

RESOLUTION 18-1
SUN CITY MESQUITE HOMEOWNERS' ASSOCIATION
ANTHEM MESQUITE MASTER ASSOCIATION AND
BRANDING IRON HOMEOWNERS' ASSOCIATION
INVESTMENT POLICY

AUTHORITY AND PURPOSE FOR THE RESOLUTION:

WHEREAS, the Sun City Mesquite Homeowners' Association, Inc. is a non-profit Corporation duly organized and existing under the laws of the State of Nevada;

And WHEREAS, the Anthem Mesquite Master Association, Inc, is a non-profit Corporation duly organized and existing under the laws of the State of Nevada;

And WHEREAS, Branding Iron Homeowners' Association, Inc. Is a non-profit Corporation duly organized and existing under the laws of the state of Nevada;

And WHEREAS, these three association have a common Board of Directors;

And WHEREAS, the Board of Directors wishes to revise their investment policy dated July 26, 2012;

And WHEREAS, the Board of Direct has entered into a Contract with a financial adviser, currently Merrill Lynch, to provide investment advice regarding the three Association's reserve funds and excess operating funds;

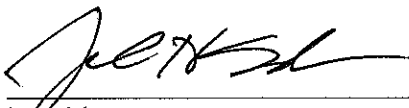
WHEREAS, the Board of Directors wish to be in compliance with all applicable Nevada laws and regulations of this State.

NOW THEREFORE, BE IT RESOLVED:

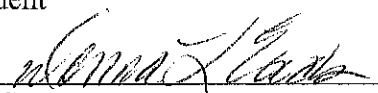
- (1) The Board of Directors shall deposit, maintain and invest all funds of the Association at a financial institution that is qualified to conduct business in this State or has consented to the jurisdiction, including the power to subpoena, of the courts of this State and the Nevada Real Estate Division.
- (2) 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.

- (3) To protect these funds further, it is the Board of Directors desire that the association funds be 100% insured always. 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.
- (4) While all investment decisions will be made by the Board of Directors, the Board of Directors is relying on the recommendations of Merrill Lynch, along with the recommendation of the three Associations' Finance Committee, for those investment decisions and the Board hereby authorizes Merrill Lynch acting through its Assistant Vice President, Karen L. Sennes, to make the actual investment so long as Merrill Lynch complies with the following requirements pursuant to its contract with the three Associations: (a) Merrill Lynch shall provide detail written reports regarding the investment at least quarterly to Board of Directors, the General Manager of the three Association, and the Finance Committee of the three Associations, (b) responded to any inquiry of the Board, the General Manager, or the Finance Committee within two business days of the inquiry, and (c) notify the Board within five business day of termination of Karen L. Sennes's employment with Merrill Lynch. If the three Associations replace Merrill Lynch as their financial adviser, the replacement advisor's contract must have similar reporting requirements.
- (5) As required by NRS 116.31152, the Board of Directors shall annually review the three Association's reserve study and incorporate its findings in the investment decision making process.
- (6) As required by NRS 116.31153 subsection 1, Money in the reserve account of the three Associations required by paragraph (b) of subsection 2 of NRS 116.3115 may not be withdrawn without the signatures of at least two members of the Board of Directors.
- (7) As required by NRS 116.31153 subsection 2, Except as otherwise provided in subsection 3, money in the operating account of the three Associations may not be withdrawn without the signatures of at least one member of the executive board or one officer of the association and a member of the executive board, an officer of the association or the community manager.

This resolution is adopted on January 16, 2018 at a duly notice Board of Directors meeting of the three Associations.

By: 

President

Attested: 

Secretary