

MORA - SAN MIGUEL ELECTRIC COOPERATIVE, INC.
RESERVE FUNDS
BOARD POLICY NO. 405
Supersedes Policy #48

SUBJECT: Reserve Funds

OBJECTIVE: To maintain a sufficient reserve fund for the Cooperative

POLICY:

It shall be a policy of the Board of Trustees ("Board") to maintain reserve funds as follows:

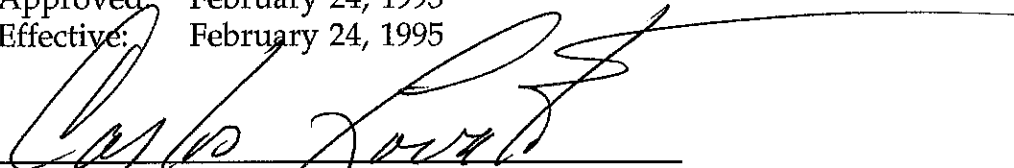
A renewal and replacement fund not to exceed \$300,000.00.

Any remaining general funds may be invested in plant, at the option of the Board.

The Board shall be responsible for the enforcement of this policy.

Approved: February 24, 1995

Effective: February 24, 1995



Board Secretary