

## REPURCHASE AGREEMENTS

1. A repurchase agreement may be entered into entered into only if:
  - a. The counterparty is a depository institution (i.e. an institution which accepts deposits which are insured through FDIC) which has equity (capital stock and surplus) of not less than \$50,000,000.
  - b. The counterparty is approved in advance by the Board.
2. The instruments which are the subject of the repurchase agreement (i.e. the securities which are to be repurchased by the counterparty or the collateral for the counterparty's repurchase obligation) shall be limited to investments described in Appendix "A" of the School District Investment Policy, to which this Appendix is attached.
3. The investments, which are the subject of a repurchase agreement, shall be in fact deposited or transferred to the school district's account or to the school district's custodian. Any school district custodian shall comply with the provisions of the School District Investment Policy, to which this Appendix is attached.
4. The instruments, which are the subject of the repurchase agreement, shall be valued not less frequently than weekly and at all times shall have a value equal to at least 102% of the repurchase obligation.
5. School district legal counsel shall review all documents and arrangements pertaining to the repurchase transaction to ensure compliance with this policy and applicable law.