

THE PIPELINERS ASSOCIATION OF HOUSTON EDUCATIONAL FUND

INVESTMENT POLICY

ARTICLE I PURPOSE

The purpose of this investment policy of The Pipeliners Association of Houston Educational Fund (the "FUND") is to minimize investment risks while attempting to obtain the highest available market rates of return that are commensurate with a low-risk investment portfolio. The FUND strictly adheres to the "prudent person" philosophy of preservation of capital, liquidity, and yield in all investment decisions.

ARTICLE II AUTHORIZATION TEAM

The Treasurer and President are authorized to serve as primary and secondary investment officers, respectively, to transact investment activities on behalf of FUND, provided these activities are in compliance with FUND's investment policy. The secondary investment officer will assume the primary investment officer's responsibilities in the primary investment officer's vacancy, absence, or incapacity. FUND's Board of Directors charges the daily oversight and management of FUND's investment portfolio to the FUND's officers.

The following positions are authorized to execute investment transactions on the FUND's behalf:

- President and Treasurer can purchase any investment product authorized by the Investment policy up to a \$1,000,000 limit per transaction provided the balance in the FUND's checking account adjusted for outstanding checks is at least \$250,000.

ARTICLE III INVESTMENT UNIT OF MEASURE

All investments will be in U. S. dollars. All portfolio purchases will be within portfolio limitations at the time of purchase.

ARTICLE IV ALLOWED INVESTMENTS

FUND may invest in:

Certificate of Deposits (CDs) - issued by nationally chartered banks, state chartered banks, and Savings and Loan Associations insured by the Federal Deposit Insurance Corporation (FDIC) or issued by federal credit unions or state chartered credit unions insured by the National Credit Union Administration (NCUA).

CDs must be held to maturity unless a sale has been approved by the majority vote of the Board of Directors.

ARTICLE V MATURITY LIMITS

Investments will be purchased with the intent to hold to maturity.

Maximum term is one year however the maturity date may not be beyond the dates specified in the following table:

Investment Month	Maximum Maturity Date
January – May	May 31 of current year
June – December	May 31 of next year (i.e. current year plus one)

ARTICLE VI PROHIBITED INVESTMENTS

The FUND may not invest in any products other than the ones authorized in Article IV.

ARTICLE VII GENERAL PRACTICES AND PROCEDURES FOR INVESTMENT TRANSACTIONS

At the end of each month the Treasurer shall calculate an amount to invest using a worksheet substantially similar to the one in 1.

FUND is not required to conduct and document a credit analysis of an issuing entity and/or investment before the purchase of the investment provided the investment is fully guaranteed as to principal and interest by the U. S. Government or its agencies, U. S. government-sponsored agencies or enterprises, or entities fully insured by the FDIC or the NCUA.

FUND will maintain documentation on each investment transaction for as long as the investment is held. Documentation will include, where applicable, bids or offer prices at purchase and sale, purchase or sale confirmations, and other relevant disclosure documents or a description of the security from an industry-recognized information provider, and financial date.

ARTICLE VIII REPORTING AND RISKS

The Treasurer will report investment performance and balances to the Board of Directors.

Liquidity Shortages

Defensive actions to protect the liquidity position of the FUND may include:

- judicious use of standby lines of credit
- judicious use of borrowing from The Pipeliners Association of Houston for liquidity support

- sale of investments to third parties

Excess Liquidity

In order to reduce liquidity which is in excess of operational requirements the FUND may:

- purchase short term investments

Investments Outside of Policy and/or Regulation:

If an investment ceases to meet the provisions of this policy, the Board of Directors shall be so informed at the next regularly scheduled meeting or through emergency meeting if dictated by potential risk. The Board of Directors will also be presented with an analysis that discusses the merits of both holding and liquidating the investment. This analysis will consider:

- The amount of the investment relative to the FUND's net worth.
- Remaining time to maturity.
- Potential effect of liquidating the investment on capital.
- The possibility that the investment will again meet policy requirements and the anticipated time frame for this to occur.
- The potential costs and/or benefits that occur if the investment were liquidated or held.
- Any steps that should be taken to monitor the investment on an ongoing basis.

ARTICLE IX BROKER/DEALERS

The Treasurer is responsible for maintaining current, adequate information regarding the broker/dealers with whom the FUND transacts business and for maintaining a list of approved broker/dealers. To qualify, a broker/dealer must either be registered with the SEC under the Securities Exchange Act of 1934, or be a depository institution whose broker/dealer activities are regulated by a regulatory agency.

Documentation used to approve a broker/dealer relationship must be maintained as long as the broker/dealer is approved.

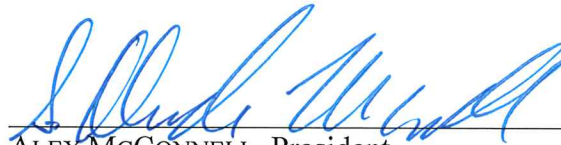
In determining whether to buy or sell investments through a broker/dealer, the Treasurer must analyze and annually update during the third quarter the following items:

1. The background of any sales representative with whom the FUND is doing business.
2. Information available from state or federal securities regulators and securities industry self-regulatory organizations, such as the National Association of Securities Dealers and the North American State Administrations Association, regarding any enforcement actions against the broker/dealer, its affiliates, or associated personnel.
3. The ability of the broker/dealer and its subsidiaries or affiliates to fulfill commitments, as evidenced by capital strength, liquidity, and results, considering current financial data, annual reports, reports of nationally recognized statistical rating agencies, relevant disclosure documents, and other financial information sources.

ARTICLE X
PROHIBITED ACTIVITY BY OFFICIALS

No Director, Officer, or Employee having investment authority shall conduct personal transactions with any of the individual brokers that the FUND does business with. FUND Board of Directors Members and Officers, and their immediate family members, may not receive anything of value in connection with an investment transaction. This prohibition does not include compensation for Employees.

As approved by the Board of Directors dated effective as of November 2, 2023.



ALEX MCCONNELL, President

ATTEST:



ANDREW BERMACK, Secretary

APPENDIX 1

The Pipeliners Association of Houston Educational Fund

Proposed Investment
September 19, 2023

PAH EF Checking Account Balance as of 08/31/2023		\$394,660.01
Less: Outstanding Scholarship Checks		
7038	(\$6,420.00)	
7041	(\$7,620.00)	
7043	(\$5,970.00)	
Total Outstanding Scholarship Checks		(\$20,010.00)
Adjusted Balance		<u>\$374,650.01</u>
Less: Policy Minimum Adjusted Balance		(\$250,000.00)
Available for Investment		\$124,650.01

Maximum Maturity Date = May 31, 2024

Proposed Investment	\$124,000.00
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Prepared by: Treasurer or designee

Approved Investment:

Approved By:

Approved Date:

\$120,000
Approval Signature
9/20/2023