



**ERCOT Finance & Audit Committee Meeting**  
**7620 Metro Center Drive, Austin, Texas**  
**Met Center, Conference Room 206**  
**December 12, 2011; 9:00 am – 12:00 pm\***

<b>Item #</b>	<b>Agenda Item Type</b>	<b>Description/Purpose/Action Required</b>	<b>Presenter</b>	<b>Time</b>
		Call Open Session to order and announce proxies	Clifton Karnei	9:00 am
1.	Vote	Approve general session minutes (10/17/11)	Clifton Karnei	
2.	Discussion	Receive report on auditor independence from Maxwell, Locke & Ritter regarding the 2011 401(k) Savings Plan Audit	Bruno Ierullo; Maxwell, Locke & Ritter	
3.	Vote	Recommend Board acceptance of the 2011 Service Organization Control Audit report	Mark Ruane; Brightline	
4.	Discussion	Receive report on auditor independence from Brightline regarding the 2012 Service Organization Control Audit	Mark Ruane; Brightline	
5.	Discussion	Update on Commodities Exchange Act exemption	Mark Ruane	
6.	Discussion	Review Finance and Audit Committee member responses to the committee's annual self-assessment survey	Clifton Karnei	
7.	Discussion	Quarterly Committee education on accounting developments	Rebecca Beckham	
8.	Discussion	Review Committee briefs	Mike Petterson	
9.	Discussion	Future agenda items	Mike Petterson	
10.		Other business	Mike Petterson	
		Convene to Executive Session	Clifton Karnei	
11.	Vote	Approve executive session minutes (10/17/11)	Clifton Karnei	
12.	Discussion	Contract, personnel, security, compliance, risk management, litigation and regulatory matters		
13.	Discussion	Chief Audit Executive status report	Bill Wullenjohn	
		Reconvene to Open Session	Clifton Karnei	
14.	Vote	Vote on Matters from Executive Session	Clifton Karnei	
		Adjourn meeting	Clifton Karnei	12:00 pm

*\* Background material is enclosed or will be distributed prior to meeting. All times shown in the agenda are approximate. The next Finance & Audit Committee Meeting will be held Monday, February 20, 2012, at ERCOT, 7620 Metro Center Drive, Austin, Texas 78744, in Room 206.*

# **1. Approval of General Session Minutes Clifton Karnei**

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## **Approve of General Session Minutes (10/17/2011)**

- Vote



**DRAFT MINUTES OF THE FINANCE AND AUDIT COMMITTEE  
OF ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

7620 Metro Center Drive, Room 206  
Austin, Texas 78744  
October 17, 2011 at 12:30 p.m.

Pursuant to notice duly given and after determination that a quorum was present, the meeting of the Finance and Audit (F&A) Committee of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) convened on the above-referenced date.

**Meeting Attendance:**

Committee Members:

<b>Director</b>	<b>Affiliation</b>	<b>Segment</b>
Bermudez, Jorge (Vice Chairman)	Unaffiliated	Unaffiliated Director
Crowder, Calvin	American Electric Power Service Corporation	Investor Owned Utility (except for Call to Order and Agenda Item 1)
Dreyfus, Mark	Austin Energy	Municipal
Espinosa, Miguel	Unaffiliated	Unaffiliated Director (except for Call to Order and Agenda Item 1)
Hendrick, Eric	Stream Energy	Independent Retail Electric Provider (REP)
Karnei, Clifton (Chairman)	Brazos Electric Power Cooperative	Cooperative

Guest Board Members and Segment Alternates:

<b>Director</b>	<b>Affiliation</b>	<b>Segment</b>
Barker, Laurie	Office of Public Utility Counsel	Residential Consumer – Alternate Representative for Sheri Givens (during vote on Executive Session matters only)
Dalton, Andrew	Valero Services, Inc.	Industrial Consumer (during vote on Executive Session matters only)
Doggett, Trip	ERCOT	President and Chief Executive Officer (CEO)
Doll, Laura	Unaffiliated	Unaffiliated Director (except for Call to Order and Agenda Items 1 through 2)
Gent, Michehl	Unaffiliated	Unaffiliated Director (except for Call to Order and Agenda Item 1)
Nelson, Donna	Public Utility Commission of Texas (PUCT)	Chairman (except for Call to Order and Agenda Items 1 through 3)



Other Guests:

