THE SOCIETY OF THE FOUR ARTS

Investment Policy Statement

<table>
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<tr>
<th>Version</th>
<th>Date Drafted</th>
<th>Date Adopted</th>
<th>Reason for Revision</th>
</tr>
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<td>April 2008</td>
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<td>Initial Plan</td>
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<td>February 2009</td>
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<td>Updates to Unitized allocation table</td>
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<td>1) Updates to Unitized allocation table 2) Simplification of Spending Policy</td>
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<td>12/11/2014</td>
<td>1) Updates to Unitized allocation table 2) Clarification to Alternatives language</td>
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I. INTRODUCTION

Prologue

The mission of The Society of the Four Arts ("Society") is to share the finest art and cultural programming with the community of Palm Beach, Florida. The four arts constituting the Society’s mission are music, drama, literature and art. Consistent with its mission, the Board of Trustees ("Board") through the Executive Committee of the Board of Trustees ("Executive Committee") is committed to enhancing the financial integrity of the Society by establishing and managing the Unitized Endowment Fund ("Unitized Endowment"), the Reserves Fund ("Reserves") and the Rovensky Building Endowment Fund ("Rovensky Endowment"), collectively referred to as the “Endowments”. The assets comprising the Endowments support the immediate and future needs of the Society’s operations, activities and programs.

Purposes

The Executive Committee is dedicated to act prudently and diligently as a responsible steward for the financial resources bestowed upon the Society by private and corporate donors and through governmental grants. Accordingly, the Executive Committee has established this Investment Policy Statement ("IPS") to enhance the probability of achieving the goals and objectives of the Society in a manner that is consistent with the laws, regulations and policies that govern the prudent management of investment assets in a fiduciary setting. Additionally, the document is intended to serve as an operating code and communications link between the Executive Committee, the Finance Committee, the Investment Committee, the Society staff, the Investment Consultant, the Investment Managers and the Custodian.

This IPS further provides guidance in the following areas:

- Defining the roles and responsibilities of the parties involved
- Defining several important investment principles and concepts
- Outlining the goals, objectives and guidelines for the Endowments
- Determining an appropriate return target, risk level and asset allocation for the Investment Assets
- Delineating the procedures to select and monitor Investment Managers and control and account for expenses
Definitions

- **Board of Trustees** shall mean the governing body of the Society.

- **Executive Committee of the Board of Trustees** shall mean a subcommittee of the Board tasked with all matters pertaining to the Society.

- **Finance Committee** shall mean a subcommittee of the Board tasked with matters of Finance pertaining to the Society.

- **Investment Committee** shall mean a subcommittee of the Finance committee tasked with overseeing and managing the Investment Assets.

- **Fiduciary** shall mean any individual or group of individuals that exercise authority or control over the management, disposition or administration of the Investment Assets.

- **Investment Assets** collectively shall mean such monies, stocks, bonds and other assets designated by donors, grants or the Executive Committee to be managed in accordance with this IPS. The Investment Assets presently include but are not limited to the following funds:
  
  - **Unitized Endowment Fund** – shall mean the pooled fund comprising numerous endowments that support various Society programs, including but not limited to the Gallery, Libraries, Speaker, Art, Music and Education Building programs.
  
  - **Reserves Fund** – shall mean the pooled fund comprising short to intermediate conservative assets intended to provide additional liquidity for emergencies or in response to unusual market activity.
  
  - **Rovensky Building Endowment Fund** – shall mean a segregated fund that assumes the cost of the major repairs and maintenance expenses of the Rovensky Building thus preserving its integrity, appearance, and operational functioning.

- **Investment Consultant** shall mean any individual or organization employed to provide advisory services, including advice on the IPS, investment goals and objectives, asset allocation, manager search and selection, and performance measurement and evaluation.

- **Investment Manager** shall mean any individual or organization employed to manage all or part of the Investment Assets.

- **Investment Policy Statement** shall mean this IPS as approved by the Executive Committee for the Investment Committee’s use and guidance.
II. ROLES AND RESPONSIBILITIES

Responsibilities of the Executive Committee of the Board of Trustees

The Executive Committee maintains the ultimate responsibility for adopting this IPS and overseeing the management of the Endowments. However, the Executive Committee has delegated to the Finance Committee, which in turn, has delegated to the Investment Committee certain responsibilities, as defined below, to assist the Executive Committee and Finance Committee in managing the Investment Assets of the Endowments. Knowing best the overall needs of the Society, the Executive Committee and Finance Committee are responsible for reviewing all reports and analysis provided by the Investment Committee to ensure that the IPS and management of the Investment Assets reflects the intentions of the Executive Committee.

