



FOOD FOR LIFE CANADA CHARITABLE CORPORATION

POLICY CATEGORY	BOARD GOVERNANCE
POLICY NUMBER	BG13
TITLE OF POLICY	INVESTMENT POLICY
APPROVED BY	BOARD
DATE OF APPROVAL	NOVEMBER 14 TH , 2012
REVISION DATE	NOVEMBER, 2015

Statement of Purpose

The purpose of the Investment Policy is to ensure that short and medium term cash reserves are invested responsibly until they are needed in funding the various expenditures incurred in the ongoing operations of Food for Life (“FFL”), as well as its food purchases and member-agency support activities; that reserves are invested at an optimal rate of return at an acceptable risk level, and in such a way as to ensure the cash flow flexibility needed to handle the cyclical nature of FFL’s income.

Reserve Allocation

The Corporations total cash reserves are allocated into the following two categories:

- i) Board-Designated Reserve Funds.
- ii) Restricted Funds which are dedicated to specific use by the contributor.
- iii) Unrestricted Funds which are available for general use by the Corporation.

Board - Designated Reserve Funds

Investment Objective

These funds are viewed as medium term funds, with the primary objectives being capital preservation and liquidity. Income is a secondary objective.

Risk Tolerance

Low

Investment Restrictions

To provide for the safety and liquidity of the Corporation’s funds, the portfolio will be subject to the following restrictions:

- i) Fixed income instruments to have a maturity less than three years.
- ii) Minimum credit rating of R-1(middle) or the equivalent on commercial paper and short term debt, and a minimum credit rating of AA or the equivalent on long term senior debt, by two nationally recognized credit rating agencies.
- iii) Management fee on mutual funds/pooled funds not to exceed 50 basis points.

Restricted and Unrestricted Funds

Investment Objective

All cash not required for current operating needs or otherwise designated to one of the Board-Designated Reserve Funds, will be invested with the objective of preserving capital and maintaining a high degree of liquidity. Income is a secondary objective. These funds are viewed as short term in nature.

Risk Tolerance

Low

Investment Restrictions

To provide for the safety and liquidity of the Corporation’s funds, the portfolio will be subject to the following restrictions:

- i) Fixed income instruments to have a maturity less than or equal to 12 months.
- ii) Minimum credit rating of R-1(middle) or the equivalent on commercial paper and short term debt, and a minimum credit rating of AA or the equivalent on long term senior debt, by two nationally recognized credit rating agencies.
- iii) Management fee on mutual funds/pooled funds not to exceed 50 basis points.

Allowable Investments for the Board-Designated Reserve Funds, Restricted and Unrestricted Funds

PERMITTED INSTRUMENTS	LIMIT
<p>Federal or Provincial Government:</p> <ul style="list-style-type: none"> – Government of Canada treasury bills, bonds, stripped coupons or any other obligation unconditionally guaranteed by the federal government of Canada – Provincial Government treasury bills, bonds, stripped coupons or any other obligation unconditionally guaranteed by the provincial governments of Canada 	<p>No Limit</p>

PERMITTED INSTRUMENTS	LIMIT
Schedule 1 Bank Paper including:	No Limit
i) An interest bearing account at any Schedule 1 Bank	
ii) Short term securities issued, guaranteed or sponsored by any Schedule 1 Bank	
iii) Term deposits and Guaranteed Investment Certificates	
Term Deposits, Guaranteed Investment Certificates of Trust Companies that are CDIC insured	CDIC Limit
Mutual Funds / Pooled Funds investing in the above securities	No Limit
Exchange Traded Funds investing in the above securities	No Limit

Asset Mix Policy

Money Market Securities/Short Term Bonds	100%
Overall - Fixed Income and Cash Equivalents	100%
Overall - Equity	0%

Responsibilities and Authorities

Responsibility for the review and oversight of the policy is delegated to the Treasurer, and implementation is delegated to the Executive Director. The Executive Director shall invest the Corporation's funds in accordance with the asset mix policy and the permitted instruments allowed herein, and in accordance with the internal Financial Process & Procedures Guidelines.

Conflicts of Interest Guidelines

Anyone involved directly or indirectly with the Corporation's fund investments shall immediately disclose, at the time of its discussion of the policy or of matters related to the investment of the Corporation's funds, any actual or perceived conflict of interest that could be reasonably expected to impair, or could be reasonably interpreted as impairing, his/her ability to render unbiased and objective advice to fulfill his/her responsibility to act in the best interests of the Corporation.

Policy and Procedures Review

The Treasurer (or any Committee so appointed by the Board) shall review compliance to policy on a quarterly basis and provide a report to the Board annually.

The Treasurer (or any Committee so appointed by the Board) shall review the policy at least annually and shall report on, and table any recommended changes, to the Board of the Corporation for their consideration.