



## **WISCONSIN INVESTMENT SERIES COOPERATIVE**

### **INFORMATION STATEMENT April 23, 2010**

#### **A Comprehensive Cash Management Program exclusively for Wisconsin School Districts, Technical College Districts, Municipalities and Other Public Entities.**

An investment in the Wisconsin Investment Series Cooperative (the "Fund") represents an undivided beneficial ownership interest in the assets of the Fund and the securities and instruments in which the assets of the Fund are invested. An investment in the Fund is not a deposit of U.S. Bank, National Association or any affiliates of U.S. Bancorp, and is neither insured nor guaranteed by the Federal Deposit Insurance Corporation, the U.S. Government, any state governmental agency or the Fund. There can be no assurance that the Fund will be able to maintain a stable net asset value of \$1.00 per share.

This Information Statement provides detailed information about the organization, structure and goals of the Fund and its programs. Please read it carefully and retain it for future reference.

No person or entity has been authorized to provide any information or make any representations regarding the Fund other than those contained in this Information Statement, and, if provided or made, such information or representations must not be relied upon as having been authorized by the Commission governing the Fund, its Commissioners, investment advisor, sub-investment advisor, administrator, marketing agent or any agent of the Commission or the Commissioners.

All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Intergovernmental Cooperation Agreement which established the Fund. The full text of the Intergovernmental Cooperation Agreement is hereby incorporated into this Information Statement by reference. Potential Participants should obtain a copy of, and read carefully, the Intergovernmental Cooperation Agreement before investing in the Fund.

## TABLE OF CONTENTS

	<b>Page</b>
THE FUND.....	4
PORTFOLIOS OF THE FUND .....	5
INVESTMENT OBJECTIVE AND POLICIES OF THE PORTFOLIOS .....	5
OTHER INVESTMENT PROGRAMS.....	10
CERTAIN RISKS OF INVESTMENT IN THE FUND .....	12
THE COMMISSION .....	16
THE INVESTMENT ADVISOR .....	17
THE SUBADVISOR .....	18
THE ADMINISTRATOR.....	18
THE MARKETING AGENT .....	19
THE BANKING AGENT.....	19
THE CUSTODIAN.....	20
EXPENSES OF THE PORTFOLIOS.....	20
EXPENSES OF THE FIXED RATE INVESTMENT PROGRAM .....	22
INCOME ALLOCATIONS.....	23
COMPUTATION OF YIELD .....	24
DETERMINATION OF NET ASSET VALUE.....	25
PORTFOLIO TRANSACTIONS .....	26
REPORTS TO PARTICIPANTS .....	27
LEGAL COUNSEL AND INDEPENDENT ACCOUNTANTS.....	28
TAXES.....	28
INTERGOVERNMENTAL COOPERATION AGREEMENT.....	28
PROCEDURES FOR BECOMING A PARTICIPANT AND OPENING ACCOUNTS.....	30
MAKING ADDITIONAL DEPOSITS IN OR WITHDRAWALS FROM THE FUND.....	31
THE FUND’S PRIVACY POLICY.....	.....
THE FUND’S PORTFOLIO HOLDINGS DISCLOSURE POLICY .....	.....
FINANCIAL AND PERFORMANCE INFORMATION.....	.....

## **THE FUND**

The Wisconsin Investment Series Cooperative (the “Fund”) was established pursuant to an Intergovernmental Cooperation Agreement under the Wisconsin intergovernmental cooperation statute, Wisconsin Statutes, Section 66.0301. The Fund was established as of June 23, 1988 by the adoption of the Intergovernmental Cooperation Agreement by Sheboygan Area School District and Oregon School District as the initial Participants. The Fund is governed by a commission (the “Commission”) in accordance with the terms of the Intergovernmental Cooperation Agreement. The Commission has full power, control and authority (including delegative authority) over the affairs, investments and assets of the Fund.

The Intergovernmental Cooperation Agreement allows school districts, technical college districts, municipalities and other public entities to open an account and become a Participant as described in this Information Statement. The Fund provides a mechanism through which Participants may invest their respective available funds so as to enhance their investment opportunities pursuant to an investment program conducted in accordance with Wisconsin law. The term “Municipality” as used herein includes any school district, village, city, county, town or other governmental entity described in, Wisconsin Statutes, Section 66.0301(1)(a) which is organized under the laws of the State of Wisconsin and is authorized to invest its funds in the Permitted Investments described in the Intergovernmental Cooperation Agreement, except for cities of the 1st class, 1st class city school districts and counties with a population of over 500,000.

The address of the Fund is c/o Lawdock, Inc., 411 E. Wisconsin Avenue, Milwaukee, Wisconsin 53202. To receive specific information about the Fund and the Commission, write to: PMA Financial Network, Inc., 2135 CityGate Lane, 7th Floor, Naperville, Illinois 60563 or call 1-866-747-4477.

INVESTMENTS IN THE FUND INVOLVE CERTAIN RISKS WHICH SHOULD BE CONSIDERED BY EACH POTENTIAL PARTICIPANT IN THE FUND BEFORE INVESTING. SEE “CERTAIN RISKS OF INVESTMENT IN THE FUND” ON PAGES 12 TO 16.

## **INVESTMENT PROGRAMS AVAILABLE TO PARTICIPANTS**

**Portfolios of the Fund.** The Fund consists of separate portfolio series (each a “Portfolio” and collectively the “Portfolios”), each of which has a distinct investment objective and program. The Fund currently offers participants in the Fund (the “Participants”) the following Portfolios for investment:

Cash Management Series

Investment Series

The Portfolios currently offered by the Fund are described in greater detail under “Portfolios of the Fund.”

**Other Investment Programs.** In addition to the Portfolios described above, Participants may also participate in the following other investment programs and services (“Other Investment Programs”) currently offered by the Fund’s administrator to Participants:

#### Fixed Rate Investment Program

PARTICIPANTS SHOULD NOTE THAT THE OTHER INVESTMENT PROGRAMS DO NOT CONSTITUTE AN INVESTMENT IN THE FUND OR ITS PORTFOLIOS, BUT ARE SIMPLY OTHER INVESTMENT PROGRAMS OFFERED TO PARTICIPANTS IN THE FUND BY THE FUND’S ADMINISTRATOR. The Other Investment Programs are described in greater detail under “Other Investment Programs.”

Participants should also note that the Portfolios and Other Investment Programs may have different investment policies and procedures and that the Fund may establish other Portfolios from time to time at the discretion of the Commission.

### **PORTFOLIOS OF THE FUND**

The Intergovernmental Cooperation Agreement provides for the creation of multiple specialized investment Portfolios within the Fund and sets forth the manner in which Portfolios may be created and managed. Currently, the Fund consists of the Cash Management Series and the Investment Series. A Portfolio of longer term investments designed for the investment of funds to be used to meet Participants’ liability for the payment of other post-employment benefits (the “OPEB Series”) is authorized but is not currently offered. In addition, separate investment pool portfolios are also authorized by the Intergovernmental Cooperation Agreement, but none are currently offered.

The Cash Management Series and the Investment Series are separate portfolios. Each is invested in a separate portfolio of Permitted Investments. The Commission determines when and what types of Portfolios are made available to Participants. A Participant may participate in as few or as many Portfolios as it chooses, provided that all Participants must invest in the Cash Management Series.

### **INVESTMENT OBJECTIVE AND POLICIES OF THE PORTFOLIOS**

The investment objective and policies of the Portfolios are described below. All investments made by Portfolios are restricted to Permitted Investments (defined below) and are subject to other restrictions described below under “Investment Restrictions of the Portfolios”.

**Investment Objective.** The investment objective of the Fund (including both the Cash Management Series and the Investment Series) is to invest only in instruments authorized by Wisconsin law which governs the temporary investment of funds by Municipalities and to provide a competitive yield for its participants (“Participants”) while maintaining liquidity, preserving capital and a constant net value per share of \$1.00.

Each Portfolio seeks to attain its investment objective by pursuing a professionally managed investment program consistent with the policies and restrictions described below:

**Cash Management Series.** The Cash Management Series will invest solely in Permitted Investments (defined below) in such a manner as to result in an average dollar weighted maturity for the Portfolio of no greater than sixty (60) days. The Permitted Investments in which the Cash Management Series invests are selected by the Fund's investment advisor, US Bank National Association (the "Investment Advisor") and its sub-investment advisor, Voyageur Asset Management Inc. (the "Subadvisor"), and consist of money market instruments having a maximum maturity of one (1) year.

The Cash Management Series has no minimum balance requirements and no minimum amount requirements for deposits or withdrawals. A Participant may withdraw funds from the Cash Management Series in any amount not in excess of its account balance in such Portfolio. Upon request, a Participant may have unlimited check writing privileges on its Cash Management Series account(s). Participants are responsible for maintaining a positive balance in all accounts and subaccounts.

**The Investment Series.** The Investment Series will be invested in short term money market instruments that are expected to ordinarily have longer maturities than the investments of the Cash Management Series. All investments made by the Investment Series are restricted to Permitted Investments.

Funds placed in the Investment Series by Participants are invested in Permitted Investments in such a manner as to result in an average dollar weighted maturity for such Portfolio of sixty (60) days or less. Such investments have a maximum maturity of one (1) year. The Investment Series operates in a manner similar to the Cash Management Series, with certain material differences as noted below. Like the Cash Management Series, the Investment Series has no minimum balance, deposit or withdrawal amount requirements. Funds may be deposited in, or withdrawn from, the Investment Series through transfers from or to the Cash Management Series or wire transfers from or to a Participant's local bank.

Except as provided below, all investments in the Investment Series by Participants must be deposited for a minimum of fourteen (14) calendar days (the "Aging Requirement"). The Aging Requirement does not apply to State aid monies transferred directly to a Participant's Investment Series account by the State of Wisconsin Department of Public Instruction. Investments made by a Participant in the Investment Series which are subject to the Aging Requirement may not be withdrawn by the Participant making it during the first fourteen (14) calendar days after it is made without the incurrence of a penalty for such premature withdrawal. In the event that a Participant withdraws a deposit in the Investment Series which is subject to the Aging Requirement in such initial fourteen (14) calendar day period, the withdrawal will be subject to a premature withdrawal penalty equal to the loss of the interest on the amount so withdrawn, up to a maximum of seven (7) days' interest. If the seven (7) day interest penalty applies, such interest penalty shall be calculated on the basis of the dividend rates in effect for the Investment Series for the seven (7) day period immediately preceding the withdrawal date.