Beckham, Rebecca	ERCOT Manager of Financial Reporting
Day, Betty	ERCOT Vice President of Business Integration
Dreyer, Jerry	ERCOT Vice President and Chief Information Officer
Gunn, Philip	Ernst & Young Engagement Partner
Leady, Vickie	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Magness, Bill	ERCOT Vice President, General Counsel and Corporate Secretary
Manning, Chuck	ERCOT Vice President of Human Resources and Chief Compliance Officer
Nikazm, Tamila	Austin Energy – Vice Chair of Credit Work Group
Petterson, Mike	ERCOT Vice President of Finance and Treasury
Ruane, Mark	ERCOT Vice President of Credit and Enterprise Risk Management
Sisson, Taylor	Ernst & Young Senior Manager
Wiley, Leslie	ERCOT Manager of Treasury
Wullenjohn, Bill	ERCOT Director of Internal Audit
Yager, Cheryl	ERCOT Director of Credit

**Call Open Session to Order and Announce Proxies**

Clifton Karnei, Committee Chairman, determined that a quorum was present and called the Committee meeting to order at approximately 12:32 p.m.

**Approval of September 19, 2011 Meeting Minutes (Agenda Item 1)**

Chairman Karnei entertained a motion to approve the September 19, 2011 Committee General Session Meeting Minutes (Minutes).

**Eric Hendrick moved to approve the Minutes as presented. Mark Dreyfus seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

**Update on Commodities Exchange Act Exemption (Agenda Item 2)**

Mark Ruane provided an update on the Commodities Exchange Act Exemption to the Committee members. Mr. Ruane responded to comments and questions from the Committee members.

**Recommend Board Approval of Revisions to ERCOT's Creditworthiness Standard (Agenda Item 3)**

Cheryl Yager provided a report regarding ERCOT's Creditworthiness Standard (Standard) and responded to comments and questions from the Committee members. Ms. Yager requested that the Committee recommend the Standard for Board approval.

**Calvin Crowder moved to recommend Board approval of revisions to the Standard as presented. Miguel Espinosa seconded the motion. The motion passed by unanimous voice vote with no abstentions.**



**Receive Report on Auditor Independence from Ernst & Young (E&Y) regarding the Financial Statement Audit (Agenda Item 4)**

Rebecca Beckham introduced Philip Gunn and Taylor Sisson with E&Y. Mr. Gunn reaffirmed E&Y's auditor independence, provided E&Y's audit plan and reviewed informational accounting and auditing updates. Ms. Beckham and Mr. Gunn responded to comments and questions from the Committee members.

**Review and Approve Finance and Audit Committee Self-Assessment Questionnaire (Agenda Item 5)**

Mike Petterson reviewed the Committee self-assessment questionnaire and responded to comments and questions from the Committee members.

**Review Committee Briefs – Credit Statistics; Exposure Benchmark Report; Investment Summary; Risk Stoplight Report; and Audit Activity (Agenda Items 6, 6a through 6e)**

Mr. Petterson invited questions on the Committee brief reports. Mr. Ruane responded to comments and questions from the Committee members on the risk stoplight report.

**Future Agenda Items – Review December 2011 Meeting Matrix and Review Preliminary 2012 Meeting Matrix (Agenda Item 7)**

Mr. Petterson reviewed the future agenda items for the December 2011 Committee meeting and the preliminary 2012 meeting matrix with the Committee members. Mr. Petterson and Bill Magness responded to comments and questions from the Committee members regarding the 2012 Committee meeting schedule.

**Other Business (Agenda Item 8)**

Mr. Petterson reported that an increase to the Wide Area Network (WAN) user fee was expected to be considered by the Board as a voting item at its meeting on the following day. Hearing no objections by the Committee members, Chairman Karnei recommended that this item be addressed by the Board as scheduled without additional discussion by the Committee at that time.

**Executive Session (Agenda Items 9 through 11)**

Chairman Karnei adjourned the meeting into Executive Session at approximately 1:40 p.m. and reconvened the Open Session at approximately 3:00 p.m.

**Vote on Executive Session Matters**

Chairman Karnei entertained motions on two matters considered during Executive Session.

**Mr. Espinosa moved to recommend that the Board select E&Y as the qualified public accounting firm to audit ERCOT's financial statements at December 31, 2011, and the year then ending. Jorge Bermudez seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

**Mr. Espinosa moved to recommend that the Board designate the Vice President of Finance and Treasury as the successor to the Chief Financial Officer, Treasurer and Controller for the purpose of complying with ERCOT's existing contractual obligations and that the**



**Board ratify and confirm all actions taken by the Vice President of Finance and Treasury in lieu of the Chief Financial Officer, Treasurer and Controller for the purpose of complying with ERCOT's existing contractual obligations. Mr. Bermudez seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

**Adjournment**

Chairman Karnei announced that the Committee had no other business to consider and adjourned the Committee meeting at approximately 3:02 p.m.

