

The Prairie Enthusiasts

Investment Policy

February 2026

This policy was adopted by the Board of Directors (BOD) of The Prairie Enthusiasts, Inc (TPE) on February 15, 2026. It supersedes any and all prior actions regarding investment policies and recognizes that the BOD has ultimate responsibility for the management of the assets of TPE. It provides direction for the investment TPE's long-term investment portfolio (The Portfolio). Short term Operating Funds and Reserve Funds are described in a separate policy.

Fiduciary Standards:

The BOD of TPE recognize their fiduciary responsibilities. These duties can be summarized in the model Uniform Prudent Management of Institutional Funds Act. This includes acting in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances.

Delegation of Authority:

Subject to any specific limitation set forth in a gift instrument or law, the BOD may delegate to an external agent (Manager) the management and investment of The Portfolio. The BOD has delegated supervisory responsibility for the management of The Portfolio by the Manager to the Finance Committee which will provide updates to the BOD at regularly scheduled board meetings.

Investment Guidelines:

The Portfolio shall be managed by a Manager chosen by the Finance Committee and approved by the BOD. It will be managed to pursue competitive growth of principal subject to risk tolerances as implied by the target asset allocation ranges and rebalancing described below with the goal for the corpus to grow to account for inflation while also providing approximately 4% annually to support its operational needs. The actual amount used for operational needs will be determined by using a rolling average of the 16 most recent quarter end market values of The Portfolio.

It is the intention of the BOD to allow the Manager full discretion within the scope of the target allocation guidelines with a goal to be well diversified across asset and sub-asset classes, economic sectors, and industry groups. All individual fixed income securities held in The Portfolio shall be U.S. Treasury or Government Agency or have a Moody's, Standard & Poor's, and/or Fitch credit quality rating of no less than investment grade. The time horizon of The Portfolio is expected to be ten years.

Target Asset Allocation:

The target asset allocation of The Portfolio is expected to be:

Cash Equivalents- 1% with allocation range of 0-10%

Total Fixed Income- 39% with allocation range of 30-50% with a mix of domestic and international funds

Total Equity- 60% with an allocation range of 50-70% with a mix of domestic and international funds

The Manager has full discretion to achieve these targets by choosing a mix of passive funds with various market capital size and valuations that are felt by the Manager to represent the most prudent choice at the time. Rebalancing is at the discretion of the Manager, but is encouraged when the balance of Total Fixed Income or Total Equity is outside the target range by 7.5% or is necessary to meet liquidity goals.

The Portfolio may not:

- Acquire any security subject to any restriction on the sale thereof, or subject to any investment representation.
- Acquire or sell any commodity or commodity contract.
- Acquire any security on margin, or otherwise utilize borrowed funds for the acquisition of any security including but not limited to the use of reverse repurchase agreements.
- Sell any security not part of the portfolio (individual security short sale contracts).
- Make any investment for the purpose of exercising control of any corporation.
- Acquire precious metal.
- Acquire options, futures, warrants and other derivatives.
- Acquire hedge funds, venture capital funds, and limited partnerships.
- Acquire direct investment in real estate, including short sales.
- Acquire crypto-currency
- Acquire other financial instruments which do not meet the “prudent person standard” of ERISA or other, stated objectives of this policy.

Performance Evaluation and Reporting:

Investment returns will be reported quarterly and include total return as well as that of separate asset classes or funds that comprise The Portfolio. Performance is to be compared to relevant benchmarks and will include quarterly, year to date, one year, three year, five year, and since inception returns.

The Manager shall notify TPE of changes in any fees associated with providing management of The Portfolio.