

RESOLUTION
EAGLERIDGE ESTATES FILING NO. 3 HOMEOWNERS ASSOCIATION OF PUEBLO,
INC.
AMENDED POLICY & PROCEDURES -
INVESTMENT OF ‘REPLACEMENT RESERVE FUNDS’

The following policy & procedures have been adopted by Eagleridge Estates Filing No. 3 Homeowners Association of Pueblo, Inc. (hereinafter “Association”) pursuant to the provisions of C.R.S. 38-33.3-209.5 (Responsible Governance Policies).

Purpose: To establish a policy & procedures for the investment of Replacement Reserve Funds (hereinafter “Reserve Funds”).

NOW THEREFORE, IT IS RESOLVED that the Association hereby adopts the following policy & procedures (hereinafter “Policy”) governing the investment of Reserve Funds:

1. **Policy Objectives:** In order to preserve the economic value of the Reserve Funds set aside in the Replacement Reserve, the Board of Directors (hereinafter “Board”) has determined it is necessary to have a Policy for the investment of those Reserve Funds. The objectives of this Policy are:
 - a. Preservation of capital through management of risk.
 - b. Liquidity of assets for cash flow needs.
 - c. Rate of return that adequately preserves the purchasing power of the Reserve Funds by exceeding inflation.
2. Investment of Reserve Funds: The Board will achieve this Policy’s objectives by investing Reserve Funds according to the following criteria:
 - a. Safety of Principal: All investments will be FDIC (Federal Deposit Insurance Corporation) insured, or otherwise insured or guaranteed by the U.S. government.
 - b. Liquidity & Accessibility: Investment maturities will be structured to ensure availability of assets for projected or unexpected expenditures, while achieving the highest rate of return commiserate with minimizing the effects of interest rate volatility.
 - c. Minimal Costs: Investment costs including, but not limited to, redemption fees, commissions, and other transactional costs will be minimized in order to maximize investments’ rate of return.
3. Independent Professional Investment Assistance: The Board may, but is not required to, hire a qualified investment advisor to assist in formulating a specific investment strategy.

- 4 Review and Control: The Board shall review Reserve Fund investments periodically, but at least annually, to ensure the Reserve Funds are meeting the objective of this Policy.

Eagleridge Estates Filing No. 3 Homeowners Association of
Pueblo, Inc., a Colorado non-profit corporation

By: _____
President

The Investment of ‘Replacement Reserve Funds’ Policy & Procedures was adopted by the Board of Directors on the ____ day of ____, 2022, effective the ____ day of ____, 2022, and is attested to by a Board member of Eagleridge Estates Filing No. 3 Homeowners Association of Pueblo, Inc.

By: _____
Vice President