Committee materials and presentations from the meeting are available on ERCOT's website at [http://www.ercot.com/committees/board/finance\\_audit/](http://www.ercot.com/committees/board/finance_audit/).

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Vickie G. Leady  
Assistant Corporate Secretary

## **2. Receive Report on Maxwell Locke & Ritter Independence**

### **Bruno Ierullo**

- **The F&A Charter states that the Committee shall “authorize engagement of an independent audit firm to perform annual audit of ERCOT’s 401(k) Savings Plan... and discuss with management and the independent auditor the planning and execution of the audit.”**
- **In Executive session, agenda item 12, management recommends that the Committee recommend Board approval of appoint Maxwell Locke & Ritter as the independent audit firm for the 2011 401(k) Savings Plan audit.**
- **Accordingly, Maxwell Locke & Ritter will present their 2011 financial statement audit plan and provide an update on their independence.**



# Electric Reliability Council of Texas 401(k) Savings Plan

## Maxwell Locke & Ritter LLP 2011 Financial Statement Audit



# Overview

- ▶ Our firm
- ▶ Engagement Team
- ▶ Affirmation of independence
- ▶ Timing of audit
- ▶ Audit deliverables

# Market Strength and Presence

- ▶ Maxwell Locke & Ritter is the largest accounting firm in the Greater Austin Area with offices in downtown Austin and Round Rock
- ▶ ABJ's Best Places to Work in Central Texas for 8 years in a row
- ▶ Ethics in Business Award by the Samaritan Counseling Center in 2011
- ▶ ABJ's Healthiest Employers of Central Texas in 2011
- ▶ INSIDE Public Accounting's "Best of the Best Firms" in 2010



# Commitment to Our Clients

- ▶ Available to you throughout the year to:
  - Answer questions
  - Be a sounding board for ideas
  - Provide advance notification and assistance in accounting and auditing standard changes
- ▶ Serve as Trusted Business Advisors to our clients, offering extensive business knowledge and connections to our network throughout the community

# Engagement Team

Name	Role	Years of Experience
AJ Zimmerhanzel	Audit Partner responsible for audit services	20+
Kelli Leventhal	Concurring review of audit services	16
Diana Garcia	Audit Associate managing audit fieldwork	10
Brianna Landry	Audit Associate performing audit fieldwork	8

- ▶ You can expect continuity of the engagement team throughout the course of our service relationship

# Affirmation of Independence

- ▶ Principles of Independence– auditors and their clients may not engage in any relationship or provide service that in fact or appearance
  - Creates a mutual or conflicting interest between the auditor and the audit client
  - Places the auditor in the position of auditing his or her own work
  - Results in the auditor acting as management or an employee of the audit client
  - Places the auditor in a position of being an advocate for the audit client
- ▶ We are not aware of any relationships or services with ERCOT that may impair our independence.

# Timing of Audit

- ▶ For the 2010 audit, we began fieldwork in June and issued June 29, 2011.
- ▶ For the 2011 audit, we will maintain similar timing and begin the audit in June and issue the audit by the beginning of July.
  - Deadline is July 31 and Oct 15 with an extension

# Audit Deliverables

- ▶ Limited scope audit report that will be attached to the Form 5500 delivered for the July 31<sup>st</sup> deadline.
- ▶ Required communication in a letter format include the following:
  - Our responsibility under GAAS standards
  - Sensitive accounting estimates
  - The adoption of, or any changes in accounting principles
  - Our judgments regarding the quality of the Plan's accounting principles
  - Significant audit adjustments and any unrecorded audit differences
  - Any disagreements or difficulties encountered with Plan management
  - Fraud or illegal acts involving Plan management or result in material misstatement of the financial statements
  - Consultations with other accountants
  - Significant issues discussed with management in connection with retention of the Plan audit



# **ERCOT 2011 SSAE 16 Examination Results**

**Jason Rhoades, Shareholder  
BrightLine CPAs & Associates, Inc.**

**Lauren Edmonds, Manager  
BrightLine CPAs & Associates, Inc.**

**Finance & Audit Committee Meeting  
December 12, 2011**



- **A softcopy of the independent service auditors report was provided via e-mail and has been posted to the ERCOT website.**

## **2011 SSAE 16 Examination Highlights**

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- **SSAE 16 Examination Report is ready for issuance pending F&A Committee approval**
- **The report will be issued with an unqualified opinion**
- **Testing disclosures impacting four control activities were identified for inclusion in the audit report**

