

Cheggoggin Co-operative Homes Inc.

By-law No. #18

INVESTMENT BY-LAW

Passed by the Board
of Directors on

March 20, 2019

Confirmed by the
members on

DATE

INVESTMENT BY-LAW

1. **Purpose**

The purpose of this By-law is to set out rules for the investment of Co-op funds.

2. **Investment of Funds**

The Board can invest Co-op funds in government bonds, treasury bills or other securities backed by the governments of Canada or Ontario or in securities of mutual or investment funds managed or offered by the Housing Services Corporation, Encasa. The Board may invest in government strip bonds but only if they are held to maturity.

3. **Housing Services Act**

When investing or depositing Co-op funds the Board must comply with the requirements of the *Housing Services Act* and any limitations in the Co-op's operating agreement with funding authorities.

4. **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.

5. **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).

6. Deposit of Funds

The Board can deposit investment funds with:

- \$ a credit union
- \$ a chartered bank
- \$ a trust company
- \$ a Province of Ontario Savings Office
- \$ securities of mutual or investment funds managed or offered by Encasa

7. 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.

8. 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 Chegoggin Co-operative Homes Inc. at a meeting properly held on March 20, 2019 and confirmed by at least two-thirds of the votes cast at a general meeting of the members of the Co-operative properly held on DATE

Secretary

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