

Investment Policy Schedule A to the resolution of the Board of Directors of the Genesee Foundation, adopted on July 6, 2005 regarding investment of monies in the Capital Replacement and Capital Improvement Funds.

Capital Replacement Fund:

1. Obligations of the US Treasury fully guaranteed as to principal, by the United States of America or agency thereof; either individually or through mutual funds.
2. Certificates of Deposit or obligations issued by U.S. regulated banks and Savings and Loan Associations. Certificate of Deposits shall be within the limit of insurance coverage provided by the Federal Deposit Insurance Corporation (FDIC) and/or the Federal Savings and Loan Insurance Corporation (FSLIC).
3. Obligations of Federal National Mortgage Association, Federal Home Loan Banks, Government National Mortgage Association and Federal Intermediate Credit Banks or other US Government agency securities. This policy prohibits investment in any derivative investments.
4. Investment grade commercial paper or investment grade corporate obligations for this portfolio is limited to those listed on the New York Stock Exchange, the American Stock Exchange and NASDAQ and will not exceed 25% of the total investment.
5. Money market accounts.

Capital Improvement Fund:

1. Obligations of the U.S. Treasury fully guaranteed as to principal, by the United States of America or agency thereof, either individually or through mutual funds.
2. Certificates of Deposit or obligations issued by U.S. regulated banks and Savings and Loan Associations. Certificates of Deposits shall be within the limit of insurance coverage provided by the Federal Deposit Insurance Corporation (FDIC) and/or the Federal Savings and Loan Insurance Corporation (FSLIC).
3. Obligations of Federal National Mortgage Association, Federal Home Loan Banks, Government National Mortgage Association and Federal Intermediate Credit Banks, or other U.S. Government agency securities. This policy prohibits investment in any derivative investments.
4. Money market accounts.

Investment vehicles and strategies shall be consistent with the time horizon of need for the funds being invested. Funds determined by the Finance Committee to be needed on the short term (within one year) shall be invested in instruments that shall not be subject to any erosion of principal when held to maturity. Funds which are determined to be long term (not needed for more than one year) shall allow investments to be bought and/or sold, at a premium or discount, as market conditions warrant, to maximize returns or minimize losses.

The Finance Committee of the Foundation Board shall determine the proper time horizon for all investment of funds.

