LOS ANGELES COUNTY AFFORDABLE HOUSING SOLUTIONS AGENCY

STATEMENT OF INVESTMENT POLICY

1. PURPOSE

This Statement of Investment Policy ("Policy") is intended to: (a) describe the policies and procedures utilized by the Los Angeles County Affordable Housing Solutions Agency ("Agency" or "LACAHSA") investment management system; (b) put in place guidelines for the prudent investment of the Agency's funds; and (c) list and describe suitable investments.

The Agency shall invest public funds in such a manner as to comply with state and local laws; ensure prudent money management; provide for daily cash flow requirements; and meet the objectives of the Policy, in priority order of safety, liquidity and return on investment. This investment policy applies to all investment activities and financial assets of the Agency. The funds covered by this policy are accounted for and will be incorporated in the Annual Comprehensive Financial Report (ACFR) and will include all Measure A revenues, and any other revenues, that are held by the Agency but not immediately expended or passed through to an eligible jurisdiction.

This policy applies to the investment of surplus funds and not to expenditures of Agency funds to further the Agency's mission and purpose, regardless of whether such expenditures are referred to as "investments".

2. SCOPE

This Policy applies to all monies belonging to the Agency and proceeds from bonds or notes issued by the Agency. Bond proceeds and any funds associated with bond issues and other monies arising from bond indebtedness will further restricted by the pertinent bond indenture or other relevant transactional documents. The Agency will comply with all applicable sections of the Internal Revenue Code of 1986, Arbitrage Rebate Regulations, and bond covenants with regards to the investment of bond proceeds.

3. DELEGATION OF AUTHORITY

In accordance with state law (California Government Code Section 53607) and under the authority granted by the governing board of LACAHSA ("Board"), the Agency's Treasurer and Deputy Agency Treasurer(s) are authorized to invest the unexpended cash in the Agency treasury. The responsibility for the day-to-day investment of the Agency's funds is delegated to the Chief Financial Officer ("CFO") as Treasurer. In the absence of the Chief Financial Officer, the Chief Executive Officer ("CEO") shall serve as Treasurer and the Deputy Agency Treasurer – the Controller – will be responsible for the day-to-day investment function. The Agency may engage the services of one or more external investment advisers (who are registered under the Investment Advisers Act of 1940) to assist in the management of the Agency's investment portfolio in a manner consistent with the Agency's objectives. External investment advisers may be granted discretion to purchase and sell investment securities in accordance with this Policy.

4. 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 the Agency's capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code Section 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers (acting in accordance with written procedures and the investment policy and exercising due diligence) shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

5. INVESTMENT OBJECTIVES

A. Safety of Principal

Safety of principal is the foremost objective of the investment policies and practices of the Agency. Investment decisions shall seek to minimize net capital losses on a portfolio basis. This Policy recognizes that market conditions may warrant the sale of individual securities incurring losses in order to protect against further and more substantial capital losses. The intent of this Policy is to ensure that capital losses are minimized on a portfolio level rather than on each transaction. The Agency shall seek to preserve principal by mitigating credit risk and market risk.

B. Liquidity

The Agency's fund will be structured to ensure that the projected expenditure requirements of the Agency for the next six (6) months can be met with a combination of anticipated revenues, maturing securities, principal and interest payments, and liquid instruments as required by California Government Code Section 53646. In particular, LACAHSA funds that may be expended in furtherance of LACAHSA's mission will not be held in illiquid funds that prevent their timely deployment.

C. Performance Measurement (Yield)

The performance of the Agency's investment portfolio will be measured on a total return basis. The Agency's investment portfolio shall have the objective of attaining a comparative performance measurement or an acceptable rate of return throughout budgetary and economic cycles. These measurements should be commensurate with the investment risk constraints identified in the Investment Policy and the cash flow characteristics of the portfolio.

6. ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus, employees and officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Investment officials must provide a public disclosure document in accordance with the Political Reform Act or when material interest in financial institutions or personal investment positions require it. Disclosures outside of the annual reporting requirement shall be made to the investment official's immediate supervisor, the General Counsel and the Inspector General. Investment officials shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the Agency.

7. INTERNAL CONTROLS

The Agency Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Periodically (as deemed appropriate by the Agency) an independent analysis by an external auditor shall be conducted to review internal controls, account activity, and compliance with policies and procedures.

8. SAFEKEEPING OF SECURITIES

All securities owned by the Agency (including collateral for repurchase agreements) shall be held in safekeeping by the Agency's custodial bank or a third-party bank trust department acting as agent for the Agency under terms of a custody or trustee agreement executed by the bank and the Agency (with the exception of insured Certificates of Deposit ("CD"), the Local Agency Investment Fund of the State of California, County Treasury and Joint Powers Authority Pool). All securities will be received and delivered using standard delivery versus payment ("DVP") procedures and in accordance with State Code.

