

RESERVES POLICY

IAAAA Fund Balance

When **IAAAA** "Retained Earnings" exceeds six (6) months reserves, the Board may choose to disperse the excess funds. *Excess Funds* being all dollars in Retained Earnings above the six (6) month reserve threshold. In this instance, "Reserve Fund" is synonymous with "Retained Earnings" on the Balance Sheet.

If a decision is made to reduce the **IAAAA** Retained Earnings, the funds are to be returned to the AAAs using the same formula/percentage with which dues are collected. Only those AAAs current with their dues are eligible for the dispersal *or for a future credit*.