

INVESTMENT POLICY



Scope of the Investment Policy

This statement of investment policy pertains to excess reserves not required for short-term operating purposes. Such excess reserves will be allocated to a designated interest-bearing savings account at GTP's bank and segregated from GTP's operating accounts. This policy reflects our biblical commitment to “put to work” resources that God supplies (Matthew 25:16). Funds allocated to the designated savings account will be deemed “investible assets” and therefore eligible for investment pursuant to this policy. This document reflects the policies, objectives, and constraints regarding the management of investible assets.

Purpose of this Investment Policy Statement

This statement of investment policy is set forth by the Finance & Audit Committee of GTP in order to:

- define and assign the responsibilities of all involved parties,
- establish a clear understanding for all involved parties of the investment goals and objectives of fund assets,
- offer guidance and limitations to all investment managers, if any, regarding the investment of fund assets,
- establish a basis for evaluating investment results,
- manage fund assets according to prudent standards, and
- establish the relevant investment horizon for which the fund assets will be managed.

In general, the purpose of the statement is to outline a philosophy and attitude that will guide the investment management of the assets toward the desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical.

Authority and Delegation Thereof

Ultimate authority for all matters concerning investment of excess reserves rests with the board of governors. Within that parameter, however, authority is given to the Finance & Audit Committee to direct and monitor the investment of assets subject to this Statement of Investment Policy.

With advice from the Finance & Audit Committee, the board may hire outside experts as consultants and/or investment managers. Each investment manager will have full discretion for the assets placed under the its jurisdiction, while observing and operating within all policies, guidelines, constraints, and philosophies as outlined in this statement.

Assignment of Responsibility

The Finance & Audit Committee shall

- develop an investment policy statement for approval by the board,
- review periodically such policy and recommend changes to it to the board,
- review at least semiannually the performance of the invested assets and of any investment managers, and

- provide to the board from time to time recommendations as to which entities should act as an investment consultant or investment manager, if applicable.

If an investment manager is retained to manage assets of GTP, the investment manager(s) shall

- In good faith, make every effort to achieve the investment objectives of GTP with the assets placed under its jurisdiction, while assuring that it operates within all policies, guidelines, constraints, and philosophies as outlined in this statement.

If an investment consultant is retained to advise on the investment of GTP assets, the investment consultant shall

- Be a non-discretionary advisor to the Finance & Audit Committee. Investment advice concerning the investment management of GTP's assets will be offered by the investment consultant, and will be consistent with the investment objectives, policies, guidelines, and constraints as established in this statement. This advice includes the following:
 - asset and style allocation and strategy,
 - review of the investment policy and investment policy statement, to include suggested changes,
 - review of current and prospective economic and capital market issues, and
 - performance of the overall fund and of investment managers.

Investment Management Policy

Gifts to GTP are generally given with the givers' expectations that the funds will be used for current or long-term needs of the organization. Therefore, the funds should be invested in accordance with these general objectives:

1. **Preservation to Capital.** The Finance & Audit Committee and the investment managers should make conscious efforts to preserve the real value of capital, understanding that losses may occur in individual securities.
2. **Risk Aversion.** Understanding that risk is present in all types of securities and investment styles, the Finance & Audit Committee and investment managers (if any) are to make reasonable efforts to control risk, and they will be evaluated regularly to ensure that the risk assumed is commensurate with the given investment style and objectives.
3. **Adherence to Investment Discipline.** Investment managers are expected to adhere to the investment management styles for which they were hired. Managers will be evaluated regularly for adherence to investment discipline.

Investment Objectives

Specifically, the primary objective in the investment management of excess reserves shall be

- to preserve purchasing power of such reserves,

- to achieve returns that are commensurate with the rate of inflation while focusing on preservation of capital in order to preserve purchasing power of the reserves, and
- to control risk in the investment of GTP assets.

Investment Guidelines

Allowable Assets:

Cash Equivalents:

- Interest-bearing savings account
- Treasury Bills
- Money Market Funds
- STIF funds
- Commercial Paper
- Banker's Acceptances
- Repurchase Agreements
- Certificates of Deposit

Fixed Income Securities:

- U.S. Government and Agency Securities
- U.S. Corporations
 - Notes and Bonds
 - Preferred Stock
- Mortgage-backed Bonds
- Planned Amortization Class Collateralized Mortgage Obligations (PAC CMOs) or other "early tranche" CMOs

Mutual Funds:

- Mutual Funds, which invest in securities as allowed in this statement

Prohibited Transactions

- Short selling
- Margin transactions
- Purchase of:
 - Privately held securities (not publicly traded)
 - Real estate properties (with the exception of Real Estate Investment Trusts)
 - Derivative securities, except CMOs

Asset Allocation Guidelines

Up to 100% of GTP's investible assets will be invested in cash equivalents and/or fixed income securities. Mutual funds may be utilized to gain access to diversified pools of cash equivalents and/or fixed income securities. The Finance & Audit Committee may direct the asset allocation and investment selection or delegate that to any investment manager(s) pursuant to this investment policy statement.

Liquidity

At least 20% of GTP's investible assets will be kept in highly liquid securities which can be converted to liquid cash on less within 7 days.

Guidelines for Fixed Income Investments and Cash Equivalents

- Corporate bonds must be “investment grade,” rated BBB or better by Standard and Poor’s (S&P) and/or Baa or better by Moody’s.
- Commercial paper must be rated A1/P1 or A2/P2.
- Fixed income maturity restrictions are as follows:
 - Maximum maturity for any single security is 10 years.
 - Weighted average portfolio duration may not exceed 5 years.
- Money Market Funds selected shall contain securities whose credit rating at absolute minimum would be rated investment grade by S&P, and/or Moody’s.
- Fixed income mutual funds selected shall have a weighted average portfolio rating of investment grade and duration of 5 years or less.

Ethical Investing

The investment of GTP assets should reflect the Christian values and purpose of GTP. As such, the Finance & Audit Committee and investment managers overseeing such assets shall consider the nature and impact the investment options may have on God’s creation and humanity when making investment decisions.

Investments that reflect Christian values and have a positive impact on society, life and the environment will be chosen over comparable investments that do not.

In addition, direct investments in companies with significant (more than 5% of revenue) business operations in the following sectors will be prohibited:

- Alcoholic beverages
- Tobacco and cannabis products
- Gambling products and/or facilities
- Pornographic, lewd, or obscene materials
- Abortifacient contraceptives
- Atomic, biological, or chemical weapons or cluster munitions

Where companies are known to have involvement in the following activities, investment in them will be avoided where possible:

- Child & slave labor
- Human trafficking
- Severe environmental destruction
- Exploitative and/or discriminatory consumer debt

Selection of Investment Managers

The Finance & Audit Committee's recommendations to the board regarding the selection of investment manager(s) must be based on prudent due diligence procedures that encompass the investment manager's investment strategy, operational capabilities and ability to implement ethical standards. A qualifying investment manager must be a registered investment advisor, or a bank or insurance company.

Investment Manager Performance Review and Evaluation

The Finance & Audit Committee will, at least quarterly, review and measure the performance of the total portfolio, as well as asset class components, against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. Consideration shall also be given to the investment manager's performance against the agreed ethical standards.

The Finance & Audit Committee reserves the right to terminate a manager for any reason, including the following:

- investment performance that is significantly less than anticipated, given the discipline employed and risk parameters established, or unacceptable justification of poor results;
- failure to adhere to any aspect of this statement of investment policy, including communication and reporting requirements; and
- significant qualitative changes to the investment management organization.

Investment managers shall be reviewed regularly regarding performance, personnel, strategy, research capabilities, organization and business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.