



Investment Policy Statements for Legacy Fund

The Back Country Horsemen of America is a registered non-profit corporation operating under the guidelines and requirements of IRS Section 501(c)(3). BCHA is a nationwide organization committed to protecting the access of equestrians to public lands and assisting with trail maintenance and improvement projects, keeping trails clear for all user groups.

The Back Country Horsemen of America has established the BCHA Legacy Fund as a long-term fund to support future generations and future projects. The following are the guidelines by which these funds will be managed and supervised. In addition to the BCHA Resolution dated September 25, 2018, these guidelines are to be agreed on by the BCHA Executive Committee and the selected financial firm.

1. Asset Allocation Guidelines

This pool of funds will have a long term focus and will only allow income/interest distributions in accordance with the BCHA directives as follows:

With the exception of the financial firm fees, no distributions of income, gains or interest will be made until the fund exceeds \$500,000.00.

These long-term funds will be allocated as follows:

Asset Class	Target Allocation	Acceptable Range
Equities	70%	60%-80%
Fixed Income	20%	10%-30%
Cash & Cash Equivalents	10%	0%-20%

2. Investment Strategies

The following investment types may be used to fulfill the above allocations to each category.

Allowable Investment types

Mutual Funds - Mutual funds that are selected should be picked with a focus to keep internal costs in mind, performance against peers on a 1 year, 3 year, 5 year time frame, fund manager tenure and fund company track record.

ETFs - Exchange Traded Funds should fit into the allocation target zones in a fixed income, equities, and cash segments in accordance with allocations outlined in this document. "Themed Funds" (Clean Energy, Artificial Intelligence, etc.) will be looked at in the light of equities or income funds.

Stocks & Preferred Stocks - Individual Stocks & Preferred Stocks can be used with no individual name exceeding 5% of account holding in either Common Stock or Preferred Stock from any one issuer. These Stock positions will be graded on creditworthiness, overall performance against peer group and industry outlook.

Bonds & CDs - Individual Bonds & CDs can be used with no individual name exceeding 10% of account holding in either Individual Bonds or CDs from any one issuer. These positions will be graded on creditworthiness, overall performance against peer group, and industry outlook.

3. Investment Reporting & Statements

Statements of investment activity should be mailed no less than quarterly to the address/addresses as BCHA requests. BCHA should be met with at least annually in a face to face type meeting. The financial firm will manage the day to day investment of the funds and will reach out to BCHA if major changes or concerns arise.

Online viewing should be allowed by selected BCHA Representatives to check balances and view activity.

4. Check writing privileges & ACH capabilities

The investment account shall allow check writing directly from the account to cut down on unnecessary transfers and shall be able to direct deposit funds to the selected BCHA bank account.

5. Review of Investment Policy

BCHA will review the investment policy statement annually and amend it to reflect any changes in philosophy of objectives. However, if at any time the investment managers believe that the specific objectives cannot be met or these guidelines unnecessarily constrict performance or purpose of the fund, they will bring those concerns to BCHA immediately.

Adoption of Investment Policy Statement by BCHA

Name

Position

Darrell Wallace
Chairman

(Signature)

2-27-2021
(Date)

Name

Position

(Signature)

(Date)

Name

Position

(Signature)

(Date)