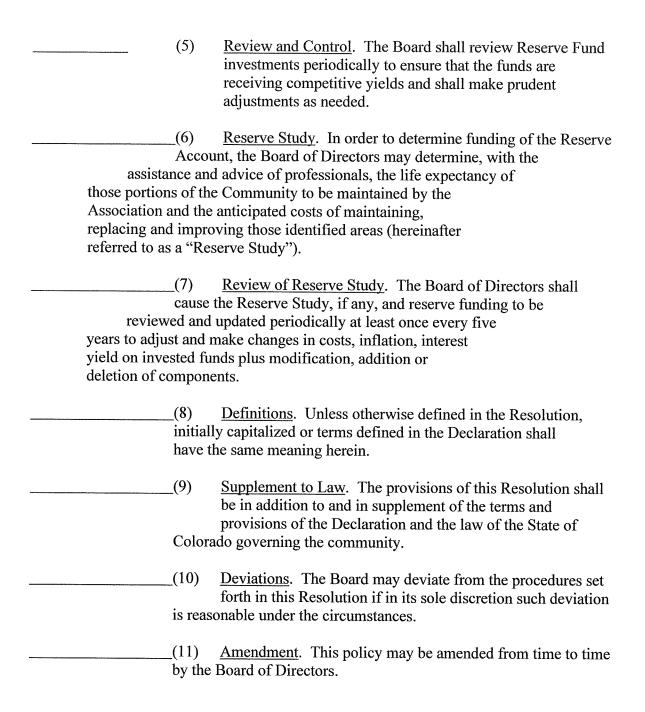
RESOLUTION OF THE ASHTON ESTATES COMMUNITY ASSOCIATION, INC. REGARDING INVESTMENT OF RESERVE POLICY

RESOLUTION: The Association hereby adopts a Policy as follows:

(1) Purpose of the Reserve Fund. The purpose of the Reserve Fund shall be to responsibly fund and finance the projected repair and replacement of those portions of the Community that the Association is responsible for and for such other funding as the Board of Directors may determine. The portions of the community that the Association is responsible for typically have limited but reasonably
predictable useful lives.
(2) <u>Investment of Reserves</u> . The Board of Directors of the Association shall invest funds held in the Reserve Funds accounts to generate revenue that will accrue to the Reserve Funds accounts balance pursuant to the following goals, criteria and policies, listed in order of importance:
(a) <u>Safety of Principal</u> . Promote and ensure the preservation of the Reserve Fund's principal.
(b) <u>Liquidity and Accessibility</u> . Structure maturities to ensure availability of assets for projected or unexpected expenditures.
(c) Minimal Costs. Investments costs (redemption fees, commissions, and other transactional costs) should be minimized.
(d) <u>Diversify</u> . Mitigate the effects of interest rate volatility upon reserve assets.
(e) <u>Return</u> . Funds should be invested to seek the highest level of return.
(3) <u>Limitation on Investments</u> . Unless otherwise approved by the Board, all investments will be: FDIC (Federal Deposit Insurance Corporation) insured, and /or Guaranteed by the United State Government.
(4) <u>Investment Strategy</u> . The investment strategy of the
Association should emphasize a long-term outlook by diversifying the maturity dates of fixed-income instruments within the portfolio utilizing a laddered investment approach.



PRESIDENTS CERTIFICATION:

The undersigned, being the President of the Ashton Estates Homeowners Community Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on this 4th day of January, 2012 in witness thereof, the undersigned has subscribed his/her name.

EFFECTIVE DATE:

ASHTON

ESTATES

COMMUNITY

ASSOCIATION, INC.

a Colorado nopprofit corporation

By:

President