

**RESOLUTION
OF THE
LAKEVIEW ESTATES VENTURE HOMEOWNERS' ASSOCIATION (LEVHA)
REGARDING INVESTMENT OF RESERVES**

SUBJECT: A statement of the Investment Policy for LEVHA's Reserve Fund.

PURPOSE: To state the guidelines for the investment of reserve funds.

AUTHORITY: The Declarations, Articles of Incorporation, Bylaws of the Association, and Colorado Law.

EFFECTIVE DATE: _____

RESOLUTION: The Association hereby adopts the following policy.

1. SCOPE-To properly maintain areas in the Community that are the responsibility of the Association, to comply with state statutes, to manage reserve funds and to protect the market value of Owners' homes and the livability of the Community.

2. PURPOSE OF THE RESERVE FUND. The purpose of the Reserve fund shall be to responsibly fund and finance the projected maintenance, repair, replacement and/or improvement of those portions of the Community for which Association is responsible.

3. INVESTMENT OF RESERVES. The LEVHA Board of Directors shall invest funds held in the Reserve Fund Accounts to generate revenue that will accrue to the Reserve Funds Accounts balance pursuant to the following goals, criteria and policies:

- (a) Safety of Principal-Promote and ensure the preservation of the Reserve Fund principal.
- (b) Liquidity and Accessibility-Structure maturities to ensure availability of assets for projected or unexpected expenditures.
- (c) Minimal Costs-Investment costs (redemption fees, commissions, and other transactional costs) should be minimized.
- (d) Diversity-Mitigate the effects of interest rate volatility upon the reserve assets.
- (e) Return-Funds should be invested to seek the highest level of return.
- (f) Access -The Officers of LEVHA (President, Vice President, Secretary and Treasurer) are the only signatures on all Reserve Fund financial assets. Two of the Officers must sign on all Reserve transactions.

4. LIMITATIONS ON INVESTMENTS. Unless otherwise approved by the Board of Directors, all investments will be FDIC (Federal Deposit Insurance Corporation) insured and/or guaranteed by the United States Government.

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5. INVESTMENT STRATEGY. The investment strategy should emphasize a long-term outlook by diversifying the maturity dates of investments within the portfolio using a laddered approach.

6. INDEPENDENT PROFESSIONAL INVESTMENT ASSISTANCE-The Board of Directors of LEVHA may hire a qualified investment counselor to assist in formulating a specific investment strategy.

7. REVIEW AND CONTROL-The Board shall review investments periodically to insure that the funds are receiving competitive yields and shall make prudent adjustment as needed.

8. STANDARD OF CARE -The officers and members of the Board of Directors shall make investment decisions in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Director or officer reasonably believes to be in the best interests of the Association in accordance with the Colorado Revised Nonprofit Corporation Act.

9. DEFINITIONS-Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

10. SUPPLEMENT TO LAW-The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.

11. AMENDMENT -This policy may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being President of the Association, certifies that that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on _____ and in witness thereof, the undersigned has subscribed his/her name.

**LAKE VIEW ESTATES VENTURE HOMEOWNERS
ASSOCIATION.**

a Colorado nonprofit corporation,

By: _____
President