In determining whether an amount is eligible for withdrawal from a particular account of a Participant established within the Investment Series, the first-in/first-out method will be used. In determining whether the fourteen (14) day deposit requirement has been met if a Participant has

more than one account in the Investment Series, only the dates on which deposits were made in the particular account to which a withdrawal request relates are taken into consideration.

By requiring all Participant investments which are subject to the Aging Requirement to be deposited for a minimum of fourteen (14) days, it is anticipated that the Investment Series will have a longer weighted average maturity than the Cash Management Series. This difference is intended to result in the Investment Series normally having a higher yield than the Cash Management Series. However, there can be no assurance that such a result will occur.

The particular Permitted Investments in which the Investment Series is invested are selected by the Investment Advisor and Subadvisor.

No assurance can be given that a Portfolio will achieve its investment objective or that any benefits described in this Information Statement will result from the placement of monies in the Fund by a Municipality that becomes a Participant.

Under adverse market, economic, political or other conditions, including conditions when the Investment Advisor and Subadvisor are unable to identify attractive investment opportunities, each Portfolio may temporarily invest in, without limitation, to the extent permitted by applicable law, such securities and cash that the Investment Advisor and Subadvisor believe are consistent with the preservation of a Portfolio's principal and the maintenance of suitable liquidity and yield. Should a Portfolio make a temporary investment under such conditions, the Portfolio may not achieve its investment objective and it may not achieve the same yield had the Portfolio not made a temporary investment.

## **INVESTMENT RESTRICTIONS OF THE PORTFOLIOS**

**Permitted Investments.** The Fund is specifically designed for Wisconsin Municipalities. Accordingly, its Portfolios' investments at all times consist solely of securities and instruments in which Municipalities are permitted to invest. Such securities and instruments currently are the following:

- (i) Time deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in Wisconsin if the time deposits mature in not more than three years.
- (ii) Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government.
- (iii) Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of Wisconsin.
- (iv) Repurchase agreements described in Wisconsin Statutes, Section 66.0603(1m)(d). Such repurchase agreements are financial transactions in which (1) a public depository, as defined in Wisconsin Statutes, Section 34.01(5), agrees to repay funds advanced to it plus interest and (2) the agreement to repay the funds is

secured by bonds or securities issued or guaranteed as to principal and interest by the federal government.

- (v) Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's Rating Service Corporation ("S&P"), Moody's Investors Service, Inc. ("Moody's") or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.
- (vi) Investments which Municipalities are authorized to make pursuant to Chapter 219 of the Wisconsin Statutes.
- (vii) Securities of an open-end management investment company or investment trust described in Wisconsin Statutes, Section 66.0603(1m)(a)5, so long as such investment company or investment trust does not charge a sales load, is registered under the Investment Company Act of 1940 and its portfolio is limited to (a) bonds and securities issued by the federal government or a commission, board or other instrumentality of the federal government; (b) bonds that are guaranteed as to principal and interest by the federal government or a commission, board or other instrumentality of the federal government; or (c) repurchase agreements that are fully collateralized by bonds or securities under (a) or (b) above.
- (viii) Any other investments presently permitted by applicable statutes or permitted in the future by reason of the amendment of applicable statutes or the adoption of any other applicable statutes.

These investment instruments are referred to in this Information Statement as "Permitted Investments."

As described above, the Fund may invest in bonds or securities issued by any county, city, drainage district, technical college district, village, town or school district of Wisconsin. As such, the Fund may invest in bonds or securities issued by Participants of the Fund.

For information regarding certain risks associated with investment by the Fund in various Permitted Investments, see "Certain Risks of Investment in the Fund" on pages 12 to 16.

**Investment Restrictions of the Fund.** The Commission may buy and sell, and enter into agreements to buy and sell, Permitted Investments for the Fund subject to the restrictions described below. The restrictions are considered to be fundamental to the operation and activities of the Fund and may not be changed without the affirmative vote of a majority of the Participants in the Fund. The Commission:

- (i) May not make any investment other than investments authorized by provisions of law applicable to the investment of funds by the Participants, as the same may be amended from time to time;

- (ii) May not borrow money or incur indebtedness except to facilitate as a temporary measure:
  - (a) withdrawal requests which might otherwise require unscheduled dispositions of Portfolio investments;
  - (b) for a period not to exceed one business day, withdrawal requests pending receipt of collected funds from investments sold on the date of the withdrawal requests or withdrawal requests from Participants who have notified the Commission of their intention to deposit funds in their accounts on the date of the withdrawal requests; or
  - (c) for a period not to exceed one business day, the purchase of Permitted Investments pending receipt of collected funds from Participants who have notified the Commission of their intention to deposit funds in their accounts on the date of the purchase of the Permitted Investments;
- (iii) May not make loans, other than Permitted Investments;
- (iv) May not hold any Fund property in a manner not authorized by law or provide for the custody of any Fund property by an institution or Person not authorized by law to hold property such as the Fund property;
- (v) May not purchase securities or shares of investment companies or any entities similar to the Fund, except as provided in Section 2.2(b)(vii), or as permitted by Section 2.2(b)(v), of the Intergovernmental Cooperation Agreement; and
- (vi) May not pledge assets except to secure indebtedness permitted by (ii) above; however, in the case of indebtedness incurred under (ii)(b) or (c), it may pledge assets only to the extent of the actual funds in the account of a Participant on whose behalf the permitted indebtedness was incurred plus an amount equal to that amount which that Participant has notified the Commission that it intends to deposit in its account on that date;
- (vii) May not purchase any Permitted Investment which has a maturity date more than one year from the date of the Commission's purchase thereof, unless subject, at the time of such purchase by the Commission to an irrevocable agreement on the part of a Responsible Person (as defined below) to purchase such Permitted Investment from the Fund within one year; provided, however, that (a) this restriction is not applicable to the OPEB Series and (b) the Commission may, in its discretion, upon notice sent to Participants waive such one-year limitation with respect to any Portfolios other than the Cash Management Series; and
- (viii) May not purchase any Permitted Investment if the effect of such purchase would be to make the average dollar weighted maturity of the Cash Management Series greater than ninety (90) days, or to make the average dollar weighted maturity of any other Portfolio greater than that which was designated by the Commission as the intended average dollar weighted maturity of such Portfolio to which the

purchase of such Permitted Investment relates; provided, however, that in making such determination any Permitted Investment which is subject to an irrevocable agreement of the nature referred to in the preceding clause (ii) shall be deemed to mature on the day on which the Commission is obligated to sell such Permitted Investment back to a Responsible Person or the day on which the Commission may exercise its rights under such agreement to require the purchase of such Permitted Investment by a Responsible Person. The Commission has designated that the average dollar weighted maturity of both of the Cash Management Series and the Investment Series shall not exceed sixty (60) days.

The phrase “Responsible Person” means a recognized securities firm on the U.S. Treasury list of Primary Government Securities Dealers designated as such from time to time by the Commission acting with the advice and counsel of the Investment Advisor and Subadvisor.

The Fund may not invest in investment instruments of the nature commonly referred to as “derivatives,” such as short sales or options or future contracts. However, the Fund may invest in repurchase agreements and mutual funds that invest in repurchase agreements provided that such investment otherwise qualifies as a Permitted Investment.

## **OTHER INVESTMENT PROGRAMS**

The Commission has full and complete power to contract with qualified third party service providers, such as the Fund’s administrator, PMA Financial Network, Inc. (the “Administrator”), to develop Other Investment Programs. From time to time such service providers may make Other Investment Programs available to Participants of the Fund. Participation in any Other Investment Program by Participants is optional. Participants wishing to participate in any Other Investment Program are urged to read carefully the description of such program set forth below. All requests for additional information or questions regarding any such Other Investment Programs should be directed to the service providers offering it.

PARTICIPANTS ARE ADVISED THAT ALL OTHER INVESTMENT PROGRAMS ARE SEPARATE FROM THE PORTFOLIOS OF THE FUND AND AN INVESTMENT IN ANY OTHER INVESTMENT PROGRAM BY A PARTICIPANT DOES NOT CONSTITUTE AN INVESTMENT IN THE FUND OR ANY OF ITS PORTFOLIOS. OTHER INVESTMENT PROGRAMS ARE MADE AVAILABLE BY THIRD PARTY SERVICE PROVIDERS AS AN ADDITIONAL BENEFIT TO FUND PARTICIPANTS AND THE FUND DOES NOT MANAGE OR OTHERWISE OVERSEE THE ACTIVITIES OF OTHER INVESTMENT PROGRAMS. THE THIRD PARTY SERVICE PROVIDER OFFERING THE OTHER INVESTMENT PROGRAM IS SOLELY RESPONSIBLE FOR MANAGEMENT OF, AND INVESTMENT OF FUNDS IN, SUCH PROGRAM.

**Fixed Rate Investment Program** The Administrator makes available to Participants a fixed rate investment program (the “Fixed Rate Investment Program”). Pursuant to the Fixed Rate Investment Program, Participants can purchase, through the Administrator, certificates of deposit (“CDs”) of banks and thrift institutions, securities of the United States government and its agencies and instrumentalities, municipal and corporate securities, commercial paper and bankers’ acceptances.

Through the Fixed Rate Investment Program, Participants can purchase CDs through the Administrator using monies from their Fund account to pay for the investment. Participants select from among CDs of varying maturities issued by a variety of financial institutions. The institutions used in such program are selected by the Administrator from a list of institutions determined to satisfy criteria established by the Commission. The Administrator assesses a transaction charge for handling these transactions. As a convenience to simplify Participants' recordkeeping requirements, all CD principal and interest is credited to a Participant's Fund account as follows:

1. Principal is credited at maturity.
2. Interest on CDs having a term of 89 days or less is credited at maturity.
3. Interest on CDs having a term of 90 days or more and which by their terms pay all interest at maturity is credited at maturity.
4. Interest on CDs having a term of 90 days or more and which by their terms pay interest monthly is credited for each month on the 5<sup>th</sup> day of the following month except that:
  - a. If a CD is purchased on or after the 5<sup>th</sup> day of the month, interest is initially credited on the 5<sup>th</sup> day of the second month following the month of the purchase.
  - b. Upon the maturity date of the CD, all outstanding interest will be credited to the investor's account.
5. In all cases, principal and interest is credited on the next business day if a crediting date falls on a non-business day.

