

# INVESTMENT POLICY

The Krier Foundation board relies on investment professionals to manage the assets of the Foundation. The Krier board has the legal responsibility to prudently oversee the management of the Foundation's assets and income.

The Krier Foundation board:

- Ensures that the investment managers invest the Krier Foundation assets in good faith and with the care an ordinarily prudent person, in a like position, would exercise under similar circumstances.
- Only incurs costs to the Krier Foundation that are appropriate and reasonable in relation to the assets, the purposes of the Foundation, and the skills available to the Foundation.
- Conducts an annual review of the investment managers to supervise their work.
- Fulfills Bruce Krier's wishes that the Foundation continues in perpetuity by keeping the principal of the Foundation intact through appropriate investing and distribution while meeting its legal distribution obligations.

The Krier Foundation board ensures that the investment managers comply with the Uniform Prudent Investor Act (UPIA) and the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Towards that end, the Krier Foundation board makes certain that the investment managers have a Krier Foundation investment portfolio that:

- Balances risk and return in making investment decisions and relies on the diversification of assets, long-term performance benchmarks and the portfolio's total return on investment.
- Avoids jeopardizing investments including: trading in securities on margin; trading in commodities futures; investments in working interests in oil and gas wells; purchase of puts, calls and straddles; warrants; selling short; investments in junk bonds; risk arbitrage; hedge funds; derivatives; distressed real estate; and international equities in third-world countries.
- Avoids or disposes of a donation of excess business holdings, defined as a substantial interest in a single company or business enterprise.
- Does not support lobbying or political campaign activity.