

# Texas CLASS PLUS+ (Custom) Series B



**Credit Quality Ratings Definitions**

**AAAf** The fund's portfolio holdings provide extremely strong protection against losses from credit defaults.

**AAf** The fund's portfolio holdings provide very strong protection against losses from credit defaults.

**Af** The fund's portfolio holdings provide strong protection against losses from credit defaults.

**BBBf** The fund's portfolio holdings provide adequate protection against losses from credit defaults.

**BBf** The fund's portfolio holdings provide uncertain protection against losses from credit defaults.

**Bf** The fund's portfolio holdings exhibit vulnerability to losses from credit defaults.

**CCCf** The fund's portfolio holdings make it extremely vulnerable to losses from credit defaults.

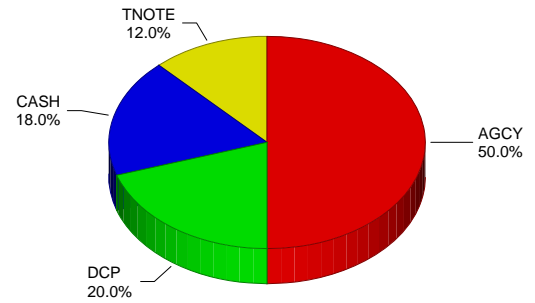
**Plus (+) or Minus (-)** The ratings from 'AAf' to 'CCCf' may be modified to show relative standing within the major rating categories.

Credit quality ratings, identified by the 'f' subscript, are assigned to bond funds and other actively managed funds that exhibit variable net asset values. These ratings are current assessments of the overall credit quality of a fund's portfolio. The ratings reflect the level of protection against losses from credit defaults and are based on an analysis of the credit quality of the portfolio investments and the likelihood of counterparty defaults.

About the Fund

Fund Rating	<b>AAAf / S1+</b>
Fund Type	Variable NAV Government Investment Pool
Investment Adviser	Cutwater Asset Management
Portfolio Manager	Marc McClure, CFA Randy Palomba, CFA
Fund Rated Since	September 2010
Custodian	Wells Fargo Bank, NA

Portfolio Composition as of March 31, 2011



AGCY - Agency Fixed Rate; DCP - Commercial Paper; CASH - Cash; TNOTE - US Treasury Note

\*As assessed by Standard & Poor's

**Fund Highlights**

- Texas CLASS PLUS+ (Custom) Series B is a specially designated subaccount feature of the 'AAAm' rated Texas Cooperative Liquid Assets Securities System (Texas CLASS) investment program.
- The subaccount seeks to provide safety, liquidity, convenience, and competitive rates of return.

less than or equal to that of a portfolio comprised of the highest-quality fixed income instruments with an average maturity of one year or less. Series B are not supported by the letter of credit that supports other Texas CLASS accounts.

**Management**

Cutwater Asset Management serves as the subaccount's program administrator and portfolio manager. With approximately \$43 billion in fixed income assets under management, Cutwater Asset Management is one of the nation's largest providers of administration and portfolio management services to local government investment pools. In addition to this Texas CLASS subaccount, Cutwater Asset Management is also the manager of eight 'AAAm' rated government investment pools including Texas CLASS, COLOTRUST PRIME and PLUS+ pools and the AAAf/S1+ rated Texas CLASS PLUS+ (Custom) Series A subaccount feature of the 'AAAm' rated Texas Cooperative Liquid Assets Securities System (Texas CLASS) investment program. Wells Fargo Bank, N.A. serves as Custodian for the subaccount.

**Portfolio Assets**

Assets are invested by the Program Administrator in accordance with the particular written investment policy of the Participant. Permitted investments must comply with the Public Funds Investment Act (Texas Government Code Chapter 2256, Subchapter A) and all federal, state, and local statutes, rules or regulations. The subaccount does not maintain a net asset value of \$1 and there is risk of market fluctuation. Management may typically invest in U.S. Treasuries, agencies, state and local government obligations, certificates of deposits, banker's acceptance notes, money market funds, repurchase agreements, and highly rated commercial paper.

