

NEW DRAFT 06/15/2015

WITH EDITS RECOMMENDED BY THE FIAE EXEC COMM

FOOD INDUSTRY ASSOCIATION EXECUTIVES INVESTMENT POLICY AND OBJECTIVES STATEMENT

PURPOSE

This statement communicates the investment philosophy, goals and objectives, guidelines and restrictions for investing the assets of the Food Industry Association Executive (FIAE) as determined by the Board of Directors. Our strategy will adhere to the standards of fiduciary prudence and investments in any high risk or speculative vehicles are forbidden.

ROLES AND RESPONSIBILITIES

The Board delegates to the Executive Committee the monitoring of the Association's investments and recommending Board changes to investment policies and related matters. Investment policies will be reviewed and approved annually by the FIAE Executive Committee. The Executive Committee will set parameters on the amount invested and advise the Investment Consultants on the purchase of financial instruments.

OBJECTIVES

Investments will achieve a total return that takes into account financial management and consulting fees and expenses. Additionally, avoid, to the extent possible, undue risk or speculation. The primary objectives are as follows:

- Ensure the safety and preservation of principal;
- Maintain adequate liquidity to meet cash flow needs;
- Achieve yields within the parameters of conservative investment guidelines, consistent with safety and liquidity as expressed above.
- Diversify into multiple investment categories so at no time more than 50 percent of our invested money is in any one category.

BENCHMARKS

At least annually, the FIAE President, Treasurer and Investment Consultants will review investment performance and compliance. If concerns, questions or market trends are an issue, the Executive Committee will be informed and possibly called on to take action.

REPORTING

Monthly financial statements should be provided to the FIAE Treasurer from FIAE's President with an overview at every Executive Committee and Board of Directors'

meeting. The Board of Directors will receive investment updates in the Treasurer's Report presented at each Board meeting to actively monitor the approved investments and to ensure they remain in compliance with this Investment Policy. The Executive Committee should review the performance of the investments, and report its recommendations for investment adjustments, if warranted, to the Board of Directors.

LIMITATIONS ON INVESTMENTS

Investment of funds shall be limited to the following categories:

- Certificates of Deposit
- Money Market Accounts
- U.S. Government Bonds
- Corporate High Quality Bonds
- Corporate High Yield Bonds
- Global Bonds
- Growth/Income Mutual Funds
- Growth/Income Money Managers
- Company Stocks

REINVESTMENT

The Board will, on an annual basis, continue to seek new initiatives and programs designed to assist the FIAE membership for the appropriate use of the reserves fund.

CONFIDENTIALITY

Financial investment shall be held in the strictest confidence by the Investment Consultant who should not be a member of FIAE.

[Approved at the January 30, 2013 FIAE Board of Directors Meeting]

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Derivatives such as options, futures, short sales and forward contracts are not permitted and borrowed funds may not be used.

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