

The Mule Deer Foundation National Endowment Fund

Investment Policy Statement

This policy statement outlines the investment objectives of The Mule Deer Foundation National Endowment Fund (the "Fund"). It describes an appropriate risk posture for the investment of the Fund's assets. The Board of Trustees of the Mule Deer Foundation National Endowment Fund (the "Board") oversees the investment of these assets. These policies may be reviewed on an ongoing basis and revised as necessary to ensure they adequately reflect any changes related to the Fund.

The investment objectives of the Fund are short to intermediate term in nature; consequently the investment of the Fund assets should have a capital preservation focus and the Fund's assets should achieve a consistent growth of those assets. This objective can be obtained through a well-diversified portfolio structured in a manner consistent with this investment policy.

It is understood that there can be no guarantees about the attainment of the investment objective outlined here.

The investment objective for the Fund shall be income and growth, using a total return approach that emphasizes both current income and growth in principal over the long term. The Board will monitor the Fund's performance on a quarterly basis and will annually evaluate the Fund's success in achieving the investment objectives outlined herein.

Investment theory and historical capital market return data suggest that, over long periods of time, there is a relationship between the level of risk assumed and the level of return that can be expected in an investment program. In general, higher risk (i.e. volatility of return) is associated with higher return. Given this relationship between risk and return, a fundamental element of the investment policy for the Fund is the determination of an appropriate risk tolerance. The Fund shall operate pursuant to a conservative to moderate risk strategy. This is a goal of stable returns and a relatively low potential for negative returns in any one (1) year.

The Board shall provide an annual report to the Board of Directors of the Mule Deer Foundation. The Fund's performance shall be reported in terms of rate and return and changes in dollar value. The portfolio's asset allocation shall be included in this annual report.