9. REPORTING

The Agency Treasurer is required to submit an investment report on a quarterly basis to the CEO, the Controller, and the Board in accordance with California Government Code Section 53646. The report is required to be submitted within thirty (30) days of the end of the quarter. This report will include the following information:

- Type of investment instrument (i.e., Treasury Bill CD)
- Issuer name (i.e., U.S. Treasury Note)
- Purchase date (trade and settlement date)
- Maturity date
- Par value
- Purchase price
- Current market value and source of valuation
- Overall portfolio yield based on cost

- Statement of compliance of the portfolio to the investment policy or an explanation of the manner in which the portfolio is not in compliance
- Description of any of the Agency's funds that are under the management of contracted parties
- Statement denoting the ability of the Agency to meet its expenditure requirements for the next six (6) months, or an explanation as to why sufficient money may not be available

10. QUALIFIED DEALERS

The Chief Financial Officer or designee shall maintain a list of financial institutions qualified to do business with the Agency. Banks and broker/dealers will be selected on the basis of creditworthiness, experience, and capitalization. In accordance with California Government Code Section 53601, a bank or broker/dealer must be qualified as a dealer regularly reporting to the New York Federal Reserve Bank ("Primary Dealer") to conduct repurchase agreements with the Agency.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the Agency, except where the Agency utilizes an external investment adviser in which case the Agency may rely on the adviser for selection.

Selection of broker/dealers used by an external investment adviser retained by the Agency will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

11. PURCHASE AND SALE OF SECURITIES

Unless the services of an external investment adviser are used, purchases and sales of securities will be executed only by the Chief Financial Officer and in their absence the Deputy Agency Treasurer. All transactions will be reviewed and approved by the Agency Treasurer or their designee.

12. POLICY REVIEW

The Agency Treasurer shall annually render to the Board an investment policy statement, which shall be considered at a public meeting. Any changes in the policy shall also be considered by the Board at a public meeting.

13. DIVERSIFICATION

The Agency will diversify use of investment instructions to avoid unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities. Market price volatility shall be controlled through maturity diversification as well as ensuring adequate liquidity is available to meet cash flow requirements, thereby precluding the need to sell instruments at a market loss. This provision shall not preclude the use of authorized diversified funds, such as the LAIF or the County Treasury.

14. MAXIMUM MATURITIES

In accordance to California Government Code Section 53601, the Agency will not invest in any securities maturing more than five (5) years from the settlement date of purchase. If there is a desire to make investments longer than five (5) years, express authority to make those investments (either specifically or as part of an investment program) must be approved by the Board no less than three (3) months prior to the investment.

15. TABLE OF AUTHORIZED INVESTMENTS AND NOTES

The authorized investments are set forth in the Table of Authorized Investments, which is Figure 1 at the end of this Policy. Figure 1 also contains a Table of Notes for the authorized investments.

16. DUE DILIGENCE FOR MUTUAL FUNDS

A thorough investigation of the pool/fund is required prior to investing, and on a continual basis. Best efforts will be made to acquire the following information: (1) a description of eligible investment securities, and a written statement of investment policy and objectives; (2) a description of interest calculations and how it is distributed, and how gains and losses are treated; (3) a description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited; (4) a description of who may invest in the program, how often, what size deposit and withdrawal are allowed; (5) a schedule for receiving statements and portfolio listings; (6) whether reserves, retained earnings, etc. are utilized by the pool/fund; (7) a fee schedule, and when and how is it assessed; and (8) whether the pool/fund is eligible for bond proceeds and/or will it accept such proceeds.

17. COLLATERALIZATION

Collateralization will be required on two types of investments: certificates of deposit and repurchase (and reverse repurchase) agreements. To anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for Certificate of Deposits and 102% for reverse repurchase agreements of principal and accrued interest. Collateral will always be held by an independent third party with whom the Agency has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of collateral substitution is granted.

18. GLOSSARY

Agencies: Federal agency securities and/or Government Sponsored Enterprises (GSE) which include Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Farm Credit Bank (FFCB), and Federal Agricultural Mortgage Association (Farmer Mac).

Annual Comprehensive Financial Report (ACFR): The official annual report of the (entity). It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

Bankers' Acceptance (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

Benchmark: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

Broker: A broker brings buyers and sellers together for a commission.

California Debt and Investment Advisory Commission ("CDIAC"): CDIAC provides information, education, and technical assistance on debt issuance and public fund investments to local public agencies and other public finance professionals. CDIAC was created in 1981 with the passage of Chapter 1088, Statutes of 1981 (Assembly Bill ("AB") 1192). This legislation established the California Debt Advisory Commission as the State's clearinghouse for public debt issuance information and required it to assist state and local agencies with the monitoring, issuance, and management of public debt.

