Investment Policy Statement
For
American Society of Appraisers

Original January 2008
(Revised September 2009, January 2012, June 2014,
June 2016, December 2022, January 2023,
January 2026)
Current Revision approved January 27, 2026

Table of Contents

I. Introduction 4

Purpose of this Policy Statement 4

II. Information about the American Society of Appraisers 4

Mission Statement 4

Tax/Regulatory Status 5

III. Responsibilities of Fund Representatives 5

Board of Governors 5

Investment Committee 5

Head of Finance (and Authorized Persons) 5

Investment Manager (s) 6

IV. Short-Term Fund 6

Purpose 6

Investment Guidelines 7

Investment Objectives 7

Time Horizon 7

Risk Tolerance 7

Allowable Investments 8

Allowable Investment Vehicles 8

Diversification 8

V. Long-Term Fund 8

Purpose 8

Investment Guidelines 8

Investment Objectives 9

Time Horizon 9

Risk Tolerance 9

Allowable Investments 9

Allowable Investment Vehicles 9

Measuring Risk and Return 9

Evaluating Performance 10

Blended Benchmark 10

Asset Allocation 11

Table 1: Asset Allocation Table.....12
VI. Restrictions..... 13
VII. Rebalancing 13
VIII. Adoption.....14

I. Introduction

Purpose of this Policy Statement

This policy statement outlines the goals and investment objectives for the **American Society of Appraisers** (**"ASA" or "Society"***).* Since this document is intended to provide investment guidelines for managing ASA's portfolio, this document outlines certain specific investment policies that will govern how ASA's investment goals are expected to be achieved.

This statement:

- Describes an appropriate risk position for the investment of ASA's investments;
- Establishes investment guidelines regarding the selection of investment managers, permissible securities, and diversification of assets;
- Specifies the criteria for evaluating the performance of the Investment Managers and of the ASA portfolio as a whole; and
- Defines the responsibilities of the Board of Governors ("BoG"), the Investment Committee, the ASA head of Finance, and other parties responsible for the management of ASA's investment assets.

The BoG believes that the investment policies described in this statement should be dynamic. These policies should reflect the financial needs and circumstances of the ASA, the time horizon available for investment, and the BoG's philosophy and duties regarding the investment of these assets. These policies will be reviewed and revised periodically to ensure they reflect changes related to ASA's financial condition and the BoG's tolerance for risk and the capital markets.

The funds covered with this statement are as follows and will be referred to as defined below:

- the Short-Term Fund and
- the Long-Term Fund.

This structure recognizes the changing nature of investment risk with the change in investment time horizon.

II. Information about the American Society of Appraisers

Address: 2121 Cooperative Way, Suite 210, Herndon, VA 20171
Telephone: (703) 733-2125
Primary Contact: ASA's head of Finance
Fiscal Year End: June 30th

Mission Statement

The mission of the Society is to benefit our members, the appraisal profession, and the public through our commitment to continuing educational excellence, to fostering the exchange of knowledge among our members, and to the promulgation of and compliance with the highest level of ethical and professional standards.

Tax/Regulatory Status

ASA is organized as a non-profit organization in accordance with the Internal Revenue Service Regulations, Section 501(c) (6). Accordingly, the income and earnings of the organization are exempt from state and federal taxes.

III. Responsibilities of Fund Representatives

Board of Governors

The **Board of Governors** is responsible for:

- Defining the investment objectives for ASA's investments;
- Approving the investment policy and any updates or changes presented by the Investment Committee;
- Approving the Investment Manager(s), and
- Providing oversight of the Investment Committee.

Investment Committee

The **Investment Committee ("Committee")** is responsible for:

- Reviewing the investment policy annually and recommending to the BoG changes to the policy, guidelines, and objectives as needed;
- Recommending to the BoG, the selection or termination of Investment Manager(s), administrators, and custodians for each pool;
- Monitoring the Operating Fund, which is managed by ASA operations, to confirm the existence of three (3) months' cash to cover the Society's operating expenses;
- Monitoring and evaluating the performance of ASA's Short-Term and Long-Term Funds (including each Investment Manager(s) on a quarterly basis and reporting its observations and recommendations to the BoG;
- Reviewing the asset allocation at least each quarter-end to ensure compliance with the guidelines in this policy;
- Approving the rebalancing of the Short-Term and Long-Term Fund based on the recommendations of the Investment Manager(s);
- Overseeing the actions of the Society's head of Finance who has been delegated the responsibility for the day-to-day oversight of the of all three funds; and
- Executing such other duties as may be described in this policy or delegated by the BoG.

