

SWANSEA VILLAGE CO-OPERATIVE INC.

INVESTMENT POLICY

Passed by the
Board of Directors on

November 11, 2015

Confirmed by the
Members on

February 22, 2016

Purpose

The purpose of this Policy is to set out rules for the investment of Co-op Funds.

Investment of Funds

The Board can invest Co-op Funds in government bonds, treasury bill or other securities backed by the governments of Canada or Ontario.

The Board may invest in government strip bonds but only if they are held to maturity.

Investment Objectives

When investing Co-op funds, the Board must first ensure that the Co-op’s capital spending requirements are properly met. Depending on these requirements, the Board will decide on what level of investment risk and rate of return is appropriate. The Board will decide this with advice of an Independent Financial Advisor who has a proven track record with Non-Profit Housing Co-ops.

Review of Investment Performance

The Board will review on a regular basis written reports on the performance of the Co-op’s investments. These reports will include information on each investment including:

- Amount
- Investment Type
- Rate of Return
- Maturity Date
- Restrictions (if applicable)

Deposit of Funds

The Board can deposit investment funds with the aim to diversify by having two or more of the following

- A Credit Union
- A Chartered Bank
- A Trust Company

Interest Earned

Interest earned on the Co-op’s capital reserve fund will be allocated to this fund. Interest earned on any other reserve or special fund will be allocated to the Co-op’s operating account.

Co-operative Principles

In order to promote co-operative principles, the Board should consider depositing Co-op funds in a credit union.

Passed by the Board of Directors of the Swansea Co-operative Inc. at a meeting properly held on November 11, 2015

And **confirmed** by at least two-thirds of the votes cast at a general meeting of the members of the Co-operative held on February 22, 2016

President

Secretary

Date

Date