

INVESTMENT POLICY STATEMENT

Masonic Home for Children at Oxford January 2019

Introduction

The purpose of this Investment Policy Statement is to assist the Masonic Home for Children at Oxford, Inc. (MHCO, or The Home) and Investment Sponsor (Sponsor) in effectively supervising, monitoring and evaluating the management of The Home's assets (Fund).

The investment policy statement will:

1. Define the role of the Finance Committee (Committee) with respect to overseeing investments and outline delegation of authority and responsibility.
2. Establish expectations, objectives and guidelines in the investment of the Fund's assets.
3. Identify asset allocation policy, diversification, liquidity, risk tolerance, time horizon, rebalancing and monitoring of performance.

Mission

Providing a safe, nurturing home for children in need with opportunities to maximize their potential.

Statement of Objectives

1. Maintain the purchasing power of the current assets and all future contributions
2. The desire of The Home is to maintain the level of programs and services currently provided. This can only be accomplished if sufficient total return is reinvested and new funds added to keep pace with cost increases and program expansions.
3. Maximize return within reasonable and prudent levels of risk.
4. Maintain an appropriate asset allocation based on a total return policy that is compatible with a flexible spending policy, while still having the potential to produce positive real returns.

Time Horizon

The investment guidelines for the Fund are based upon an investment horizon of greater than ten years. Therefore, interim fluctuations should be viewed with appropriate perspective.

Performance Expectations

In general, The Home would like the Fund to earn a long-term return of 3.5% greater than the rate of inflation as measured by the CPI.

Risk Tolerance

The Home recognizes and acknowledges some risk must be assumed in order to achieve the long-term investment objectives of the portfolio, and there are uncertainties and complexities associated with contemporary investment markets.

In establishing the risk tolerances for the Fund, the ability to withstand short- and intermediate-term variability was considered. The Home's prospects for the future, current financial condition, and level of funding in the portfolio suggest collectively some interim fluctuations in market value and rates of return may be tolerated in order to achieve longer-term objectives.

Spending Policy

For the purpose of making distributions, the Fund shall make use of a total return based spending policy, meaning that it will fund distributions from net investment income, net realized capital gains, and proceeds from the sale of investments.

The portfolio will be used for capital improvements and other maintenance items the community incurs. In addition, the Fund will be used to reimburse The Home's operating account from time to time as necessary and upon approval from the Committee.

The distribution of funds will be permitted to the extent that such distributions do not exceed a level that would erode the Fund's real assets over time. The Committee will seek to reduce the variability of annual Fund distributions by factoring past spending and Fund asset values into its current spending decisions. The Committee will review its spending assumptions annually for the purpose of deciding whether any changes therein necessitate amending the Fund's spending policy, its target allocation, or both.

Role of the MHCO Finance Committee

The ultimate responsibility for managing the assets rests with the Board of Directors, which may delegate responsibility to the Committee. The duties of the Committee include:

1. Prepare and maintain this investment policy statement.
2. Prudently diversify the respective Fund's assets to meet an agreed upon risk/return profile.
3. Prudently select investment options.
4. Control and account for all investment, record keeping and administrative expenses associated with the Fund.
5. Monitor and supervise all service vendors and investment options.
6. Avoid prohibited transactions and conflicts of interest.
7. Communicate to the investment Sponsor all changes to MHCO's financial condition or investment policy.
8. Annually review the investment portfolio and performance.

Role of the Investment Sponsor

The Board of Directors and MHCO Finance Committee have delegated the management of substantially all of MHCO's assets to the NC Masonic Foundation, which provides equity and fixed income investment pools to related entities for the investment of long term investment proceeds on a discretionary basis. The Board and Finance Committee rely upon the NC Masonic Foundation to operate as an investment fiduciary on their behalf to direct the funds on a prudent basis.

Sponsor shall be responsible for:

1. Recommending an appropriate custodian to safeguard investor's assets.
2. Advising The Home about the selection of and allocation of asset categories.
3. Identifying specific assets and investments managers within each asset category.
4. Monitoring the performance of all selected assets.
5. Recommending changes to any of the above.
6. At least annually reviewing the suitability of the investments for MHCO.
7. Preparing and presenting appropriate reports on a timely basis.

Role of Investment Managers

The specific duties and responsibilities of each investment manager within the NCMF investment pools are:

1. Manage the assets under their supervision in accordance with the guidelines and

objectives outlined in their respective Service Agreements, Prospectus or Trust Agreement.

2. Exercise full investment discretion with regards to buying, managing, and selling assets held in the Portfolios.
3. Vote promptly all proxies and related actions in a manner consistent with the long-term interest and objectives of the portfolios. Each investment manager shall keep records of the voting of proxies and related actions and will comply with all applicable regulatory obligations.
4. Communicate to Sponsor, Sponsor's investment consultant, and/or Finance Committee all significant changes within the investment manager's organization, for example changes in ownership, organizational structure, financial condition, and staff.
5. Effect all transactions for the portfolio subject to "best price and execution."
6. Use the same care, skill, prudence, and due diligence under the circumstances then prevailing that experienced investment professionals acting in a like capacity and fully familiar with such matters would use in like activities for like portfolios with like aims in accordance and compliance with the Uniform Prudent Investor Act and all applicable laws, rules, and regulations.