Head of Finance (and Authorized Persons)

The Committee has delegated to the Society's head of Finance the following responsibilities:

- The day-to-day oversight of ASA's investment assets;
- Acting as the primary contact between ASA and the Investment Manager(s), custodian, and any other parties interested in the management of ASA's financial assets;
- Keeping the Committee informed of any significant events that may impact ASA; and
- Executing such other duties as may be described in this policy or delegated by the

Committee.

The Society's head of Finance and Chief Executive Officer ("CEO") are the only authorized persons on the investment account. If the Society's head of Finance is not available or unable to fulfill the responsibilities as described herein, such duties may be performed by the CEO.

Investment Manager (s)

The **Investment Manager** selected by the Committee and approved by the BoG, is responsible for:

- Managing the Long-Term Fund described herein on a discretionary basis with authority to purchase and sell the assets and reinvest the proceeds thereof consistent with the asset allocation table included in Section VI;
- Providing discretionary investment advisory services for the Short-Term Fund;
- Reviewing investment policies and objectives, and suggesting appropriate changes to be approved by the appropriate responsible party at least on an annual basis;
- Providing proactive asset allocation advice concerning the existing fund assets and new contributions as well as periodic rebalancing of the asset allocation. The proactive advice will include both asset allocation (stock, bond, cash mix) and style allocation (international versus domestic allocation, growth-style versus value-style equities, large-capitalization versus small-capitalization equities, and long versus short-term bonds);
- Researching and recommending specific investment vehicles, which satisfy the policy benchmark criteria, and are consistent with the investment policies, objectives, asset allocation and style allocation strategy for each pool;
- Measuring, evaluating, and reporting the performance results on a quarterly basis;
- Attending quarterly meetings as requested;
- Maintaining contact with the Society's head of Finance and reporting on changes within the Investment Manager(s)' organizations; and
- Providing ad hoc analyses related to the investment program, as requested.

The Investment Managers (which also refers to managers of mutual funds and exchange-traded funds) will have full discretion to make all investment decisions for the assets placed under its jurisdiction. For mutual funds, exchange-traded funds and other commingled funds, the prospectus or trust documents of the fund(s) will govern the investment policies of the fund investments. Where there are differences between the prospectus and this investment policy, the prospectus shall govern.

IV. Short-Term Fund

Purpose

The purpose of the Short-Term Fund is to meet the expenses occurring as the result of unanticipated activities or timing differences between receipts and expenditures from the Operating Fund, to improve the return on funds held for expenditure over the next one (1) to three (3) years, and to

manage investment risk.

Investment Guidelines

To maintain adequate liquidity for anticipated cash flow needs while minimizing idle capital, the Short-Term Fund shall operate within the following policy thresholds to be reviewed annually by the Committee with the Society's head of Finance to ensure the floor covers at least one (1) month of operating expenses plus any special project funds that have been approved for use by the BoG:

Floor Threshold: $500,000

Ceiling Threshold: $1,000,000

These parameters are intended to ensure prudent liquidity management consistent with the overall risk tolerance and return objectives of the portfolio.

Rebalancing shall occur when the allocation to the Short-Term Fund deviates beyond the floor or ceiling levels. The Investment Committee may approve temporary variances if warranted by extraordinary cash flow events, market conditions, or other operational considerations, provided such deviations are documented and reported at the next committee meeting.

Investment Objectives

- Preservation of capital;
- Liquidity; and
- To optimize the investment return within the constraints of the above.

Time Horizon

The time horizon for each investment in the Short-Term Fund is five (5) years or less. Therefore, the average maturity shall be limited to two (2) years or less, with a maximum maturity of five (5) years. The Financial Director will have the responsibility for ensuring that these parameters are met.

Risk Tolerance

The risk tolerance for the Short-Term Fund is determined by the combination of factors that contribute to the constraints of the portfolio as described below.

Positive factors that contribute to a higher risk tolerance are:

- The financial flexibility of ASA. Spending levels can be adjusted, thus providing some cushion in the event of lower-than-expected returns earned by the invested assets; and
- ASA's willingness to accept some fluctuations in the market value of the fund, so long as the primary objective is exceeding the 2-year U.S. Treasury rate over most market cycles.

Offsetting these factors:

- A short time horizon;
- There is a low probability of replenishing assets in the event of large losses; and

- On-going cash flow requirements require maintaining a portion of the investments in liquid assets that can be drawn upon at any point of time without significant risk of loss of either principal or interest.

