

Medford Lodge 103 AF & AM

Investment Policy Statement [Date approved]

1. Scope

This policy applies to the investment of funds on deposit with Summit Brokerage Services, Inc. (SBS). The funds will be managed in a non-discretionary account by Bruce Garetto of Summit Brokerage Services and the current members of the Medford Lodge 103 AF & AM Lodge Trustees.

We will strive to invest with the judgment and care that prudent individuals would exercise in the execution of their own affairs, to maintain safety of principal, provide an income to meet the expenses of the Lodge, and to provide reasonable growth in order to keep pace with inflation.

2. Investment Objectives

Time Horizon:

We consider our portfolio to be a perpetual investment. We will take only interest, dividends and earnings to meet our income requirements. Principal will not be taken from the portfolio without approval of Medford Lodge 103 AF & AM.

Safety of Principal:

We will seek to mitigate credit risk by maintaining a diverse portfolio of fixed income securities and equities from a variety of sectors and industries. If alternative investments are considered, in no case shall they constitute more than 10% of the portfolio amount. Alternative Investments may or may not be actively traded on any exchange; however, they must be registered with the Securities & Exchange Commission (SEC) to be considered. All fixed income securities will be rated "investment grade" as defined by Standard & Poors. If for any reason the security falls below investment grade, the lodge trustees will cause the security to be sold immediately, unless the lodge trustees unanimously agree to delay the disposal of the asset due to shortness of the remaining term or some other extenuating circumstance.

Fixed income mutual funds will be required to average an investment grade rating for the funds portfolio.

We will minimize the risk of rising interest rates (interest rate risk) by purchasing fixed income securities with varying maturities. We intend to hold securities till maturity.

Currency risk will be mitigated by keeping foreign securities to a maximum of 15% of the overall portfolio.

Provide Income to Meet Lodge Expenses:

We need the portfolio to meet our annual ~~goal~~ (budget) without requiring that principal be liquidated.

Provide Reasonable Portfolio Growth:

A portion of the portfolio will be invested in equity securities in order to provide the opportunity for growth and to protect against inflation. This will take the form of diversified stock funds. Open end mutual funds, closed end mutual funds (CEF), and exchange traded funds (~~EFT~~) (ETF) will be the only allowed investments in order to achieve our objective.

The growth portion of the portfolio will be no less than 15% or more than 30% of the overall portfolio.

While we will strive to meet our objectives, because there are many factors outside of our control, we make no guarantee that these objectives will be met.

3. Execution of Investment Objectives

Process:

Summit Investment Advisors will find appropriate investments and discuss the merits and risks with the Medford Lodge Trustees. A decision to proceed with a purchase will only take place when the Trustees agree to a purchase. Trades will be agreed to in writing and a trade acknowledgement will be signed by at least two trustees.

After all monies have been invested, Summit Investment Advisors will confer with the Medford Lodge Trustees on a quarterly basis or as needed. The Summit Investment Advisors will examine the investments options risk-adjusted performance, risks, style consistency, performance consistency, expenses and portfolio characteristics. Meeting agendas will include; any change to the investment objectives, current state of portfolio, determination if current portfolio is meeting objectives, and discussion of any changes that need to be made.

Benchmarks:

All investments will be compared to the following “benchmarks” in order to determine the relative performance.

Fixed income investments will be benchmarked against the Barclays Capital Aggregate Bond Index.

Equity Investments will be benchmarked against the Standard & Poors 500.

4. Conclusion

This Investment Policy Statement will be reviewed annually for necessary modification resulting from changes in investment goals, changes to the Medford Lodge Trustees, administrative issues, etc. Any and all changes to the investment policy of Medford Lodge #103 must be voted on and approved by the Brethren during a Stated Meeting.

Approved by Medford Lodge #103

Date _____

Signed:

Medford Lodge 103 AF & AM Trustees:

Michael S. Card

Date _____

Harry K. Baker

Date _____

Alexander W. Robertson

Date _____

Summit Brokerage Services, Inc.:

Bruce J. Garetto, CFP®

Date _____