

STONEBRIDGE RANCH COMMUNITY ASSOCIATION, INC.**POLICY****SHORT TERM INVESTMENT****Revision 4****08/24/2023****I. PURPOSE**

The purpose of this Investment Policy is to define specific investment policies for the general operating funds belonging to Stonebridge Ranch Community Association, Inc. (the "Association").

II. INVESTMENT OBJECTIVE

There are two objectives. The primary objective is that there is no risk of losing any principal. The secondary objective is to earn as much yield as possible given the interest rate environment at the time.

III. INVESTMENT RESTRICTIONS

Investment restrictions include the following and shall be strictly adhered to unless waived by the Board of Directors:

- All investments must be US dollar denominated
- Commercial paper must be rated in the two highest quality classes by Moody's Investor's Service, Inc. (P1 or P2) or Standard & Poor's Corporation (A1 or A2).
- Negotiable certificates of deposit shall be limited in principal amount to FDIC insurance limits (currently \$250,000). CD programs, which spread liability up to FDIC limits within a single bank holding company or brokerage firm, are permissible.
- Money Market mutual funds must have a rating by Standard & Poor's Corporation of AAA MG for funds holding at least 85% US government securities and AAA M or AAA F for all others, and additionally the underlying investments must be eligible under this policy.
- Investment in structured notes is prohibited.
- Investment in Auction Rate securities is prohibited.

IV. MONITORING

The performance of the general operating funds with regards to this policy statement will be monitored annually by the Finance Committee and annually by the Board of Directors, by:

- Reviewing the cash flow projections;
- Discussing the current economic outlook and operating needs;
- Reviewing shortcomings of the policy that emerge in its practical operation.

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V. REVISION HISTORY

REVISION	DATE	CHANGES
0	04/05/13	Original
1	08/25/16	Changed 3, bullet point 3 from \$100,000 to \$250,000 and IV from quarterly to annually.
2	09/24/17	Change Finance Committee with Investment Committee
2	08/23/18	Board of Directors reviewed and made no changes.
2	08/22/19	Board of Directors reviewed and made no changes.
3	08/20/2020	Replace Investment Committee with Finance Committee.
4	08/24/2023	Remove Insuring in investment objective

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IT IS FURTHER RESOLVED that this Short Term Investment Policy (Revised August 2023) replaces and supersedes in all respects all prior versions of this document as of the date of recording, and is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing policy was adopted by the Stonebridge Ranch Community Association, Inc., Board of Directors at a meeting held on August 24, 2023, and has not been modified, rescinded, or revoked.

Date: 10-27-23

Signature: 