PORTFOLIO INVESTMENT POLICIES

Asset Allocation Policy

The committee recognizes that the strategic allocation of portfolio assets across broadly-defined financial asset and sub-asset categories with varying degrees of risk, return, and return correlation will be the most significant determinant of long term investment returns and portfolio asset value stability.

The committee expects that actual returns and return volatility may vary from expectations and return objectives across short periods of time. While the committee wishes to retain flexibility with respect to making periodic changes to the portfolio's asset allocation, it expects to do so only in the *event* of material changes to the Fund, to the assumptions underlying Fund spending policies, and/or to the capital markets and asset classes in which the portfolio invests.

Fund assets will be managed as two major components: an equity portion and a fixed income portion. The expected role of equity investments will be to maximize the long term real growth of portfolio assets, while the role of fixed income investments will be to generate current income, provide more stable periodic returns, and provide some protection against a prolonged decline in the market value of portfolio equity investments.

Cash investments will, under normal circumstances, only be considered as temporary portfolio holdings, and will be used for liquidity needs or to facilitate a planned program of dollar cost averaging into investments in either or both of the equity and fixed income asset classes.

Outlined below are the long term asset allocation guidelines, determined by The Home to be the most appropriate, given the long term objectives and risk tolerance. Portfolio assets will, under normal circumstances, be allocated across board asset and sub-asset classes in accordance with the following guidelines:

Asset Class	Lower Limit	Strategic Allocation*	Upper Limit
Total Equity	55%	70%	90%
Total Fixed Income	10%	27%	45%
Total Cash	0%	3%	35%

*The Home has established an overall strategic asset allocation of 70% equities, 27% fixed income and 3% cash. The Home accepts the sub-asset class weightings of the NC Masonic Foundation investment pools for the underlying strategies and the changes that may occur periodically on a discretionary basis.

Diversification Policy

Diversification across and within asset classes is the primary means by which the committee expects the portfolio to avoid undue risk of large losses over long time periods. To protect the portfolio against unfavorable outcomes within an asset class due to the assumption of large risks, the committee will take reasonable precautions to avoid excessive investment concentrations and relies upon the Masonic Foundation to provide such diversification.

Specifically, investment of The Home's funds shall be limited to the individual marketable securities or packaged in the following categories:

Permitted Asset Classes

1. Cash and Cash Equivalents
2. Fixed Income- Domestic
3. Fixed Income- International
4. Equities- US
5. Equities- International
6. Equities- Emerging Markets

7. Equities- REITs
8. Commodity Strategies
9. Alternative Investment Strategies (where qualified)

Permitted Security Types

- 1) Mutual funds
- 2) Individual stocks, as long as they are traded on the New York, American, or NASDAQ stock exchanges
- 3) Individual bonds
- 4) Closed End Funds (CEFs)
- 5) Exchange Traded Funds (ETFs)
- 6) Exchange Traded Notes (ETNs)
- 7) Bank Certificates of Deposit (CDs)
- 8) Limited Partnerships

Prohibited Transactions (Traditional Asset Classes only)

1. Purchasing securities on margin or executing short sales
2. Purchasing or selling derivative securities for speculation or leverage
3. Engaging in investment strategies that have the potential to amplify or distort the risk of loss beyond a level that is reasonably expected, given the objectives of their portfolio.

Other Investment Considerations

No individual security, except diversified funds and US government securities, shall make up more than five percent (5%) of the total portfolio at cost. The market value of an individual security should not exceed 10%.

Rebalancing

It is expected that the portfolio's actual asset allocation will vary from its strategic allocation as a result of the varying periodic returns earned on its investments in different asset and sub-asset classes. The portfolio will be rebalanced to its target normal asset allocation under the following procedures:

The Home is responsible for the rebalancing of the overall portfolio within the stated target ranges shown above on an as-needed basis.

Monitoring Portfolio Investments and Performance

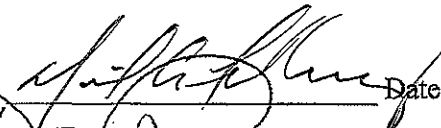
The Committee will monitor the Fund's investment performance and asset allocation to ensure the Fund is meeting the Home's stated investment objectives. The Fund's composite investment performance will be made available by the NCMF sub-accountant (Nottingham). More detailed investment reports shall be provided by the NC Masonic Foundation through its investment consultant on calendar quarterly basis, or more often as needed.

In keeping with the Fund's overall long term financial objective, The Home will evaluate the investment pools' performance over a suitably-long term investment horizon, generally across full market cycles, or at a minimum on a rolling five year basis.

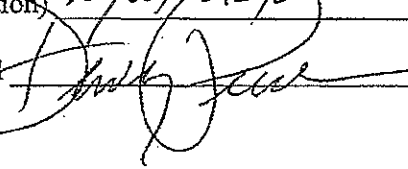
Acknowledgment:

This Investment Policy Statement shall be reviewed at least annually by the Board of Directors. Any modifications to these guidelines shall be reviewed with the investment Sponsor prior to implementation.

Investment Sponsor (NC Masonic Foundation)

 Date 5-20-19

The Masonic Home for Children at Oxford

 Date 3/17/19