

Scope

All short, medium and long-term investments made by, or on behalf of, ROWONTARIO., in accordance with the "Ontario Trustee Act".

Objective

The security of the principal invested must be the first consideration in any investment, and although the need to maximize income is an important consideration, it should only be considered after the requirements of security and liquidity¹ have been met. To reaffirm this principle, ROWONTARIO prefers that its investments be held by Schedule 1 banks, or by other well-known reputable Canadian financial institutions.

Wherever possible, any excess cash beyond six months' operating requirements, should be invested and the maturity date of the investment should be arranged so as to coincide with specific, or general operating cash requirements.

Policy

- IP1.0 To safeguard the capital of the investment portfolio, a dollar limit of not less than seventy percent of the total value of the portfolio, will be invested in financial instruments where the principal of the investment is guaranteed.
- IP2.0 The Finance Committee, will act on behalf of ROWONTARIO's Board of Directors, and will establish the appropriate risk parameters for the balance of the invested funds. Directors of ROWONTARIO shall not profit directly or indirectly as a result of these investments.
- IP3.0 If a specific situation arises, where it appears advantageous to go beyond these set limits, then the written approval of the Board of Directors must be obtained prior to the investment-taking place. It will be the President's and Treasurer's responsibility to ensure that the investments in the portfolio are in agreement with this policy.
- IP4.0 The performance of the investment portfolio will form part of the Treasurer's report, which will be brought forward for information, at each regular meeting of the Board of Directors and presented annually to the Members at the Annual General Meeting.

*Board approved last: June 12, 2018
Review date: June 12, 2018*

¹ Liquidity is a measure of the time required to convert a security into cash with a minimum risk of capital loss. Liquidity is achieved by limiting the portfolio to readily marketable securities.

² Guaranteed Investment Certificate, Treasury Bills and Interest-Bearing Notes are common examples of this type of secured investment.