Responsibilities of the Investment Committee

- Review and recommend modifications, as needed, to the IPS;
- Review and recommend spending policy for the Investment Assets, as needed;
- Recommend policy guidelines for the asset allocation of the Investment Assets within the equity, fixed income, cash and alternative investment segments;
- Approve selection and retention or termination of all Investment Consultants, Investment Managers and Custodians;
- Meet quarterly to review and evaluate the investment performance of the various funds and investment managers against the established goals and objectives defined herein using reports provided by outside professionals and the Investment Consultant;
- Consider, revise and accept (or reject) recommendations made by the Investment Consultant regarding the management of the Investment Assets;
- Provide periodic reports to the Executive Committee regarding investment performance and other pertinent information;
- Ensure that distributions of the Investment Assets are performed in a manner consistent with this IPS as well as the intentions of the donor or grant;
- Control and account for all investment related expenses associated with the Investment Assets;
- Avoid prohibited transactions and conflicts of interest;
- Review and determine the disposition or acceptance of all assets gifted, willed, or otherwise transferred to the Society on a quarterly basis understanding that, until such time, they will be considered exceptions to this IPS.
Responsibilities of the Society Staff

- Receive, review, compile, and reconcile to the Society’s general ledgers, as requested, all pertinent reports from the Investment Consultant, Investment Managers and/or outside professionals regarding the Investment Assets;

- Receive, review and execute all pertinent documents and instructions necessary to implement decisions made by the Executive Committee, Finance Committee and Investment Committee;

- Communicate with the Investment Consultant to ensure that sufficient liquidity exists to permit the periodic distribution of funds in support of the Society’s operating budget;

- Deliver or transfer in a timely manner any cash or marketable securities received by the Society and approved by the Investment Committee to be managed as an Investment Asset governed by this IPS.

Responsibilities of the Investment Consultant

- Serve as an advisor to the Investment Committee. As such, the Investment Consultant will make recommendations to the Investment Committee but will not have discretion to make investment or allocation decisions without their approval;

- Assist in the development, implementation, review and monitoring of the IPS, spending policy and asset allocation guidelines;

- Offer advice that is consistent with the investment goals, objectives, policies, guidelines and constraints as established in this IPS;

- Conduct Investment Manager searches and fee negotiations upon request;

- Provide research and analysis on the Investment Managers;

- Measure, monitor and evaluate the investment performance and asset allocation of the Investment Assets and distribute the findings to the Investment Committee on a quarterly basis.

Responsibilities of the Investment Managers

- Manage the Investment Assets under its supervision in accordance with the guidelines, goals and objectives outlined in this IPS or, where appropriate, the prospectus, offering memorandum, investment agreement, contract and/or other related documents;

- Communicate with the Investment Consultant regarding all significant matters, including but not limited to: changes in its ownership, organizational structure, professional staffing, investment philosophy or investment process and other changes of a substantive nature;
Comply with all legislation and regulations as they pertain to the Investment Manager’s duties, functions and responsibilities as a Fiduciary in managing the Investment Assets;

Provide statements quarterly, and as otherwise requested, setting forth all account activity and the financial position the Investment Assets under its supervision;

Vote all proxies and related actions in a manner consistent with the long-term interest of the Society;

Provide expanded analyses and information to the Investment Consultant and/or the Investment Committee upon request. This may include, but not be limited to the following:

- Dollar weighted and time weighted returns of the Investment Assets under its supervision as well as the time weighted returns of the appropriate Investment Manager’s composite of similar accounts;
- Attribution analysis explaining the Investment Manager’s reason(s) for over/under performance;
- Statements which demonstrate compliance with the asset allocation guidelines;
- Statement of policy regarding “soft dollar” usage of brokerage commissions;
- Detailed accounting of fees and expenses paid by the Society including management fees, commissions on trades, etc.;
- A written statement outlining the Investment Manager’s specific goals, benchmarks and constraints, if any, as they differ from the objectives of this IPS.

