

DALHOUSIE NON-PROFIT HOUSING CO-OPERATIVE INC.

PROCEDURES NO. 1

INVESTMENT PROCEDURES

Organizational By-law

Article 12.07 of the Organizational By-law sets out the basic objectives and rules governing the investment of Co-op funds. The By-law takes priority over all investment procedures, resolutions of the Board and simple majority resolutions of the members.

Objectives of the Investment Procedures

1. To achieve a reasonable rate of return from investments while having regard for the requirements of Article 12.07 of the Organizational By-law No.2.
2. To provide the funds necessary to carry out such capital projects, including improvements and replacements, within the Co-operative as may be necessary from time to time.
3. To ensure that the Co-operative has adequate working capital.
4. To offset or reduce the effect of inflation on reserves and operations.

Responsibilities

1. Co-ordinator
  - a) The Co-ordinator is authorized to invest the surplus funds of the co-op in accordance with article 12.07 of By-law No.3, the Organizational By-law, subject to the advice of the Treasurer and Finance Committee.
  - b) Subject to availability of funds, the Co-ordinator shall maintain a sufficient balance in the current account to cover outstanding cheques and bank charges.
  - c) The Co-ordinator is authorized to transfer funds between current accounts and investments in order to maximize interest income. In making such transfers, the Co-ordinator shall match the term of any investment with the future cash requirements of the Co-op.
  - d) The Co-ordinator is responsible for maintaining a detailed record of all funds and investments.

INVESTMENT PROCEDURES  
Responsibilities (cont'd)

-2-

1. e) The Co-ordinator shall report monthly to the Finance Committee and the Board in the approved format on the cash position and investments of the co-op and, in the event of a current account overdraft, shall consult with the Treasurer concerning action to be taken.

2. Finance Committee

The Finance Committee shall review the cash and investment report on a monthly basis and shall recommend to the Board any changes in the management of investments that it considers necessary or advisable. The Finance Committee will play an active role in the initial development of an investment strategy for the Co-op.

3. Treasurer

- a) The Treasurer shall monitor the cash position and investments of the co-op.
- b) The Treasurer is authorised to make decisions and give direction regarding investments in an emergency situation.

4. Board of Directors

The Board of Directors has the authority to overrule any investment decision, and shall provide general direction to the Co-ordinator, Treasurer and Finance Committee in the event of any disagreement over the implementation of these Investment Procedures.

INVESTMENT PROCEDURES

PASSED by the Board and sealed with the corporate seal of the Co-operative this 26 day of

SEPTEMBER 1991.

President

*Josephine Legari*

Secretary

*Brian Cook*