

INVESTMENT POLICY- GREENBELT HOMES, INC.
Revised 1/14/2021

The Board is responsible for overseeing the administrative and investment management policies of the corporation. This includes, but is not limited to, the selection of the appropriate asset allocation, allowable ranges of holdings by asset class, the selection of investment managers, as well as defining acceptable securities, investment performance expectations, and monitoring compliance with state and federal investment regulators. The Board will communicate investment policy, guidelines, and performance expectation to the Investment Managers. In addition, the Board will also review and evaluate investment performance regularly to assure the policy is being followed and progress is being made toward achieving the objectives.

Investment Objectives

- Preservation of Capital. Loss of capital is to be avoided.
- Total Return. The investment should achieve as high a rate of return as is reasonable.

Investment Guidelines

- High levels of risks are to be avoided. The assumption of controlled risk is warranted and encouraged to allow the opportunity to achieve satisfactory long-term results.
- Investments should be held for a period of time consistent with the needs of the cooperative.
- The status of the investments will be evaluated at least quarterly.
- Investments should be well diversified to avoid undue exposure to any single sector, industry or individual security.

1. Funds of the corporation may be invested in the following areas:

- A. Money market mutual funds;
- B. Bank repurchase agreements secured by U.S. government securities;
- C. U.S. government treasuries, agency securities, and agency-backed obligations;
- D. FDIC-insured or NCUA-insured certificates of deposit and bank accounts.

2. Funds of the corporation not expected to be needed for at least two years on a last-in-first-out basis may be invested in the following areas as well as those listed in (1) above:

- E. Mutual funds at least ninety-five percent invested in the instruments listed in (1) above;
- F. Individual corporate notes and bonds rated BBB or better at the time of purchase;
- G. Bond mutual funds or ETFs with an average credit rating of A or better at the time of purchase;
- H. Deferral of fees by members;
- I. Internal loans to GHI and its subsidiaries;
- J. Cooperative business ventures, not to exceed ten percent of total funds of GHI at the time of purchase;
- K. Equity index mutual funds or ETFs, not to exceed twenty percent of total funds of GHI at the time of purchase.