

Liquidity Policy

The liquidity policy sets forth a policy, and a set of procedures and guidelines to be followed in the management of your credit union's liquidity position. The contents of the policy are approved by the Board of Directors and are to be followed by Management and the Asset-Liability Management Committee (ALCO).

The objective of this policy is to provide a framework to minimize the adverse effects of a significant and sustained liquidity crisis. This can result from changing economic or interest rate conditions, deposit outflows, unusually strong loan demand, intense competition, an international crisis, or any other factors that can deplete the liquidity of your credit union.

Contact me at 518-420-2108 or by email at elis@edwardlis.com for additional assistance.

Further information regarding this topic is available online at [Edwardlis.com Liquidity Management](http://Edwardlis.com/LiquidityManagement)

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Edward Lis