



FIREFIGHTERS' PENSION INVESTMENT FUND
1919 S. HIGHLAND AVE. • BUILDING A, SUITE 237 • LOMBARD, IL 60148

2nd Public Notice

Amendment to Chapter 9 of FPIF Rules

August 27, 2026

Chapter 9. Participating Pension Funds

9-1. AUTHORIZED AGENTS

9-1.1. Appointment

Each Participating Pension Fund, by a resolution of its board of trustees, shall appoint two Authorized Agents, who shall have the powers and duties set forth in this Section 9-1. The Participating Pension Fund may change its Authorized Agents at any time upon written notice to the FPIF supported by a resolution of its board of trustees appointing a different individual(s). A board resolution appointing an Authorized Agent shall include the person's name, employer, business address, phone number, ~~fax number (if applicable),~~ and email address.

In the absence of such appointments, the board president and board secretary of the Participating Pension Fund shall be deemed Authorized Agents. FPIF may rely on Participating Pension Fund board minutes or the Participating Pension Fund's most recent annual statement on file with the Department of Insurance to identify the current board president and board secretary of a Participating Pension Fund.

9-1.2. Powers

The Authorized Agent shall have the following powers and duties:

- (a) To promptly forward to the board of trustees of their Participating Pension Fund all communications, notices, reports, and other documents delivered to the Authorized Agent by the FPIF; and
- (b) To execute authorizations and consents for the treasurer, custodian, investment professionals, and other vendors to share with the FPIF and/or its agents, including but not limited to the FPIF's custodian, investment consultant, and transition manager, all investment account related information and such other information relating to the Participating Pension Fund as is necessary for the administration of the FPIF.
- (c) To execute forms for the appointment of Account Representatives.

9-1.3. Communications

The delivery of any communication or document by the FPIF to an Authorized Agent shall constitute delivery to the Participating Pension Fund.

9-2. CALCULATION OF NET ASSET VALUE

FPIF shall determine a Net Asset Value for each Participating Pension Fund as follows:

- (a) The initial Net Asset Value and for each Participating Pension Fund will be determined based on the assets transferred from the Participating Pension Fund to FPIF on its Transfer Date.

- (b) Each month following the initial determination of Net Asset Value for each Participating Pension Fund, the Net Asset Value of each Participating Pension Fund will be determined based on the Participating Pension Fund's percentage ownership of the total FPIF Investment portfolio. Each Participating Pension Fund's percentage of the total FPIF Investment Portfolio will be calculated each month based on the ending Net Asset Value from the prior month adjusted for additional cash contributions, asset transfers and withdrawals by the Participating Pension Fund to the total FPIF portfolio on a time weighted basis. The Income and Expense activity for the month will then be allocated to each Participating Pension Fund based on their time weighted ownership percentage for the month, except as otherwise provided in these Rules.
- (c) Specific costs that are incurred by FPIF to address or accommodate the needs or challenges of, or circumstances caused by, a particular Participating Pension Fund or group of particular Participating Pension Funds, which are not, in the determination of the Executive Director, customary for the typical needs, challenges, or circumstances of a Participating Pension Fund, and which the Executive Director determines should not or cannot in fairness be allocated proportionately among all Participating Pension Funds as described in Section 9-2(b), will be allocated to that particular Participating Pension Fund or group of particular Participating Pension Fund.

9-3. **TRANSITION COSTS**

FPIF operating expenses incurred prior to the conclusion of the statutory transition period ~~were~~ ~~it-be~~ paid with funds obtained from drawdowns on a loan agreement entered into between FPIF and the Illinois Finance Authority (IFA). After the conclusion of the statutory transition period the total amount of the loan outstanding with the IFA ~~was~~ ~~it-be~~ paid back using funds from the total consolidated FPIF investment portfolio and this repayment ~~was~~ ~~it-be~~ allocated to the individual Participating Pension Funds in a manner consistent with Section 9-2.

9-4. **CASH MANAGEMENT RULES**

The purpose of this Section 9-4 is to set up the procedures and best practices for interaction between Participating Pension Funds and FPIF. This Section aims to ensure an efficient working process that allows Participating Pension Funds to meet monthly benefit obligations and transfer excess funds to FPIF for investment while also allowing FPIF to effectively plan for the liquidity needs of Participating Pension Funds.

9-4.1. **Objectives**

The following are the specific objectives of this Section.

- Outline procedure for FPIF to transfer cash to Participating Pension Funds.
- Outline procedure for Participating Pension Funds to transfer cash to FPIF.
- Provide recommendations (non-binding) to Participating Pension Funds related to cash flow for expenses.
- Outline reporting requests for cash transfers to maintain transparency and accountability.
- Maintain compliance with Article 22C of the Pension Code (40 ILCS 5/22C).

9-4.2. Account Representatives

FPIF staff under the direction of the Chief Financial Officer will process all transfer requests and transfers properly submitted by Account Representatives of Participating Pension Funds through the FPIF custodian.

