

# Alpha Zeta Foundation, Inc.

## Investment Policy

The Alpha Zeta Foundation is a private non-profit 501(c)(3) educational foundation that is designated to receive gifts and grants to support the fraternity of Alpha Zeta from sources such as individuals, foundations, and corporations. The Foundation provides financial support to the Fraternity and individual members therein. It manages donations to assure that gifts are distributed in accordance with donor intentions.

It is recognized by the Alpha Zeta Foundation Board of Directors that the funds raised by the Foundation are in trust for the benefit of Alpha Zeta. It is the intent of the Foundation Board that the investment policy provide a philosophy designed to preserve the principal of the managed funds and when prudent to maximize the appreciation potential of the managed funds.

The Finance Committee of the AZ Foundation is charged with review and recommendation concerning investments for the Foundation, as well as oversight of investments as directed by the FOUNDATION Board. This committee shall meet a minimum of twice a year for this purpose and report directly to the FOUNDATION Board. The committee shall provide a written report annually of its activities.

The purpose of the Finance Committee is to supervise the fund manager(s) and provide guidance and counsel to the fund manager(s). The Committee shall assure the Foundation's primary investment goal of the preservation of principal and the secondary goal of growth of principal to assure strength of the investment long-term.

The Alpha Zeta Foundation strives to be a good steward of its endowments and gifts and follows a prudent management philosophy in investing these funds so they maintain their value in real terms over time. The Foundation Board has established five basic principles to guide the Finance Committee.

1. Provide sufficient current and future income to meet the goals of individual entrusted endowments and to enhance the mission of the Fraternity of Alpha Zeta.
2. Focus on long-term performance.
3. Seek maximum total return WITHIN REASONABLE AND PRUDENT LEVELS OF RISK
4. Diversify investments to reduce risk.
5. TO OUTPERFORM INFLATION

## General Investment Guidelines

1. SHORT TERM FUNDS: 100% INVESTED IN MONEY MARKET, CASH EQUIVIVANTS OR FIXED INCOME

2. LONG TERM FUNDS

<u>ASSET CLASS</u>	<u>TARGET</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>
EQUITIES	70%	60%	80%
FIXED INCOME	30%	20%	40%

## Restrictions

THE FOLLOWING SECURITIES AND TRANSACTIONS ARE NOT AUTHORIZED BY THE FOUNDATION:

- LETTER STOCK AND OTHER UNREGISTERED SECURITIES,
- COMMODITIES OR OTHER COMMODITY CONTRACTS,
- SHORT SALES AND MARGIN TRANSACTIONS, AND
- SECURITIES LENDING,
- OPTION WRITING (SUCH AS COVERED CALLS) AND FUTURES TRADING ACTIVITIES ARE RESTRICTED TO BONA FIDE HEDGE PURPOSES ONLY...NOT FOR SPECULATIVE TRANSACTIONS,
- USE OF DERIVATIVES FOR SPECULATIVE PURPOSES, AND
- OTHER SECURITIES, NOT MENTIONED IN THE POLICY, EXCEPT BY COMMITTEE APPROVAL.