

The Tin Whistles Investment Policy

A. Purpose

- Establishing the Tin Whistles Board of Governors expectations, objectives and guidelines for the investment of Capital Fund.
- Facilitating clear communication between the Finance, Banking & Investment Committee (FB&I) and the Tin Whistles Board of Governors regarding investment management decisions.
- Establishing formal criteria to select investments and to monitor, evaluate and compare the performance results achieved by each investment on a regular basis.

B. Statement of Objectives

- Funds that are outside those that are encumbered within the current year's budget shall be allocated to the Capital Fund to obtain and maximize investment growth for future use.
- On an annual basis the Board of Governors shall determine the investment horizon for assets maintained within the Capital Fund. (i.e., Short Term 0-3 years, Intermediate term 3-5 years, Long-term 5 years and greater)
- The FB&I Committee, working with a 3rd party investment counselor, shall be responsible for the allocation of Capital Fund assets, based on the goals of the investment horizon.
- The FB&I Committee will report to the Board of Governors concerning the status of the Capital Fund no less than quarterly.

C. General Principles

Consistent with Uniform Prudent Management of Institutional Funds Act (UPMIFA), FB&I Committee shall manage the Capital Account in accordance with applicable laws and regulations. Accordingly, they will consider a number of factors included, but not limited to, economic conditions, the possible effects of inflation, and market returns for various asset classes. The FB&I Committee will be mindful of the balance between the need to preserve capital and the need to generate returns. The FB&I Committee will also be mindful of the balance between the need to employ professional management and the need to minimize costs to not unduly dilute net returns.

The Investment Objectives are:

- To maintain the purchasing power of the current assets when future contributions and distributions are considered. The intent is to support the current and future needs of the Tin Whistles.
- To maintain an appropriate asset allocation to maximize returns within reasonable and prudent levels of risk.

These objectives will be accomplished by following general "safe harbor" rules including:

- Using a prudent expert (ideally a registered investment advisor) to advise the Committee regarding investment decisions.
- Monitoring the activities of the expert to ensure performance of the agreed tasks.

Time Horizon

The investment guidelines are primarily based upon the following:

- Maintaining \$50,000 in Short Term 0-3 years (asset preservation, conservative growth)
- All remaining money in the Capital Account is to be invested in an investment horizon of five years or greater, subject to the Tin Whistles' needs for cash. The portfolio's strategic asset allocation is also based on the long-term (5 years and greater) perspective.

Risk Tolerances

- The portfolio's long-term horizon, current financial condition and several other factors suggest collectively that some interim fluctuations in market value and rates of return may be tolerated to achieve the long-term objectives.

Performance Expectations

The desired investment objective is to maintain at least the total value of the portfolio, The target rate of return for the portfolio has been based upon the assumption that future actual returns will approximate the long-term rates of return experienced for each asset class in the portfolio. Market performance varies and a four to five percent (4-5%) rate of return may not be achieved during some periods. Accordingly, performance of the portfolio will be measured against the objectives outlined above.

C. Duties and Responsibilities

FB&I Committee

The primary responsibilities of the Committee are:

- To select an investment advisor.
- To select a fund custodian.
- To diversify the portfolio's assets to meet the agreed upon risk/return profile.
- To select prudent investment options as recommended by the investment advisor.
- To monitor all investments, record keeping, and administrative expenses associated with the portfolio and report these items quarterly to the Board of Governors.
- To ensure that prohibited transactions and conflicts of interest are avoided.

Custodian

The custodian shall be responsible for the safekeeping of the portfolio assets. The specific duties and responsibilities of the custodian are:

- To collect all income and dividends owed to the portfolio.
- To settle all transactions (buy and sell orders).
- To provide monthly reports that detail transactions, cash flows, securities held and their current value and change in value of each security and the overall portfolio since the previous report.

Investment Advisor

The investment advisor shall be an investment professional retained to assist the Committee in managing the overall investment process. The advisor is responsible for guiding the Committee through a disciplined and rigorous investment process to enable the Committee to ascertain the investment advisor's meeting of fiduciary responsibilities.

The investment advisor shall have no discretionary power over the assets and must receive approval before implementing any transaction affecting those assets. The investment advisor must receive approval to execute a transaction from the Finance Committee.

D. Asset Class Guidelines

Long-term investment performance is primarily a function of asset class mix. Historically, while interest generating investments, such as bonds, have the advantage of relative stability of principal value, they

provide little opportunity for actual long-term capital growth due to susceptibility to inflation.

On the other hand, equity investments, such as common stocks, have a significantly higher expected return, but have the disadvantage of much greater year to year variability of return.

The assets shall initially be allocated thirty percent (30%) to fixed income investments and seventy percent (70%) to equity investments with a ten percent (10%) maximum variance. The 30/70 ratio shall be calculated on the total amount of investable assets and reviewed for purposes of rebalancing on at least an annual basis. The investment advisor shall make recommendations to the Committee when he believes the current allocation should be changed.

Monitor Performance

Fluctuating rates of return characterize the securities markets, particularly over the short term. Recognizing that short-term fluctuation may cause variations in performance, the Committee shall evaluate investment performance from a long-term perspective. However, the performance of the investments shall be monitored on an ongoing basis and it is within the Committee's discretion to take corrective action if it is deemed appropriate at any time.

Performance Benchmarks

Performance benchmarks shall be established for each investment vehicle. The investment advisor shall recommend appropriate benchmarks to the Committee and shall inform the Committee when he deems it appropriate to revise the benchmarks.

Monitor Costs

The Committee shall review, at least annually, all costs associated with the management of the portfolio, including:

- Expense ratios of each investments against the appropriate peer group
- Administrative costs, including record keeping fees, custodial fees, and the cost of other necessary services.

E. Investment Policy Review

The Committee shall review this investment policy at least annually to determine whether stated investment objectives are still relevant and the continued feasibility of achieving the same. Short-term changes in the financial markets should not require adjustments to the asset allocation

F. Amendments

Any change to this Investment Policy shall be subject to approval by the Board of Governors.