

**RESOLUTION
OF THE
PENN PLAZA OWNERS ASSOCIATION, INC.
REGARDING INVESTMENT OF RESERVE POLICY**

SUBJECT: Adoption of an Investment Policy for reserves of the Association.

PURPOSES: To adopt a policy for the investment of reserve funds.

AUTHORITY: The Declaration, Bylaws and Articles of Incorporation of the Association and Colorado law.

**EFFECTIVE
DATE:** May 1, 2015

RESOLUTION: The Association hereby adopts a Policy as follows:

1. Scope. In order to properly maintain areas in the Community that are the responsibility of the Association, to comply with state statutes, to manage reserve funds, and to protect market value of Owners' units, the Board of Directors determines that it is necessary to have policies and procedures for the investment of reserve funds.
2. 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.
3. Investment of Reserves. 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) Safety of Principal. Promote and ensure the preservation of the Reserve Fund's principal.
 - (b) Liquidity and Accessibility. 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) Diversify. Mitigate the effects of interest rate volatility upon reserve assets.

(e) Return. Subject to the above consideration, funds should be invested to seek the highest level of return.

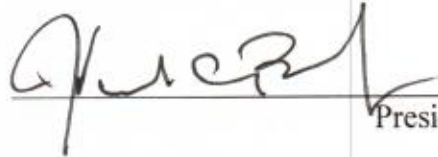
4. Limitation on Investments. Unless otherwise approved by the Board, all investments will be: FDIC (Federal Deposit Insurance Corporation) insured, and/or guaranteed by the United States Government.
5. Investment Strategy. The investment strategy of the Association should emphasize a long-term outlook by diversifying the maturity dates of fixed-income instruments within the portfolio utilizing a laddered investment approach.
6. Independent Professional Investment Assistance. The Board may hire a qualified investment counselor to assist in formulating a specific investment strategy.
7. Review and Control. The Board shall review Reserve Fund investments periodically to ensure that the funds are receiving competitive yields and shall make prudent adjustments as needed.
8. Reserve Study. In order to determine funding of the Reserve Account, the Board may determine, with or without the assistance and advice of professionals, the life expectancy of those portions of the Community to be maintained by the Association and the anticipated costs of maintaining, replacing and improving those identified areas pursuant to the Association's Reserve Study Policy or as may otherwise be advised.
9. Review of Reserve Funding. The Board of Directors shall cause the reserve funding to be reviewed and updated periodically at least once a year to adjust and make changes in costs, inflation, interest yield on invested funds plus modification, addition or deletion of components.
10. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
11. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.
12. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
13. Amendment. This policy may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Penn Plaza Owners Association, Inc., 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 April 30th, 2015 in witness thereof, the undersigned has subscribed his/her name.

**PENN PLAZA OWNERS
ASSOCIATION, INC.**
A Colorado nonprofit corporation

By:


President