Responsibilities of the Custodian(s)

- Be responsible for the safekeeping of the Investment Assets. The duties and responsibilities of the custodian include but are not limited to the following:
  - Maintain separate accounts by legal registration;
  - Value the holdings;
  - Collect all income and dividends;
  - Settle all transactions initiated by the Investment Managers;
  - Provide monthly reports that detail transactions, cash flows, securities held and their current value inclusive of accruals, cost basis, and change in value of each security and the overall portfolio since the previous report;
  - Timely process all instructions from Society staff.
III. GENERAL INVESTMENT PRINCIPLES AND CONCEPTS

- **Investment Return** - In order to meet its needs, the investment strategy of the Society is to emphasize total return (the aggregate return from capital appreciation plus dividend and interest income).

- **Definition of Risk** - The Executive Committee acknowledges that there are many ways to define risk. However, the Executive Committee defines the primary risk to the Society as the possibility of not meeting the goals and objectives of this IPS. Other risk measures of importance include but are not limited to: volatility, downside capture, duration, credit, illiquidity, lack of transparency and regulation, and leverage. Understanding that one or more of the secondary risk factors are present in all types of securities and investment styles, the Executive Committee recognizes that some risk is necessary to produce long-term investment results sufficient to meet the goals and objectives of the Endowments. However, the Investment Managers are to make reasonable efforts to control risk, and they will be evaluated regularly to ensure that the risk assumed is commensurate with the given investment style and objectives.

- **Diversification** - The Executive Committee recognizes that the broad diversification of the Investment Assets among and within various asset classes will help mitigate the magnitude of a loss.

- **Market Timing and Shifts** - The Executive Committee intends to allow its Investment Managers the opportunity to practice their skill without undo interference. Furthermore, the Executive Committee recognizes that competitive investment returns generally accrue to those implementing disciplined investing approaches. The Executive Committee recognizes that adherence to this policy occasionally may appear to be either too risky or too conservative for current market conditions. However, the Executive Committee also recognizes that experts rarely agree about the near-term direction of the capital markets and that such opinions frequently have proven to be a poor guide for action.

- **Benchmark Indices and Performance Objectives** - The Executive Committee recognizes that a considerable portion of investment returns will not be attributed to management skills but rather to the capital markets themselves. However, the Executive Committee expects that its Investment Managers will add value over the assigned benchmark’s total return over a full market cycle, net of fees. Various benchmarks and indices will be used for performance evaluation purposes. The Investment Committee, in consultation with the Investment Consultant, will select one or more indices for each of the Investment Managers.

- **Full Market Cycle** - The Executive Committee defines a full market cycle to be a period of time during which the long-term historic rates of the benchmark return are realized, generally assumed to be three to seven years.

- **Alternative Investments** - Securities which fall outside the scope of traditional investments (stocks, bonds, and cash) or are strategies investing in securities using alternative means (derivatives, leverage, short selling), or some combination thereof. Such alternative
investments and strategies include, but are not limited to: hedge funds, real estate, private equity and natural resources.

• *Separately Managed Account* - A distinct, managed investment account wherein individual securities are directly owned by the account owner.
IV. INVESTMENT GUIDELINES

Guidelines for Separately Managed Account Equity Investment Managers

Equity holdings may be selected from any U.S. or foreign exchange. In order to achieve a prudent level of portfolio diversification, any security managed by an Investment Manager should not exceed 10% (at cost) of the total assets in their respective portfolio.

Investment Managers must seek approval from the Society prior to purchasing and/or implementing the following securities and transactions:

- Companies with a market capitalization less than $100 million
- Private placements, letter stock and other unregistered securities.
- Commodities or other commodity contracts.
- Options, short sales or margin transactions.
- Securities whose issuers have filed a petition for bankruptcy.
- Any other specialized investment security or activity.

Guidelines for Separately Managed Account Fixed Income and Cash Equivalent Investment Managers

Investments in fixed income securities may be managed actively to pursue opportunities presented by changes in interest rates, credit ratings, and other factors. The Investment Manager may select from appropriately liquid preferred stocks, corporate debt securities, asset-backed securities, and obligations of the U.S. Government and its agencies. These investments are also subject to the following limitations:

- Investments of a single issuer (with the exception of the U.S. Government and its agencies) should not exceed 10% (at cost) of the total assets of an Investment Manager’s portfolio.
- Only preferred stocks or corporate debt securities that have a Standard & Poor’s rating or a Moody’s rating of Investment Grade or higher may be purchased or held.

