

Statement of Investment Objectives

There shall be a standing sub-committee of the Chamber's Executive Committee composed of no less than three individuals appointed by the Chairman who shall meet at least annually to review the performance of the investment manager and discuss any changes in the investment guidelines or objectives.

1. The Chamber's assets are to be invested as a balanced portfolio consisting of equity, fixed income and cash equivalent securities in a moderately conservative manner.
2. Preservation of Capital/Principal. The original principal investment and, once earned, capital gains are to be protected. It is more important to protect principal plus increase in portfolio value due to capital growth than to attempt to maximize growth by incurring additional risk.
3. Liquidity. Each investment must be comprised of marketable securities. Marketability is the degree to which there is an active market where an investment can be readily traded at a price close to its value.
4. Preservation of Purchasing Power. Asset growth should cover at a minimum the rate of inflation as measured by the Consumer Price Index in order to preserve the Chamber's purchasing power.
5. Asset Allocation. This is the long-term asset allocation desired by the Chamber, which should approximate the actual average asset allocation over a three to five year period.

	<u>Minimum</u>	<u>Policy</u>	<u>Maximum</u>
Equity	30	40	60
Fixed	40	50	60
Cash	5	10	20

- Alternate 5. Asset Constraints
- . 50% maximum equity exposure
 - . 90% maximum fixed income exposure
 - Minimum bond rating of "A"
 - No Eurobanks permitted
 - Intermediate term (5-10 year maturity) board requirement
 - . 10% minimum cash position at all times
 - . No more volatility than the S & P 500