# Discussion Topics

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- **SSAE 16 Overview**
- **ERCOT 2011 SSAE 16 Examination Results**
- **Auditor Independence**

- **Statement on Standards for Attestation Engagements (SSAE) No. 16 examinations, also referred to as SOC 1 examinations, are utilized to report on controls at service organizations that are relevant to user entities' internal control over financial reporting.**
- **SSAE 16 superseded SAS 70 (effective date - June 15, 2011)**
- **Summary of changes**
  - Management assertions about the fairness of presentation of the description and the suitability of design and operating effectiveness of controls
  - Suitability of design of controls throughout the review period

## **SSAE 16 Overview – Continued**

- **The 2011 SSAE 16 examination examined the Settlement Operations for the period of January 1, 2011, to September 30, 2011**
- **BrightLine worked with ERCOT process owners to modify control objectives and activities to align with current business processes**
- **19 Control Objectives were within the scope of the 2011 audit**
- **Audit testing was conducted in two phases – May 2011 and September 2011**

- **Testing disclosures**

- Settlement Data Input and Validation:

- The settlements and billing group's recalculation of verifiable cost data due to changes in fuel price was performed twice per month prior to June 2011, and once per month subsequent to June 2011.

- Other Invoices:

- No RTM uplift invoices were generated during the review period. Testing could not be performed to validate the following control activities:
      - 14.2.1 (pre-invoice validation procedures),
      - 14.2.2 (independent calculation to verify invoice amounts and approval procedures), and
      - 14.2.3 (publishing to the MIS site for access by invoice recipients)).

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# Questions and Closing



# **SSAE16 Audit Report Acceptance**

**Mark Ruane**

**ERCOT Vice President of Credit and Enterprise Risk Management**

**Finance & Audit Committee Meeting**

**December 12<sup>th</sup> 2011**

**ERCOT Public**



# SSAE16 Audit Report Acceptance

- **The F&A Committee Charter specifies that the “Committee shall provide a recommendation to the Board whether the Company’s SSAE16 audit report should be accepted.”**
- **The SSAE16 audit report for the nine months ending September 30<sup>th</sup> 2011 is ready for F&A review and referral to the Board. NOTE: Refer to the Board packet for the draft audit report.**
- **The report will be issued with an unqualified opinion.**

# SSAE16 Audit Report Acceptance

- **Statement on Standards for Attestation Engagements No. 16 (SSAE16) is the AICPA audit standard for reporting on controls at service organizations.**
- **In 2011 SSAE16 replaced the former SAS70 standard. The most significant change to the new standard is the addition of a management assertion to the report. Scope of testing etc. is effectively equivalent.**
- **The audit report covers the period from January 1<sup>st</sup> to September 30<sup>th</sup> 2011. Because of the scope of process and control changes associated with the transition to nodal, a separate Type 1 audit was performed in January for the controls affected by the transition.**
- **One control test exception was noted in which settlement recalculations were performed once per month, rather than twice, beginning in June 2011. This was due to a control revision implemented during the course of the audit.**

# SSAE16 Audit Report Acceptance

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- **ERCOT staff respectfully recommends that the Committee approve and recommend acceptance of the audit report to the Board.**

**<Vote>**



# **Report on SSAE16 Auditor Independence**

**Mark Ruane**

**ERCOT Vice President of Credit and Enterprise Risk Management**

**Finance & Audit Committee Meeting**

**December 12<sup>th</sup> 2011**

**ERCOT Public**

# Report on SSAE16 Auditor Independence

- **In December 2010 the F&A Committee approved BrightLine Certified Accountants & Associates to perform the Statement on Standards for Attestation Engagements No. 16 (SSAE16) Type II Audits for 2011 and 2012.**
- **The F&A Charter states that “at least annually, the Committee shall obtain and review a report by the independent auditor describing (a) the independent auditor’s internal quality control procedures and (b) all relationships between the independent auditor and the Company, in order to assess the auditor’s independence.”**
- **Accordingly, BrightLine Certified Public Accountants & Associates will provide an update on their independence.**

## **4. Receive Report on Brightline Independence**

### **Jason Rhoades**

- **Professional standards require that CPA firms maintain independence in fact and appearance from their clients.**
  
- **To meet this requirement, BrightLine has implemented the following policies and procedures:**
  - Implementation of Quality Control Procedures
  - Education
  - Elimination of all consulting services
  - Prohibition of any direct or materially indirect financial interest in clients by employees or their close relatives
  - Annual independence verification



# **Commodity Exchange Act Exemption Status**

**Mark Ruane**

**ERCOT Vice President of Credit and Enterprise Risk Management**

**Bill Magness**

**ERCOT Vice President, General Counsel and Corporate Secretary**

**Finance & Audit Committee Meeting**

**December 12<sup>th</sup> 2011**

**ERCOT Public**

## 5. Summary

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**ERCOT is in the process of preparing an application for a Commodity Exchange Act exemption with the CFTC.**

- ERCOT is awaiting additional clarification with the CFTC with respect to the scope and terms of an exemption.
  - The filing date is not yet known.