Certificate Of Deposit (CD): A time deposit with a specific maturity evidenced by a Certificate. Large denomination CD's are typically negotiable.

Collateral: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

County Treasury: The Pooled Surplus Investment portfolio maintained by the County Treasurer of the County of Los Angeles.

Coupon: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

Credit Risk: The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

Debenture: A bond secured only by the general credit of the issuer.

Delivery Versus Payment: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Duration: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

Federal Deposit Insurance Corporation (FDIC): A federal agency that insures bank deposits, currently up to $250,000 per entity.

Liquidity: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

Local Agency Investment Fund ("LAIF"): A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

Local Government Investment Pool (**LGIP**): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

Market Risk: The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

Market Value: The price at which a security is trading and could presumably be purchased or sold.

Master Repurchase Agreement: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Medium Term Notes: Corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

Money Market: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

Money Market Mutual Fund: A mutual fund that invests exclusively in short-term securities. Examples of investments in money market funds are certificates of deposit and U.S. Treasury securities. Money market funds attempt to keep their net asset values at one dollar ($1) per share.

Mutual Fund: An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

Portfolio: Collection of securities held by an investor.

Primary Dealer: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

Prudent Person Rule: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

Rate Of Return: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

Repurchase Agreement (Repo): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

Reverse Repurchase Agreement (Reverse Repo): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

Safekeeping: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

Secondary Market: A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities & Exchange Commission: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC Rule 15c3-1: See Uniform Net Capital Rule.

Supranationals: A supranational organization is formed by a group of countries through an international treaty with specific objectives such as promoting economic development. Supranational organizations also issue debt in the United States. The most commonly recognized supranational debt is the International Bank for Reconstruction and Development (IBRD or World Bank), International Finance Corporation (IFC) and Inter-American Development Bank (IADB).

Treasury Bills: A noninterest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

Treasury Bonds: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

Treasury Notes: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

Yield: The rate of annual income return on an investment, expressed as a percentage. (a) **Income Yield** is obtained by dividing the current dollar income by the current market price for the security. (b) **Net Yield** or **Yield To Maturity** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

FIGURE 1

TABLE OF AUTHORIZED INVESTMENTS

INVESTMENT TYPE	MAXIMUM REMAINING MATURITY[C]	MAXIMUM SPECIFIED % OF PORTFOLIO[D]	MINIMUM QUALITY REQUIREMENTS	GOVERNMENT CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations: CA and Others	5 years	None	None	53601(c) 53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S. Agency Obligations	5 years	None	None	53601(f)
Bankers' Acceptances	180 days	40%[E]	None	53601(g)
Commercial Paper: Non-pooled Funds[F] (under $100,000,000 of investments)	270 days or less	25% of the agency's money[G]	Highest letter and number rating by an NRSRO[H]	53601(h)(2)(C)
Commercial Paper: Non-pooled Funds (min. $100,000,000 of investments)	270 days or less	40% of the agency's money[G]	Highest letter and number rating by an NRSROH	53601(h)(2)(C)
Commercial Paper: Pooled Funds[I]	270 days or less	40% of the agency's money[G]	Highest letter and number rating by an NRSRO[H]	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30%[J]	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50% [K]	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50% [K]	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days[L]	20% of the base value of the portfolio	None[M]	53601(j)
Medium-term Notes[N]	5 years or less	30%[G]	"A" rating category or its equivalent or better	53601(k)
Mutual Funds and Money Market Mutual Funds	N/A	20%[O]	Multiple[P,Q]	53601(l) and 53601.6(b)
Collateralized Bank Deposits [R]	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass–through and Asset Backed Securities	5 years or less	20%	"AA" rating category or its equivalent or better	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple [S]	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund [T]	N/A	None	None	16340
Supranational Obligations [U]	5 years or less	30%	"AA" rating category or its equivalent or better	53601(q)
Public Bank Obligations	5 years	None	None	53601(r), 53635(c) and 57603

TABLE OF NOTES FOR FIGURE 1

A *Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, 53635.8, and 57603.*

B *Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.*

C *Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.*

D *Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.*

E *No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.*

F *Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.*

G *Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper and medium-term notes of any single issuer.*

H *Issuing corporation must be organized and operating within the U.S., have assets in excess of $500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating organization.*

I *Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).*

J *No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).*

K *Effective January 1, 2020, no more than 50 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2031, the maximum percentage of the portfolio reverts back to 30 percent. Investments made pursuant to 53635.8 remain subject to a maximum of 30 percent of the portfolio.*

L *Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.*

M *Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.*

N *"Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."*

O *No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.*

P *A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.*

Q *A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of $500 million.*

R *Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.*

S *A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).*

T *Local entities can deposit between $200 million and $10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.*

U *Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.*