

Appendix I

Motion Regarding Changes to SIOP's Investment Policy Statement

Upon advice from the Executive Director and SIOP's investment fund manager, the existing Investment Policy Statement was reviewed. Several additional components were identified for inclusion, including specification of roles and responsibilities and provision for fund performance monitoring. Additionally, given the current economic conditions it was deemed appropriate to move the fund to a slightly more conservative asset allocation over time. Accordingly, the Financial Officer moves adoption of the attached revised SIOP Investment Policy Statement to replace the Statement adopted September 2007.

SIOP Investment Policy Statement – Investment Fund

1. Investment Objective and Scope

The principle investment objectives for the Investment Fund of the Society for Industrial and Organizational Psychology (SIOP) are to provide effective vehicles to produce current income, defined as interest and dividends, as well as growth of assets in short-term and long-term investment funds. The goal of the Investment Fund will be built around a moderate to conservative risk investment strategy. In order to attain these investment objective, fund assets will be comprised of equity and fixed income securities as well as cash equivalents allocated in a manner broadly consistent with the long-term goals and asset preservation.

2. Roles and Responsibilities

SIOP Executive Board of Directors – Approve investment policy statements and exercise executive oversight of SIOP finances and investments.

SIOP Financial Officer/Secretary – Monitor organization finances monthly and investment performance at least quarterly. Conduct semi-annual review of investment manager performance, including adherence to investment discipline. Meet at least annually with investment manager to review annual performance and market conditions. Review the investment policy statement for possible revisions at least annually.

SIOP Finance Manager and Executive Director – Monitor monthly investment reports, provide reports to Financial Officer/Secretary at least quarterly. Serve as liaison with investment manager. Request information and reporting from investment manager as needed. Meet at least annually with investment manager to review annual performance, asset allocation and market conditions.

In order to manage the funds effectively, SIOP will retain an investment manager or firm to provide advice and to execute appropriate transactions to effectuate this policy. Contractual

arrangements for such services will require investment of monies in the SIOP Investment Fund with skill, care, and prudent judgment in accordance with SIOP's Investment Policy statement. Services to be provided by the investment manager will include but not be limited to, monthly reports, timely notification of significant market or account situations which require approval or other action by SIOP, consultation with SIOP's Finance Manager, Executive Director, and Financial Officer/Secretary regarding asset allocation.

3. Performance Monitoring

The performance of the Investment Fund and investment manager will be monitored on a regular basis. Investment Fund performance will be measured against an appropriate benchmark agreed upon by SIOP and the investment manager. The goal for the Investment Fund will be to meet or exceed the performance of the benchmark on an annual basis. The SIOP Executive Director, with information provided by the investment manager, shall monitor Investment Fund and investment manager performance monthly and provide reports no less than quarterly to the SIOP Financial Officer/Secretary. The Financial Officer/Secretary shall review Investment Fund and investment performance with particular attention to adherence to these investment policy guidelines and asset allocation parameters.

4. Asset Allocation

The investment manager shall determine asset mix subject to periodic review and approval by authorized SIOP representatives (Financial Officer/Secretary, Executive Director, and Finance Manager). Periodic review of the general economy and existing environment of the financial markets will be conducted prior to making substantial (more than 5%) adjustments to the asset mix. Asset mix is expected to reflect an income objective, defined by the investment manager and utilizing the following broad policy ranges:

Assets	Minimum	Maximum
Equities	50%	70%
Fixed Income and Cash Equivalents	30%	50%

The investment manager shall retain cash equivalents sufficient to meet the short term operating needs of SIOP. It will be the responsibility of the SIOP Financial Officer/ Secretary and/or the SIOP Finance Manager to notify the investment manager of anticipated changes in cash needs as far in advance as practicable.

5. Portfolio Constraints

The equity components of the portfolio will generally be comprised of a diversified selection of equity funds designed to achieve the long-term objectives. Individual equities or equivalents in a single company shall not exceed 10% of the equity portfolio. Ordinarily, equity funds will be held in mutual funds investing in mid- to large-capitalized entities.

The fixed income components of the portfolio will generally be comprised of a selection of money market funds, certificates of deposit, and bonds designed to provide current income and stability of principal. To the extent that individual bonds are utilized, such securities shall be limited to obligation of the U.S. Treasury, Federal Government Agencies and well-diversified, high-quality (as defined by minimum Moody's A-3 and Standard & Poor's A-ratings) corporate bonds not rated questionable or unsuitable by the investment manager. The average maturity of these holdings shall not exceed 12 years. Corporate bond holdings in a single company shall not exceed 5% of the fixed income portfolio; there are no restrictions on the percentage of this portfolio's holdings in government grade or government agency grade investment vehicles.