Because interest is credited in the manner described above, a Participant who purchases a CD will have use of the interest earned on the CD, including the opportunity for reinvestment of interest earned, on the date interest is credited to the Participant's Fund account. This date may be before or after the date interest is actually received from issuing bank.

Interest payments on CDs purchased through the Fixed Rate Investment Program will be deposited into an account established with the Custodian. Banks that issue CDs in the Fixed Rate Investment Program have varying methods and procedures with respect to interest distribution. For the administrative ease of investors, CD interest will be credited to all investors on the same day of the month (for CDs having a term of 90 days or more and which by their terms pay interest monthly). The interest distribution method described above was established with the intention of maintaining a positive cash flow in the Custodian Account.

In the likely event that the aggregate interest collected in the account exceeds the amount distributed, the Cash Management Series will receive a calculated credit from the Custodian, which will serve to reduce the expenses of the Series in a manner that will benefit all investors. In the unlikely event that any anticipated interest distribution exceeds the amount collected in the

account, interest payments to all CD investors may be delayed until the necessary amount has been collected.

Participants that wish to participate in the Fixed Rate Program or that have questions regarding the Fixed Rate Program should contact the Administrator, PMA Financial Network Inc., telephone toll-free, 1-866-747-4477, during regular business hours or by mail at 2135 CityGate Lane, 7th Floor, Naperville, Illinois 60563.

## **CERTAIN RISKS OF INVESTMENT IN THE FUND**

There are risks associated with investment in the Fund and its Portfolios, which should be considered carefully by Participants and potential Participants in light of their particular circumstances. The Fund and its Portfolios may not be an appropriate investment in certain situations for some Participants and potential Participants. Although each Portfolio has been designed and is operated with the goal of minimizing risk, Participants and potential Participants should carefully consider the factors described in this section in light of their particular circumstances.

As previously discussed under the caption “Permitted Investments,” the Fund and its Portfolios may only invest in Permitted Investments as authorized by Wisconsin law, which include time deposits (such as certificates of deposit, money market accounts and bankers’ acceptances), U.S. Government securities (including Treasury securities and securities issued by a commission, agency or other instrumentality of the U.S. Government such as those issued by the Federal National Market Association, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation, Student Loan Marketing Association and Farmer’s Home Administration), bonds or securities guaranteed as to principal and interest by the U.S. Government or a commission, agency or instrumentality thereof, bonds or securities of any county, city, drainage district, village, town or school district in Wisconsin, repurchase agreements, high quality commercial paper and corporate obligations, and certain money market mutual funds.

**Income, Market and Credit Risk.** Investments in the Fund are subject to income, market and credit risk. Income risk is the potential for a decline in current income of the each Portfolio. Each Portfolio’s current income is based on relatively short-term interest rates, which can fluctuate substantially over short periods. Accordingly, investments in the Fund are subject to current income volatility. Market risk is the potential for a decline in the market value of fixed-income securities held in a Portfolio or other Investment Program as a result of a rise in prevailing interest rates. This could result in a loss with respect to a security if such a security were to be sold for a market price less than its amortized value. Credit risk is the possibility that an issuer of securities held in a Portfolio or other Investment Program fails to make timely payments of principal or interest. The credit risk of each Portfolio depends on the securities in which it invests. The investment mix of each Portfolio varies from the other. A discussion of the credit risks associated with certain Permitted Investments is set forth below.

**Repurchase Agreements.** The Fund Portfolios may invest in Permitted Investments that are subject to what are commonly known as repurchase agreements. In such a situation a Permitted Investment is sold to the Fund and placed in the applicable Portfolio. When the Permitted Investment is sold to the Fund, the seller agrees to repurchase the Permitted Investment from the

Fund at a specified time and at an agreed upon price. The difference between the price paid by the Fund and the price at which it sells the Permitted Investment sets the Fund's yield with respect to the transaction. This yield may be more or less than the interest rate on the underlying Permitted Investment.

Although the Fund enters into such repurchase agreement arrangements only with recognized and established securities firms designated as Responsible Persons from time to time by the Commission acting with the advice and counsel of the Investment Advisor and Subadvisor, there can be no assurance that such a Responsible Person will pay the agreed upon repurchase amount on the designated date. In the event that such a person fails to pay the agreed upon price at the specified time, the applicable Portfolio of the Fund might suffer a loss resulting from (i) diminution in value of the underlying Permitted Investment to an amount below the amount of the anticipated repurchase price, (ii) the costs associated with the resale of the Permitted Investment and (iii) any loss that may result from any delay experienced in foreclosing upon and selling the Permitted Investment.

Although at the time a Portfolio enters into a repurchase agreement the underlying Permitted Investment has a market value which is equal to at least 102% of the price paid by the Portfolio and equal to or greater than the anticipated repurchase price, there can be no assurance that such market value will continue to equal or exceed the repurchase price. If the market value of the underlying Permitted Investment falls below the agreed upon repurchase price, the Responsible Person with which the Portfolio has entered into the repurchase agreement will be required to deliver additional Permitted Investments to the Portfolio. There can be no assurance that such deliveries of additional Permitted Investments will be made in all circumstances. In the event that such a delivery is not made and the Responsible Person does not pay the repurchase price on the specified date, the amount of the Portfolio's loss will be increase as a result of such failure of delivery because the value of the underlying Permitted Investments will be less than the amount originally paid by the Portfolio.

**Obligations of United States Government Agencies and Instrumentalities.** Participants should be aware that not all obligations issued by agencies and instrumentalities of the United States Government are the subject of a guarantee of the full faith and credit of the United States Government. The obligations of some agencies and instrumentalities of the United States Government that may be purchased by the Fund or through an Investment Program of the Fund from time to time are obligations only of the applicable agency or instrumentality and are not full faith and credit obligations of the United States. For example, securities issued by the Federal Home Loan Banks are supported by the right of the issuer to borrow from the U.S. Treasury; those issued by the Federal National Mortgage Association are supported by the discretionary authority of the U.S. Government to purchase certain obligations of that agency; and those issued by the Student Loan Marketing Association are supported only by the credit of that agency. The credit-worthiness of such obligations relates only to the credit of the issuing agency or instrumentality. No assurance can be given that the agency or instrumentality will under all circumstances be able to obtain funds from the United States Government or other sources to support all of its obligations.

**FDIC Insured Certificates of Deposit.** Some of the assets in the Portfolios may be invested in certificates of deposit issued by depository institutions which are insured by the Federal Deposit

Insurance Corporation (the “FDIC”). Although the Investment Advisor and Subadvisor or, in the case of the Fixed Rate Investment Program, the Administrator uses the investment criteria established by the Commission in order to reduce risk when determining which institutions will be used for such investments, no assurance can be given that such an institution will not become insolvent during the life of an investment in it. Accordingly, the Portfolios will invest in FDIC insured institutions only on a fully collateralized basis or in amounts that will result in full insurance in accordance with the regulations of the FDIC as interpreted by the FDIC from time to time. Currently under these regulations Participants’ deposits in each insured institution are insured up to \$250,000 in the aggregate for all time and savings deposits and up to \$250,000 in the aggregate for all demand deposits. Private insurance on amounts over the FDIC limits may be available. For further information on such insurance with respect to investments made through the Fixed Rate Investment Program, please contact the Administrator.

If an institution issuing a certificate of deposit in which the Fund or a Participant investing through the Fixed Rate Investment Program has invested becomes insolvent, or if any other default occurs with respect to such a certificate of deposit, an insurance claim will be filed with the FDIC. In such a case, there may be delays before the FDIC, or other financial institution to which the FDIC has arranged for the deposit to be transferred, makes the relevant payments. Such delays may be occasioned by requirements relating to the filing and processing of insurance claims, including requests for additional information by the FDIC. Furthermore, if the defaulted deposit is transferred to another institution, the transferee institution may, instead of paying the insured amount, elect to keep the deposit in existence with or without changing its original terms. Such changes of terms may include a reduction of the original interest rate paid on the deposit. Any of these actions may have adverse consequences to the particular Participants participating in the Portfolios to which the defaulted deposit relates or to the Participant which made the investment through the Fixed Rate Investment Program.

The amount insured by the FDIC is the principal of the relevant deposit and the interest accrued on the deposit to the date of default, up to \$250,000 in the aggregate. There is no insurance with respect to interest on a deposit between the date of the default and the date of the payment of insurance by the FDIC. Accordingly, a default by an institution might result in a delay in the receipt of invested principal and pre-default accrued interest by an affected Participant and a loss of interest related to the period between the date of the default and the payment of the insurance.

In addition, the FDIC is free to deny any claim that it does not deem to be valid. Any such denial might have to be challenged in judicial or administrative proceedings brought by the Portfolio and any affected Participant. Furthermore, there can be no assurance that the FDIC will have sufficient assets to pay any or all insurance claims resulting from the insolvency of any institution. In the event that funds are not made available to it by the United States or other sources, Participants could experience a loss due to a full or partial nonpayment of insurance claims by the FDIC.

**Collateralized Deposits or Privately Insured Deposits.** From time to time, the Fund or a Participant participating in the Fixed Rate Investment Program may invest in collateralized certificates of deposit or privately insured certificates of deposit as permitted by law. In the event of a default on such a certificate of deposit, it may be necessary to submit a claim on the collateral or insurance. Such foreclosure will entail certain risks for the Participants partaking in

the affected investments. These risks include losses resulting from a diminution in the value of the collateral before it can be sold, procedural delays relating to the foreclosure, costs of foreclosure and a failure to realize an amount in the foreclosure equal to the principal of and interest on the defaulted certificate of deposit.

