

**LANSING ENTERTAINMENT AND PUBLIC FACILITIES AUTHORITY
SAVINGS AND THRIFT PLAN INVESTMENT POLICY**

Mission Statement:

The Lansing Entertainment and Public Facilities Authority (LEPFA) Savings and Thrift Plans have as the primary goal to invest assets in a manner to provide participants with the maximum security with the highest investment return consistent with the financial objectives and at a reasonable cost to LEPFA. When achieving return objectives, LEPFA is intent on controlling risk with consistency of return being a primary consideration.

Financial Objectives:

The financial objective of the Savings and Thrift Plans is to obtain a competitive rate of return on portfolio assets commensurate with the Prudent Man rule and the Plan's risk taking ability. In conjunction with these goals the Plans also wish to:

- A. Select a financial/investment institution to act as investor/advisor of the funds.
- B. Safety of Principal. Avoidance of financial risk (default or compromise of the financial integrity of the issuer of a security) which is not to be confused with market risk (upward or downward movement of security prices due to normal market fluctuations).
- C. Minimize risk by diversification.

Delegation of Authority:

Authority to manage the investment program and to name depositories shall be delegated to the Trustees.

Investments:

The Trustees are governed by the General Investment Policy as it is periodically amended and may invest in the following:

- A. Bonds, securities and other obligations of the United States or an agency or instrumentality of the United States.

- B. Certificates of deposits, savings accounts, deposit accounts, or depository receipts of a financial institution that is eligible to be a depository of funds belonging to the State of Michigan under a law or rule of the state of Michigan of the United States.
- C. Repurchase agreements consisting of instruments listed in (A).
- D. Bankers' acceptances of United States banks.
- E. Obligations of this state or any of its political subdivisions that at the time of purchase are rated investment grade by not less than 1 standard rating service.
- F. Mutual funds registered under the Investment Company Act of 1940, Title 1 of Chapter 686, 54 Stat 789, 15 USC 80a-1 to 80a-4 to 80a-64, with the authority to purchase only investment vehicles that are legal for direct investment by LEPFA.

Investment Evaluation:

To ensure compliance with the financial objectives of the Plans, the Trustees shall conduct at least semi-annual evaluations with the investment institution(s) selected by LEPFA in objective A to review asset allocation, rate of return and expense to LEPFA. The Trustees shall inform the Finance Committee of progress in these areas.

Prudence:

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income and growth to be derived.

Finance Committee:

Motion: Commissioner Sinadinos Support: Commissioner Jefferies Approved
Disapproved by the LEPFA Board of Commissioners 14th day of December, 1998.

LEPFA Board of Commissioners:

Motion: Commissioner Butler Support: Commissioner Ristow Approved
Disapproved by the LEPFA Board of Commissioners 15th day of December, 1998