

# **Infinity Property and Casualty Corporation**

## **Charter of the Investment Committee of the Board of Directors**

### **Purpose**

The purpose of the Investment Committee (the “Committee”) of the Board of Directors (the “Board”) of Infinity Property and Casualty Corporation (the “Company”) is to assist the Board in monitoring, evaluating and overseeing the investment policies, strategies, transactions and performance of the Company and its subsidiaries.

### **Membership**

The Committee shall be comprised of at least three (3) directors of the Company. Members of the Committee shall be appointed by the Board and shall serve at the pleasure of the Board. The Committee shall be comprised exclusively of non-employee directors that meet the independence requirements established in the Nasdaq Marketplace Rules. Each member of the Committee shall be financially literate. The Board shall designate one member of the Committee as its chairperson.

### **Operation**

The Committee shall meet at such times as it deems necessary to fulfill its responsibilities, but no less frequently than quarterly. The Committee shall have the resources and authority that are necessary and appropriate to discharge its responsibilities, including the authority to (i) select, retain and approve the fees and other terms of retention with respect to special counsel and other experts or consultants, and (ii) request directors, officers and employees of the Company to attend Committee meetings or otherwise to meet with the Committee or its members. The Committee shall keep a written record of all actions taken by it, report on its activities to the Board (orally or in writing) and make such recommendations and findings as it deems appropriate.

### **Duties and Responsibilities**

The following are the duties and responsibilities of the Committee:

1. Ensure that management of the Company has developed and communicated a clearly articulated, written Investment Policy (the “Policy”) that is consistent with the Company’s financial objectives. The Policy shall (i) establish guidelines governing permissible investments (including the appropriate weighting and average duration to maturity of securities and taking into account applicable insurance regulatory investment requirements) within the Company’s investment portfolio, (ii) identify a set of investment objectives and performance standards that are consistent with such guidelines and (iii) set parameters on investment portfolio holdings designed to achieve diversification for the purpose of controlling market and credit risks, as such risks relate to the Company’s investment portfolio.
2. Review and approve the Policy and at least annually consider and approve any amendments or modifications thereto.

3. Authorize, approve or ratify any deviation from the investment guidelines set forth in the Policy.
4. Approve specific benchmarks, consistent with the performance standards set forth in the Policy, for the performance of any investment portfolio managers that are retained by management and periodically assess the adequacy of such benchmarks and approve any changes thereto.
5. Ensure that management regularly reviews the Company's investment portfolio for compliance with the Policy, reports any non-compliance with the Policy to the Committee and takes corrective action or requests the Committee to approve deviations, as may be appropriate.
6. Ensure that procedures are in place for management to monitor compliance of the Policy with applicable state and federal legal and regulatory investment requirements.
7. With the assistance of management, monitor and review (i) the Company's investment strategies and transactions in light of the guidelines set forth in the Policy, (ii) the Company's exposure to market risk, credit risk and liquidity risk and (iii) the overall investment portfolio performance.
8. Ensure that the Company has adopted and follows a policy that requires Committee approval before the Company makes an investment (i) that would impair the independence of any independent director of the Company under Nasdaq Marketplace Rules, (ii) that would give rise to an actual or perceived conflict of interest with respect to any director or officer of the Company or (iii) in which a director or officer of the Company or any employee of the Company who oversees or administers the Policy has a direct or indirect material financial or personal interest (other than solely as a result of such person serving as a director, officer or employee of the Company) which implicates Section 1701.60 of the Ohio General Corporation Law.
9. Periodically review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
10. Perform any other responsibilities delegated to the Committee by the Board from time to time.

It is the duty of management of the Company to (i) make operating decisions within the guidelines set forth in the Policy concerning asset allocation, market timing, sector rotation and security selection, (ii) select and engage all third-party investment managers, (iii) make decisions about the purchase of analytical tools and services to support the investment management process, (iv) be available to meet with the Committee and (v) provide such information and advice as the Committee may request.

### **Miscellaneous**

This Charter is not intended to change or augment the obligations of the Company, its directors or management under the federal securities laws or to create new standards for determining whether directors or management have fulfilled their duties, including fiduciary duties under applicable state law.