**Bank Obligations.** Investments in certificates of deposit, time deposits and bankers' acceptances may be made by the Fund or by Participants participating in the Fixed Rate Investment Program. Certificates of deposit are negotiable interest-bearing instruments evidencing the obligation of a bank to repay funds deposited with it for a specified period of time. Time deposits are non-negotiable receipts issued by a bank in exchange for the deposit of funds. Like a certificate of deposit, a time deposit earns a specified rate of interest over a definite period of time, but it cannot be traded in the secondary market. Bankers' acceptances are credit instruments evidencing the obligation of a bank to pay a draft drawn on it by a customer. These instruments reflect the obligation both of the bank and of the drawer to pay the face amount of the instrument upon maturity. To the extent a Portfolio's investments are concentrated in the banking industry, the Portfolio will have correspondingly greater exposure to the risk factors which are characteristic of such investments. Sustained increases in interest rates can adversely affect the availability or liquidity and cost of capital funds for a bank's lending activities, and a deterioration in general economic conditions could increase the exposure to credit losses. In addition, the banking industry is subject to the effects of a concentration of loan portfolios in leveraged transactions and in particular businesses, and competition among financial institutions. Each Portfolio will seek to reduce its exposure to such risks by investing only in debt securities of banks which are determined by the Investment Advisor, Subadvisor or Administrator to be of high quality.

Certificates of Deposit that are liquidated prior to maturity may be subject to early withdrawal penalties. Participants participating in the Fixed Rate Investment Program should be aware that the Administrator does not "make a market" in non-negotiable securities.

**Commercial Paper and Other Corporate Obligations.** Commercial paper and other corporate obligations rated at the time of purchase within one of the two highest classifications established by at least two nationally recognized rating services and in the highest category by at least one of such services may be purchased for the Portfolios of the Fund or by individual participants through the Fixed Rate Investment Program. Prior to the purchase of any particular commercial paper or other corporate obligations for the Portfolios, the Investment Advisor or Subadvisor shall verify that the issuer of the obligation in question meets certain criteria established by the Commission and Wisconsin law. Commercial paper is short-term, unsecured debt issued by a company to finance short-term credit needs. Other corporate obligations which may be purchased for the Portfolios of the Fund or by individual participants through the Fixed Rate Investment Program consist of high quality bonds and notes issued by domestic corporations. The credit-worthiness of such obligations relates only to the credit of the issuing company. Although the Investment Advisor and Subadvisor or, in the case of the Fixed Rate Investment Program, the Administrator uses certain criteria when determining what companies' commercial paper or bonds and notes will be purchased, no assurance can be given that such companies will not become insolvent during the life of the investment. In the event of the insolvency of a company issuing commercial paper or bonds and notes in which the Fund or a Participant has invested or in the event of any other default with respect to such commercial paper or bonds and

notes, if appropriate, a claim will be filed by the Fund against the company and a Participant which has made such an Investment may file such a claim on its own behalf. However, there is no assurance that the Fund or a Participant will receive any recovery as a result of filing a claim since the commercial paper or bonds and notes are not secured.

**Investments in Investment Companies.** To the extent a Permitted Investment made by a Portfolio is a money market mutual fund or other investment company, such investment may cause the Portfolio to incur increased costs since the operating expenses of such other mutual funds and investment companies are borne by the shareholders of those funds and investment companies.

**Restricted Securities.** The Portfolios may invest in securities and instruments which have not been registered under federal securities laws and may not be resold except in a transaction exempt from registration. As a result, such securities and instruments are not freely tradeable and may be considered illiquid.

**Cancellation of Fund Shares to Maintain \$1.00 Net Asset Value.** Participants in the Cash Management Series and Investment Series should note that if for any reason there is a net loss on any day, the Fund will reduce the accrued net income for the month in an amount necessary to maintain the net asset value per share of beneficial interest at a value of \$1.00. To the extent that accrued net income for the month is insufficient, then the Fund will cancel outstanding shares of beneficial interest in the amount required to maintain the net asset value per share of beneficial interest at \$1.00, with each Participant contributing its pro rata portion of the total number of shares to be canceled. Each Participant will be deemed to have agreed to such a contribution in these circumstances by its investment of monies in the Fund.

## **THE COMMISSION**

The Commission has full, exclusive and absolute control and authority over the business and affairs of the Fund and the Fund's assets, subject to the rights of the Participants as provided in the Intergovernmental Cooperation Agreement. The Commission may perform such acts as in its sole judgment and discretion are necessary and proper for conducting the business and affairs of the Fund or promoting the interest of the Fund. The Commission oversees, reviews, and supervises the activities of all consultants, and professional advisors to the Fund.

The Commission consists of a maximum of eleven (11) Commissioners. Any position on the Commission which is vacant is not counted for purposes of determining a quorum of the Commission. The Commissioners will serve until their successors are elected and qualified. The Commissioners will be divided into three classes, arranged so that the term of one class expires each year. At each annual meeting or vote, the Commissioners of the class whose term then expires are elected to a terms of three years. Commissioners may be elected to any number of successive terms.

All Commissioners must be a member of the governing body of a Municipality or the chief executive or administrative officer of a Municipality or an official charged with responsibility for financial matters. In the case of a School District, a Commissioner may be a school superintendent, a school business official or other managerial employee of a School District

charged with responsibility for school finance. The Municipality with which a Commissioner is affiliated must be a Participant of the Fund.

In addition, two (2) positions on the Commission are reserved for school business officials, or other managerial employees of a School District charged with responsibility for school finance; one (1) position on the Commission is reserved for a school superintendent; one (1) position on the Commission is reserved for a Municipal Employee employed by a Municipality other than a School District; and one (1) position on the Commission is reserved for a Municipal Employee employed by a county.

The Commissioners serve without compensation, but they are reimbursed by the Fund for reasonable travel and other out-of-pocket expenses incurred in connection with their duties as Commissioners. The Commissioners are not required to devote their entire time to the affairs of the Fund.

The Commissioners annually elect one of their members to serve as Chairman of the Commission and chief executive officer. They also elect a Vice Chairman from their number, and a Secretary and a Treasurer who need not be Commissioners. Election of the Commissioners is by the affirmative vote of a majority of the Participants. A Commissioner’s vacancy on the Commission may be filled for the unexpired portion of the applicable term by vote of a majority of the remaining Commissioners or a majority of the Participants. Information pertaining to the current Commissioners and Officers of the Fund is set forth below:

<u>Name</u>	<u>Position with the Fund</u>	<u>Principal Occupation</u>
Stephen F. Murley	Commissioner	District Administrator, Wausau School District
Shawn M. Yde	Commission Treasurer	Director of Business Services, School District of Whitefish Bay
Roger Price	Commission Vice Chairman	Vice President Infrastructure Services, Madison Area Technical College
Todd Gray	Commissioner	Superintendent of Schools School District of Waukesha
Jay Clark	Commissioner	Director of Support Services Holmen School District
Diane N. Pertzborn	Commission Secretary	Business Manager DeForest Area School District

<u>Name</u>	<u>Position with the Fund</u>	<u>Principal Occupation</u>
Chad Trowbridge	Commission Chairman	Business Manager Chippewa Falls School District
Mark Van Der Zee	Commissioner	Director of Business Services Menasha Joint School District
Michael Serpe	Commissioner	County Administrator Door County

The Commissioners are responsible for the general investment policy and program of the Fund and for the general supervision and administration of the business and affairs of the Fund. However, the Commissioners are not required personally to conduct all of the business of the Fund. Consistent with their ultimate responsibility and to assist the Commissioners with the day to day operation of the Fund, the Commissioners have appointed an administrator, a marketing agent, an investment advisor, a banking services agent, and a custodian. The Commissioners assign such duties to such service providers as they deem to be appropriate. In addition, the investment advisor has selected a subadvisor for the Fund (together with the administrator, marketing agent, investment advisor, banking services agent, custodian, each a “Service Provider” and collectively, the “Service Providers”).

### **THE INVESTMENT ADVISOR**

Pursuant to an Investment Advisory Agreement dated as of April 23, 2010, US Bank National Association, has been appointed by the Commission to act as Investment Advisor to the Fund. US Bank National Association, has served as the Investment Advisor to the Fund since October 22, 2007. JPMorgan Chase Bank and its predecessors, Bank One, Wisconsin and Bank One, NA acted as the Fund’s investment advisor from February 1994 until October 22, 2007.

Subject to the direction and control of the Commission, the Investment Advisor supervises the investment program of the Cash Management Series and the Investment Series and the composition of their investment portfolios, determines the securities and instruments to be purchased or sold for those Portfolios and arranges for the purchase and sale of such securities and instruments. Under the terms of the Investment Advisory Agreement, the Investment Advisor is authorized to retain a sub-advisor to the Fund to assist in the management of the investments of the Portfolios. The Investment Advisor has retained RBC Global Asset Management (U.S.) Inc. to act as subadvisor to the Fund. The Investment Advisor remains responsible for the investment of the Fund’s assets and implementation of each Portfolio’s investment program and for the performance of the services provided by the Subadvisor.

Under the Investment Advisory Agreement, the Investment Advisor is not liable for (i) any loss suffered by reason of any investment decision, recommendation, or other action taken or omitted by the Investment Advisor in good faith; (ii) any loss arising from the Investment Advisor’s adherence to the Commission’s instructions or its compliance with the Fund’s investment guidelines; or (iii) any act or failure to act by any broker or dealer to which the Investment Advisor directs transactions for the Funds, or by any other third party, except for losses

sustained by the Fund as a result of the Investment Advisor's breach of, or refusal or failure to comply with, the terms of the Agreement or from its bad faith, negligence, or willful misconduct in the performance of its duties under the Agreement.

The Investment Advisory Agreement remains in effect until August 1, 2010, and thereafter may be renewed for one-year periods, so long as the Agreement is approved annually by the Commission. The Agreement terminates automatically upon its assignment by any party (except for certain assignments made by the Commission) and may be terminated by any party for any reason without penalty on 60 days' written notice to the other party. In addition, the Commission may terminate the Investment Advisory Agreement thirty (30) days' written notice to the Investment Advisor that the performance of the Subadvisor or any delagatee is not satisfactory to the Commission and the Investment Advisor has not by the end of such thirty (30)-day period cured such performance issues to the satisfaction of the Commission as determined in the Commission's sole discretion.

## **THE SUBADVISOR**

Pursuant to a Sub-Advisory Agreement dated as of April 23, 2010, RBC Global Asset Management (U.S.) Inc., has been selected by the Investment Advisor to act as subadvisor to the Fund. RBC Global Asset Management (U.S.) Inc. (formerly, Voyageur Asset Management, Inc.), has served as the Investment Advisor to the Fund since October 22, 2007. JPMorgan Asset Management and its predecessors acted as the Fund's subadvisor prior to October 22, 2007.

