing, at 1-877-550-2247.**

# CBIS Files to Separate Chair and CEO at News Corp.

*Phone hacking scandal highlights reputational damage that can come with weak governance.*

In response to the phone hacking scandal that erupted in July at the British tabloid *News of the World*, owned by Rupert Murdoch's global media giant, News Corporation, CBIS has filed a resolution that asks the company to separate the positions of board chair and CEO (now held by Rupert Murdoch) and appoint an independent board chairperson.

CBIS is also working with members of the Interfaith Center on Corporate Responsibility (ICCR) to develop strategies to persuade the company to reform its corporate governance. The phone hacking scandal has led to a loss of public confidence in the company, derailed a key business acquisition, and caused serious damage to the reputations of prominent News Corp publications. These events demonstrate the financial, legal and reputational risk associated with weak corporate governance structures.

## Widespread Governance Concerns

Corporate governance policies and practices are a key component of financial analysis. They make an important contribution to a company's shareholder value by enhancing corporate accountability and reducing risk. The fact that the actions that came to light in July took years to uncover and address suggests a lax ethical culture within the company and a severe lack of effective oversight by the company's board of directors.

Indeed, an analysis of News Corporation's corporate governance reveals several areas of concern including the dual chairman/CEO role, a high number of inside or affiliated directors, and a dual share class structure (one class for outside investors and one for insiders that gives them majority voting rights).

Proxy advisory firms in the U.S. and the U.K. have issued reports that criti-

cize the composition of News Corp.'s board of directors and the resulting risk to shareholders. Governance Metrics International (GMI), a provider of global corporate governance ratings and research, has rated News Corp "worst in class" since GMI's ratings began in 2003, and has consistently graded the board's governance an "F". Glass, Lewis & Co., a governance analysis and proxy voting firm serving institutional investors worldwide, noted the board's high number of inside or affiliated directors and expressed concern about the directors'

**"Our resolution was cited in media coverage of the scandal by *The Wall Street Journal*, Bloomberg, the BBC and others. We hope to meet with the company soon to discuss our concerns."**

ability to perform proper oversight of management. Finally, PIRC, a U.K. research and advisory consultancy, placed News Corp in the worst five percent of the S&P 500 Index companies in its governance risk model.

## Changes Sought by CBIS

CBIS and other filing shareholder are calling on the company to swiftly take the following actions in order to begin to rebuild the public confidence and trust critical to running the business:

- Separate the positions of board chair and chief executive officer and establish an independent chair;
- Ensure the board consists of a substantial majority of independent board members; and,

- Eliminate the dual class share structure so that all shareholders have the ability to vote and/or submit proposals for inclusion on the proxy ballot.

By establishing a separate, independent chair, News Corp can begin to rebuild the public confidence and trust that is especially critical for a major news organization. The move will also assure shareholders that the board takes seriously the recent events that have undermined the company's reputation and share price. While separating the positions of chair and CEO is not a guaranteed defense against future scandals, it provides a layer of checks and balances that improves the board's ability to oversee the company's activities. By naming an independent chair, News Corp can enhance the board's independence and objectivity and promote the development of a coherent, long-term response to the challenge of restoring the company's reputation.

## Floor Resolution

Because News Corp's filing deadline for traditional resolutions for its October 2011 annual meeting was in May, before the scandal erupted, CBIS filed this resolution as a "floor resolution." A floor resolution allows shareholders to bring an issue that has arisen after the formal filing deadline up for a vote by other attending shareholders on the day of the annual meeting. Non-attending shareholders cannot vote on a floor resolution, yet the technique offers us a chance to formally present our concerns to the board and management. It also offers a venue for publicity. Our resolution was cited in media coverage of the scandal by *The Wall Street Journal*, Bloomberg, the BBC and others. We hope to meet with the company soon to discuss our concerns.

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*CBIS Files to Separate Chair and CEO (cont.)*

### Trend Toward Better Governance

Companies are increasingly recognizing that separating the positions of chair and CEO is a sound corporate governance practice. Support for shareholder proposals requesting separation averaged 29% across the S&P 500 Index companies in 2010. In 2009, 21% of S&P 500 companies had an independent board chair compared with only 11% in 2001. CBIS' governance-related SRI initiatives are based on the following principles:

- The role of the chief executive officer and management is to run the company.

