INVESTMENT POLICY STATEMENT

Prepared on: January 1, 2022

Prepared for: ABC PLAN and TRUST

This Investment Policy Statement (IPS) is not a contract. This IPS is a summary of an investment philosophy and the procedures that provide guidance for the Trustee of ABC Deferred Compensation Plan and Trust (Plan). The investment policies described in this IPS should be considered dynamic and reflect the Trustee's current investment philosophy. These policies will be reviewed and revised periodically to reflect changes to the Plan or the capital markets. Any material change to these policies should be communicated in writing and on a timely basis to the Agent Manager associated with the Plan and others who use the IPS to meet their responsibilities. If any term or condition of this IPS conflicts with any Trust and/or other governing document of the Plan, the Trust and/or Plan governing document shall control, as long as such term or condition is consistent with the law.

It is understood there can be no guarantee about the attainment of the goals, investment performance or investment objectives outlined herein.

Purpose

The purpose of this IPS is to assist the Trustee ("you" or "your" hereafter) in effectively discharging certain Trustee responsibilities by supervising, monitoring and evaluating the investment management of the Plan. The Trustee has the authority to select and oversee the Plan's Agent Manager. **Neither the Plan Trustee nor the Agent Manager has responsibility for participant investment return.** The Trustee will discharge its responsibilities under the Plan solely in the interests of Plan participants and their beneficiaries.

The investment policy is intended to provide a prudent framework from which sound choice architecture decisions can be made. The Plan's program is defined in the various sections of this IPS by:

i. Setting forth an investment structure for participants to manage their Plan assets. This process includes offering various asset classes and investment management styles that, in total, are expected to offer participants the opportunity to diversify their investments in a manner appropriate to their retirement objectives and risk/return requirements;
ii. Defining certain duties and responsibilities to be performed by the various parties involved in the management and operation of the Plan; and
iii. Facilitating compliance with all Colorado State, trustee, ERISA, or prudence and due diligence requirements that experienced investment professionals utilize, and consistent with all applicable laws, rules and regulations from various local, state, and federal entities that may affect Plan assets.

Statement of Objectives

The Plan was established for the sole benefit of its participants. The Plan is intended to provide eligible employees with a vehicle to save for or receive benefits for their retirement. The objectives of the Plan are to:

i. Ensure the Plan provides appropriate procedures for allocating Trustee responsibilities.
ii. Provide investment opportunities in various asset classes, to allow for diversification.
iii. Provide participants with the opportunity to realize competitive returns within reasonable and prudent levels of risk.
iv. Control and account for reasonable investment costs.

In accordance with ERISA Section 405(c), the Plan allocates Trustee responsibility by:

i. Ensuring the Plan provides appropriate procedures for allocating Trustee responsibility.
ii. Ensuring that the Plan's procedures for allocating and delegating responsibilities are established or implemented in a prudent fashion.
iii. Retaining an Agent Manager who is a Registered Investment Manager to develop a fund choice architecture that falls within their purview under this IPS or other governing documents.
iv. Selecting each prudent expert by a demonstrable due diligence process.
v. Requiring service providers to acknowledge or disclaim Trustee status in writing.
vi. Monitoring the activities of the prudent experts to ensure they are performing the agreed-upon tasks using the agreed-upon criteria.

The Plan intends to comply with ERISA Section 404(c) and the regulations thereunder, in order that participants and beneficiaries alone bear the risk of the investment results from their investment decisions and Plan Trustees have no liability for losses resulting from participants' and beneficiaries' investment decisions. To accomplish this compliance, the Plan Sponsor will ensure that the following actions are taken:

i. Plan participants will be notified that the Plan Sponsor intends to constitute a 404(c) Plan.

ii. Plan participants will be provided at least three investment options that have a different risk/return profile.
iii. Plan participants will have the opportunity to give investment directions.
iv. If any investment option permits changes more often than once every three months, at least one of the three options described in ii. above must permit the same frequency of change.
v. Plan participants will have the right to diversify their investments.
vi. Plan participants will be provided with sufficient information and/or education on the different investment options.
vii. Plan participants will be permitted to change their investment strategy/allocation with a frequency that is appropriate in light of market volatility, but not less frequently than once within any three-month period.
viii. Plan participants will have access to annual and quarterly “404a-5” disclosures which contain certain information and instructions pertaining to the Plan.

Default Investment Option

The index-based target date fund appropriate to the participant, is intended to qualify as a QDIA for purposes of ERISA Section 404(c) (5) and the regulations thereunder.

Duties and Responsibilities

Plan Sponsor

The primary duties of the Plan sponsor include:

i. Establish the Plan,
ii. Perform any duties described in the Plan documents that are not otherwise delegated to a third party, and
iii. Monitor the performance of those to whom responsibilities are delegated.