Subject to the direction of the Investment Advisor, the Subadvisor, implements the investment program of the Cash Management Series and the Investment Series and determines the securities and instruments to be purchased or sold for those Portfolios and arranges for the purchase and sale of such securities and instruments. The Investment Advisor remains responsible for the investment of the Fund's assets and implementation of each Portfolio's investment program and for the performance of the services provided by the Subadvisor.

Under the Subadvisory Agreement, the Subadvisor is not liable for (i) any loss suffered by reason of any investment decision, recommendation, or other action taken or omitted by the Subadvisor in good faith; (ii) any loss arising from the Subadvisor's adherence to the Commission's or Investment Advisor's instructions or its compliance with the Fund's investment guidelines; or (iii) any act or failure to act by any broker or dealer to which the Subadvisor directs transactions for the Funds, or by any other third party, except for losses sustained by the Fund as a result of the Subadvisor's breach of, or refusal or failure to comply with, the terms of the Agreement or from its bad faith, negligence, or willful misconduct in the performance of its duties under the Agreement.

The Sub-Advisory Agreement remains in effect until August 1, 2010, and thereafter may be renewed for one-year periods, so long as the Agreement is approved annually by the Commission. The Agreement terminates automatically upon its assignment by any party (except for certain assignments made by the Commission) and may be terminated by any party for any reason without penalty on 60 days' written notice to the other parties. In addition, the Investment Advisor may terminate the Sub-Advisory Agreement thirty (30) days' written notice to the Subadvisor that the performance of the Subadvisor is not satisfactory to the Investment Advisor

and the Subadvisor has not by the end of such thirty (30)-day period cured such performance issues to the satisfaction of the Investment Advisor as determined in the Investment Advisor's sole discretion.

## **THE ADMINISTRATOR**

The Commission has appointed PMA Financial Network, Inc. (the "Administrator") as the Administrator of the Fund, pursuant to an Administration Agreement dated as of August 1, 2007, as amended as of April 23, 2010. PMA is a financial services provider and registered insurance provider in the State of Wisconsin.

The Administrator assists in supervising all aspects of the Fund's operations, other than investment advisory services for the Investment Series and Cash Management Series, marketing and custodial operations, in conformity with the Intergovernmental Cooperation Agreement. The Administrator does manage the Fixed Rate Investment Program. Specifically, the Administrator services all Participant accounts in the Fund; determines and allocates income of the Fund; provides administrative personnel and facilities to the Fund; advises the Commission regarding methods of seeking and obtaining additional Participants for the Fund; determines the net asset value of the Fund; bears certain expenses for the Fund; and performs related administrative services for the Fund. On a quarterly basis, the Administrator provides the Commission with an evaluation of the performance of the Fund. This evaluation includes a comparative analysis of the Fund's investment results in relation to industry standards, such as the performance of money market mutual funds and various indices of money market securities.

The Administration Agreement has a term which extends to August 1, 2012 and, thereafter, the agreement remains in effect from year to year if approved annually by the Commission or a majority of the Participants. The agreement is not assignable without the consent of the Commission and may be terminated without penalty on at least 60 days' written notice at the option of the Fund or the Administrator.

For information regarding additional programs available through the Administrator, see "Other Investment Programs" on page 10.

## **THE MARKETING AGENT**

The Commission has appointed PMA Securities, Inc., as the Marketing Agent for the Fund, pursuant to a Marketing Agreement dated as of August 1, 2007.

The Marketing Agent engages in distribution efforts, retains the services of personnel competent to assist in marketing and sales efforts to encourage investment in the Fund, provides advice regarding various methods of seeking and obtaining additional Participants in the Fund, assists Participants in completing and submitting registration forms and assists in the preparation and dissemination of information with respect to the existence and operation of the various Portfolios of the Fund.

The Marketing Agreement has a term which extends to August 1, 2012 and, thereafter, the agreement remains in effect from year to year if approved annually by the Commission or by a majority of the Participants. The agreement is not assignable without the consent of the

Commission and may be terminated without penalty on 60 days' written notice at the option of the Fund or the Marketing Agent.

## **THE BANKING AGENT**

US Bank National Association (the "Banking Agent"), acts as depository for the Fund and provides banking services to the Fund pursuant to a Banking Services Agreement dated as of October 22, 2007, as amended as of October 23, 2009. JPMorgan Chase Bank and its predecessors acted as the Fund's banking agent prior to October 22, 2007. Pursuant the Banking Services Agreement, the Banking Agent maintains Participant accounts, accepts deposits and processes redemptions for the Fund, and provides certain other banking-related services to the Fund and its Participants. The Banking Services Agreement remains in effect until June 30, 2014. The Agreement terminates automatically upon the termination of the Investment Advisory Agreement, and may be terminated by any party for any reason without penalty on 60 days' written notice to the other party.

## **THE CUSTODIAN**

US Bank National Association (the "Custodian") has been appointed as the custodian for the Fund's Portfolios pursuant to a Custody Agreement, dated as of October 22, 2007. Under the Custody Agreement, the Custodian acts as custodian and safekeeping agent for the cash and investments of the Fund's Portfolios. The Custodian, Administrator and the Banking Agent work together to process the investments made by the Fund and the deposits and withdrawals made by Participants. The Custody Agreement remains in effect until August 1, 2010 and thereafter renews for consecutive one-year periods so long as the Agreement is approved annually by the Commission. The Agreement terminates automatically upon the termination of the Investment Advisory Agreement, and may be terminated by any party for any reason without penalty on 60 days' written notice to the other party.

## **EXPENSES OF THE PORTFOLIOS**

**Administration Agreement.** Under the Administration Agreement the Administrator is paid a fee at an annual rate equal to (a) 0.20% of the average daily net assets of the Fund's Cash Management Series, plus (b) 0.10% of the average daily net assets in the Fund's Investment Series. These fees are calculated daily and paid monthly. The fee paid to the Administrator is allocated between the Cash Management Series and the Investment Series on the following basis: a total fee equal to  $.001/365^*$  days times the Investment Series balance plus  $.002/365^*$  times the Cash Management Series balance is calculated each day. Of that total fee, an amount equal to 0.15% annualized of the Cash Management Series balance is allocated to the Cash Management Series and the balance of the fee is allocated to the Investment Series.

The allocation of fees between the Cash Management Series and the Investment Series is subject to review by both the Commission and the Administrator at the end of each calendar quarter and may be changed by mutual agreement of the Commission and the Administrator. The Administrator pays administrative costs of the Fund such as postage, telephone charges and computer time. The Administrator also furnishes the Fund, at the Administrator's expense, with

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\* The day count is adjusted to 366 days for leap year.

the services of persons who perform certain administrative and clerical functions for the Fund and with office space, utilities, office equipment, and related services.

**Marketing Agreement.** Under its Marketing Agreement with the Fund, the Marketing Agent is paid a fee at an annual rate equal to (a) 0.08% of the average daily net assets in the Fund's Cash Management Series plus (b) 0.01% of the average daily net assets in the Fund's Investment Series; provided that if the balance in the Investment Series drops below a specified minimum balance (currently \$30,000,000) the Marketing Agent's Fee with respect to the Investment Series will be reduced to 0.00% during the period of time that the balance in the Investment Series is below the minimum balance. The fee paid to the Marketing Agent is allocated between the Cash Management Series and the Investment Series on the following basis: a total fee equal to  $.0001/365^*$  days times the Investment Series balance plus  $.0008/365^*$  days times the Cash Management Series balance is calculated each day. Of that total fee, an amount equal to 0.04% annualized of the Cash Management Series balance is allocated to the Cash Management Series and the balance of the fee is allocated to the Investment Series.

The allocation of fees between the Cash Management Series and the Investment Series is subject to review by both the Commission and the Marketing Agent at the end of each calendar quarter and may be changed by mutual agreement of the Commission and the Marketing Agent. The Marketing Agent pays the Fund's reasonable expenses for printing and mailing certain documents (including this Information Statement), as well as other related marketing costs and expenses including the compensation of sales and marketing personnel employed or retained by the Marketing Agent.

**Advisory Agreements.** Under the Investment Advisory and Sub-Advisory Agreements, the Investment Advisor and Subadvisor are paid an aggregate fee for their respective services equal to (a) 0.10% of the average daily net assets on deposit in the Cash Management Series plus (b) 0.10% of the average daily net assets on deposit in the Investment Series and managed by the Investment Advisor. The fees are allocated between the Cash Management Series and the Investment Series on that same basis.

The fees are computed daily and paid monthly.

**Banking Services Agreement.** Under the Banking Services Agreement, the Banking Agent is compensated for each type of service it renders to the Fund based on a schedule agreed on from time to time between the Banking Agent and the Commission. The Commission reserves the right to bill the Participants in the Cash Management Services who utilize banking services for the cost of the services provided to them by the Banking Agent (at the prevailing rates charged to the Commission by the Banking Agent) or to require Participants to maintain specified minimum balances in the Cash Management Series to compensate for the cost of banking services provided to the Participant by the Banking Agent and paid for by the Commission.

The Banking Agent also makes available to Participants additional services which are available to customers of the Banking Agent generally. The charges for such additional services are paid by the individual Participant which requests them.

**Custody Agreement.** Under the Custody Agreement, the Custodian, is compensated for each type of service it renders to the Fund based on a schedule agreed on from time to time between the Custodian and the Commission.

The Investment Advisor, the Subadvisor, the Marketing Agent, the Administrator, the Banking Agent and the Custodian of the Fund receive fees in connection with their activities relating to the Cash Management Series and the Investment Series. As detailed above, those fees are calculated on the basis of, and paid from, the assets of those Portfolios. Investment earnings paid on assets that are placed in the Cash Management Series and the Investment Series are paid to Participants net of such fees.

The Fund pays the reasonable out-of-pocket expenses incurred by the Commissioners and officers in connection with the discharge of their duties, brokerage commissions, the legal fees of the Fund, the fees of the Fund's independent accountants, the costs of appropriate insurance for the Fund and its Commissioners and officers, and various other expenses.

