

Policy: Investment

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Approved By:	Board of Directors, Management	Review Date: April 2017
References:	Administrative Policy #	

Statement:

The investible funds of the Society of Saint Vincent de Paul shall be invested in accordance with the laws governing trustee funds in Ontario.

The investible funds shall be commingled to allow greater efficiency in meeting the investment aims set out below.

Funds shall be invested to maximize long term returns subject to the overriding requirement to safeguard capital, the need to provide funds for expenditures from time to time and in compliance with the Board approved ethical fundraising policy.

Permitted investments are:

- a. Debt instruments issued by the federal government and by provincial governments in Canada
- b. Guaranteed investments or equivalent financial instruments of insurance companies, trust companies, banks or funds that invest primarily in such instruments in Canada
- c. Term deposits or similar instruments issued or unconditionally guaranteed by the Canadian Deposit Insurance Corporation (CDIC) or up to \$500,000 issued by a Schedule A bank.
- d. Money market securities issued by Canadian governments, trust companies or banks up to the level insured by CDIC.
- e. Equities and funds that invest in such equities up to a maximum of 15% of the future cash flow reserve.

PROCEDURES

Risk shall be mitigated by prudent diversification of investments by asset class and term.

No funds shall be loaned except as stated above and loans of securities shall be made only through pooled funds operated by the investment manager.

The funds shall not borrow for investing or any other purpose.

The funds shall be managed by an investment manager in accordance with the policies set out above and under the general oversight of the finance committee.

The manager shall exercise the voting rights of pooled funds in the best interest of the funds and shall provide its voting policy to the finance committee.

The investment manager shall be selected by the finance committee under a selection process that will consider the qualifications and performance of potential investment managers.

The manager shall report monthly the valuation of the managed funds and the realized return.

The finance committee shall monitor compliance with the policy not less than semi-annually and shall report to the Board annually the performance of the managed funds and for comparison the performance that could have been achieved by passive investment in indexed funds.

The finance committee shall review this policy annually or whenever a significant change occurs in the investment climate.