

TWO RIVERS HOMEOWNERS ASSOCIATION

GOVERNANCE POLICY FOR

INVESTMENT OF RESERVE FUNDS

(all capitalized terms used herein and not defined herein shall have the meaning given to them in the Declaration of Covenants, Conditions and Restrictions for Two Rivers Homeowners Association)

The investment of Association reserve funds is in the reasonable discretion of the Board; however, the Board's investment strategy decisions shall comply with the business judgment rule and the rule of reasonableness.

At the sole discretion of the Board, the Board may:

- (a) Analyze principles related to the short and long term needs of the Association, which may include, but are not limited to, the safety of the principal, liquidity and accessibilities of monies, investment costs, diversification of investment vehicles, rates of return, etc.
- (b) Review any limitations on the type of investments such as FDIC insured institutions or only those guaranteed by the U.S. Government.
- (c) Hire a qualified investment counselor to assist the Board in formulating investment strategies.
- (d) Conduct a reserve study.

This policy was adopted on by resolution of the Board of Two Rivers Homeowners Association on April 23, 2015, is effective of even date therewith, and complies with the Colorado Common Interest Ownership Act as of that date. If the policy contained herein becomes in conflict with the laws of the State of Colorado shall be rendered void. The governance policy set forth herein is not intended to enlarge or create any fiduciary duties. Except for acts of fraud or bad faith, no director shall incur any liability under this policy.

TWO RIVERS HOMEOWNERS ASSOCIATION,
a Colorado nonprofit corporation

By: 

Its: President

ATTEST:

By:  _____

Its: Secretary