

**Kingstowne Residential Owners Corporation
Investment Policy Statement**

Administrative Resolution No. 15

This policy statement outlines the goals and investment objectives of the Kingstowne Residential Owners Corporation (KROC). The following monies are generally excluded from this investment policy:

- Those monies that are expected to be spent in the normal course of business during the current budget year

Goals and Objectives

Financial assets shall be invested, when appropriate, in an effort to achieve the following objectives: They are ranked in order of importance.

1. Assure the guarantee of principal and minimize risk to satisfy the Board's fiduciary responsibility.
2. Obtain the best available yield through structuring the maturities of the investments while maintaining appropriate liquidity to meet projected and unexpected cash needs of KROC.

Selection Criteria

The Financial Advisory Committee, under the direction of the Board of Trustees, shall assure that investments are made in a manner that will maintain the separation of funds according to their assigned use. Income is to be kept with the principal that was used to generate the income.

Maturities of the investments should be structured to ensure the availability of assets. Funds should be invested with professional managers who have good reputations and sound credentials. Investment costs should also be minimized.

Suitable investment instruments under this policy may include the following:

1. Bank issued and federally insured certificates of deposit
2. U.S. Treasury securities or securities of federal agencies backed by the full faith and credit of the federal government
3. Securities of other federal agencies not backed by the full faith and credit of the federal government (ie. Fannie Mae and Freddie Mac)

Review and Control

The KROC Financial Advisory Committee has the responsibility for monitoring the investment program and making recommendations to the Board of Trustees. In order to ensure the investment policy statement is consistent with the current mission of KROC, this policy should be reviewed at least once every three years for necessary changes.

EFFECTIVE DATE OF RESOLUTION

The Effective date of this Resolution shall be July 9, 2014.

I hereby certify that this Administration Resolution was duly adopted by the Board of Trustees at a regular meeting on July 9, 2014.

KINGSTOWNE RESIDENTIAL OWNERS CORPORATION

By: Kathleen Snyder
Kathleen Snyder, President