Allowable Investments

- Money market funds that comply with SEC Rule 2(a)7;
- Federally insured certificates of deposit, not to exceed federally insured amounts per institution;
- Direct short-term obligations of the U.S. Government, its agencies, and instrumentalities;
- Accounts in U.S. federally insured banks and saving and loans; and
- Corporate Notes with a minimum rating of investment grade by one rating service.

Allowable Investment Vehicles

The Committee shall be authorized to invest the Short-Term Fund as follows.

- Cash and Equivalents
- Mutual Funds
- Exchange Traded Funds

Diversification

No more than 10% of the Short-Term Fund may be in the securities of any one issuer except for obligations of the U.S. Government, its agencies and instrumentalities, federally insured certificates of deposit, mutual funds, and exchange-traded funds.

Proof of diversification should be included in the quarterly reports provided by the Investment Manager(s).

V. Long-Term Fund

Purpose

The purpose of the Long-Term Fund is to enhance the purchasing power of funds held for future expenditure and to maintain the financial stability of the association.

Investment Guidelines

The assets in the managed account portion of the Long-Term Fund shall:

- Emphasize investments in marketable securities managed by professional Investment Manager(s);
- Be broadly diversified by asset class, investment style, number of issues, issue type, and other factors, consistent with the investment objectives outlined in this investment policy; and
- Be invested with prudent levels of risk and with the expectation that long-term total returns (yield plus capital appreciation) will maintain and may increase the purchasing power of the Long-Term Fund.

Investment Objectives

- Preserve purchasing power of corpus;
- Portfolio growth; and
- Production of income.

Time Horizon

The investment guidelines, including the strategic asset allocation, are based upon an investment horizon of 10 years.

Risk Tolerance

The risk tolerance for the Long-Term Fund is determined by the combination of factors that contribute to a high-risk tolerance and the constraints of the portfolio as described below.

Positive factors that contribute to a higher risk tolerance are:

- The BoG's willingness to accept short-term volatility in the market value of ASA's investments;
- The contributions to ASA's investment portfolio;
- The change of the financial strength of ASA; and
- The long-term time horizon available for investment provides the opportunity to benefit from opportunities for growth that may accrue to a patient investment strategy.

Offsetting these factors:

- The inability to offset large losses suffered by ASA.

Allowable Investments

- The following are allowable investments for the Long-Term Fund
- Equities
- Fixed Income

Allowable Investment Vehicles

The Committee shall be authorized to invest the Long-Term Fund as follows.

- Mutual Funds
- Exchange Traded Funds

Measuring Risk and Return

A policy benchmark will be compared to the net return and risk of the Long-Term Fund to assess the Long-Term Fund's performance against the market. This Policy Benchmark is to be constructed as follows ("Policy Benchmark"):

- 40.0% S&P 1500
- 10% MSCI AC World x US
- 50.0% Barclays Aggregate

The BoG is comfortable with a risk level of the Long-Term Fund as measured by volatility (standard deviation) that is *like* the volatility level of the Policy Benchmark when measured over a five-year rolling time period and a full market cycle.

The return objectives of the Long-Term Fund represent a long-term goal of maximizing the returns without exposure to undue risk, as defined herein. It is understood that fluctuating rates of return are characteristic of the securities markets. The primary concern should be long-term appreciation of the assets and consistency of total portfolio returns. Recognizing that short-term market fluctuations may cause variations in the account's performance, the expectations of the account will be to achieve the following objectives over a five-year time period.

- The Long-Term Fund's total expected return should exceed any increase in the Consumer Price Index by 5% annually.
- The Long-Term Fund's return is expected to exceed the average annual return, gross of fees, of the Policy Benchmark on a risk-adjusted basis over a five-year rolling time period and a full market cycle.

Evaluating Performance

The Committee will evaluate each Investment Manager's contribution in achieving the investment objectives outlined in this document over at least a five-year time horizon. The Investment Manager(s) will be measured against the benchmarks specified for the asset class that they have been designated to manage, as specified in the Asset Allocation Table below. The Committee realizes that most investments go through cycles. Therefore, there will be periods of time in which the investment objectives are not met or when the Investment Manager(s) do not meet their expected performance targets.

The Long-Term Fund's performance should be reported in terms of rate of return as well as changes in dollar value. The returns should be compared to the Policy Benchmark for the most recent quarter and for annual and cumulative prior time periods.

Blended Benchmark

In addition to the Policy Benchmark, the return of the Long-Term Fund will also be measured against the strategic allocation using the asset class benchmarks specified in the Asset Allocation Table below. The benchmark will be constructed as follows and will be referred to as the Blended Benchmark.