All funds received by the Fund from a Participant with respect to a particular Portfolio, together with all assets in which such funds are invested or reinvested, all income, earnings, profits and proceeds thereof, including any proceeds derived from the sale, exchange or liquidation of such assets, and (except to the extent otherwise determined by the Commission) any funds or payments derived from any reinvestment of such proceeds in whatever form the same may be, irrevocably belong to that Portfolio for all purposes, subject only to the rights of creditors, and will be so recorded upon the books of account of the Fund. In the event that there are any assets, income, earnings, profits, and proceeds thereof, funds, or payments which are not readily identifiable as belonging to any particular Portfolios, the Commission shall allocate them among any one or more of the Portfolios (or to a reserve) established and designated from time to time in such manner and on such basis as they, in their sole discretion, deem fair and equitable. Each such allocation by the Commission shall be conclusive and binding upon the Participants of all Portfolios for all purposes.

The assets belonging to each particular Portfolio are charged with the liabilities of the Fund in respect of that Portfolio and all expenses, costs charges and reserves attributable to that Portfolio in such manner and on such basis as the Commission in its sole discretion deems fair and equitable. Any general liabilities, expenses, costs, charges or reserves of the Fund which are not readily identifiable as attributable to any particular Portfolio are allocated and charged by the Commission to and among any one or more of the Portfolios established and designated from time to time in such manner and on such basis as the Commission in its sole discretion deems fair and equitable. Each allocation of liabilities, expenses, costs, charges, and reserves by the Commission is conclusive and binding upon the Participants of all Portfolios for all purposes. The Commission has full discretion to determine which asset items will be treated as income and which as funds placed in the Fund by Participants and each such determination and allocation shall be conclusive and binding upon the Participants of all Portfolios.

## **EXPENSES OF THE FIXED RATE INVESTMENT PROGRAM**

Investments through the Fixed Rate Investment Program are the subject of a mark up paid to the Administrator in an amount not to exceed 0.25% (annualized) on certificates of deposit carrying

only FDIC insurance, and up to 0.35% (annualized) on certificates of deposit for which insurance or collateral is procured for in amounts in excess of FDIC limits, exclusive of insurance costs and any third party placement fees. Investors purchasing commercial paper and bankers' acceptances through the Fixed Rate Investment Program will pay to the Administrator a mark-up of up to 0.15% (annualized) of the principal amount of each such investment. Investors purchasing securities in United States government and its agencies and instrumentalities, corporate and municipal securities will pay to the Marketing Agent an annualized mark-up of up to 0.15% of the principal of the amount of each such investment. Such fees are paid from the monies placed in the Fixed Rate Investment Program by the Participants participating in it. Such fees are not paid from the assets of the Cash Management Series or the Investment Series. The Administrator pays to the Fund, as investments are made in the Fixed Rate Investment Program, an amount equal to 0.01% annualized of the principal amount of each investment, except with respect to investments made by Wisconsin counties and certain other municipal entities.

## **INCOME ALLOCATIONS**

**Cash Management Series.** The net income of the Cash Management Series of the Fund is determined as of the close of business on each Wisconsin banking day (and at such other times as the Commission may determine) and is credited immediately thereafter pro rata to each Participant's Cash Management Series account. Net income which has thus accrued to the Participants is converted as of the close of business of each calendar month into additional shares which are thereafter held in each Participant's Cash Management Series account. Such net income is converted into full and fractional shares at the rate of one share for each one dollar credited. Although daily income accruals are not automatically transmitted in cash, Participants may obtain cash by withdrawing shares at their net asset value without charge.

Net income of the Cash Management Series for each income period consists of (i) all accrued interest income on the Portfolio's assets, (ii) plus or minus all realized gains or losses on the Portfolio's assets and any amortized purchase discount or premium and (iii) less the Portfolio's accrued and paid expenses (including accrued expenses and fees payable to the Investment Advisor, Subadvisor, the Marketing Agent and Administrator) applicable to that income period.

Since net income of the Cash Management Series (including realized gains and losses on the Cash Management Series assets, if any) is allocated among the Participants each time net income is determined, the net asset value per share applicable to the Cash Management Series remains at \$1.00 per share. The Fund expects the Cash Management Series to have net income each day. If for any reason there is a net loss on any day, the Fund will reduce the number of the Cash Management Series outstanding shares by having each Participant contribute to the Cash Management Series its pro rata portion of the total number of shares required to be cancelled in order to maintain the net asset value per share of the Cash Management Series at a constant value of \$1.00. Each Participant will be deemed to have agreed to such a contribution in these circumstances by its adoption of the Intergovernmental Cooperation Agreement and its investment of funds in the Cash Management Series.

**Investment Series.** The net income of the Investment Series is determined as of the close of business on each Wisconsin banking day (and at such other times as the Commission may determine) and is credited immediately thereafter pro rata to each Participant's Investment Series

account. Net income which has thus accrued to the Participants is converted as of the close of business of each calendar month into additional shares which are thereafter held in each Participant's Investment Series account. Such net income is converted into full and fractional shares at the rate of one share for each one dollar credited. Although daily income accruals are not automatically transmitted in cash, Participants may obtain cash by withdrawing shares at their net asset value without charge provided that sufficient notice is given as described above under "The Portfolios of the Fund - The Investment Series." In the event that a Participant withdraws all of its funds from a Investment Series account, accrued net income of that account will be converted into additional shares as of the close of business of the calendar month in which the withdrawal is made.

Net income for each income period consists of (i) all accrued interest income on Investment Series assets, (ii) plus or minus all realized gains or losses on Investment Series assets and any amortized purchase discount or premium and (iii) less the Investment Series accrued and paid expenses (including accrued expenses and fees payable to the Investment Advisor, Subadvisor Marketing Agent and Administrator) applicable to that income period.

Since net income of the Investment Series (including realized gains and losses on the Investment Series assets, if any) is allocated among the Participants each time net income is determined, the net asset value per share applicable to the Investment Series is expected to remain at \$1.00 per share. The Fund expects the Investment Series to have net income each day. If for any reason there is a net loss on any day, the Fund will reduce the number of the Investment Series outstanding shares by having each Participant contribute to the Investment Series its pro-rata portion of the total number of shares required to be cancelled in order to seek to maintain the net asset value per share of the Investment Series at a constant value of \$1.00. Each Participant will be deemed to have agreed to such a contribution in these circumstances by its adoption of the Intergovernmental Cooperation Agreement and its investment of funds in the Investment Series.

## **COMPUTATION OF YIELD**

**Cash Management Series and Investment Series.** The "seven-day average yield" of the Cash Management Series and Investment Series may be quoted, from time to time, in reports, literature, and information published by the Fund. The Fund's "Seven Day Average" refers to the income that would have been generated by a Participant's investment in the relevant Portfolio for the preceding seven days. This average has been annualized, which is to say that the amount of income generated by the investment during that week is assumed to have been generated each week over a 52-week period and is shown as a percentage of that investment. The unannualized seven-day period return for such period is the change (namely accrued investment income, plus or minus any amortized purchase discount or premium less all expenses, including investment income accrued or income earned during the period and including realized capital gains and losses) in the value of the hypothetical account during the period divided by \$1.00. The seven-day average yield is calculated by multiplying the unannualized seven-day period return by 365 divided by 7. The Fund also may prepare an effective annual yield computed by compounding the unannualized seven-day period return as follows: by adding 1 to the unannualized seven-day period return, raising the sum to a power equal to 365 divided by 7, and subtracting 1 from the result. The Fund also may quote the

Cash Management Series and Investment Series yield from time to time on other bases for the information of its Participants.

The yields quoted from time to time should not be considered a representation of the yield of the Cash Management Series and Investment Series in the future since the yield is not fixed. Actual yields will depend not only on the type, quality, and maturities of the investments held in the Cash Management Series and Investment Series and changes in interest rates on such investment, but also on changes in the Fund's expenses during the period.

Yield information may be useful in reviewing the performance of the Fund's Cash Management Series and Investment Series and for providing a basis for comparison with other investment alternatives. However, the Fund's Cash Management Series and Investment Series yields fluctuate, unlike certain other investments which may pay a fixed yield for a stated period of time.

**Fixed Rate Investment Program.** Information regarding the yield of investments made through Fixed Rate Investment Program may be provided or reported from time to time by the Administrator. It will be reported on the basis of simple interest calculated on a 365 day year or will be based on such other methods of calculation as the Commission shall deem appropriate.

#### **DETERMINATION OF NET ASSET VALUE - Cash Management Series and Investment Series**

The net asset value per share of the Fund's Cash Management Series and Investment Series for the purpose of calculating the price at which shares are issued and redeemed is determined by the Administrator as of the close of business of each Wisconsin banking day. Such determination is made by subtracting from the value of the assets of each such Portfolio the amount of the applicable liabilities and dividing the remainder by the number of outstanding shares for that Portfolio.

In making these computations, the Administrator values each Portfolio's investments by using the amortized cost method. The amortized cost method of valuation involves valuing an investment at its cost at the time of purchase and thereafter assuming a constant amortization to maturity of any discount or premium, regardless of the impact of fluctuating interest rates on the market value of the instrument. While this method provides certainty in valuation, it may result in periods during which value, as determined by amortized cost, is higher or lower than the price the Portfolio would receive if it sold the instrument. During such periods the yield to Participants may differ somewhat from that which would be obtained if the Fund used the market value method for all its Cash Management Series and Investment Series investments. For example, if the use of amortized cost resulted in a lower (higher) aggregate portfolio value on a particular day, a prospective Participant of the Cash Management Series or Investment Series would be able to obtain a somewhat higher (lower) yield than would result if the Fund used the market value method, and existing Participants would receive less (more) investment income. The purpose of this method of calculation is to attempt to maintain a constant net asset value per share of \$1.00 for the Cash Management Series and Investment Series.

The Commission has adopted certain procedures with respect to the Fund's use of the amortized cost method to value its Cash Management Series and Investment Series. These procedures are designed and intended (taking into account market conditions and the Fund's investment objectives) to stabilize the net asset value per share as computed for the purpose of investment and redemption at \$1.00 per share. The procedures include a monthly valuation of each such Portfolio by the Custodian using the market value method and a periodic review by the Commission, in such manner as they deem appropriate and at such intervals as are reasonable in light of current market conditions, of the relationship between the net asset value per share based upon the amortized cost value of the Fund's Cash Management Series and Investment Series investments and the net asset value per share based upon available indications of market value with respect to such portfolio investments. The Commission has established procedures to (i) monitor differences between the amortized cost value and the market price value and (ii) consider what steps, if any, should be taken in the event of a difference of more than 0.5% between such values. In the event that there is a difference of more than 0.5% between the amortized cost value and the market value, the Commission will take such steps as they consider appropriate (such as shortening the average portfolio maturity or realizing gains or losses) to minimize any material dilution or other unfair results which might arise from differences between the amortized cost value and the market value.

