BELL COMMUNITY FOUNDATION INVESTMENT POLICY STATEMENT

This Investment Policy Statement (IPS) is to assist the Directors of the Bell Community Foundation, Inc., in effectively supervising, monitoring, and evaluating the investment options of the Corporation. Its purpose is to describe how investment options are determined.

The IPS details a suggested investment structure for funds, a recommended model portfolio and prudent investment options. This structure includes various asset classes, portfolio allocation, and acceptable ranges that, in total, are intended to produce an appropriate level of overall diversification and risk over the investment time horizon.

General Objectives

This document defines the nature of the relationship of how the investment process will be managed.

The Directors, or their designated officers will provide an Investment Objective and managed account solutions that strive to minimize risk while generating a level of return sufficient to meet the stated investment objectives.

The Directors, as Fiduciaries, recognize and acknowledge that some risk must beassumed in order to achieve long-term investment objectives, and that there are uncertainties and complexities associated with investment markets.

Roles and Responsibilities

Plan Fiduciaries

The Plan Fiduciaries' primary responsibilities include:

- Selecting and monitoring Investment Managers
- Approving the investment objectives and policies of the portfolio
- Directing Investment Managers to make changes regarding policy, guidelines, objectives and specific investments on a timely basis
- Exercising all rights. Including voting rights, as are acquired through theownership of securities. or delegating same to Investment Managers
- Reviewing investment statements, and performance reports
- Recommending changes to this Investment Policy Statement

The overriding goals in selecting the investment options that will be made available under the Plan are to:

1. Ensure that the investment of Trust assets will be made for the sole and exclusive benefit of BCF and its charitable purposes.

2. Ensure that the investment options be sufficiently diversified to minimize the risk of large losses;

3. Ensure that the investment options are selected and monitored using the skill, care and diligence under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

4. Ensure that the investment options made available are allowed in accordance with the provisions of any Trust or restricted gift documents and, if the provisions of this Investment Policy conflict with those provisions, the provisions of the restricted gifts or Trusts shall control, and;

5. Ensure that Investment Managers utilize asset classes which have different risk and return characteristics, and which, in the aggregate, enable the Trust to achieve a portfolio with aggregate risk and return characteristics at any point within the range of the Investment Objective. In order to achieve these goals, the investment options utilized should be at a reasonable and acceptable level of cost determined by comparing such investments to comparable investments taking into account risk, return and other factors in determining comparable investments.

Investment Manager

• Must be a Bank Trust Department, an Insurance Company, or an Advisor registered with the SEC under the Investment Advisers Act of 1940 or their state's securities commission (an "RIA"). If utilizing an RIA, BCF must also utilize an independent Custodian for the safekeeping of the portfolio's investments and the settlement of purchase and sale transactions.
•Must acknowledge their fiduciary status in writing. Any professional providing advice must do so pursuant to a written agreement.
•Should demonstrate their understanding of the Trust's objectives by reviewing this IPS and acknowledging such in writing.

Investment OptionCriteria

Modern Portfolio Theory and Efficient Market Hypothesis are key concepts in the development of this IPS. The Nobel Memorial Prize in Economic Sciences was awarded to three noted financial economists for their work in developing Modernn Portfolio Theory as a portfolio management technique. One of the tenets of Modern Portfolio Theory is that the portfolio should be viewed in its entirety. By properly diversifying the portfolio, overall risk can be reduced. A low risk and low return investment may be used to counterbalance a riskier investment with greater potential for reward. Ideally, the end result is a balanced portfolio with a potential for greater return and lower overall risk than the specific assets in the portfolio. The entire portfolio is considered in judging the prudence of investments rather than considering a single investment in isolation.

The Efficient Market Hypothesis, has significant implications when it comes to portfolio construction. The Efficient Market Hypothesis states that while the returns of different securities may vary, as new information becomes available, these variations are inherently random and unpredictable. Especially important, are the beliefs that one cannot expect to profit by "timing the market" (attempting to buy when the market is low and then sell when the market is high) or by picking individual securities that will do better than the market as a whole.

Generally, there are three methods of investing: Market Timing, Security Selection and Asset Class Selection. Studies suggest that the most effective of the three methodologies is Asset Class Selection.

Asset Class Investing

One approach to investing trust assets is to invest in assets funds that reflect the various segments of the overall market, such as Large Cap Value or Micro Cap stocks. Asset class funds are mutual funds that own all or most of the stocks or bonds represented in a given sector of a market.

Asset class funds attempt to emulate a particular market segment by acquiring a representative percentage of that market's stocks. These funds typically have significantly lower management costs and lower turnover rates than the average of all funds. They may attempt to add value that can be gained by economies of scale, but not through forecasting markets.
Studies have shown that asset class fund portfolios have outperformed more than 75% of active stock fund managers over periods of ten years or more. Asset class diversification implemented with mutual funds is an academically sound approach for virtually any investor to pursue.

By investing in a wide range of asset classes which tend to move in different cycles, it is possible for an investment manager to lower the portfolio's risk.

Money managers who utilize an asset class approach try to capitalize on both the random nature of the equity markets and their high level of efficiency. Asset class investing is supported by numerous empirical studies covering years of professionally managed portfolios. There is a body of academically sound research available supporting modern portfolio theory. BCF believes that it is possible to increase investment returns while lowering investment risks.

Current Investment Objective

Currently, the investment objective is as follows:
Growth in the value of the portfolio and income are of approximately equal importance. Between 40-60% of the portfolio will usually be invested in equities (i.e. quality stocks) to generate growth, and an equivalent percentage may be invested in fixed income securities. The fixed income portion is used to produce a moderate income stream and to reduce overall risk. This strategy entails assuming moderate risk. This portfolio is suitable for portfolios seeking long-term appreciation in value, that are able to endure losses during unfavorable market periods, which have historically extended from several months to several years.