



## INVESTMENT COMMITTEE (I-COM) Charter Mandate

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### Investment Committee Charter Board Approval: November 23, 2022

<b>Committee Name</b>	Investment Committee ( <b>I-Com</b> )
<b>Nature</b>	Board Level Committee
<b>Purpose</b>	<p>The Investment Committee (“I-Com”) shall be established in order to provide advice, service and assistance to the Board of Directors (“Board”) of Citystate Savings Bank, Inc. (“CSBI”) in the development and administration of the bank’s proprietary investments and in monitoring its implementation.</p> <p>The investment policies and procedures will be developed by CSBI-Treasury Department and approved by the I-Com and subsequently submitted for confirmation to the Board.</p>
<b>Membership</b>	<p>The membership of the I-Com shall be comprised of at least five (5) Board Directors, with Committee Chair chosen by the Board members among themselves. If the Board members cannot so decide, the Board of Directors shall appoint accordingly. I-Com Members shall serve at the pleasure of the Board and shall be appointed to, and removed from, the I-Com by the Board.</p> <p><i>The following as members of the Investment Committee:</i></p> <p style="text-align: center;"><i>Mr. D. Edgard A. Cabangon</i> <i>Mr. D. Arnold A. Cabangon</i> <i>Mr. J. Wilfredo A. Cabangon</i> <i>Mr. Benjamin V. Ramos</i> <i>Mr. Jaime Valentin A. Aranta</i></p> <p>At the request of or in the absence of the Committee Chair, a Vice Chair designated by the Committee Chair shall preside at meetings and otherwise fulfil the duties and obligations of the Committee Chair. To complement the regular members in the discharge of their functions, the following Senior Management Officers shall serve as alternate members of the I-Com:</p> <ol style="list-style-type: none"><li>1. Head, Branch Banking Group</li><li>2. Head, Lending Group</li><li>3. Head, Controllership Group</li></ol> <p>The bank’s Head of Treasury Department shall serve on the I-Com in a nonvoting ex-officio capacity. The Risk Management Department shall provide technical support to the Committee, particularly on liquidity and market risk management. The Committee may also invite bank’s other key management officers to attend meetings and provide pertinent information, as necessary.</p>
<b>Meetings</b>	The I-Com shall meet whenever necessary, but at least quarterly, to a schedule issued by the Committee Chair. Special meetings of the I-Com may be held upon the request of any members of the Committee at any time that the attendance or consent of at least a majority of the committee can be obtained.
<b>Organization</b>	<p>The Committee shall be covered by the following operating guidelines:</p> <ol style="list-style-type: none"><li>1. A quorum for any meeting of the I-Com shall consist of a majority of the committee members; decisions shall be made by a majority.</li></ol>

2. The I-Com shall keep minutes of all committee meetings, TREASURY sitting as secretariat, and shall provide written reports to the Board of Directors, as necessary.
3. The I-Com reports will include investment performance, recommendations, or notations of any outstanding exceptions to investment policy or violations of regulatory requirements, or any significant matters arising from the Committee's work.
4. The I-Com shall cover proprietary investments of the Bank. I-Com may include fiduciary investments on a case-to-case basis.
5. The I-Com shall have direct access to and complete and open communications with Management and may obtain advice and assistance from internal staff.
6. The I-Com may adopt any other applicable operating guidelines that it deemed necessary to carry its mandate.

#### **Authority & Limits**

By adopting this Charter, the Board delegates to the Investment Committee (I-Com) full authority in its discretion to:

1. Perform each of the operating guidelines described above.
2. Delegate such authority and other responsibilities as the Committee deems proper to the bank's Senior Management.
3. Conduct or transact for and in behalf of the bank subject to conditions and limits established by the Board.
  - *Refer to proposed I-Com Resolution No. 2017-002 for authorized signatories.*
  - *Refer to proposed I-Com Resolution No. 2017-003 for transactional limits.*
4. Perform other authorities within the limits as may be assigned to the Committee by the Board.

#### **Responsibilities**

The Committee is mandated by the Board with the following:

1. Review, develop and approve the bank's investment strategies, policies and procedures.
2. Evaluate, select and approve issuer (companies) for investment and recommend the same to the Board for approval.
3. Evaluate, select and allocate qualified issue (securities) for investment and recommend the same to the Board for approval.
4. Evaluate, select and accredit qualified counterparties (banks and financial institutions) for investment and recommend the same to the Board for approval.
5. Review, approve and monitor periodically the performance of the bank's proprietary investments, including asset allocation and security selection for portfolio management.
6. Review, approve and monitor periodically the performance of the bank's investment/divestment activities, including trading of securities that may improve

yields, quality, and/or marketability as well as to realign the maturity profile, distribution and composition of the portfolio.

7. Assess and monitor the bank's liquidity position, including actions to be taken by the bank on its liquidity risk exposure.
  8. Assess and monitor the country's market condition, including actions to be taken by the bank on its market risk exposure.
  9. Re-assess the adequacy of this Charter periodically and recommend any proposed changes in investment policy or procedures it deemed necessary for Board approval.
  10. Perform such other duties and responsibilities as may be assigned to the Committee by the Board of Directors.
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RESOLVE FURTHER, that a copy of this Resolution shall be made available to all concerned bank personnel and shall remain in force until revoked by the Investment Committee by way of subsequent Resolution/s duly confirmed by the Board of Directors.

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