

Casolar del Norte Homeowners Association
Investment of Reserves Policy

Effective Date: August 20, 2015

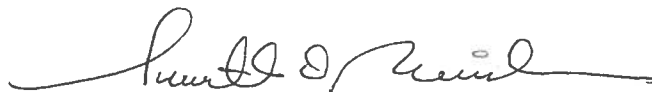
Pursuant to Colorado law, the Board of Directors of the Association desires to adopt a policy regarding the investment of reserve funds.

The Association hereby adopts the following policies and procedures regarding the investment of reserve funds.

1. The Board of Directors will determine the amount, if any, to be transferred to the reserve fund on an annual basis.
2. The Board of Directors shall exercise its fiduciary responsibility to invest the Association's reserve funds in investments secured or guaranteed by federal or state insurance programs and/or federal or state issued obligations and/or funds which are invested in federal or state obligations. The officers and members of the Board of Directors shall make investment decisions in good faith, with 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.
3. The principal objective for reserve funds is to maintain, repair, and replace those capital items which the Association is responsible to periodically maintain, repair or replace. Reserve funds shall be invested to achieve the following goals in order of priority:
 - A. Preservation and safety of principal; and
 - B. Liquidity of funds to meet expected and unexpected capital expenses.
4. To the extent reasonably available, the Board of Directors shall maintain adequate fidelity coverage to protect against theft or dishonesty.

IN WITNESS WHEREOF, the undersigned certify that this Investment of Reserves Policy was adopted by resolution of the Board of Directors of the Association on this 20th day of August, 2015.

Casolar Del Norte Homeowners Association, by



President

Attest



Secretary