



**ASSOCIATION POLICY REGARDING
THE INVESTMENT OF RESERVE FUNDS**

WHEREAS: The Savannah Owners Association incorporated on June 2, 2004 and recorded with the State of Colorado under 20041198893. Bound by Federal Laws, State Statutes and the Declaration of Covenants recorded in the Clerk and Recorder of Arapahoe County on July 27, 2004 under reception number B4133216.

WHEREAS: The Association has the obligation to adopt a Policy to Invest Reserve Funds by June 1, 2006 in compliance with Senate Bill 100.

WHEREAS: The Association is empowered by the Declaration of Covenants Section 19 Paragraph i to promulgate reasonable Rules and Resolutions as it deems necessary to effectuate the intent and to enforce the duties and obligations set forth in the governing documents.

WHEREAS: The Association desires to comply with Senate Bill 100 and invest reserve funds responsibly and with due care.

COMES NOW: A Policy to Invest Reserve Funds for the Savannah Owners Association to address the methods, procedures and practices which must be exercised to ensure effective and sound fiscal management.

The Association will invest its reserve funds in a conservative manner which will provide a return on investment while ensuring preservation of capital and protection of investment principal.

All monies belonging to Savannah Owners Association will are to be invested only in instruments guaranteed or insured by the Unites States Government or the FDIC.

Funds will be invested to achieve the maximum return feasible while providing the liquidity necessary to meet the financial commitments of Savannah Owners Association. The may include "laddering" investments, which is defined as investing in securities of increasing dates of maturity.

This policy shall be applicable to all members of the Association and will remain in effect until such time it is amended, rescinded or repealed through a vote of the Board at a meeting duly called for such purpose.

The policy is hereby adopted by majority vote of the Board on _____ and will become effective on June 1, 2006.

Signed, _____ President

_____ Secretary