

POLICY 8 - INVESTMENT POLICY

PURPOSE:

The purpose of this document is to outline the investment policy including guidelines of the Theosophical Society in New Zealand Inc.

OBJECTIVES:

1. To maintain a strong and enduring financial position for the Theosophical Society.
2. To properly and prudently manage the assets of the Society for current and future generations of members.
3. To provide for confidence of outcome with respect to both operational and strategic financial requirements.

INVESTMENT ASSETS:

- The Society considers its collateral as investment assets where they are not required for 'operational' use.

Note: Should a building be used for conducting the business of the Society it will not be required to make a financial return unless specifically intended as set out by the Society's officers. In some cases a building may be acquired, leased or otherwise with the explicit purpose of providing an operational base as well as an income stream.

INVESTMENT METHOD:

- The Society will seek professional advice, and may place its investments under professional financial management in order to benefit from such skills, experience and market knowledge that such providers offer.
- Professional organisations or individuals will be required to demonstrate to the National Council fiscal competency, ethical responsibility and a proven track record of financial stability.
- Selection of providers of financial services shall be made on a conservative basis. (Reputable and well known providers are to be selected in preference to less known providers offering higher returns).

TARGET RETURNS:

- A real return (after all costs, taxation and inflation) objective of 5% over a cycle of 5 to 8 years is targeted.

PROPERTY ASSET GUIDELINES:

- Investment markets fluctuate and the advice given by investment managers will vary according to circumstances. A mix of property investments, including retail, industrial, and residential land, should be considered.

SOCIALLY RESPONSIBLE SCREEN:

- Assets should satisfy a negative screen against investments such as those directly invested in armaments, nuclear, tobacco, gambling, use of child labour, liquor assets or pornography.
- The assets should also where possible satisfy positive social responsibility screens which promote a healthier world environment.

DIVERSIFICATION:

- To avoid concentration risk it is recommended that no more than 5% of the Society's investment assets should be held within any one income or share security and
- no more than 20% within any single property asset.
- Revenue risk should be reduced by investing in multi-tenanted properties where possible.

TIME HORIZON:

- A time frame of the Society's investment assets is in perpetuity.
- The time horizon for the return objectives is a medium term market cycle of 5-8 years.

LIQUIDITY & EASE OF ACCESS:

- Twenty five percent (25%) of the portfolio should be able to be liquidated within a short term (no more than 1 year period) without prejudicing capital value.

REPORTING:

- The portfolio should be reviewed strategically on a 3 year cycle.
- Regular performance reporting should occur at quarterly intervals.

Signed:

Date: 8 August 2008

Warwick Keys
National President