Utilization of Mutual Funds, Exchange Traded Funds, Delaware Business Trusts or Limited Partnerships

Should the Investment Committee elect to implement the IPS in whole or in part using mutual funds, exchange traded funds, Delaware business trusts or limited partnerships the Executive Committee recognizes that the preceding guidelines cannot apply. Instead, the policies outlined in the prospectus, offering memorandum, investment agreement, contract and/or other related documents would take precedence.
Utilization of Alternative Investments

The Executive Committee recognizes the academic research supporting the use of alternative investments as a mechanism to potentially reduce the volatility and/or enhance the expected return of an investment portfolio. However, the use of alternative investments can introduce unique types of risks due to their inherent structure and characteristics which include but are not limited to: leverage, illiquidity, short sales, derivatives, and lack of transparency and regulation. In light of these unique risks, the Executive Committee limits the use of Alternative Investments to 10% (at cost) of the total Investment Assets and the allocation to any individual Alternative Investment Manager may not exceed 5% (at cost) of the total Investment Assets. The use of specialized mutual funds offering daily liquidity and transparency are not subject to the limits imposed on Alternative Investments.
V. ENDOWMENT SPECIFIC INVESTMENT GOALS, OBJECTIVES, EXPECTATIONS, SPENDING POLICY, TIME HORIZON AND ASSET ALLOCATION

Each Endowment should be managed in accordance with its unique set of goals and objectives. Furthermore, separate asset allocation guidelines have been established in order to properly ensure that the investment strategy reflects the intent of the Executive Committee. The specifics of the three segregated Endowments are as follows:

UNITIZED ENDOWMENT FUND

Investment Goals

- To provide funding for the operation and support of the Society;
- To maintain purchasing power;
- To prudently grow the Investment Assets to provide additional funding for the Society’s future operation and support;
- To pay all investment related expenses;
- To minimize risk and preserve capital;
- To achieve a competitive rate of return.

Investment Objectives

- To match or exceed the rate of return determined from the sum of the following components:
  - Spending policy as defined below
  - Inflation percentage as measured by the Consumer Price Index (CPI)
  - Real (after-inflation) growth of 1.5%
  - Investment related expenses
- To achieve the above return objective while experiencing the same or less downside capture and volatility than a composite of the target asset allocation percentages applied to the market indices as defined below;
- To match or exceed the rate of return determined from a composite of the target asset allocation percentages proportionately applied to the appropriate market indices, net of investment related expenses, as defined below.
Performance Expectations

Based upon the historical returns capital markets and the forward looking projections of industry experts, the Executive Committee expects the Unitized Endowment to earn an approximate rate of return in the range of 7.0% to 7.5%, net of fees, over a full market cycle. Taking into account historical inflation as measured by the Consumer Price Index (CPI), the Society expects to earn an approximate real return in the range of 4.0% to 4.5%. These expected returns apply to the Unitized Endowment as a whole and not to any one Investment Manager; instead, more specific and appropriate benchmarks, as defined below, will be used to evaluate the performance of Investment Managers using time-weighted returns. Dollar-weighted returns, however, may be used to determine progress towards the achievement of the overall goals and objectives of the Unitized Endowment.

Spending Policy

The Executive Committee acknowledges that a proper spending policy strikes a balance between current needs, and preservation and enhancement of capital for future support of the Society. Thus, in balancing these conflicting issues, the Executive Committee believes that an annual distribution rate between 4.0% – 4.5% of the current value of the Investment Assets in the Unitized Endowment is both proper and prudent.

During a normal capital market environment, the annual distribution amount will be determined by applying a rate of 4.33% to the prior two years’ June 30th values as well as the current year February 28th. The transfers of the annual computed amount will be funded to the Society operating account on a monthly basis.

However, during abnormal capital market environments, the Investment Committee reserves the right to override the formula and recommend, instead, a different distribution amount.

Time Horizon

The time horizon for the Unitized Endowment is long-term given its permanent nature. The Committee will generally make decisions with a focus towards the long-term and will usually allow for the fulfillment of a full market cycle prior to taking any significant action.

