

PFund Foundation Investment Guidelines (as of 2008)

Common stocks and securities convertible into them, fixed income investments and cash equivalents will each be within the following ranges as percentages of the portfolio:

<u>Type</u>	<u>Target</u>	<u>Range</u>
DOMESTIC EQUITIES	60%	50% - 70%
INTERNATIONAL	10%	5% - 15%
FIXED INCOME INVESTMENTS	30%	20% - 40%
CASH EQUIVALENTS	0%	0% - 20%

REBALANCING: In keeping with the long-term objectives of the Portfolio, the Finance Committee will review portfolio asset allocation and rebalance to targets on an annual basis; however, the Finance Committee may elect to rebalance more frequently to take advantage of relative overvaluation or undervaluation within a specific asset class and to adjust risk.

The Finance Committee will rebalance the portfolio quarterly if the market value of an asset class falls outside of the range.

The Executive Committee may approve deviations from these rebalancing requirements if recommended by the Finance Committee.

INDEPENDENT MANAGEMENT: The investments shall be managed by professional organizations not affiliated with the Foundation.

GENERAL GUIDELINES:

- a) No investment, other than those of the U.S. Treasury or an entity guaranteed by it, shall exceed 8% of the entire portfolio measured at market.
- b) All securities owned will be denominated in U.S. currency absent approval from the Finance Committee prior to purchase.
- c) No investments in funds having exit load fees.
- d) Fixed income investments will be rated BAA or better as measured by Moody's.

RESTRICTIONS: The following restrictions will apply: no unregistered or restricted stock; no options, futures, forward contracts or other derivatives except where used to hedge the market value of non-US currency denominated securities into U.S. dollars; no investment in any vehicle that might create UBIT (unrelated business income tax); no short sales unless a professional hedge fund is employed and approved by the Finance Committee.

MISSION-BASED INVESTMENT POLICY:

We intend that the Finance Committee shall partner with the investment manager to seek to cause our investment policy to reflect the mission and vision of PFund. To this end, we expect that our investment policy will contain both negative criteria and affirmative criteria.

A. NEGATIVE CRITERIA

PFund's Finance Committee shall partner with the investment managers to seek to avoid investments in organizations with known records of harm to the GLBT community.

B. AFFIRMATIVE CRITERIA

PFund shall seek to invest in organizations which support diversity in their workforce and their communities, with special attention to GLBT issues. Measures include, but are not limited to, EEOC statements, non discrimination statements, domestic partner benefits and the like.