MOFFAT ECONOMIC DEVELOPMENT AUTHORITY

AMENDED AND RESTATED INVESTMENT POLICY

1. *The Moffat Economic Development Authority.* The Moffat Economic Development Authority (the "Authority") was established pursuant to the Establishment Agreement dated as of August 12, 2025 (as amended, the "Establishment Agreement") between the City of Craig, Colorado (the "City") and Moffat County, Colorado (the "County") for the purpose of applying certain funds held and invested by the Authority toward economic development initiatives within the communities of the City and the County, as more particularly described in the Establishment Agreement.

2. *Definitions.* Capitalized terms used in this investment policy (this "Policy") and not otherwise defined herein shall have the meanings provided in the Establishment Agreement.

3. *Purpose and Authority.* This ~~investment policy~~Amended and Restated Investment Policy (this "Policy") constitutes the investment policy of the Authority and has been approved, pursuant to the Establishment Agreement, by the Authority Board and by Supermajority Approval of the Parties as of the date or dates set forth below.

The Authority is a body corporate and political subdivision of the State, and as such, the deposit and investment of funds of the Authority is subject to the limitations and requirements for the deposit and investment of state funds under State law, including, as applicable, Parts 6 and 7 of Article 75, Title 24 of Colorado Revised Statutes ("C.R.S."), as amended~~, together with any additional investment authority granted to the Authority under applicable law, including Senate Bill 26-052 and any subsequent amendments thereto~~.

This Policy shall be deemed the "investment policy" of the Authority for purposes of Section 24-75-601.1, C.R.S., as amended by Senate Bill 26-052.

4. *Investment Advisor.* The Authority shall select and engage an independent, licensed and qualified Investment Advisor, with demonstrated familiarity with the limitations on investment of public funds provided under the laws of the State and the investment objectives of the Authority. The Investment Advisor will be selected by the Authority pursuant to a request for proposals, request for qualifications or other selection process approved by the Authority Board (the "Selection Process") and shall be subject to approval by resolution of the Authority Board. The Selection Process shall occur as soon as reasonably practicable following the establishment of the Authority, and shall be repeated periodically as determined by the Authority Board (no less frequently than once every five years). Criteria for selection of the Investment Advisor will include investment style and discipline, size, qualifications, licensure, and relevant experience of the organization, experience with management of similar portfolios for similar organizations, fees and expenses, connection with the Community, and past performance. Duties of the Investment Advisor shall include (a) advising the Authority Board as to the prudent investment of assets within the Fund, (b) making recommendations as to asset classes and allocations, (c) managing investment portfolios, (d) voting proxies, (e) coordinating with the accountants and auditors of the Authority (and the Parties) as requested in order to facilitate accounting, reporting, auditing, and internal controls, and (f) reporting investment performance to the Authority Board. The Investment Advisor will act in accordance with this Policy, prudent industry standards, and all applicable laws. In the absence of an Investment Advisor engaged by the Authority, the term "Investment Advisor" as used in this Policy shall refer to the Treasurer of the Authority.

5. *Investment Objectives.* In accordance with the Guiding Principles, the Authority shall treat the funds under its control as a public fund with a goal of no net loss in principal. The primary investment objective of the Authority is to invest with professional investment institutions operating in compliance with Section 24-75-601.1, C.R.S., as amended, and in a manner which is prudently consistent with the Authority's growth, asset preservation and liquidity objectives as set out in the Establishment Agreement. While Senate Bill 26-052 expands the Authority's investment options for funds associated with energy transition settlements beyond those traditionally available under Section 24-75-601.1, C.R.S., the Authority shall maintain a conservative investment philosophy emphasizing capital preservation, appropriate liquidity, prudent diversification, and long-term growth for the principal amounts.

The purpose of such investments is to ~~accumulate and~~ preserve and prudently grow a pool of assets sufficient ~~to build capital and Earnings~~ to support current and future Economic Development Projects within the Community and fund the ~~Authority's~~Authority's operational expenses. ~~Priorities for investments shall be (in the following order): (a) safety and~~Investment priorities shall remain, in order: (a) preservation of ~~assets~~principal, (b) liquidity necessary to fund the ~~Authority's~~Authority's objectives, and ~~then~~ (c) long-term growth and investment returns. While short-term investment results will be monitored, ~~adherence to a sound long-term investment policy, which balances short-term spending needs with preservation of the real (inflation-adjusted) value of assets, is crucial to the long-term success of the Authority's economic development mission. The Authority will invest funds conservatively, in a high-quality and diversified manner, to achieve the optimal return possible within the specified risk parameters and with adhesion to the Guiding Principles. For short- and medium-term investments, investment yield is secondary to preservation of capital and liquidity. Long-term investments are made in broadly diversified portfolio to provide opportunity for long-term growth with moderate risk.~~the Authority recognizes that prudent long-term investing may involve normal market fluctuations and seeks to preserve the value of its assets through a diversified, high-quality investment portfolio, consistent with the Guiding Principles.

6. *Asset Allocation.* The Authority Board recognizes the strategic importance of asset allocation and style diversification in the investment performance of the Authority's assets over long periods of time. Investments will be diversified both by asset class (e.g., equities and debt securities) and within asset classes (e.g., by economic sector, market capitalization, investment approach, and industry). The purpose of diversification is to provide reasonable assurance that no single security or class of securities will have a disproportionate impact on the overall asset values and returns. ~~Domestic and international equities, fixed income, alternative investments and cash equivalent securities have been determined to be acceptable vehicles for assets~~The Authority Board will select the adequate asset allocation after discussions with the Financial Advisor and other advisors of the Authority.

7. *Authorized Investments.* The funds of the Authority may be invested in one or more of the securities permitted by Section 24-75-601.1, C.R.S., as it may be amended from time to time, or any applicable successor statute.

