

**BOND INVESTMENT OBJECTIVE AND GUIDELINES**

**COLLIN COUNTY (TEXAS) GENERAL FUND**

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**Account Name**

**I. PLAN HIGHLIGHTS:**

Type of Account:	Tax-exempt
Tax Home:	Texas
Target Asset Allocation:	100% Fixed Income
Investment Manager:	SeaCap Investment Advisors
Client Advisor:	American National Bank
Objective Benchmark:	100% Barclays Three Year Municipal Bond Index

**II. INVESTMENT OBJECTIVES:**

First priority is preservation and safety of principal, followed by liquidity and then yield.  
**Income is to be reinvested / distributed (circle one.)**

**III. INVESTMENT GUIDELINES:**

**Portfolio Maturity:** The portfolio will have an average effective maturity less than five years.

**Individual Security Maturity:** The final maturity of any individual security will not be longer than five years.

**Diversification:** Qualified states and issuer types—no limitation specified.

**Portfolio Quality Rating:** "AAA" or "AA"

**Individual Security Quality Rating:** "A3" by Moody's or "A-" Standard and Poor's at time of purchase. AAA minimum of 60% and AA maximum of 40%.

**Securities Allowed:** Tax-exempt municipal bonds are the primary investment security. All securities must meet credit quality, sector, state and maturity criteria provided by Collin County.

a. Permitted Investments: States, School Districts, Cities, Counties, Utilities in the states listed below. In addition, pre-refunded bonds in U.S. Government securities are permitted. Priority to be given to states in the following order:

- Tier 1 states      Texas   Utah   New Mexico   Minnesota   Alaska
- Tier 2 states      Washington   Oklahoma   Tennessee  
                          Virginia      N Carolina   S Carolina  
                          Maryland
- Tier 3 states      Arkansas

b. Restricted Investments: Special purpose districts, Seaports, Redevelopment agencies, Civic improvement or facilities construction, Navigation districts

IV. **COMMUNICATIONS**

Meetings may be scheduled periodically to discuss the following: affairs of the portfolio, goals, objectives, and investment results. Timely information about changes in the Manager’s investment philosophy, management, ownership and key personnel is also requested.

V. **ACKNOWLEDGEMENT**

The signatures below affirm that this statement has been read, and is understood and accepted.

\_\_\_\_\_  
Officer, American National Bank

\_\_\_\_\_  
Date

\_\_\_\_\_  
SeaCap Investment Advisors

\_\_\_\_\_  
Date