

EXHIBIT “A-10”
WOODBIDGE
INVESTMENT POLICY

Purpose:

To implement an investment policy that will be used by the Woodbridge Association Board of Directors (the “Board”) for the purpose of investing excess funds in a safe and secure manner.

Responsibility:

The Board is charged with general supervision of all investment activities. This will include the responsibility for the formulation, modification and implementation of this policy and specific investment strategies regarding the purchase and sale of investments.

Goals and Objectives:

The assets shall be invested to achieve these objectives:

Primary:

- No risk or loss of principal; and
- Ensure that adequate liquid funds will be available as needed.

Secondary:

- Responsibly achieve the highest long-term investment performance; and
- Diversify the investment of funds so as to limit overall risk.

Investment Strategy:

Operating Funds:

- a. Operational Base Liquid Funds – On an annual basis, the Board will review the budget schedule for the upcoming year to determine anticipated funds required for expected monthly expenditures. Three months expenditures shall constitute the “Operational Base Liquid Funds”.
- b. Operational Non-Liquid Funds – Funds over and above Operational Base Liquid Funds. These funds shall be invested as follows:
 - Laddering Strategy – Invest in federally insured accounts and/or securities that have maturities of three months or more. If funds permit, buy securities with

varying maturity dates (laddering strategy) so funds shall become available as the year progresses without invoking early termination penalties.

- c. Two months operating funds shall be maintained at a secondary financial institution. Should something happen to the primary financial institution, the Association will then have two months operating funds to pay its obligations while insurance is pursued with the other financial institution.

Reserve Funds:

- a. Reserve Base Liquid Funds - on an annual basis, the Board will review the reserve schedule for the upcoming year to determine anticipated funds required for expected expenditures plus a twenty percent contingency. This amount constitutes the “Reserve Base Liquid Funds”.
- b. Reserve Non-Liquid Funds – Funds over and above Reserve Base Liquid Funds. These funds shall be invested as follows:
 - Laddering Strategy – Invest in federally insured accounts and/or securities that have maturities of three months or more. If funds permit, buy securities with varying maturity dates (laddering strategy) rather than invest a lump sum in one security with one maturity date. Laddering allows securities to mature at various times so some funds come available periodically without invoking early termination penalties. If interest yields are relatively low, board will invest for shorter terms with the anticipation that rates will rise in coming months. If rates are relatively high, Board shall invest for longer terms to take advantage of the higher yield.
 - New funds, as well as interest earnings from reserve contributions become investable if they are in excess of the Reserve Base Liquid Funds. These funds can be combined with proceeds from laddered securities as they mature or purchase new laddered securities.

Approved FDIC Investment Classes:

- Savings Accounts;
- Money Market Accounts;
- Certificates of Deposit in FDIC insured financial institutions with no more than \$250,000 in any such institution unless additional private deposit insurance is provided by the bank (CDARS for example); and
- Treasury bills, notes or bonds.

Review and Control:

- The Board shall review and ratify any investments at its regular Board meetings. The signature of the President and Treasurer are required for withdrawals or transfers of funds.

- All investments will be purchased in the name of Woodbridge Association, Inc.
- Where a decision with respect to a specific investment must be made between Board meetings, the President and the Treasurer, or their written Board member designees, will review that investment to determine that it is within this policy. If they agree (as documented by written or email correspondence), the Board authorizes Treasurer, or his/her designated other Board member, to execute that decision. In such event, the Board shall provide a summary of the decision and be read into the minutes in the next regularly scheduled Board meeting.
- The Board will review regular financial statements and make adjustments as needed to ensure Goals and Objectives are being met.