

TIMBER CREEK CASUALTY INSURANCE RISK RETENTION GROUP, INC.

INVESTMENT POLICY

1. Laws and Regulations: Timber Creek Casualty Insurance Risk Retention Group, Inc. (the “Company”) is regulated by the Alabama Department of Insurance (the “DOI”). Prudent rules apply. This Investment Policy should be reviewed regularly.
2. Permissible Assets: The Assets of the Company shall consist only of:
 1. Cash (United States legal tender);
 2. Certificates of Deposit (issued by a United States bank and payable in United States legal tender); and
 3. Investments of the types specified in Ala. Code § 27-31B-12 and Alabama Code Title 27, Chapter 37, unless otherwise approved by the Commissioner; provided however, that such investments may not be issued by an institution that is the parent, subsidiary or affiliate of either the grantor or the beneficiary of any collateral trust established for the benefit of an admitted carrier whose insurance policies are being reinsured by the Company.
3. Changes to Investment Policy: Amendments or Exceptions to this Investment Policy may be made only by the Board of Directors.