

CHARITY FOUNDATION INVESTMENT POLICY

Charity Foundation (The Foundation)

The Foundation Board of Trustees want to maximize the yield on its liquid assets by keeping its cash in bank balance to a minimum workable amount and shall be permitted to invest in the following securities whose maturities do not exceed five years from date of acquisition:

- (a) Federally Insured Deposits:
 - (1) Certificates of Deposit of U.S. financial institutions up to, but not to exceed, 95% of the current FDIC Insurance Coverage Limit for each financial institution.
 - (i) Certificates of Deposit will be laddered in order to optimize fluctuations in interest rates while maintaining some liquidity:
 - (ii) The maximum term to maturity will be five years.
 - (iii) Investment policy prohibits purchasing Certificates of Deposit at a premium if purchased on the secondary market.
- (b) Obligations issued or fully guaranteed as to principal and interest by the following agencies or instrumentalities of the United States:
 - (1) Federal Home Loan Bank
 - (2) Federal National Mortgage Association
 - (3) Government National Mortgage Association
 - (4) Bank or Banks for Cooperatives
 - (5) Federal Land Bank or Banks
 - (6) Federal Intermediate Credit Bank or Banks
- (c) Municipal and Corporate Bonds with minimum credit ratings of AA- by Standard & Poors (or equivalent by another ratings agency), with exceptions to be considered for maturities of 3 years or less. Any exceptions will be discussed with a pre-designated representative of the Board of Trustees before investments are made.

Definitions:

Minimum workable amount is defined as no more than \$140,000.

Laddering is investing portions of available funds at varied rates and maturities.