



Shin Shin Educational Foundation

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Policy Statement

For

Shin Shin Educational Endowment Fund

Adopted: April, 2015

ENDOWMENT FUND

This is a Board Designated Endowment Fund. The Funds are held by the Board and are governed by the internal policies and procedures. Minimum threshold for a single donation is \$50,000.

MISSION

To support the mission of Shin Shin Educational Foundation by providing a reliable source of funds for current and future use.

FUND MANAGEMENT

An Endowment Fund Committee shall be established and elected by the Board of Shin Shin Education Foundation to perform the following duties:

1. To propose proper withdrawal percentage for Board of Directors' review and approval.
2. To select one or more investment managers of varying styles and philosophies to attain the Endowment Fund's objectives. Managers will be evaluated regularly for adherence to investment discipline.

INVESTMENT OBJECTIVES

To provide reasonable assurance that the future growth of the endowment fund is sufficient to offset inflation plus reasonable spending, thereby preserving the constant dollar value and provide a steady income stream. The guideline of investment returns is 5.5% net of fees per annum which is subject to annual Board of Directors' review and approval.

INVESTMENT GUIDELINES

1. Investments shall be made solely to the benefit of the long-term operation of the Shin Shin Education Foundation.
2. Investment of the Endowment Fund shall be diversified as to preserve capital, minimize the risk of losses, unless under the circumstances it is clearly prudent not to do so.
3. Investment of the Endowment Fund shall follow "ASSET ALLOCATION POLICY". In the event that the aggregate asset allocation guidelines are not met, the Endowment Committee shall instruct the Investment Manager(s) to bring the portfolio into compliance with these guidelines as promptly and prudently as possible, unless there is a compelling reason not to do so.

4. A qualified investment manager must be a registered investment advisor under the Investment Advisors Act of 1940, or a bank or insurance company. The Endowment Committee shall require that each investment manager provide, in writing, acknowledgment of fiduciary responsibility to the Shin Shin Education Foundation and its Endowment Fund.

INVESTMENT POLICY

Investments in futures are expressly prohibited.

Please refer to "Shin Shin Educational Endowment Fund Investment Policy" for details.

WITHDRAWING POLICY

The guideline of withdrawing policy is 4% per year which is subject to annual Board of Directors' review and approval. The withdrawal amount cannot exceed the income allocation projection for the fiscal year.

ASSET ALLOCATION POLICY

The primary objective of the Foundation's asset allocation policy is to provide a strategic mix of asset classes which produces the highest expected return at a "moderate" risk level.

The Foundation has decided to invest in Equity, Fixed Income and Cash within the following guidelines: (The percentage below indicates percentage of the whole portfolio)

<u>Asset Class</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Preferred</u>
Cash	0%	15%	8%
Total Fixed income	20%	50%	35%
Total Equity	35%	75%	57%



President

9/10/2015

Date