Participating Pension Funds shall appoint up to four Account Representatives. All appointed Account Representatives must be members of the Participating Pension Fund's board of trustees or serve as the Participating Pension Fund's Treasurer, except that one Account Representative from each Participating Pension Fund is not required to be a member of the Participating Pension Fund's board of trustees or serve as the Participating Pension Fund's Treasurer. FPIF shall provide Participating Pension Funds with standardized forms for appointing Account Representatives, which must be signed by Authorized Agents. The appointment of a non-voting board trustee who does not serve as treasurer shall be made by board resolution, in addition to any other required forms. If a Participating Pension Fund has not appointed Account Representatives, the Participating Pension Fund's Authorized Agents and Treasurer shall serve as Account Representatives until other Account Representatives are appointed.

Only Account Representatives will have authority to facilitate transfers. A Participating Pension Fund is responsible for promptly providing FPIF with any updates or revisions to its authorized Account Representatives, and FPIF is entitled to rely on the appointed Account Representatives that it has received from a Participating Pension Fund as of the date of any transfer, withdrawal request, or recurring withdrawal request. FPIF is not responsible for any claim or liability related to an unauthorized transfer or withdrawal in which FPIF reasonably relied on the information regarding authorized Account Representatives provided by a Participating Pension Fund. Any individual who submits transfer or withdrawal requests or instructions to FPIF will be deemed to be making a representation and warranty to FPIF that they have been, and remain, duly designated as Account Representatives of the Participating Pension Fund and that they are authorized to execute and deliver the withdrawal or transfer request or instructions to FPIF on behalf of that Participating Pension Fund.

~~9-4.3. Transition Cash Management Procedures~~

~~Notwithstanding any other provision of this Chapter to the contrary, each Participating Pension Fund shall keep no less than 60 days of expenses in a local account for payment of benefits and other expenses during the 60-day period following the Participating Pension Fund's Transfer Date. FPIF shall not make transfers to Participating Pension Funds during the 60-day period following the Participating Pension Fund's Transfer Date.~~

~~For purposes of this Chapter, "Transfer Date" means the date at which FPIF will assume fiduciary control of the Participating Pension Fund's assets included on the certified investment asset list determined for the Participating Pension Fund.~~

9-4.4.9-4.3. Cash Management Procedures

The use of any cash management system utilized by FPIF for cash transactions, including both one-time transactions and recurring monthly withdrawals, will be subject to standard

requirements, terms, and conditions for such system. By utilizing such a system, a Participating Pension Fund agrees to abide by any applicable requirements, terms, and conditions.

FPIF recommends that Participating Pension Funds comply with guidance from the Illinois Department of Insurance concerning the amount of cash to be kept in local accounts: monies not imminently needed to make benefit payments or cover reasonable imminent expenses must be held at FPIF. The amount of cash kept in the local account will fluctuate and will necessitate transfers to and from FPIF. Requests to redeem cash from FPIF can be made on a monthly basis.

Requests for transfers from FPIF to a Participating Pension Fund must be sent to FPIF by 5:00 pm central time on the 1st day of each month. Requests properly submitted on or before the 1st day of each month, will be processed for transfer by the 14th day of the month. The request for transfer must be made in the manner prescribed by FPIF.

If a Participating Pension Fund has a surplus of dollars in the local account, it should transfer the funds to FPIF for investment. Transfers from a Participating Pension Fund to FPIF will be invested on scheduled investment dates. For the purpose of this Chapter, "investment dates" mean the 1st, 7th, 14th, 21st, and 28th days ~~and the last business day~~ of each month, or the business day immediately preceding the 1st, 7th, 14th, 21st, or 28th day of the month if the date falls on a weekend or bank holiday. FPIF recommends that Participating Pension Funds initiate the transfer of funds to FPIF at least ~~two~~three business days in advance of an investment date in order to ensure the transfer of funds is invested on the investment date. The Account Representative shall send transfers to FPIF in the manner prescribed by FPIF.

It is the responsibility of the Participating Pension Fund to ensure enough money is kept on hand to meet benefit obligations and to act in their fiduciary capacity as board members in the administration and payment of monthly retirement benefits and expenses. If a Participating Pension Fund believes an unforeseen circumstance dictates an expedited transfer from FPIF in a manner inconsistent with this Chapter, the Participating Pension Fund shall submit a request for an expedited transfer in the manner prescribed by FPIF. A request for an expedited transfer shall include ~~an a detailed~~ explanation of the need for an expedited transfer and FPIF shall, in its sole discretion, determine whether the reason provided is sufficient cause for an expedited transfer.

9-4.5-9-4.4. Cash Flow Planning

Each Participating Pension Fund is encouraged to develop an estimated cash flow projection by the end of each calendar year for the upcoming calendar year. This cash flow projection at a minimum should include the following:

- Estimated cash balance for 12 months.
- Estimated employee contributions.
- Estimated employer contributions.
- Estimated pension benefits.
- Estimated administrative expenses.
- Estimated monthly net inflow or outflow.
- Estimated monthly funding request / money transfer.