Agent Manager

The Agent Manager will acknowledge acceptance of Trustee responsibility, as delegated under CRC §15-1.1-109 and defined under Prudent Investor Rule and §3(38) of ERISA, for the purposes of providing investment services to the Plan. The Agent Manager is delegated to execute the duties stated below, thereby relieving the Plan Trustee;

i. Select investment options, consistent with ERISA §404(c) and the regulations thereunder, to enable participants to appropriately and effectively diversify their assets;
ii. Prudently select and monitor investment options using the guidelines set forth on Appendix C to this IPS;

iii. Establish Watch List criteria and monitor investment options with respect to the Watch List criteria quarterly, bringing any investment option that violates the Watch List criteria to the attention of the Plan;
iv. Determine whether to maintain or remove and replace the investment option;
v. Review at least annually all investment costs (direct and indirect) associated with the Plan to determine if they are fair and reasonable.
vi. Review with the Plan annually whether each investment option continues to be an appropriate representative of the applicable asset class; and
vii. Avoid prohibited transactions and conflicts of interest.

The Agent Manager is paid via a direct fee for services. The Manager has no conflicts of interest, either perceived or real. The Manager is compensated by neither commissions nor revenue sharing in either a direct or indirect manner.

Investment Advisor

The Investment Advisor has been hired as an Advisor to assist in the operation of the Plan. The Advisor will acknowledge co-trustee responsibility, as illustrated under §3(21) of ERISA. In accordance with the Plan's investment policies and objectives, the primary duties under this role include:

i. Prepare and maintain this investment policy statement
ii. Select and monitor the service providers used by the Plan in accordance with the guidelines set forth in the Selection and Monitoring of Service Providers section of this IPS.
iii. Guide the plan through a disciplined and rigorous process to enable plan trustees to meet their responsibilities on the selection of an Agent Manager.

The Advisor is paid via a direct fee for services. The Advisor is compensated by neither commissions nor revenue sharing in either a direct or indirect manner.

Custodian

The Custodian is responsible for the safekeeping of the plan's assets. The primary responsibilities of the Custodian are to:

i. Value the holdings on a periodic basis.
ii. Collect and credit all income and dividends owed to the Plan participants.
iii. Settle all transactions (buy sell orders).
iv. Provide quarterly reports that detail transactions, cash flows, securities held and their current value, and change in value of each security and the overall Plan since the previous report.
v. Maintain separate accounts by legal registration.

Record Keeper

The Record Keeper is responsible for maintaining the records for each participant account and managing the inflows and outflows of money into the plan.

Third Party Administrator (TPA)

The TPA is responsible for keeping the plan in compliance with applicable rules and regulations and ensuring that it continues to run smoothly. These duties include periodic and required communications to plan participants and their beneficiaries along with ensuring that participants receive adequate and timely fee disclosure information.

Selection and Monitoring of Service Providers

The selection and monitoring of service providers must be approached with a careful, deliberate process that can be documented. The objective is to identify service providers who will best serve Plan needs at a reasonable price; decisions will not be based solely on cost considerations.

Service provider relationships shall be regularly monitored to ensure they are operating in a manner consistent with services and terms specified in service provider agreements and governing Plan documents. Existing service provider relationships should be reviewed using a process comparable to the selection process described here approximately every 3 years or as deemed necessary by the Plan Fiduciary to ensure appropriateness for the Plan relative to available alternatives.

Asset Class Guidelines

Long term investment performance is, in large part, a function of asset class mix. The Agent Manager will review the long-term performance characteristics of broad asset classes, focusing on the balance of risks and rewards, and determine the asset classes are appropriate for the Plan.

In making this review and determination of asset classes, the Agent Manager should consider the following factors:

- i. Demographic population profile of the participants
- ii. Appropriate investment time horizons, taking into account the participant demographics
- iii. Appropriate risk levels, taking into account the participant demographics
- iv. Appropriate historical returns, taking into account the participant demographics
- v. The total number of asset classes to be offered under the Plan
- vi. The apportionment of asset classes among the following features
    - i. Equity, fixed income, balanced, and stable value investments
    - ii. Domestic and international investments
    - iii. Target date investments,

iv. Active and passive management styles, and
v. Such other features as the Agent Manager shall deem appropriate.

Any other factors that the Agent Manager believes to be appropriate or desirable in the review and determination of assets classes may also be taken into consideration.

The individual asset classes to be selected by the Agent Manager are outlined in Appendix A of this IPS.

Investment Selection

Each investment option shall be managed by a Prudent Expert. When selecting a new investment option, the Agent Manager will evaluate the possible alternatives against the due diligence criteria set forth in Appendix C of this IPS. When warranted due to unique potential benefits relative to other available investment options for which the due diligence criteria set forth in Appendix C of this IPS are not available may be considered. In those instances, alternative prudent selection criteria to those set forth in Appendix C of this IPS will be used to evaluate the appropriateness of each investment. After any selection of investment options for which alternative prudent selection criteria were used, those alternative criteria will be added to Appendix C of this IPS.

Investment Monitoring

Benchmarks

Performance benchmarks will be established for each investment option. Option performance will be evaluated in terms of an appropriate market index (e.g. the S&P 500 stock index for large cap domestic equity manager) and the relevant peer group (e.g. the large cap growth mutual fund universe for a large cap growth mutual fund). The performance benchmarks will be set forth in Appendix B of this IPS.

