

Astrophysical Research Consortium Investment Policy

This policy, effective January 1, 1994, sets forth the guidelines for investment of Astrophysical Research Consortium (ARC) cash reserves. These guidelines intentionally reflect a conservative strategy, which sacrifices some potential earnings for security of the principal and liquidity to meet cash flow requirements.

Investments under these guidelines are to be administered by ARC's Treasurer and/or an Investment Committee as the Board of Governors chooses. The investments will be placed at a major financial services company, like Dean Witter Reynolds, Inc., to assure safety of the funds and the availability of free advice and consultation with knowledgeable Account Executives.

It is anticipated that ARC's cash reserves will be relatively small at any given time, and generally will be available for investment for only short periods of time, ranging from 30 to 120 days. Viable short term investments include money market accounts and Certificates of Deposit; highly rated commercial paper and other corporate debt obligations; high quality bankers' acceptances; repurchase agreements issued by reputable financial institutions; and US Government securities, either by direct purchase of the securities or by purchase of units in trusts that invest only in Government securities.

When cash reserves are available for longer term investments, they may be invested in the instruments prescribed in the previous paragraph. In addition, they may be invested in US Government guaranteed bonds or in reputable mutual funds which are invested in US Government guaranteed bonds, with careful attention to the maturity date of the investment as compared to the estimated time of need for the cash proceeds.

ARC cash reserves will not be invested in individual stocks or stock mutual funds, nor in any form of security sold, managed or underwritten by foreign countries, or foreign companies. Investments and the treatment of investment income will be consistent with terms imposed by donors or sponsors in connection with gifts or grants to ARC.

Confirmation of the accuracy of investments and investment income as shown in ARC's records will be part of the annual audit of ARC's financial statements.

Contacts

Questions related to the interpretation of this policy should be directed to the ARC Secretary/Treasurer.

Effective Date

November 6, 2013