

**FLEUR DE LIS HOMEOWNERS ASSOCIATION  
BOARD OF DIRECTORS RESOLUTION  
September 14<sup>th</sup>, 2009**

**INVESTMENT POLICY & PROCEDURES**

**AUTHORITY AND PURPOSE FOR THE RESOLUTION:**

Whereas, the Fleur de Lis Homeowners Association is a Nevada Corporation duly organized and existing under the laws of the State of Nevada; and By-Laws, Article IV, Section 2, gives the Board rule making authority; and

Whereas, the Executive Board (Board) wishes to memorialize their investment policy for funds in the reserve and operating accounts, and

Whereas, owners have a right to know how their funds are being invested in both the reserve and operating accounts, and

Whereas, the Board of Directors wishes to ensure that the funds are also available as needed to properly protect, enhance and preserve the assets of the corporation, and

Whereas, the Board wishes to be in compliance with applicable Nevada laws.

**NOW THEREFORE, BE IT RESOLVED:**

To ensure compliance of NAC 115.300 and NAC 116.400, an Association, a member of the Executive Board, or a community manager shall deposit or invest all funds of the Association financial institution which is located in the State; is qualified to conduct business in the State or has consented to be subject to the jurisdiction, including the power of subpoena, of the courts of this State and the Division.

No investment decisions will be made outside of a Board of Directors meeting and a majority of the Board shall make decisions based on recommendations of a person who is educated and properly licensed as an investment advisor. A calendar shall be kept by the Treasurer and Community Manager, which shall show the maturity dates to enable ample time before the renewal of any accounts to place decisions on the agenda for any decisions to be made.


To remain in compliance with NRS 116 and NAC 116, the community manager shall not sign any of the reserve checks, transfer funds out of the reserve account or be a signer on the account cards. Transfers can be made by the manager into the account(s), however, from the operating account(s).

As the documents of the Fleur de Lis Homeowners Association detail that only an officer SHALL be signers on all accounts. All checks shall require two (2) signatures for both the operating and reserves account(s). The Community Manager shall not be a signer on the Operating account as well.

As to payments made from the Reserves, all payments require the signatures of two members of the executive board.



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Except as otherwise provided in the governing documents, the Association shall deposit, maintain and invest all funds of the Association in a financial institution whose accounts are insured by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund or Securities Investor Protection Corporation; with a private insurer approved pursuant to NRS 678.755 or in a government security backed by the full faith and the Government of the United States.

No individual investment will be placed in any instrument that will exceed \$250,000 per account Federal Insurance and steps will be taken to ensure that any interest obtained over a specific investment period will not exceed the maximum as well.

No accounts will be authorized to be covered by private insurance to allow the investment to exceed the \$250,000 Federal protection.

At least once every 100 days, unless the declaration or the bylaws of the Association impose more stringent standards, the executive board shall review, at a minimum, the following information at one of its meetings:

- a. A current year-to-date financial statement of the association;
- b. A current year-to-date schedule of revenues and expenses for the operating account and the reserve account, compared to the budget for those accounts;
- c. a current reconciliation of the operating account of the association;
- d. A current reconciliation of the reserve account of the association;
- e. The latest account statements prepared by the financial institution in which the accounts of the association are maintained; and
- f. The current status of any civil action or claim submitted to arbitration or mediation in which the association is a party.

Should Nevada law change the above 100 day requirement, the above requirement will include any of those changes.

This resolution is adopted in resolution format at the September 14<sup>th</sup>, 2009, Board of Directors Meeting.