



And Multiple Listing Service, Inc.

Investment Policy Statement

Introduction

The purpose of this investment plan is to establish a clear understanding of the investment policy, guidelines and objectives of the accounts of Berkshire County Board Of REALTORS & Multiple Listing Service, Inc. and the investment manager, Keator Group, LLC. It also provides the investment manager with an understanding of the limitations, and direction that Berkshire County Board Of REALTORS & Multiple Listing Service, Inc. feels is most appropriate for these funds. Manager progress in meeting the plan's investment objectives will be reviewed quarterly. This plan is intended to be specific enough to be meaningful yet flexible enough to be practical.

Policy

The investment funds of Berkshire County Board Of REALTORS & Multiple Listing Service, Inc. are maintained to provide a portfolio for **quality growth of capital on equity based investments and the preservation of capital on fixed income investments**. These funds are anticipated to be committed to this goal for *seven to ten years*.

The overall investment direction is to maximize the return consistent with the risks that Berkshire County Board Of REALTORS & Multiple Listing Service, Inc. are willing to accept as stated herein (see appendix A). The investment manager will be given full discretion in managing the funds within this policy and are required to comply with all applicable laws, rules and regulations.

Investment Guidelines

- * It should be the function of the investment manager to allocate the assets of the account(s) among common stocks, preferred stocks, American Depository Receipts (ADRs), exchange traded funds (ETF's), mutual funds, unit investment trusts, covered equity options, direct or indirect government obligations, corporate bonds/notes, convertible bonds, and cash reserves.
- * Decisions regarding asset allocation in the portfolio should be left to the managers' judgment yet still in accordance with the client's objectives.
- * If an Envision Plan or other financial "plan" exists then the Keator Group, LLC will periodically review assets relative to goals and report on our finding in writing. It is the obligation of Berkshire County Board of Realtors & Multiple Listing Service, Inc. to provide all values of non-held assets in advance and periodically update the manager of any changes to these values.
- * Cash reserves should be invested in interest bearing securities that are instantly salable and carry a minimum risk of loss and fluctuation.
- * Investments may be chosen from NYSE, AMEX, regional exchanges, the National Over-the-Counter Market, and other over the counter markets. Additionally, ordinary shares may be purchased on foreign exchanges.
- * All assets must have readily ascertainable market value and be easily marketable.



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- * The following are prohibited transactions or assets:
 1. Commodity trading
 2. Short selling
 3. Option trading unless the risk is limited
 4. No Sector of the Market should represent more than 25% of the portfolio(s).
 5. No individual equity or corporate issue should exceed 5% of the portfolio(s).
 6. Client acknowledges that they have assets held away from The Keator Group and that The Keator Group will include these assets in calculating asset allocation. The client further acknowledges that it is their responsibility to periodically update the Keator Group on the balances of outside accounts.
 7. For the purpose of performance we may classify option premiums as growth.
 8. Investments that offer a “guarantee” of principal may be considered Fixed Income investments at the option of the investment manager.

- * The investments of the plan should be adequately diversified to reduce risk and to comply with current regulations. The interpretation of "adequate" diversification will be left to the investment managers although allocation between Equities, Fixed Income and Cash will adhere to the guidelines established in the next section.

Investment Objectives

The overall risk acceptance level of this plan is based upon an allocation between Equities, Fixed Income and Cash. For practical purposes, the compliance with this risk standard will be reviewed quarterly. The plan's annual risk acceptance level is.

Investment Allocation	Equity	Bond	Cash
Fixed Income Weighted	40%	30%	30%
Target	45%	30%	25%
Equity Weighted	55%	25%	20%

- * The return expectation for the various asset classes is to at least perform commensurate with an appropriate market index over a market cycle. A market cycle is viewed as three to five years.

- * Any reference to number percentages with respect to risk avoidance or desired return are guidelines only and there is no guarantee that losses will be confined to (or return will equal or exceed) such percentages.

- * This policy will be in effect until revoked in writing. If client initiates a transfer of assets then notification of transfer will suffice as written notification and Keator Group, LLC will cease all active management at the time of notification.



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APPENDIX A

Investment Guidelines:

Overall Concept: Considering the Berkshire County Board of Realtors & Multiple Listing Service, Inc., Inc. has sufficient income to meet expenses investment assets should be managed as tax efficiently as possible in keeping with the stated goals and parameters of this investment policy statement.

1. The current portfolio is to be realigned to be more in line with stated goals.
2. Funds earned will be used at the discretion of the Board of Realtors for the enhancement of member service, including but not limited to (1) additional staffing, (2) Technology upgrades, and (3) educational course/seminars for the Realtors
3. In the event of an equity overweight scenario the manager may allow the allocation to fall out of target provided some defensive mechanism is utilized such as a “stop” or a “covered call”.
4. If the above equity allocation is exceeded to the high side the manager should look to utilize STOPS when available to protect overweight or sell some profits and reallocate to other equity based investments. The Board of Directors of the above named organizations recognize that STOPS cannot be placed on mutual funds.
5. Keator Group, LLC will attempt to be as tax efficient as possible in the management of the assets.