Asset Allocation Range, Target, Benchmark Indices

The following allocation of asset classes is intended to produce a rate of return sufficient to meet the goals and objectives of the Unitized Endowment. The return of the combined accounts will be measured against the blended target percentages of the appropriate indices below:
<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Allocation Range</th>
<th>Target %</th>
<th>Peer Group</th>
<th>Benchmark Index</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large Cap Core</td>
<td>0% - 20%</td>
<td>10%</td>
<td>Large Cap Core</td>
<td>Russell 3000 and/or S&amp;P 500</td>
</tr>
<tr>
<td>Large Cap Growth</td>
<td>7.5% - 20%</td>
<td>12.5%</td>
<td>Large Cap Growth</td>
<td>Russell 1000 Growth</td>
</tr>
<tr>
<td>Large Cap Value</td>
<td>7.5% - 20%</td>
<td>12.5%</td>
<td>Large Cap Value</td>
<td>Russell 1000 Value</td>
</tr>
<tr>
<td>Small &amp; Mid</td>
<td>5% - 15%</td>
<td>10%</td>
<td>SMID Value/Growth/Core</td>
<td>Russell 2000 Value/Growth/Core</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Small Value/Core/Growth</td>
<td>Russell 2500 Value/Growth/Core</td>
</tr>
<tr>
<td>International</td>
<td>7.5% - 20%</td>
<td>12.5%</td>
<td>International Equity</td>
<td>MSCI ACWI ex/US and/or MSCI EAFE</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>0% - 7.5%</td>
<td>2.5%</td>
<td>Emerging Market Equity</td>
<td>MSCI EM</td>
</tr>
<tr>
<td><strong>Tactical</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Assets</td>
<td>0% - 10%</td>
<td>5%</td>
<td>Strategy Specific</td>
<td>Strategy Specific</td>
</tr>
<tr>
<td>Tactical/Allocation</td>
<td>0% - 15%</td>
<td>10%</td>
<td>Strategy Specific</td>
<td>MSCI ACWI and/or 60/40 Global Balanced</td>
</tr>
<tr>
<td>Alternative Fixed</td>
<td>0% - 10%</td>
<td>5%</td>
<td>Multi-Sector or Global Fixed</td>
<td>Barclay Aggregate or Global Aggregate</td>
</tr>
<tr>
<td><strong>Fixed Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intermediate</td>
<td>10% - 30%</td>
<td>18%</td>
<td>Intermediate Fixed</td>
<td>Barclay Aggregate and/or Barclay Int Gov/Credit</td>
</tr>
<tr>
<td>Short Term</td>
<td>0% - 10%</td>
<td>0%</td>
<td>Short Term Fixed</td>
<td>Barclay 1-3 Gov/Credit</td>
</tr>
<tr>
<td>Cash</td>
<td>0% - 5%</td>
<td>2%</td>
<td>Cash Equivalents</td>
<td>90 day T-bill</td>
</tr>
</tbody>
</table>
RESERVES FUND

Investment Goals

- To provide liquidity for emergency needs and/or in times of capital market volatility;
- To maintain purchasing power;
- To minimize risk and preserve capital;
- To achieve a competitive rate of return.

Investment Objectives

To match or exceed the rate of return from a composite of the target asset allocation percentages proportionately applied to the appropriate market indices, net of investment related expenses, as defined below.

Spending Policy

Distributions will be withdrawn from the Reserves on an as needed basis to cover emergency costs that would cause the Unitized Endowment to exceed their spending policy or in times of market volatility to provide additional liquidity to meet commitments.

Time Horizon

Given the assets of the Reserves may be called upon for unexpected expenses or in times of market volatility, the time horizon for the Reserves is short to intermediate term. The Committee will generally make decisions with a focus towards preservation of capital.

Asset Allocation Range, Target, Benchmark Indices

The following allocation of asset classes is intended to produce a rate of return sufficient to meet the goals and objectives of the Reserves Fund. The return of the combined accounts will be measured against the blended target percentages of the appropriate indices below:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Allocation Range</th>
<th>Target %</th>
<th>Peer Group</th>
<th>Benchmark Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Income</td>
<td></td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intermediate</td>
<td>0-100%</td>
<td>50%</td>
<td>Intermediate Fixed</td>
<td>Barclay Int Gov/Credit</td>
</tr>
<tr>
<td>Short Term</td>
<td>0-100%</td>
<td>50%</td>
<td>Short Term Fixed</td>
<td>Barclay 1-3 Gov/Credit</td>
</tr>
<tr>
<td>Cash</td>
<td>0-50%</td>
<td>0%</td>
<td>Cash Equivalents</td>
<td>90 day T-bill</td>
</tr>
</tbody>
</table>
ROVENSKY BUILDING ENDOWMENT FUND

Investment Goals

- To provide funding for the operation and support of the Rovensky Building and related programs;
- To maintain purchasing power;
- To prudently grow the Investment Assets to provide additional funding for the Rovensky Building’s future operation, support and programs;
- To pay all investment related expenses;
- To minimize risk and preserve capital;
- To achieve a competitive rate of return.

