

| STATEMENT of POLICY and PROCEDURE | | | |
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| Chapter: | Governance | Policy #. | 1.3.12 |
| Section: | Finance | Issued: | June 7, 2017 |
| Subject: | Investments | Effective: | June 7, 2017 |
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| | | | NEW |
| Issued by: | The Saskatchewan Association of Licensed Practical Nurses | | |

This statement of investment policy was adopted by the SALPN council of June 7, 2017 to provide for the creation of, and guidelines for the management of, various funds held by the Foundation. For the purposes of managing investment risk and to optimize investment returns within acceptable risk parameters, the following funds will be created and held as separate investment pools: “Campaign Fund” and “Reserve Fund”. It will be at the Finance Committee’s (the “Committee”) discretion as to the extent, if any, cash resources are placed in the funds from time-to-time.

1 POLICY

This policy will ensure the investment policy statement is consistent with the mission of the SALPN and accurately reflects current financial conditions: a) the Finance Committee shall review this investment policy annually and b) the Finance Committee will recommend to the SALPN Council any changes in this policy. The Finance Committee will be responsible for determining the dollar amounts to be held in the Reserve Fund and Campaign Fund.

Investment Manager

The investment manager relates to the Rehman Financial Group. The Rehman Financial Group will ensure that all transactions are suitable, completed on a best execution basis and will exercise the care, skill and diligence that is expected of a reasonably prudent person.

Investment and Risk Philosophy

SALPN assets should be prudently managed to assist in avoiding negative returns and excessive volatility in annual rates of return. There are no specific legal or governance restrictions on the level of investment risk that the SALPN can assume, however given that the SALPN is a small not for profit organization the tolerance for investment risk is low to moderate. The current balance of significant funds available to invest will most likely be used towards a future capital campaign, and are most likely to be utilised toward the tail end of the current 5-year window (i.e. 2021/2022). The SALPN does not wish to invest in assets that have highly uncertain returns and only a moderate level of diversification is required given the low-to-moderate risk nature of planned investments.

2 PROCEDURE

Administration

The Finance Committee is responsible for all matters relating to the administration and management of SALPN assets. Investment management and custody of the SALPN's assets have been delegated.

Portfolio Return Expectations

The investment managers appointed by the Committee to arrange the investment of the assets are directed to achieve a satisfactory rate of return within their mandate, consistent with acceptable risks and prudent management. The investment objective of the SALPN's assets is to achieve a minimum total annual return of 5% before expenses, which is to be measured over rolling 5-year periods.

Asset Mix

Taking into consideration the investment and risk philosophy of the Foundation, the following asset mix (at market value) has been established.

| Asset Class | Minimum % | Benchmark % | Maximum% |
|-----------------------------|------------------|--------------------|-----------------|
| Canadian Equities | 30 | 50 | 70 |
| Fixed Income Canadian Bonds | 20 | 35 | 50 |
| Mortgages and Real Estate | 10 | 15 | 20 |
| Total Fund | | 100 | |

Compliance Reporting by Investment Managers

The Investment Managers are required to complete and sign a compliance report each quarter. The compliance report should indicate whether or not the Investment Manager's portfolio was in compliance with this Policy during the quarter. Copies of the compliance reports must be sent to the Executive Director of the SALPN. In the event that an Investment Manager is not in compliance with this Policy, the Investment Manager is required to advise the Committee immediately, detailing the nature of the non-compliance and recommending an appropriate course of action to remedy the situation. If the Investment Manager believes the Asset Mix Guidelines are inappropriate for anticipated economic conditions, the manager is responsible for advising the Committee that a change in guidelines is desirable and the reasons therefor.

Performance Reporting by Investment Managers

The Investment Managers will provide performance reports annually that include a strategy review of their portfolios.