

**EDWARDS VILLAGE OWNERS ASSOCIATION, INC.**  
A Colorado nonprofit corporation

**Investment Policy**

This policy statement of the Edwards Village Owners Association, Inc. (the "Association") is one of several governance policy statements relating to the governance by the Association of the Edwards Village Center located in Edwards, Colorado. This governance policy statement describes the investment policies and procedures which are intended to govern the investment activities and practices for all capital reserve funds of the Association. This investment policy has been approved and adopted by the Executive Board (the "Board") of the Association.

The primary objective to be accomplished under this investment policy is to preserve capital and minimize any potential for capital losses. The Board is charged with the responsibility of overseeing both the implementation and administration of the investment policy. In discharging this duty, the Board will delegate to the Association manager all necessary authority to administer the Association's investment policy and manage all investments of the Association's funds. In this connection, the manager shall make investment decisions in a manner that is consistent with the directions of the Board and with this investment policy.

The manager shall also be responsible for monitoring the status of all invested funds and reporting to the Board on a quarterly basis. Each report shall provide a summary of the performance of all investments and shall also include copies of the most recent brokerage and deposit account statements for investment and other accounts held in the name of the Association.

The manager shall make investment decisions and discharge his duties in good faith and with the care of an ordinarily prudent person under similar circumstances. In carrying out any decision or activity, the manager shall act in a manner which he reasonably believes to be in the best interests of the Association. The manager may rely on information, opinions and reports (including financial statements and other financial data) that have been prepared by accountants and other professionals, as well as other information which may be relevant.

In making specific investment decisions, the manager shall be guided by the current and anticipated cash flow needs of the Association as determined from time to time. This process shall include an analysis of the Association's current budgetary requirements and any approved capital repair or replacement projects.

The manager may, in turn, delegate certain investment and management functions to an established investor representative such as a brokerage company or bank. The manager shall take all appropriate steps to assure that time and brokerage deposits of the Association are insured to the maximum extent under existing deposit and investor insurance coverage. Securities may be held in street name or custody by the brokerage firm or bank. All investment accounts shall be maintained in the name of the Association. Disbursements from any such account shall be made only upon authorization by the Board. A copy of this policy statement shall be delivered to any investor representative utilized by the Association.