The Commission intends to maintain a dollar weighted average portfolio maturity (which will not be more than 60 days for the Cash Management Series or the Investment Series) appropriate to the objective of maintaining a stable net asset value of \$1.00 per share per Portfolio, and not to purchase any security or instrument with a remaining maturity of more than one year (unless such investment is subject at the time of its purchase by the Commission to an irrevocable agreement on the part of a Responsible Person to purchase such security or instrument from the Commission within one year). Should the disposition of a portfolio investment result in a dollar weighted average portfolio maturity of more than 60 days, the Commission intends to invest available cash in such a manner as to reduce such average portfolio maturity to 60 days, or less, as soon as is reasonably practicable.

## **PORTFOLIO TRANSACTIONS**

Subject to the general supervision of the Commission, the Investment Advisor is responsible for the investment decisions of the Fund. The Investment Advisor or Subadvisor place orders for all purchases and sales of Cash Management Series and Investment Series portfolio securities. Typically, these portfolio transactions occur through brokers and dealers. These portfolio transactions occur primarily with major dealers in money market and government instruments acting as principals. Such transactions are normally done on a net basis which does not involve payment of brokerage commissions. Transactions with dealers normally reflect the spread between bid and asked prices.

When selecting brokers and dealers to execute trades of the Fund's portfolio transactions, the Investment Advisor and Subadvisor are required to select brokers or dealers based upon such broker's or dealer's ability to provide "best execution" of trades for each Fund, meaning the broker or dealer must execute securities transactions for the Fund in such a manner that the Fund's total cost or proceeds in each transaction is the most favorable under the circumstances. When the Investment Advisor or Subadvisor places orders for the execution of portfolio

transactions for the Fund, it may allocate such transactions to such brokers and dealers for execution on such markets, at such prices and at such commission rates as in the good faith judgment of such advisor will be in the best interests of the Fund, taking into consideration in the selection of such brokers and dealers not only available prices and rates of brokerage commissions, but also relevant factors such as execution capabilities, research and other services provided by such brokers and dealers. Where price and execution offered by more than one dealer are comparable, the Investment Advisor or Subadvisor may, in its discretion, purchase and sell investments through dealers which provide research, statistical and other information to the Investment Advisor, Subadvisor or to the Fund. Such supplemental information received from a dealer is in addition to the services required to be performed by the Investment Advisor or Subadvisor under the Investment Advisory Agreement or Subadvisory Agreement, as the case may be, and the expenses of the Investment Advisor and Subadvisor will not necessarily be reduced as a result of the receipt of such information.

Neither the Investment Advisor nor the Subadvisor may select a broker or dealer to effect trades of the Fund's portfolio securities as consideration or compensation to such broker or dealer for any product, service or business provided to the Investment Advisor, Subadvisor or any of their respective clients that does not benefit the Fund.

The Investment Advisor and Subadvisor may employ an affiliate to act as broker or dealer in connection with the purchase or sale of the Fund's portfolio securities, provided the commissions, fees or other remuneration paid to such broker or dealer, from any source, do not exceed (i) the usual and customary broker's commission if the sale is effected on a securities exchange, or (ii) 2% of the sales price if the sale is effected in connection with a secondary distribution of such securities, or (iii) 1% of the purchase or sale price of such security if the purchase or sale is otherwise effected.

The Investment Advisor and Subadvisor are authorized to act on behalf of the Fund in buying or selling a particular security or instrument and as agent for another client on the other side of the transaction. These transactions are referred to as "agency cross transactions". However, the advisors may engage in agency cross transactions only if: (i) the transaction is a purchase or sale for no consideration other than cash payment against prompt delivery of a security for which market quotations are readily available; (ii) the transaction is effected at an independent current market price of the securities in question; and (iii) no brokerage commission, fee (except for customary transfer fees), or other remuneration is paid in connection with the transaction.

In order to decrease brokerage and transaction costs to the Funds through volume discounts and lower commissions that may not otherwise be available, the Investment Advisor and Subadvisor may, when appropriate, aggregate trade orders and allocate trades among the Funds and other client accounts they oversee, provided that: (i) investment opportunities are allocated pro rata among the Fund and such other client accounts with comparable investment objectives and positions; and (ii) the Fund must receive the same average execution price provided to such other client accounts and share commission costs pro rata based on the Fund's participation in the aggregated trade block.

Although the Fund does not ordinarily seek, but may nonetheless make, profits through short-term trading, the Investment Advisor or Subadvisor may dispose of any Cash Management

Series and Investment Series investment prior to its maturity if it believes such disposition is advisable. The Fund's policy of generally investing the Cash Management Series and Investment Series assets in instruments with maturities of less than one year will result in high portfolio turnover. However, since brokerage commissions are not normally paid on the types of investments which the Fund may make for the Cash Management Series and the Investment Series, any turnover resulting from such investments should not adversely affect the net asset value or net income of the Fund's Cash Management Series or Investment Series.

## **REPORTS TO PARTICIPANTS**

Each Participant receives quarterly and annual reports providing financial information regarding the Fund. The annual report includes audited financial statements of each Portfolio of indefinite duration. At present, only the Cash Management Series and Investment Series are of indefinite duration. In addition, a Participant receives a daily statement listing each investment and withdrawal that it makes that day and a monthly statement detailing the entire month's activity.

In the case of Fixed Rate Investment Program, each Participant will receive from the Administrator a confirmation of its investment at the time the purchase is made. In addition, such Participant's participation in such program is shown on the monthly statements to the Participant by the Administrator.

The Fund's fiscal year ends on March 31 of each calendar year. The most recent annual report of the Fund (including audited financial statements for the most recent fiscal year of any Portfolio of indefinite duration) and the Fund's most recent unaudited quarterly report are provided to each Municipality considering becoming a Participant. Potential Participants are advised to review such reports.

The Fund answers inquiries at any time during business hours from a Participant concerning the status of its account (number of shares owned, etc.) and the current yield available through the Fund's investment program. Such inquiries can be made by mail or by telephoning toll-free, 1-866-747-4477, or by writing to PMA Financial Network, Inc., at 2135 CityGate Lane, 7th Floor, Naperville, Illinois 60563.

## **LEGAL COUNSEL AND INDEPENDENT ACCOUNTANTS**

Quarles & Brady LLP, Milwaukee, Wisconsin, serves as legal counsel to the Fund. PricewaterhouseCoopers LLP, Chicago, Illinois, serves as the Fund's independent accountants.

## **TAXES**

The Fund and the income of the Fund are exempt from federal and Wisconsin income and franchise taxation, and the Participants will not be subject to tax on the income earned from their investment in the Fund.

## **INTERGOVERNMENTAL COOPERATION AGREEMENT**

Each potential Participant is given a copy of the Intergovernmental Cooperation Agreement before becoming a Participant. Certain portions of the Intergovernmental Cooperation Agreement are summarized in this Information Statement. These summaries are qualified in their entirety by reference to the text of the Intergovernmental Cooperation Agreement.

**Description of Shares.** The Intergovernmental Cooperation Agreement provides that the beneficial interests of the Participants in the assets of the Fund and the earnings thereon are, for convenience of reference, divided into shares which are used as units to measure the proportionate allocation of beneficial interest among the Participants. The Intergovernmental Cooperation Agreement authorizes an unlimited number of full and fractional shares of a single class as well as adjustments in the total number of shares outstanding from time to time without changing their proportionate beneficial interest in the Fund in order to permit the Fund to maintain a constant net asset value of \$1.00 per share for the Cash Management Series and the Investment Series. All shares participate equally in dividend allocations and have equal liquidation and other rights. The shares have no preference, conversion, exchange, or preemptive rights.

The Commission in its discretion, from time to time, may authorize the division of shares of the Fund into two or more series or Portfolios. The number of shares of a particular Portfolio are used to measure and represent the proportionate allocation of beneficial interest among the Participants of that Portfolio. All shares of a particular Portfolio participate equally in dividend allocations and have equal liquidation and other rights with respect to that Portfolio. All funds received by the Fund from a Participant with respect to a particular Portfolio, together with all assets in which such funds are invested or reinvested, all income, earnings, profits and proceeds thereof, and any funds or payments derived from any reinvestment of such proceeds, shall irrevocably belong to that Portfolio for all purposes, subject to the rights of creditors. If there are any assets, income, earnings, profit, proceeds, funds or payments which are not readily identifiable as belonging to any particular Portfolio, the Commission shall allocate them among any one or more of the established Portfolios in such manner and on such basis as it, in its sole discretion, deems fair and equitable. The assets belonging to a particular Portfolio shall be charged with the liabilities of the Fund in respect of that Portfolio and all expenses, costs, charges and reserves attributable to that Portfolio. Any general liabilities, expenses, costs, charges or reserves of the Fund which are not readily identifiable as belonging to any particular Portfolio shall be allocated among any one or more of the established Portfolios in such manner and on such basis as the Commission, in its sole discretion, deems fair and equitable. The net income of the Fund shall be determined separately for each Portfolio and shall be credited to the respective share accounts of the Participants in such Portfolio. For all matters requiring a vote of Participants, which affect all Portfolios similarly, each Participant is entitled to one vote with respect to each matter, without regard to the number of shares held by the Participant. For all matters only affecting a particular Portfolio, each Participant of that Portfolio is entitled to one vote with respect to each such matter, without regard to the number of shares held by the Participant. It is not necessary for a Participant to hold any minimum number shares to be entitled to vote. Participants are not entitled to cumulative voting. No shares may be transferred to any person other than the Commission itself at the time of withdrawal of monies by a Participant.