~~The~~Additionally, the Authority may from time to time receive funds resulting from settlements entered into to offset the socioeconomic impact on the Community from the closure of coal mines and coal power generating stations, as well as other funds that, pursuant to Senate Bill 26-052, may be exempt, or partially exempt, from the general statutory requirements applicable to state funds under State law (the "Exempt Funds"). The Investment Advisor shall

track Exempt Funds independently from other sources and the Authority may invest Exempt Funds, and the earnings from the investment of Exempt Funds, in any investment instrument ~~in which Exempt Funds are statutorily~~ authorized ~~to be invested~~ under ~~applicable laws~~Exhibit A attached hereto, but only to the extent that said investment instrument meets the general strategy and risk profile of the Authority and this Policy.

For the avoidance of doubt, Authority funds that are not Exempt Funds ("Non-Exempt Funds"), are subject to the same investment limitations as any public funds. Consequently, Non-Exempt Funds may only be invested in securities or assets permitted to public entities under State law, including all investments authorized by Section 24-75-601.1, C.R.S (as amended), or any successor statute.

8. *Investment Time Horizon.* The Authority will have two general categories of investments, based on the investment time horizon of the funds being invested:

a) Portions of the Authority's funds (i.e., the Funding Account), as deemed adequate by the Investment Advisor following consultation with the Authority, will be invested generally for the short- and medium-term (1-3 years) to ~~assure preservation of principal and to~~ provide the liquidity required to operate the Authority and supporting new and existing Economic Development Projects.

b) Portions of the Authority's funds (i.e., the Permanent Account), as deemed adequate by the Investment Advisor, will be invested for the longer term to provide opportunity for long-term growth of the Permanent Account and future Earnings.

9. *Investment Accounts.* All investments will be registered in the name of the Authority or in a custodial account with an eligible depository or securities firm on behalf of the Authority. To the extent approved by the Authority Board, the Authority may rely on officers and employees of the Parties to act as fiscal agents regarding the Authority's investments and, if economically advantageous, may utilize existing relationships between the Parties and banks and other financial institutions to open and/or act as custodians of the investment accounts of the Authority. All broker-dealers and counterparties approved to provide investment services to the Authority shall be licensed and registered under the laws of the State and applicable federal laws, shall be registered with the Financial Industry Regulatory Authority (FINRA), shall act through properly licensed and qualified representatives, and shall have demonstrated experience. The Authority's Treasurer shall maintain a list of approved depositories, custodians and other fiduciaries, subject to approval of the Authority Board, which may be revised from time to time with the approval of the Authority Board. The Authority Board may consider the connection of depositories, custodians and other fiduciaries with the Community and its presence in the Community when approving said list.

10. *Performance Evaluation.* The Investment Advisor will provide monthly statements of activity including detail of transactions, cash flow, expenses, securities held, value of individual securities with comparison in value to the prior report and quarterly statements with performance statistics and such other information customarily provided with similar reports or requested by the Authority. The Investment Advisor will also provide annual reports to the Authority Board detailing the cost and market values of each fund/account and annual investment results compared to the appropriate index for the life of the fund up to the last ten years. Subject to the terms of any agreements between the Investment Advisor and the Authority, the Investment Advisor also shall provide periodic in-person or videoconference reports to the

Authority Board (no less frequently than quarterly) on the state of the capital markets and the relative performance of the Authority's investment portfolio.

11. *Internal Controls.* The Treasurer of the Authority, with input from the Investment Advisor and the Authority's auditors and advisors, shall establish a system of written internal controls, which shall be reviewed annually by independent auditors to ensure compliance with this Policy, applicable laws, and applicable auditing standards. The controls shall be designed to prevent loss of public funds caused by fraud, error, misrepresentation, or imprudent actions.

12. *Conflicts of Interest.* No investment shall knowingly be made in which any officer, director, manager or other official representative of the Authority, either of the Parties, or the Investment Advisor (each such person, an "Official") might have a material conflict of interest. Conflicts of interest shall also be subject to the requirements set out in the Establishment Agreement and applicable State law. All potential conflicts of the Investment Advisor shall be communicated promptly by the Investment Advisor to the Authority Board, and all potential conflicts of an Official shall be communicated promptly by such Official to the Authority Board and the Investment Advisor.

13. *Review and Modification of Policy.* The Investment Advisor shall, promptly when engaged (and no less frequently than annually thereafter) review this Policy with the Authority Board in light of then-current market conditions, historical performance results, and then current investment opportunities and (as applicable) and shall recommend any changes to the Authority Board for consideration. Any change or modification to this Policy must be approved by the Authority Board and Supermajority Approval of the Parties as provided in the Establishment Agreement. It is not expected that this Policy will change frequently. In particular, short-term changes in financial markets should not require adjustment of this Policy.

APPROVED:

By Authority Board on ~~September 19~~July 15, ~~2025~~2026.
By Supermajority Approval of the Parties (City) on ~~August 12, 2025~~[_____], 2026.
By Supermajority Approval of the Parties (County) on ~~August 12, 2025~~[_____], 2026.

EXHIBIT A
Authorized Investments for Exempt Funds

- All investments permitted to public entities under Colorado law, including all investments authorized by Section 24-75-601.1, C.R.S (as amended), or any successor statute.
- U.S. Treasuries
- Debt issued by U.S. Agencies
- FDIC-insured Certificates of Deposit
- Money Market Funds
- Investment Grade Bonds
- ETFs
- Mutual Funds
- Domestic Equities
- International Equities
- Emerging Market Equities
- REITs
- Inflation-Protected Securities
- Gold-related Investments
- Energy Infrastructure Investments
- Structured Notes and CDs, or any other debt obligation or deposit containing an embedded derivative component.