Investment Objectives

1. The primary objective of the investment management of the Fund is to preserve and enhance its real (inflation-adjusted) purchasing power while providing a relatively predictable, stable, and constant (in real terms) stream of earnings for current use.

   The Fund operates under the concept of *total investment return*, and, therefore, emphasis will normally be on *equities and other investments with the expectation of capital gains*.

2. The long term investment objective for the Fund is to attain an average annual real total return, net of investment management fees, of at least 5%, as measured over rolling five-year periods.

3. These objectives should be achieved within acceptable risk levels, or in order to avoid large short-term declines in market values.

Real Total Return

Real total return is the sum of capital appreciation (or loss) and current income (dividends and interest) adjusted for inflation as measured by the Consumer Price Index.