Investment Objectives

- To match or exceed the rate of return determined from the sum of the following components:
  - Spending policy as defined below
  - Inflation percentage as measured by the Consumer Price Index (CPI)
  - Real (after-inflation) growth of 1.5%
  - Investment related expenses
- To achieve the above return objective while experiencing the same or less downside capture and volatility than a composite of the target asset allocation percentages applied to the market indices as defined below;
- To match or exceed the rate of return determined from a composite of the target asset allocation percentages proportionately applied to the appropriate market indices, net of investment related expenses, as defined below.

Performance Expectations

Based upon the historical returns capital markets and the forward looking projections of industry experts, the Executive Committee expects the Rovensky Building Endowment Fund to earn an approximate rate of return in the range of 6.5% to 7.0%, net of fees, over a full market cycle. Taking into account historical inflation as measured by the Consumer Price Index (CPI), the Society expects to earn an approximate real return in the range of 3.5% to 4.0%. These expected returns apply to the Rovensky Building Endowment as a whole and not to any one Investment Manager; instead, more specific and appropriate benchmarks, as defined below, will be used to evaluate the performance of Investment Managers using time-weighted returns. Dollar-weighted returns, however, may be used to determine progress towards the achievement of the overall goals and objectives of the Rovensky Building Endowment Fund.
Spending Policy

Periodic distributions will be withdrawn from the Rovensky Building Endowment Fund on an as needed basis to pay for major repairs and maintenance expenses of the Rovensky Building. It is understood that such distributions will vary in any given year but will likely increase over time.

Time Horizon

The time horizon for the Rovensky Building Endowment Fund is long-term given its permanent nature. The Committee will generally make decisions with a focus towards the long-term and will usually allow for the fulfillment of a full market cycle prior to taking any significant action.

Asset Allocation Range, Target, Benchmark Indices

The following allocation of asset classes is intended to produce a rate of return sufficient to meet the goals and objectives of the Rovensky Building Endowment Fund. The return of the combined accounts will be measured against the blended target percentages of the appropriate indices below:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Allocation Range</th>
<th>Target %</th>
<th>Peer Group</th>
<th>Benchmark Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>45% - 70%</td>
<td>60%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large Cap Core</td>
<td>0% - 20%</td>
<td>15%</td>
<td>Large Cap Core</td>
<td>Russell 3000 and/or S&amp;P 500</td>
</tr>
<tr>
<td>Large Cap Growth</td>
<td>5.0% - 15%</td>
<td>10%</td>
<td>Large Cap Growth</td>
<td>Russell 1000 Growth</td>
</tr>
<tr>
<td>Large Cap Value</td>
<td>5.0% - 15%</td>
<td>10%</td>
<td>Large Cap Value</td>
<td>Russell 1000 Value</td>
</tr>
<tr>
<td>Small &amp; Mid</td>
<td>5% - 15%</td>
<td>10%</td>
<td>SMID Value/Growth/Core</td>
<td>Russell 2000 Value/Growth/Core</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Small Value/Core/Growth</td>
<td>Russell 2500 Value/Growth/Core</td>
</tr>
<tr>
<td>International</td>
<td>10% - 20%</td>
<td>15%</td>
<td>International Equity</td>
<td>MSCI ACWI ex/US and/or MSCI EAFE</td>
</tr>
<tr>
<td>Tactical</td>
<td>10% - 30%</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tactical/Allocation</td>
<td>0% - 15%</td>
<td>5%</td>
<td>Strategy Specific</td>
<td>MSCI ACWI and/or 60/40 Global Balanced</td>
</tr>
<tr>
<td>Alternative Fixed</td>
<td>0% - 15%</td>
<td>10%</td>
<td>Multi-Sector or Global Fixed</td>
<td>Barclay Aggregate or Global Aggregate</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>10% - 30%</td>
<td>25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intermediate</td>
<td>10% - 30%</td>
<td>20%</td>
<td>Intermediate Fixed</td>
<td>Barclay Aggregate and/or Barclay Int Gov/Credit</td>
</tr>
<tr>
<td>Short Term</td>
<td>0% - 10%</td>
<td>5%</td>
<td>Short Term Fixed</td>
<td>Barclay 1-3 Gov/Credit</td>
</tr>
<tr>
<td>Cash</td>
<td>0% - 5%</td>
<td>0%</td>
<td>Cash Equivalents</td>
<td>90 day T-bill</td>
</tr>
</tbody>
</table>
VI. CONTROL PROCEDURES

