

**RESOLUTION OF THE
ELDORADO FIRST HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS**

INVESTMENT POLICY

AUTHORITY AND PURPOSE FOR THE RESOLUTION:

WHEREAS, the Eldorado First Homeowners Association is a non-profit Corporation duly organized and existing under the laws of the State of Nevada; and

WHEREAS, the Board of Directors wishes to formalize their investment policy, as required by Nevada Law, for funds in the reserve and operating accounts of the association, and

WHEREAS, the Board of Directors wish to be in compliance with all applicable Nevada laws and regulations of this State.

NOW THEREFORE, BE IT RESOLVED:

The Board of Directors shall deposit, maintain and invest all funds of the Association at a financial institution that is located in Nevada or qualified to conduct business in this State or has consented to the jurisdiction, including the power to subpoena, of the courts of this State and the Nevada Real Estate Division.

In addition, the Board of Directors shall deposit, maintain, and invest all funds of the association:

(a) In a financial institution whose accounts are insured by the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Share Insurance Fund (NCUSIF) , or the Securities Investor Protection Corporation (SIPC); or

(b) With a private insurer approved pursuant to NRS 678.755; or

(c) Government securities that are backed by the full faith and credit of the United States Government.

To protect these funds further, it is the Board of Directors desire that the association funds be 100% insured at all times. In addition, it is the wish of the Board of Directors to have employee dishonesty insurance coverage and/or a fidelity bond. This insurance would cover the board members, officers, and professional management of the association.

No investment decisions will be made outside a Board of Directors meeting and when advisable, the Board of Directors should rely on recommendations of a person who is a licensed investment advisor with experience in the association industry.

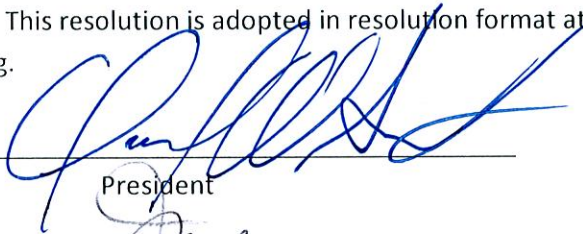
As required by NRS 116.31152, the Board of Directors shall annually review the association's reserve study and incorporate its findings in the investment decision-making process.

To remain in compliance with NRS 116.31153 subsection 1, funds can only be withdrawn from the reserve accounts with the signatures of two members of the Board of Directors. At no time can the community manager be a signer on the reserve account.

According to NRS 116.31153 subsection 2, funds in the operating account may not be withdrawn, except as otherwise provided in subsection 3 of NRS 116.31153, without the signatures of at least two members of the Board of Directors, or one member of the Board of Directors and the community manager.

This resolution is adopted in resolution format at the October 13, 2009 Board of Directors meeting.

BY: _____



President

ATTESTED: X _____



Secretary