

# IBC Bancorp, Inc.

## Excessive and Luxury Expenditure Policy

This policy fulfills the requirements under the Emergency Economic Stabilization Act of 2009 (“EESA”), as amended by the American Recovery and Reinvestment Act of 2009 (“ARRA”) enacted February 17, 2009. EESA requires each recipient of funds under the Capital Purchase Program (“CPP”) of the Troubled Assets Relief Program (“TARP”) to have in place a company-wide policy regarding excessive or luxury expenditures as identified by the Secretary of the Department of the U.S. Treasury (“Treasury”). This Policy shall remain in effect during the time period for which Treasury owns any debt or equity securities of IBC Bancorp, Inc. (the “Company”) acquired under the CPP.

### **Expenditures Requiring Prior Approval**

The company and its subsidiary bank, International Bank of Chicago, prohibit excessive or luxury expenditures and require prior approval on the following:

- Entertainment and events;
- Office or facility renovations;
- Aviation or other transportations;
- Other activities or events that are not reasonable expenditures for conference, staff development, reasonable performance incentives, or other similar measure conducted in the normal course of business operations of the Company and its subsidiaries.

### **Approval Procedures**

All above named expenditures exceeding \$3,000 require prior approval.

Prior approval must be sought in writing to the Senior Executive Officer (SEO) and the Senior Financial Officer (SFO).

Approval of both the SEO and SFO is required to incur such expenditures.

Documentation of such approvals shall be stored in a separate appropriately labeled binder/folder.

All directors and employees of the Company and its subsidiaries are required to adhere to this Policy. Failure to obtain the necessary prior approval from both the SEO and the SFO shall result in the denial of expense reimbursement for any such expenditures requiring prior approval under this Policy. Any Director or employee failing to adhere to this policy shall be subject to discipline. Any violation of this Policy shall be promptly reported to the Company’s Compliance Officer. The Compliance Officer is responsible for monitoring compliance with this Policy. At least annually, this Policy shall be reviewed and the SEO and the SFO shall certify that the requisite approvals under this Policy were properly obtained with respect to the expenditures identified above.

This Policy, and any amendments hereto, shall be posted on the Company’s website and provided to the Treasury and the Company’s primary federal regulator (Federal Reserve Bank).