**Participant Liability.** The Intergovernmental Cooperation Agreement provides that Participants shall not be subject to any individual liability for the acts or obligations of the Commission and provides that every written undertaking made by the Commission shall contain a provision that such undertaking is not binding upon any of the Participants individually. The Commission intends to conduct the operations of the Fund and each Portfolio, with advice of counsel, in such a way as to avoid ultimate liability of the Participants for liabilities of the Fund and each Portfolio.

**Responsibility of Commissioners, Officers, Employees and Agents.** No Commissioner, officer, employee or agent of the Commission is individually liable to the Commission, an officer, an employee or an agent of the Commission or a Participant of the Fund for any action or failure to act unless it is taken or omitted in bad faith or constitutes willful misfeasance, reckless disregard of duty or gross negligence. All third parties shall look solely to the Fund property for the satisfaction of claims arising in connection with the affairs of the Commission and the Fund. The Commission will indemnify each Commissioner, officer, employee or agent of the Commission designated by the Commission to receive such indemnification, to the extent permitted by law, against all claims and liabilities to which they may become subject by reason of serving in such capacities for the Commission, except in certain circumstances set forth in the Intergovernmental Cooperation Agreement.

**Termination of the Intergovernmental Cooperation Agreement.** The Fund (or a Portfolio) may be terminated by the affirmative vote of a majority of the Participants (or the Participants of the Portfolio) entitled to vote, by resolution adopted by each of the Participants or by an instrument in writing, signed by a majority of the Commissioners and a majority of the Participants. Upon the termination of the Fund (or Portfolio) and after paying or adequately providing for the payment of all of its liabilities, and upon receipt of such releases, indemnities and refunding agreements as the Commission deems necessary for its protection, the Commission may distribute the remaining Fund (or Portfolio) property, in cash or in kind, or partly in cash and partly in kind, among the Participants according to their respective proportionate beneficial interests.

**Amendment of the Intergovernmental Cooperation Agreement.** The Intergovernmental Cooperation Agreement may be amended by the affirmative vote of a majority of the Participants entitled to vote, by resolution adopted by each of the Participants or by an instrument in writing, without a meeting, signed by a majority of the Commissioners and a majority of the Participants. The Commission may, from time to time, by a two-thirds vote of the Commissioners, and after fifteen days prior written notice to the Participants, amend the Intergovernmental Cooperation Agreement without the vote or consent of the Participants, to the extent they deem necessary to conform the Intergovernmental Cooperation Agreement to the requirements of applicable laws or regulations, or any interpretation thereof by a court or other governmental agency, but the Commissioners shall not be liable for failing to do so.

**Withdrawal; Termination of Right to Participate.** A Participant may withdraw from the Fund at any time by sending an appropriate notice to the Commission, as specified in the Intergovernmental Cooperation Agreement. In addition, a Participant's right to participate in the Fund may be terminated by a majority vote of the Commissioners, if the Commission finds

that such Participant's use of the Fund is not in the best interest of the Participants of the Fund as a whole.

**Official Newspaper.** The official newspaper of the Fund, for purposes of open meeting law notice and other legal notices, has been designated as being the Wisconsin State Journal .

## **PROCEDURES FOR BECOMING A PARTICIPANT AND OPENING ACCOUNTS**

For information on how to become a Participant of the Fund or open an account in any of the Fund's programs, please contact the Administrator by telephone toll-free, 1-866-747-4477, during regular business hours or by mail at 2135 CityGate Lane, 7th Floor, Naperville, Illinois 60563. Among other materials, the Administrator can provide a form of Model Resolution for use in becoming a Participant.

## **MAKING ADDITIONAL DEPOSITS IN OR WITHDRAWALS FROM THE FUND**

Any Participant of the Fund wishing to make additional deposits or withdrawals from the Fund should contact the Administrator, PMA Financial Network Inc., telephone toll-free, 1-866-747-4477, during regular business hours or by mail at 2135 CityGate Lane, 7th Floor, Naperville, Illinois 60563.

## **CONFLICT OF INTEREST POLICY**

It is the policy of the Fund that its Commissioners, officers and representatives comply with all laws and regulations governing its investment operations and to conduct the Fund's activities in such a manner that the Fund will be recognized as a sound vehicle for the investment of money by Wisconsin municipalities. This Fund policy requires that conflicts between the interests of the Commissioners, officers and representatives and the interests of the Fund and its Participants be avoided to the extent possible and that, if any conflict does exist, it be disclosed to the Fund. Under this policy, the Fund's Commissioners and officers are required to provide the Fund on an annual basis a certification that either certain specified conflicts of interests do not exist or to provide an explanation of any conflicts of interest.

## **THE FUND'S PRIVACY POLICY**

We respect your right to privacy. We understand that the privacy and security of nonpublic information is important to you, and we maintain safeguards designed to protect your nonpublic information from unauthorized access. We do not sell this information to anyone and only share such information with others as allowed by law and/or for the purpose of providing you with products and services requested by you.

### **The Information We Collect About You**

We may collect information about you, such as name, address, tax identification number, telephone number, email address, credit history and financial information. This information is collected from the following sources:

- information we receive from you on applications or other forms;

- information we receive from you through transactions, correspondence and other communications with us; and
- information we otherwise obtain from you in connection with providing you a product or service.

### **Why We Collect Your Information**

We collect information only to the extent necessary to provide the services or products requested by you. Collecting this information allows us to:

- provide the products and services requested by you and deliver products and services that may be of interest to you;
- prevent unauthorized access to your account;
- improve customer service; and
- comply with legal and regulatory requirements.

### **The Information We Disclose**

The Fund is an intergovernmental cooperative organized under Wisconsin law and is subject to the Wisconsin Open Records Law. This means that we will disclose information about Participants as may be required by such law. We may also disclose your nonpublic information to government agencies and regulatory organizations, when permitted or required by law.

Except as described above, any nonpublic information you provide to us is kept confidential. We do not share the information we collect about you with any third parties, except as may be necessary to provide the services or products requested by you. This means we may disclose your information to our affiliates and other third parties who help us provide products and services to you. For example, we may share your information with a transfer agent to process your transactions with us, and we may provide your account information to a third party service provider so that reports and account statements can be printed and mailed. These service providers are only permitted to use this information for purpose of providing us services for which we hired them, and they are not permitted to share this information or use this information for any other purpose.

### **Protection of Information**

For your protection, we restrict access to your nonpublic information to those individuals who need to know that information to provide products and services to you. We maintain physical, electronic and procedural safeguards that are designed to comply with federal standards to maintain the confidentiality of your nonpublic information.

## Updating Your Information

The accuracy of your personal information is important to us. You can correct, update or confirm your personal information anytime by calling the Administrator, PMA Financial Network Inc., at 1-866-747-4477.

## THE FUND'S PORTFOLIO HOLDINGS DISCLOSURE POLICY

The Fund has adopted a Disclosure of Portfolio Holdings Policy to provide reasonable assurance that information related to the portfolio holdings of the Fund remains confidential and is not selectively disclosed until such time as the information may be released publicly. Under the policy, the Fund and its service providers are required to protect the confidentiality of the Fund's portfolio holdings and rate history and prevent the selective disclosure of information about the Fund's portfolio holdings that is not otherwise publicly available, except in the limited circumstances permitted by the policy. Generally, the Fund is permitted, if deemed necessary or appropriate by the Fund's management and deemed to be in the best interest of the Fund, to make public disclosures of the Fund's portfolio holdings, such as through publishing the information in a report to Participants or posting such information on the Fund's website. Disclosure of Fund information is also permitted to the extent necessary to comply with the Wisconsin Open Records Law.

In addition, under the policy, Fund portfolio holdings information, which has not been publicly disseminated, may be selectively be disclosed to such persons, and subject to the conditions, identified forth below.

Fund Management. Fund portfolio holdings information may be provided to the Fund's Commissioners and its officers as may be requested by them to perform their respective duties.

Fund Service Providers. Fund portfolio holdings information may be provided to the Fund's service providers who are subject to duties of confidentiality with respect to such information, including, without limitation, the Fund's: investment advisor; sub-advisor; distributor; administrator; accounting agent; transfer agent; custodian; legal counsel; and auditors, but only to the extent required by law or, to the extent management deems necessary to enable such service providers to carry out their specific duties, responsibilities and obligations to the Fund.

Rating or Ranking Agencies. Fund portfolio holdings information may be provided to a recognized rating or ranking agency, such as Standard & Poor's, for its use in developing a rating for the Fund or in evaluating the category in which the Fund should be placed; provided that the recipient provides the Fund with a written confidentiality agreement in a form and substance acceptable to the Fund's legal counsel that reasonably protects the confidentiality of the Protected Information and limits the recipient's use and disclosure thereof.

Other Recipients. Fund portfolio holdings information may be provided to other persons upon advance approval by the Commissioners; provided that (1) the Commissioners make a good faith determination that the Fund has a legitimate business purpose to provide the information and that such disclosure is in the Fund's best interests; and (2) the recipient provides the Fund with a written confidentiality agreement in a form and substance acceptable to the

Fund's legal counsel that reasonably protects the confidentiality of the Fund portfolio holdings information and limits the recipient's use and disclosure thereof.

Government Entities and Regulators. The Fund may disclose Fund portfolio holdings information in response to requests from government entities and regulators, to comply with valid subpoenas or to otherwise comply with applicable law.

Other than as described within the policy or as required by law, no person associated with the Fund or any other service provider to the Fund may disclose information regarding portfolio holdings of the Fund. The Fund and each of its Commissioners, officers, and service providers must adhere to the policy

## **FINANCIAL AND PERFORMANCE INFORMATION**

The financial, performance and rate information for the Portfolios can be obtained by contacting the Administrator, PMA Financial Network Inc., telephone toll-free, 1-866-747-4477, during regular business hours or by mail at 2135 CityGate Lane, 7th Floor, Naperville, Illinois 60563.

The name "Wisconsin Investment Series Cooperative" is the designation of the Fund under its Intergovernmental Cooperation Agreement and the name "Wisconsin Investment Series Cooperative Commission" is the designation of the Commission under the Intergovernmental Cooperation Agreement. The names of the Commission and the Fund refer to the Commissioners collectively in such capacity as not personally or as individuals. All persons dealing with the Commission and the Fund must look solely to the Fund property for the enforcement of any claims against the Commission or the Fund since neither the Commissioners, officers, agents nor Participants assume any personal liability for obligations entered into on behalf of the Commission.