



# POLICY MANUAL

**Subject:** Investment Policy  
**Number:** OVCA-027  
**Date:** January 31, 2021  
**Revised:**

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**Approved by:** Board of Directors

**Signature:** (Chair)

## PREAMBLE

In its role of promoting and assisting member clubs, the OVCA generates significant funds through its hosting of curling events and other revenue generating initiatives. The Board of Directors (from herein referred to as “the Board”) is responsible for the prudent use of these funds on behalf of its member associations.

## DEFINITIONS

*Liquid Investment:*

An investment that can be converted to cash within 5 business days.

*Investment Advisor:*

Refers to a third-party expert who will assist in the management and analysis of the investments and act as the primary researcher for the OVCA.

*Investment Committee:*

Consists of the President, the Treasurer, the Chair of the Board of Administrators and one Board member of the Board of Administrators.

## PURPOSE

The purpose of this Investment Policy is to provide a clear statement of the OVCA investment objectives, to define the responsibilities of the Board and any other parties involved in managing the investments, and to identify or provide target asset allocations, permissible investments and diversification requirements.

## APPLICATION

The guidelines identified herein apply to both the Development Fund and for general operating funds.



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## GENERAL INVESTMENT GUIDELINES

The OVCA is expected to operate in perpetuity. Therefore, for the Development Fund, a 10-year investment horizon shall be employed. Interim fluctuations should be viewed with appropriate perspective.

## ROLES AND RESPONSIBILITIES

- The Board has ultimate responsibility for the investment and management of the OVCA's investment assets.
- The Investment Committee is responsible to review, semi-annually, the performance of the Investment Advisor(s) in the fulfillment of their responsibilities and provide advice to the Treasurer.
- The Investment Advisor will provide market research and recommendations based on the Board's Investment Strategy.
- The Treasurer is delegated the management, placement and redemption of investments on behalf of the Board as per the guidelines outlined in this policy.
- The Treasurer will report investment activity and investment/ account balances on a regular basis to the Board;
- The Treasurer will solicit advise from an Investment Advisor in the management of the portfolio.

## INVESTMENT STRATEGY

- The Board will have in place a strategy to invest funds held in the Development fund and Operating accounts.
- The Board will review its investment strategy annually.
- The Board will strive for a mix of investments with varying due dates and investment periods.
- The Board will maintain liquid investments in an amount of not less than the forecasted cash requirements for the coming three months on a rolling basis.



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- When evaluating investments, the Treasurer will consider the minimum balance(s) required in the bank account(s) to minimize service charges.
- All investments must have minimum credit ratings from two of the four main credit rating agencies as follows:

Long-term ( > 1 year):

Moody's Investors Service	Baa3
Standard & Poor's	BBB-
DBRS Limited	BBB(low)
Fitch	BBB-

Short-term: ( =< 1 year):

Moody's Investors Service	P-3
Standard & Poor's	A-3
DBRS Limited	R-3
Fitch	F3

For pooled investments (mutual funds, Exchange traded funds (ETF's) etc), any underlying fixed income assets must adhere to these ratings.

## DIVERSIFICATION

- The Organization will maintain a reasonable diversification of investment assets between asset classes and investment categories at all times.
- Reasonable sector allocations and diversification shall be maintained. No more than 35% of the entire portfolio may be invested in the securities of any one sector.
- Investments within the investment portfolio should be readily marketable.
- No single investment should exceed 35% of the entire portfolio.



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## ASSET TYPE

- The OVCA will strive to maintain the following allocation ranges:

<b>Asset Allocation Range</b>	<b>Target</b>	<b>Range</b>
Cash & Equivalents	5%	0 – 15%
Fixed Income	65%	50 - 80%
Equities	30%	20 – 40%

## CONFLICTS OF INTEREST

- Any member of the Board or the Investment Committee that holds a same investment as the Board will immediately provide, in writing, notice of such investment to the President.
- Any member holding said investment will recuse themselves from any discussion involving the investment.