4 RIVERS ELECTRIC COOPERATIVE, INC.
LEBO, KANSAS

Board of Trustees Policy

Subject: **Investment of General Funds**			Policy No: **203**
Original Issue: 01/20/2020	Last Revised: 06/22/2026	Last Reviewed: 06/22/2026	Page 1 of 3

I. OBJECTIVE

To establish guidelines governing the prudent investment and use of general funds of 4 Rivers Electric Cooperative, Inc. (Cooperative), ensuring preservation of capital, maintenance of adequate liquidity, and achievement of a reasonable return consistent with the Cooperative's financial objectives.

II. POLICY

A. General Principles

1. General funds not required for immediate use shall be invested in a prudent and conservative manner that prioritizes the preservation of capital and maintenance of liquidity.

2. Investments shall be managed in accordance with the following objectives, in order of priority:

   a. Preservation of principal and minimization of risk of loss;
   b. Maintenance of sufficient liquidity to meet operational and financial obligations; and
   c. Achievement of a reasonable rate of return consistent with safety and liquidity.

B. Liquidity

1. The Cooperative shall maintain sufficient liquidity to meet operational needs, consistent with financial goals and liquidity targets established by the Board of Trustees.

2. Funds required for short-term operations shall be invested in instruments that are readily convertible to cash with minimal risk to principal.

C. Permitted Investments

1. General funds may be invested in:

   a. Securities of the United States Government or its agencies;
   b. Financial institutions insured or guaranteed by the United States Government;

c. The National Rural Utilities Cooperative Finance Corporation (CFC), CoBank, and generation and transmission cooperatives of which the Cooperative is a member; and
d. Local or regional banks, credit unions, and savings and loan associations.

2. Investments not listed above, including equity securities or other non-traditional or higher-risk instruments, may be made only with prior approval of the Board of Trustees.

D. Risk Management

1. Investments shall be structured to:

a. Minimize the risk of loss of principal;
b. Maintain appropriate diversification of funds;
c. Limit exposure to interest rate and market volatility;
d. Avoid undue concentration with any single financial institution or investment type; and
e. Align maturities with anticipated cash flow needs of the Cooperative.

E. Administration and Authority

1. The General Manager / Chief Executive Officer (CEO) shall be responsible for administering and implementing this policy and is authorized to make investment decisions consistent with its provisions.

2. The CEO may establish internal procedures and guidelines governing investment practices, including selection of financial institutions, maturity structures, and monitoring of investment performance.

F. Reporting

1. The CEO shall provide periodic reports to the Board of Trustees summarizing:

a. Investment balances and allocation;
b. Maturity structure and liquidity position;
c. Investment performance; and
d. Any material changes in investment strategy or risk exposure.

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III. RESPONSIBILITY

A. The CEO shall be responsible for the administration of this policy.

06/22/2026
Date

/s/ Warren Schmidt
Board of Trustees, Secretary