Rebalancing Among Asset Classes and Allocation of Net Contributions

Due to fluctuating capital market conditions, the Executive Committee recognizes that allocations to any asset class or Investment Manager will vary considerably at any given point in time. The Investment Committee will monitor the asset allocation on a quarterly basis. Should allocations exceed the allocation range or significantly deviate from the target, the Committee may need to redirect monies from one manager to another to maintain compliance with the allocation guidelines. Additionally, the Investment Committee may attempt to maintain compliance through the allocation of contributions to and distributions from its Investment Managers.

Selection of Investment Managers

Investment Managers must be a regulated bank, insurance company or registered investment adviser or mutual fund registered under the Investment Advisers Act of 1940 or Investment Company Act of 1940. All investment products will be compared to an appropriate benchmark index and median peer group results. The quantitative and qualitative factors to be considered for selecting Investment Managers include, but are not limited to the following:

- Total firm assets under management and assets specific to the product of interest;
- Stability and quality of the investment firm and its personnel;
- Portfolio manager’s tenure with the specific product of interest;
- Historical performance of the Investment Manager’s specific product of interest over a 3-, 5-, 7- and 10-year cumulative period (if available);
- Risk-adjusted performance of the product over a 3-, 5-, 7- and 10-year cumulative period (if available);
- Consistency and correlation of the product’s investment style;
- Overlap of investment style and/or fund holdings with other Investment Managers;
- Expense ratios and/or investment management fees and related expenses.

Investment Manager Performance Review and Evaluation

The time-weighted investment performance of each Investment Manager will be measured against the appropriate benchmark index. Further, the Investment Committee will review Investment Manager returns versus the comparable performance of similar managers by investment style. Over a full market cycle, Investment Managers are expected to outperform the specific market index and score above median performance for the peer group assigned to the allocated portion of the investment assets under its direction.
In general, further review and analysis of the quantitative and qualitative factors affecting the manager may be conducted when:

**Quantitatively**

- A manager performs below the appropriate index or peer group median over a 3-, 5-, 7- and/or 10-year cumulative period;
- A manager’s risk-adjusted return falls below the appropriate index or peer group median over a 3-, 5-, 7- and/or 10-year cumulative period;
- There is an increase in the product’s fees and/or expenses;
- The firm or product’s assets increase or decrease by greater than 30%.

**Qualitatively**

- There is a change in the key professionals managing the portfolio;
- There is a change in the ownership of the firm;
- There is an indication of deviation from stated style or strategy;
- Any event occurs that may interfere with the manager’s ability to fulfill their role in the future;
- Failure to adhere to any aspect of this IPS.

Such evaluation may include but not be limited to:

- A letter to the investment firm asking for a justification of its underperformance;
- An analysis of recent transactions, holdings and portfolio characteristics to determine the cause for underperformance;
- A face-to-face meeting with the manager which may be conducted on-site to gain insight into organizational changes and any changes in strategy or discipline.

**Investment Manager Termination**

The Investment Committee intends to evaluate the Investment Managers quarterly but reserves the right to terminate a manager for any reason including, but not necessarily limited to any reason previously cited. The Executive Committee acknowledges that the decision to retain or terminate a manager is not made by a formula; rather, the Investment Committee’s confidence in the Investment Manager to perform in the future determines the retention or termination of a manager.
Investment Related Fees and Expenses

The Investment Committee will periodically review all costs associated with the management of the Investment Assets which may include but not be limited to the following:

- Investment Manager fees and/or expenses;
- Investment Consultant fees and/or expenses;
- Custody fees and related charges;
- Trade execution and settlement charges.
VII. ACKNOWLEDGEMENT AND ACCEPTANCE

The undersigned acknowledges that this IPS was adopted by the Executive Committee on behalf of the Society.

1. Signed/Date: _________________________________________________

Printed Name: _________________________________ / ____________

2. Signed/Date: _________________________________________________

Printed Name: _________________________________ / ____________

3. Signed/Date: _________________________________________________

Printed Name: _________________________________ / ____________