

**SEAL BEACH MUTUAL NO. EIGHT****Mutual Operations – Banking Resolution**

- 1     **1.     RESOLUTION**  
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3           **1.1.**     WHEREAS, Seal Beach Mutual Eight maintains restricted and non-restricted  
4                   Demand, Money Market, and Investment banking accounts, and  
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6           **1.2.**     WHEREAS, Withdrawals and other transactions of funds from the approved  
7                   depositors shall be authorized by two Mutual Eight Officer signatures, including  
8                   the President, Vice President, Secretary, or Chief Financial Officer, and  
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10          **1.3.**     WHEREAS, The Controller of the Golden Rain Foundation may authorize the  
11                   bank to perform selected investment transactions as so directed by the Board of  
12                   Directors;  
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14          **1.4.**     THEREFORE, BE IT RESOLVED, that all operating funds will be deposited with  
15                   banks that are insured by the F.D.I.C. and that all operating funds deposited for  
16                   earning of interest be restricted to the maximum insured amount stipulated by  
17                   the F.D.I.C. or Money Market Mutual Funds that offer daily purchases and  
18                   redemption and maintain a constant share price:  
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20          **1.5.**     The following list of securities are approved for investment funds: Certificates of  
21                   Deposit, CDARS, Treasury Bonds of the United States, Treasury Notes of the  
22                   United States, Treasury Bills of the United States, and Investment-grade State  
23                   and Local Government Securities which are deemed to be of low exposure risk  
24                   of default by Golden Rain Foundation staff, investment strategy professionals,  
25                   and Mutual Directors.  
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27                   **1.5.1.**     The minimum rating for all investment assets in the liquidity portfolio  
28                               and yield portfolio must be investment-grade by Moody's, Standard  
29                               and Poor's, Fitch and/or Mellon Private Asset Management Fixed  
30                               Income Credit Group.  
31                   **1.5.2.**     The minimum weighted average credit quality of the liquidity portfolio  
32                               shall be "Aa" or "AA" rated or the equivalent.  
33                   **1.5.3.**     The minimum weighted average credit quality of the yield portfolio  
34                               shall be "Aa" or "AA" rated with no more than 10% invested in  
35                               instruments rated "Baa/BBB."  
36                   **1.5.4.**     All investment activity, including investment income and investment  
37                               expenses as well as investment premiums and discounts will be  
38                               credited and debited to the Mutual's Investment Cash Management  
39                               Account.  
40                   **1.5.5.**     As needed, the Mutual Board, subject to a 4 out of 5 voting member  
41                               approval may use up to 12 months of net investment income for  
42                               Mutual Operations.

(May 21)

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