- The role of the board of directors is to provide independent oversight of management and the CEO.
- There is a potential conflict of interest for a CEO to be her/his own overseer while managing the business.

Many well-known institutional investors recommend separation. California Public Employees' Retirement System (CalPERS) Global Principles of Accountable Corporate Governance, as one example, encourages separation even when there is a lead director. In the U.K., the prevailing practice is to have the board

chair independent of the CEO. Board members have also demonstrated a preference for separation of the two positions. In a 2010 survey of 400 board members by the law firm Sullivan & Cromwell, approximately 70% of respondents said the head of management should not concurrently be the head of the board. Yale University's Millstein Center for Corporate Governance and Performance Policy Briefing paper "Chairing the Board (2009)" argued that overseeing the board is time-intensive and that a separate chair allows the CEO to focus on developing and managing effective business strategies. ■

### Frequently Asked Questions

**Q: Stocks fell sharply during the summer as the U.S. debt limit drama rattled nerves, economic growth stalled, and Europe's own debt troubles returned to the headlines. Have these developments changed CBIS' market perspective?**

**A:** All year we have warned of downside risk to stocks from Europe's debt troubles and the sluggish economy. So the summer's market action was not surprising. Politicians in Europe, Japan and the U.S. have used liquidity and bailouts to spark economic growth, but these strategies have not worked. The problem isn't liquidity, it's solvency. The debt has to clear so that markets can rebuild from lower levels of value.

Many European banks remain too undercapitalized to deal with write-downs of sovereign debt holdings and the larger burden of their questionable commercial and consumer loans, while the austerity measures in Europe's peripheral nations make the value of these loans more doubtful every day. In the U.S., the subprime and commercial loans that caused the 2008 crisis are still on banks' books. Recent attempts by the Fed to sell large blocks of its subprime debt (Maiden Lane assets

acquired from Bear Stearns) showed the market's limited appetite at current market prices.

However, negative sentiment has reached such an extreme that U.S. equities may remain firm over the remainder of 2011. While the resolution of the U.S. debt drama was not reassuring, our situation is more manageable than the EU's sovereign debt woes. Additionally, the U.S. dollar has been so weak that its prospects are likely to improve.

Given the global backdrop, CBIS continues to believe that risky assets (emerging market equities and commodities, for example) offer too little prospective returns given their risks. High-quality bonds remain attractive, as there is little likelihood the Fed will raise short-term rates before the 2012 election. Indeed, high-quality bonds were a safe haven during the summer's equity market decline. Inflation will be the likely eventual exit strategy for over-indebted governments, and a major concern in the years ahead. But for the time being, weak growth and deflation are the greater risks.

### Security Brief: Avoid Phishing Scams, Check Your Status Bar

**Phishing** is a technique used by cyber criminals to trick you into revealing private information such as passwords, bank account numbers, credit card numbers and other personal data.

Phishers send a trick email that presents an offer (such as lowering your interest rate on a loan or mortgage) or a warning (the need to verify account information for security purposes) that includes a link to a fake web site that may closely resemble a legitimate e-commerce or bank website.

You can protect yourself from phishers by never responding to offers using a link in the email. Instead, investigate such potential opportunities by initiating the process yourself, at the

website of the company in question. Another way to avoid getting hooked by phishers is to check the link using your browser's status bar. When you hold your mouse over a link in an email or on a web page, the destination URL appears as an http address in the lower left corner of your screen. For example, you might be sent a link that says [www.yourbank.com](http://www.yourbank.com), but when you hold your mouse over the link and check your status bar, it may show a yahoo.com email address — a clear indication that the link is fraudulent.

It's best to not use the link at all, but a glance at your status bar can offer an additional layer of protection.



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## Announcements

### Alternatives at CBIS

CBIS is now offering alternative investments for qualified participants. Ask your Investment Advisor if an allocation to alternatives would be appropriate for your organization.

### Office Closings

CBIS offices will be closed on Thursday and Friday, November 24 and 25, in honor of Thanksgiving, and on Friday, December 23 and Monday, December 26 to celebrate Christmas.

*Your CBIS Investment Advisor is ready to assist you.*

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