Performance Objectives

The Plan Trustee acknowledges fluctuating rates of return characterize the securities markets, particularly during short time periods. Recognizing that short term fluctuations may cause variations in performance, the Plan Trustee intends to evaluate investment performance from a long-term perspective.

The Plan Trustee is aware the ongoing review and analysis of the investment options is just as important as the due diligence and selection process. The performance of the investment options will be monitored on an ongoing basis by the Advisor but it is at the Agent Manager's discretion to take corrective action by replacing an investment option if the Agent Manager deems it appropriate at any time.

Annually, the Agent Manager will review whether each investment option continues to be an appropriate representative of the applicable asset class. Specifically, but without limitation, the Agent Manager will consider:

i. The investment option's adherence to the Watch List Criteria identified below;
ii. Material changes in the investment option's organization, investment philosophy and/or personnel; and
iii. Any legal, SEC and/or other regulatory agency proceedings actually or potentially affecting the investment option's future performance or suitability.

Watch List Criteria

The decision to retain or terminate an investment option cannot be made by a formula. It is the Agent Manager's confidence in an investment option's ability to perform in the future that ultimately determines the retention of an investment option.

To assist the Agent Manager in determining when an investment option should be considered for termination, the Plan Trustee has adopted the due diligence criteria set forth in Appendix C of this IPS.

The Agent Manager shall be responsible for monitoring the Watch List Criteria for each investment option quarterly. In the event that any investment option fails to satisfy the Watch List Criteria, the Agent Manager shall bring the investment option to the attention of the Plan Trustee at the next regularly-scheduled meeting or through immediate communication with the Plan Trustee, whichever they shall deem appropriate.

Replacement of an Investment

Should the Agent Manager determine that an investment option should be replaced, the investment option will be removed as soon as practical and a replacement investment option made available into which assets will be moved.

Identifying, Evaluating, and Containing Costs

The Agent Manager will review at least annually all costs (direct and indirect) associated with the Plan investment options to determine if they are reasonable. The cost considerations to be reviewed will include (although not necessarily be limited to):

i. Expense ratios of each investment option and the use of appropriate share classes
    i. If share classes with revenue sharing are used, how expenses are to be leveled between participants
ii. Investment management fees, soft dollar and other special fee arrangements when utilizing separate account managers.
iii. Brokerage commissions and trading costs of separate accounts.

iv. Cost per participant for recordkeeping and administration and how these fees are paid (e.g. by direct charge to the company, participants' accounts or through revenue sharing)

All parties receiving revenue sharing payments such as 12b-1 fees, sub-transfer agency fees, shareholder servicing and finder's fees will be identified, and such costs shall be quantified and evaluated.

Unless otherwise established by the Plan, the responsibilities of the Agent Manager with respect to costs shall be to (1) maintain expenses deriving from the investment process, including investment advisory fees, brokerage fees, and investment service fees, at a reasonable level and (2) advise the Plan of other expenses, such as administrative fees and educational expenses, if it appears that such other expenses are unreasonably excessive.

Investment Policy Review

This IPS will be reviewed at least annually to determine whether stated investment objectives are still relevant and feasible. It is not expected that the IPS will change frequently. In particular, short term changes in the financial markets should not require adjustments to the IPS.

Any change to these policies should be communicated in writing and on a timely basis to all interested parties. If any term or condition of this Investment Policy Statement conflicts with any trust and/or Plan document, the document shall control, as long as such term or condition is consistent with the law.

Adoption

Adopted by the below signed:

Date: ______________

Committee Member(s):

____

____

____

____

Appendix A: Asset Classes

The Plan will offer Passive Index Funds in the following Asset Classes:

1. Domestic Equity
2. International Equity
3. Fixed Income, and
4. Target Date

The Plan will also offer a stable value and / or cash account.

The Plan will offer a brokerage window.

Appendix B: Asset Class Benchmarks

Theory: Benchmarks, unless they are nationally recognized, may be less than useful and easily manipulated to suit the Agent Manager's position.

IPS Position: As such, as stated in the Appendix C Philosophy, this IPS' philosophy relies on each fund, as an index itself, being its own benchmark.

Appendix C: Due Diligence Criteria

Philosophy:

1. All Plan Trustees are strictly committed to Avoiding Conflicts of Interest
2. All Plan Trustees act in the best interest of the Plan participants
3. The Agent Manager shapes its decisions based on Behavioral Economics utilizing Choice Architecture as applied to this Plan. Specifically, the Choice Architecture limits the number of passive index funds, appreciates a long-term investment horizon, and relies on low participant expense exposure. Therefore it,
    a. Reduces complexity by limiting choices.
    b. Provides passive index funds that have a long-term track record, and
    c. Offers low expense ratios to provide long-term financial impact.
4. Participants manage their own accounts.
5. In an abundance of caution, the Plan Trustees avoid any potential (e.g. implicit fees and other undisclosed compensation) and actual conflicts of interest by delegating to the Plan's Agent Manager the function of determining the option lineup.