**Credit Quality**

The 'AAAf' fund credit quality rating is based on our analysis of the credit quality of the Portfolio's eligible investments, the counterparties, and overall management by the portfolio's investment managers. The 'AAAf' rating signifies that the portfolio holdings provide extremely strong protection against losses from credit defaults. The 'S1+' volatility rating signifies that a fund possesses extremely low sensitivity to changing market conditions, and an aggregate level of risk that is

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*Investors should consider the investment objectives, risks and charges and expenses of the fund before investing. The prospectus which can be obtained from your broker-dealer, contains this and other information about the fund and should be read carefully before investing.*

**Volatility Ratings Definitions**

**S1** Low sensitivity to changing market conditions. Within this category of (S-1) certain funds may be designated with a plus sign (+). This indicates the fund's extremely low sensitivity to changing market conditions.

**S2** Low to moderate sensitivity to changing market conditions.

**S3** Moderate sensitivity to changing market conditions.

**S4** Moderate to high sensitivity to changing market conditions.

**S5** High sensitivity to changing market conditions.

**S6** Highest sensitivity to changing market conditions.

Volatility ratings evaluate the fund's sensitivity to interest rate movements, credit risk, investment diversification or concentration, liquidity, leverage, and other factors.

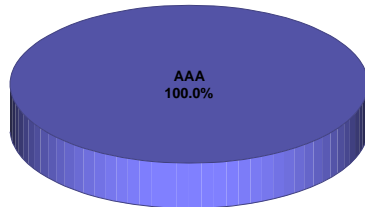
Not all bond funds have volatility ratings

**Data Bank as of March 31, 2011**

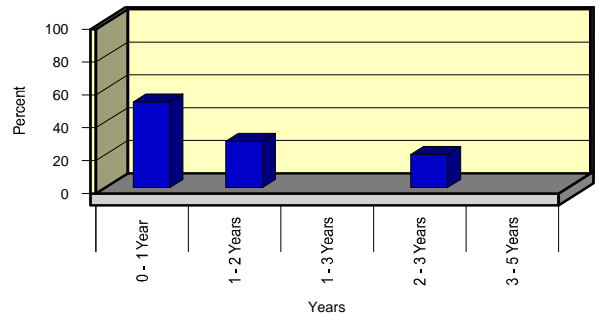
Ticker Symbol..... N/A  
 NAV..... \$1.00

Net Assets (millions)..... \$25.30  
 Inception Date..... N/A

Portfolio Credit Quality as of March 31, 2011 \*



Portfolio Maturity Distribution as of March 31, 2011



*The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, which when redeemed, may be worth more or less than their original cost. Current performance data may be lower or higher than the performance data quoted. Performance data current to the most recent month-end may be available by calling the fund at the phone number listed in the 'About the Fund' section on page 1*

**Top Ten Holdings as of March 31, 2011**

Security	%	Security	%
FHLB	26.00	SURREY FUNDING	4.00
TEXAS CLASS	18.00	FHLMC	4.00
FFCB	16.00	FNMA	4.00
U.S. TREASURY	12.00	AMSTERDAM FUNDING	4.00
BARTON CAPITAL	4.00	TOYOTA MOTOR CREDIT	4.00

The volatility rating for this fund issued by Standard & Poor's can be found in the 'About the Fund' section on page 1. There is no standard method for determining volatility ratings. The rating is current as of the date of this profile report. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same rating or perform in the future as rated. Not all bond mutual funds have volatility ratings and those that do may have paid for them. The fact that a fund has a rating is not an indication that it is more or less risky or volatile than a fund that does not. The fund or a third party participating the marketing of fund shares paid Standard & Poor's for this rating. Standard & Poor's receives no payment for disseminating ratings, except for subscriptions to its publications

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