

AZTEC SHOPS, LTD.

INVESTMENT COMMITTEE CHARTER

I. Overall Purpose/Objectives

The Investment Committee members are appointed by the Board of Directors of Aztec Shops, Ltd. (the “Corporation”) to assist the Board in discharging its oversight responsibilities. The Committee will review and approve investment policies and objectives to ensure the balance, transparency and integrity of these activities. The Committee will also review investment strategies and performance.

The Committee shall maintain free and open communication and effective working relationships among the Committee members, investment managers and management of the Corporation. To perform their role effectively, each Committee member will need to develop and maintain their skills and knowledge, including an understanding of the Committee’s responsibilities and of the Corporation’s activities, operations and risks.

The Committee is not intended to be, and shall not exercise the functions of, a Finance Committee, and will accordingly have no responsibilities with respect to budgeting or expenditure of the Corporation.

II. Authority

The Board authorizes the Committee, within the scope of its responsibilities, to:

- Perform activities within the scope of its charter.
- Have unrestricted access to members of management and employees as well as to all books and records of the Corporation.

III. Organization

Membership

- The Board elects Committee members and selects the Chairperson of the Committee from its members.
- The Committee will consist of at least four and no more than five members and all members shall be independent. Members will be considered independent as long as they do not accept any consulting, advisory, or other compensatory fee from the Corporation and are not affiliated persons of the Corporation or its management. The Committee will be comprised of the Chair of the Board, the Chair of the Audit Committee, the Secretary/Treasurer of the Board, the Associated Students President (or designee serving as a Board member) and up to one other Board member elected by the Board.
- Composition of the Committee cannot have more than a 50% overlap of members with the Corporation’s Audit Committee.
- Each member should have skills and experience appropriate to the not-for-profit sector and/or financial planning expertise.

Meetings

- A majority of the voting members of the Committee will constitute a quorum for the transaction of business.
- Meetings shall be scheduled as needed throughout the year, occurring at least once per fiscal year.
- The chair of the Committee shall develop, in consultation with management, the meeting agendas.
- The Committee shall maintain written minutes of its meetings.
- The Committee may invite others to its meetings, as it deems appropriate.
- Meetings of the Committee are subject to the requirements of California Education Code Section 89920 *et seq.*

IV. Roles and Responsibilities

The Committee is responsible to ensure that the Aztec Shops, Ltd. Investment Policy is followed, modified and executed appropriately so that the long-term goals of the Corporation are supported.

This includes:

- a. Setting investment policies (subject to approval of the Board) and guidelines, including policies and guidelines regarding asset classes, asset allocation ranges, and prohibited investments.
- b. If delegated by the Board, approving investment and reinvestment of the funds of the Corporation. Absent delegation of Board power to approve investment and reinvestment, the Committee shall make recommendations for Board approval. In performing these responsibilities, the Committee may utilize officers and employees of the Corporation and external investment managers.
- c. Monitoring the management of the funds by reviewing written reports from investment managers and consultants and by discussions with investment managers and consultants at Committee meetings that focus on the primary determinants of returns, including asset allocation and investment strategy.
- d. Evaluating investment performance of the corporate funds based on a comparison of actual returns with the Corporation's absolute return objective, and with such other benchmarks as the Board or Committee may from time to time select. The evaluation will take into account compliance with investment policies, guidelines and risk levels.
- e. Review periodically the Investment Committee Charter and recommend any changes to the Board.