

## **Appendix B**

### **Silver Lake Institute Investment Fund**

#### **Purpose**

The investment fund of the Silver Lake Institute (SLI) has been established for the purpose of receiving, holding and administering gifts and bequests of any kind as principle to invest.

#### **Kind of Property**

Only those gifts and bequests which are neither designated nor restricted shall be placed in the Investment Fund.

#### **Administration**

The SLI Board of Trustees of the Silver Lake Institute shall have the responsibility to administer all of the assets placed in the Investment Fund, subject to the charter of the SLI and the laws of the State of New York. The Board of Trustees may assign this responsibility or seek professional advice from a bank or other investment counsel.

#### **Investment**

The principal of all assets placed in the Investment Fund shall be invested in a wise and prudent manner with emphasis on obtaining maximum income without undue risk or loss of principal.

#### **Principal**

To provide for future flexibility in meeting the needs of the SLI, the principal may be invaded with the approval of two thirds of the SLI Board of Directors.

#### **Income**

Any income generated by the investment fund will be added to the principal until the balance reaches \$200,000. Once this level is reached, the annual income will be used as follows:

1. In order to preserve the purchasing power of the principal balance, income equal to 2% of principal balance shall be added to the principal balance.
2. Any income remaining after step one will be used to fund capital projects as approved by the SLI Board of Trustees.

#### **Fiscal Year**

The fiscal year shall be the same as the calendar year.

#### **Reporting**

The Board of Trustees shall report annually to the property owners at the annual meeting of the principal, the current market value of the assets, where the assets are invested, the income earned and how the income was dispersed.

**Dissolution**

In the event of the merger or dissolution of the SLI, the assets of the investment fund will be transferred pursuant to the original charter and the amendments thereto of the SLI.