

**BOARD OF TRUSTEES  
ILLINOIS BANK EXAMINER'S EDUCATION FOUNDATION**

**INVESTMENT POLICY**

RESOLVED, that funds held by the Board of Trustees ("Board") of the Illinois Bank Examiners Education Foundation ("IBEEF") shall, at the time of the initial investment or any renewal thereof, be invested in accordance with the following principles and guidelines:

1. It is the Board's preference to invest Funds in state chartered banks, ("Depository Institution") the main premises or office of which is located within the state of Illinois, and which are rated in the top 2 categories assigned at the most recent examination, based upon a composite evaluation of the following six individual performance components: Capital, Asset Quality; Management; Earnings; Liquidity; and Sensitivity to Market Risk. Not with standing the foregoing preference, the Board may invest or deposit Funds to the extent permitted by provisions of the Deposit of State Moneys Act, [15 ILCS 520/0.01], and the Public Funds Investment Act, [30 ILCS 235/1];
2. When determining whether to invest Funds with a Depository Institution, the Board shall, to the extent permitted by provisions of the Deposit of State Moneys Act, [15 ILCS 520/0.01], the Public Funds Investment Act, [30 ILCS 235/1] and to the extent permitted by the lawful and reasonable performance of the Board's custodial duties, invest or deposit Funds with or in a minority owned Depository Institution;
3. When determining whether to invest Funds with a Depository Institution, the Board shall, to the extent permitted by the lawful and reasonable performance of the Board's custodial duties, consider a Depository Institution's compliance with the Illinois High Risk Home Loan Act,[ 815 ILCS 137/1] and the Administrative Rules promulgated there under, [38 Ill. Admin. Code, Part 345]. The Board is authorized, but not required, to condition the deposit or investment of Funds upon receipt from a Depository Institution of a certification of compliance with the Illinois High Risk Home Loan Act and the Administrative Rules promulgated there under;
4. Funds shall be invested so that principal shall be preserved at all times. It is the Board's preference that no investment account exceed the amount of FDIC insurance. If, however, it is determined advisable or necessary to make a deposit with any Depository Institution that exceeds FDIC insurance, such deposit shall be collateralized in accordance with Section 11 of the Deposit of State Moneys Act, [15 ILCS 520/11], and the value of such securities pledged shall at all times equal or exceed the amount of the deposit that exceeds FDIC insurance;

5. Funds shall not be invested in any Depository Institution of which a member of the Board is a shareholder, director, or officer, or with any Depository Institution affiliated with an institution for which a member of the Board occupies such office or position;
6. Funds shall not be invested for a maturity that exceeds 5 (five) years;
7. Division of Banking staff are delegated authority to negotiate interest payment schedules including monthly, quarterly, semi-annually, or at maturity, based upon projected cash flow needs and the best interests of the Board. Interest payments shall be credited to an account where expenditure of interest earnings from such account must be permitted upon the order of the Board drawn by the Treasurer of the Board and countersigned by the Chairman of the Board and the Secretary of the Board, or at least two of their agents;
8. Division of Banking staff are delegated the authority to make necessary emergency investment or deposit determinations in the event that Funds are required to be invested or deposited during a time when it is not possible for the Board to convene and consider such investment or deposit determination. In all such instances, any investment or deposit determination so made shall be done in accordance with the above stated Board preferences and the Banking staff shall advise the Board of the actions taken at the next subsequent meeting of the Board.

RESOLVED FURTHER, that implementation of this Investment Policy shall be delegated to the Chairman of the Board, who shall cause to be made the necessary reports to the members of the Board not less often than annually. The Chairman's reports to the Board shall include the names of the depository institutions at which such deposits are made, the earnings and rate of return for such investment, the maturity of each such investment, the amount and nature of collateral pledged for any deposit that exceed FDIC insurance, and any other relevant information that the Board may require by future resolution. Not with standing the foregoing, the Board authorizes the Chairman to exercise discretion in delegating to subordinate Division of Banking staff the task of implementing this Investment Policy and preparing or making the necessary reports.

DATED: September 21, 1994  
AMENDED: June 25, 1997  
AMENDED: July 7, 1999  
AMENDED: December 29, 2005  
AMENDED: February 21, 2007