

RESOLUTION NO. 2009-06

TWIN RIVERS HOMEOWNERS ASSOCIATION AS TRUSTEE FOR THE TWIN RIVERS COMMUNITY TRUST

INVESTMENT POLICY

WHEREAS, the Board of Directors (Board) of the Twin Rivers Homeowners Association as Trustee for the Twin Rivers Community Trust (hereinafter referred to as the "Trust") has various financial powers and duties pursuant to the Twin Rivers Community Trust Indenture ("Indenture"), including but not limited to the right to reasonably invest those funds received by the said Trust; and

WHEREAS, the Trust has determined the need to establish the standards for the diversification of the investments and provide that the standards can be amended only by resolution of the Board of Directors and

WHEREAS, the Trust has determined the need to revise Resolution dated May 12, 1983, Resolution 1996-11, Resolution 1998-4, Resolution 2001-02, Resolution 2004-2 and 2006-03; and

NOW, THEREFORE, BE IT RESOLVED, that the Trust shall hereby establish a custodial and brokerage account for escrow funds, replacement reserves, operating funds accounts and other funds of the Trust with a full-service provider of mutual funds and other financial services; and

BE IT FURTHER RESOLVED, that the following systems shall apply along with the diversification of investments established herein and that the following systems may be amended only by resolution of the Board of Trustees; and

BE IT FURTHER RESOLVED, that the Trust shall invest the funds of The Trust as follows:

- A. No investment shall be made except in authorized investments as provided herein.
- B. Obligations of, or fully guaranteed as to principal, by the United States of America or agency thereof; including Treasuries, money market accounts and mutual funds consisting of these securities.
- C. Government-insured Certificates of Deposit from banks and/or credit unions; within of the limit of insurance coverage (\$250,000 for maturities through 12/31/13 and \$100,000 for maturities 1/14/14 and after).
- D. Investments may be purchased and sold to meet the cash flow needs of the Trust. Market timing, day trading, position trading, and other trading methods to increase yields and returns are prohibited. Deposits, fund changes, withdrawals, redemptions

and other normal and customary activity are allowed. In accordance with the Indenture, the Trust is “. . . permitted to keep additional cash on hand in a checking or petty cash account for the necessary discharge of its function.”

E. Additional requirements and guidelines:

- a. To reduce administrative and oversight efforts, the Trust’s investments will be maintained with one major service provider. The service provider selected will be well-established. The provider must be covered by the Securities Investor Protection Corporation (SIPC) to protect the Trust’s funds should the brokerage firm become bankrupt or financially troubled. Checking-related and lockbox accounts may be separately maintained with a separate financial institution.
- b. The Secretary/Treasurer is to receive complimentary trade confirmations and account statements. These complimentary confirmations will come directly from the custodian. Additionally, the President of the Board may direct any other Board Member including him/her self to also receive complimentary trade confirmations and account statements.
- c. On a monthly basis, the Board will be presented with a summary of the Trust’s investments and operating funds.
- d. Any individual **debt** securities and positions held at the time this Policy goes in to effect are to be held to maturity. Any individual **equities** held at the time this policy goes in to effect shall be sold within two years from effective date of this Policy at the new financial institution of record.
- e. The Trust’s Board will enforce this Investment Policy acting under the “Uniform Prudent Investor Act,” which has been adopted by the State of New Jersey.

Duly approved by the Board of Trustees
at their meeting of July 29, 2009

ATTEST:

William Dumanski, Secretary/Treasurer