

The Investment Committee is intended to be 1) a subcommittee of the Finance Committee with 2) a separate Chairperson) who along with its other subcommittee members, bring substantial experience and expertise to the manner in which Tahoe Donner invests its excess funds. This Investment portfolio is approximately \$20 million dollars.

The Subcommittee would generally meet no less than four times per year and more often according to market conditions and Investment needs as the subcommittee deems necessary. It is highly probable that the Committee would meet with Tahoe Donners' Investment Advisors on a quarterly basis to review overall portfolio results and to ensure a proper review of potential opportunities/alternative investment strategies transpires. The Investment Subcommittee, in its support of the Tahoe Donner Board, is the primary expertise and advisory authority on developing the corporation's investment objectives and corporate policies on investing.

The first task of the Investment Subcommittee is to adopt a written operating policy that also defines the membership of the committee, meeting structure and attendance policy. Committee members will also make decisions about how they will get information from Tahoe Donners' Investment Advisors and how they'll feed information up to the Board.

Meeting minutes are an important part of the Investment Committee's responsibilities. Minutes prove that the committee conducted their duties with due diligence in decision-making. Minutes also provide a historical reference that serves as a guide to discussions for future meetings and provides a base for future decision-making. Minutes should include a list of attendees, the topic of discussions, actions, decisions and processes, as well as describe the committee's rationale in forming decisions.

The Committee must understand its Fiduciary responsibilities and the legal framework it is operating under. As such and as needed it should utilize Tahoe Donner's legal counsel as applicable.

In order to be effective the subcommittee is charged with several responsibilities including:

1) Effectively selecting (subject to Board approval) the investment managers that may best serve Tahoe Donner on an annual basis. This mandate would include consideration of outsourcing the full investment process to a qualified party(ies) that would operate under Tahoe Donners policy dictates.

2) Developing and updating on an annual review basis, the overall investment policy for Tahoe Donner to include 1) the manner in which investments are selected along with the proposed diversification policies among the various investment vehicles. Investment policy statements usually include one or more benchmark portfolios that serve as a metric to evaluate portfolio returns over several years. Operating policies will clearly define the duties and powers of the various parties and will specify for which actions the Staff and or the Tahoe Donner's Investment Advisors need to seek committee approval.

3) The interest rate duration of the applicable investments, rebalancing parameters and asset allocation ranges.

4) The applicable types of investments that can be made, from variable to fixed rate coupons as well as tax exempt inclusive of floating rate vehicles and other alternatives that diversify exposure along with the corresponding asset allocation percentages

5) Determining the feasibility of and overall applicability of utilizing discretionary and non discretionary Investment Advisors and the amount of discretion they may be allotted if any and to what degree.

6) Determining the applicable list of acceptable vendors/ investment types and vehicles including an annual review of the applicable portfolio's credit rating and the financial stability of the advisors.