

TITLE

INVESTMENT POLICY

SUBJECT

INVESTMENT POLICY, PROCEDURES AND RESTRICTIONS

GENERAL DESCRIPTION

The purpose of this policy statement is to declare that the primary consideration of Aztec Shops Ltd. Corporate Investment Policy is the preservation of principal rather than any return on investment. The Corporation will seek to maximize return on investment within the constraints of prudent and reasonable risk and disburse the funds into more than one banking or brokerage institution for optimum security of the funds.

Investments will include but not be limited to, U.S. Government securities, bank obligations, and certain debt obligations and instruments secured thereby, commercial paper and certain debt obligations rated A-1, prime 1, AA, Aa, and other obligations that are guaranteed by a bank or corporations whose certificates of deposit or commercial paper may otherwise be purchased by the corporation.

Aztec Shops Ltd. may direct the investments itself or place the funds with various institutions.

Aztec Shops Ltd. should place its funds with preferably more than one banking or investment institutions for the purpose of the institution acting as the investment advisor or agent. Excess funds and non-operating funds may be placed in the "Local Agency Investment Fund" (LAIF). In addition, any of the following major banks or institutions may be utilized, i.e., Union Bank, Wells Fargo, Bank of America, or other institutions with state or federal government backing. In the case of brokerage institutions, companies such as Morgan Stanley, Merrill Lynch, or Smith Barney will be used.

RESPONSIBILITY

Aztec Shops Controller and Accounting Staff in conjunction with the Chief Executive Officer will be responsible for carrying out the letter and intent of this policy.

For purposes of banking and investment the Board of Directors designates the Chief Executive Officer as the Assistant Secretary-Treasurer and authorizes the specifications of this authority under separate Board banking and investment resolution.

This policy may be revised and/or modified at the discretion of the Board of Directors.

This policy will include the CSU policy of social responsibility.

INVESTMENT RESTRICTIONS

Aztec Shops Ltd. will **not directly** invest in:

- Publicly or privately traded equities
- Mortgages or trust deeds
- Commodities or commodity contracts
- Real estate (unless approved by the Board of Directors)

Aztec Shops Ltd. shall **not** make loans except through the purchase of debt instruments.

IMPLEMENTATION

Implementation of this policy and procedures shall be the responsibility of the Controller, Accounting staff, and the Chief Executive Officer.

Investment Policy 07/99
Investment Policy Rev. 05/01
Investment Policy Rev. 06/04
Investment Policy Rev. 02/09
Investment Policy Rev. 08/14