- 28% S&P 500 Index
- 7.5% S&P Midcap 400 Index
- 2.5% S&P Smallcap 600 Index
- 1.0% MSCI US REIT Index
- 1.0% Alerian MLP Infrastructure Index
- 8% MSCI EAFE Net Index
- 2% MSCI EM Net Index
- 42.5% Barclays Intermediate Gov't / Credit Index

- 5.0% Barclays High Yield Index
- 2.50% Citigroup World Gov't Bond ex-US Index

Asset Allocation

The percentage allocation to each asset class may vary depending upon market conditions. Please reference the Asset Allocation Table below for the lower and upper limits for each asset class. When necessary and/or available, cash inflows/outflows will be deployed in a manner consistent with the strategic asset allocation and allocation ranges of the portfolio. If there are no cash flows, the allocation of the portfolio will be reviewed at least quarterly.

Table 1: Asset Allocation Table

Strategic Asset Allocation Table					
	Strategic Range	Strategic Minimum	Strategic Allocation	Strategic Maximum	Benchmark
Asset Class			**Target**		
Equity	40% - 60%	40.0%	50.0%	60.0%	80% S&P 1500/20% MSCI AC World x US
Fixed Income	40% - 60%	40.0%	50.0%	60.0%	Barclays Aggregate
Equity Sub-Asset Class			**48.0%**		
US Large Cap	10% - 60%	10.0%	28.0%	60.0%	S&P 500 Index
US Mid Cap	0% - 23%	0.0%	7.5%	23.0%	S&P Midcap 400 Index
US Small Cap	0% - 8%	0.0%	2.5%	8.0%	S&P Small cap 600 Index
Developed International Equity	0% - 16%	0.0%	8.0%	16.0%	MSCI EAFE Net Index
Emerging Markets Equity	0% - 3%	0.0%	2.0%	3.0%	MSCI EM Net Index
Thematic Equity Sub-Asset Class			**2.0%**		
Domestic Real Estate Investment Trusts (REITs)	0% - 3%	0.0%	1.0%	3.0%	MSCI US REIT Index
Master Limited Partnerships (MLPs)	0% - 3%	0.0%	1.0%	3.0%	Alerian MLP Infrastructure Index
Fixed Income Sub-Asset Class			**42.5%**		
Domestic Investment Grade Taxable Fixed Income	25% - 60%	20.0%	42.5%	60.0%	Barclays Intermediate Gov't/Credit Index
Thematic Fixed Income Sub-Asset Class			**7.5%**		
Domestic High Yield	0% - 8%	0.0%	5.0%	8.0%	Barclays High Yield Index
Developed International Fixed	0% - 3%	0.0%	2.5%	5.0%	Citigroup World Gov't Bond ex-US Index
Total			**100.00%**		

VI. Restrictions

The following is a list of prohibited investments and investment vehicles.

- Cryptocurrency
- Non-fungible tokens
- Short Sales
- Purchase of letter stock, private placements or direct payments
- Leveraged transactions
- Commodities transactions
- Investments in non-U.S. dollar denominated securities
- Puts, calls, straddles, or other option strategies
- Purchases of real estate, oil and gas properties, or other natural resources related properties except for Real Estate Investment Trusts or securities of real estate operating companies
- Investments in tax-exempt securities or funds
- Investments in limited partnerships (except for publicly traded Master Limited Partnerships)
- Investments by the Investment Manager in their own securities or of their affiliate, or subsidiaries (excluding money market or other commingled funds as authorized by the Committee)
- Investments in futures, use of margin or investments in any derivatives not explicitly permitted in this policy statement
- Any other security transactions not specifically authorized in this policy statement, unless approved, in writing by the Committee.

VII. Rebalancing

Since capital appreciation, depreciation and trading activity in each individually managed portfolio can result in a deviation from the overall asset allocation, the aggregate asset allocation will be monitored. If there is deviation from the strategic allocation beyond the lower and upper limits specified in this policy, the Investment Manager(s) will recommend rebalancing the Long-Term Fund to the Committee. The Committee has the authority to approve the rebalancing of the portfolio.

VIII. Adoption

The BoG have reviewed, approved, and adopted this Investment Policy Statement. This Investment Policy is to be reviewed periodically by the Committee to determine if any revisions are warranted by changing circumstances including, but not limited to changes in financial status, risk tolerance or changes involving the Investment Manager(s). The BoG, in consultation with the Committee, reserves the right to make any changes to this Investment Policy Statement as deemed necessary. All such changes will be made in writing and the Investment Manager(s) will be duly informed.



4/9/2026

International President, Board of Governors ***Date***



4/9/2026

Chair, Investment Committee ***Date***