## 5. Expected CFTC Conditions for CEA Exemption

	Item	Status	Estimated Costs
1	Two-day limit to cure collateral calls	No action necessary.	NA
2	Elimination of unsecured credit in CRR market	NPRR 400 (approved by Board in October - implementation targeted for mid-2012)	\$230k - \$255k
3	Disallowance of netting between CRR and non-CRR markets		
4	Reduce settlement timeline	NPRR 347 combines invoices for day-ahead and real time markets (approved by Board in August implementation targeted for mid-2012). Note that NPRR 347 was introduced independently of CFTC compliance. NPRR 391 shortens settlement cycle by one day and eliminates Automated Clearing House (ACH) payments (approved by Board in October – implementation by December 1, 2011).	NPRR 457: \$430k - \$460k  NPRR 391: NA

## 5. Expected CFTC Conditions for CEA Exemption

	Item	Status	Estimated Costs
5	\$50m limitation on unsecured credit	Revision to Creditworthiness Standard (approved by Board in October – effective as of December 31, 2011)	NA
6	Criteria for market participation	Baseline risk management standards developed in cooperation with other ISOs. Draft market participation Other Binding Document reviewed by CWG/MCWG December 5 <sup>th</sup> .	TBD. There will be costs associated with implementation of a verification program.
7	Become a central counterparty (CCP)	IRS has reverted with a request for additional clarification with respect to qualifications for tax exemption and expected market and financial impacts of CCP status.	Minimal

## 5. Criteria for Market Participation

- **A draft Other Binding Document is under stakeholder review. The document addresses:**
  - Market participation criteria, including capitalization requirements
  - Annual Officer Certification process and certification form
  - Process for verification of risk management capabilities
- **Proposed criteria are broadly similar, but not identical, to those advanced by other ISO/RTOs.**

## 5. Criteria for Market Participation

- **Market participation criteria:**
  - Expertise in markets with appropriately trained traders
  - Appropriate operational capabilities to respond to ERCOT communication
  - Capitalization requirements
  - Adequate risk management capabilities
- **Requirement for annual officer certification of compliance with the criteria above**
  - Certification due no later than 120 days after the close of the fiscal year of the Counter-Party or its guarantor

## 5. Criteria for Market Participation

- **Proposed capitalization criteria:**

	<b>To participate in markets other than CRR market</b>	<b>To participate in all ERCOT markets</b>
Minimum capitalization requirements	\$5 million total assets or \$500,000 tangible net worth	\$10 million total assets or \$1 million tangible net worth
Counter-Parties not meeting the capital requirements above	\$200,000 Independent Amount	\$500,000 Independent Amount

- **Capitalization must be supported by audited financial statements.**
- **ERCOT may require Independent Amount rather than minimum capital requirement in the event of material adverse changes in financial status.**

## 5. Risk Management Capability Verification

- **Proposed mandatory annual verification for Counter-Parties that:**
  1. Have had CRR PtP Obligation exposure in the year prior to the date of the Officer Certification, and
  2. Are ineligible for unsecured credit under the ERCOT Creditworthiness Standard
- **Other Counter-Parties may also be verified.**
- **Provision for cure periods for Counter-Parties with deficiencies.**
- **Verification may be contracted to a third party.**
- **Any material provided in support of the risk management capability verification process will be confidential.**
- **ERCOT may, in its sole discretion, accept verifications performed by other ISOs.**

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# Questions

ERCOT  
Finance and Audit Committee  
Summary of responses to the 2011 annual self-assessment survey

Question Number	Survey Question	Response Count				Comment
		Yes	No	Not Sure	Skipped	
1.0	Does the committee have the appropriate number of members? The committee should not be so large that its ability to operate efficiently and effectively is reduced; □ members' ability to raise issues is hampered; or □it is difficult to get a quorum when a time-sensitive issue arises.	7	0	0	0	The committees size and diversity of backgrounds is conducive to good discussions.
2.0	Committee members demonstrate their objectivity during meetings through behaviors such as driving agendas, rigorous probing of issues, consulting with other parties, and hiring experts, as necessary.	6	1	0	0	I wish the committee members were more interactive. We need to encourage more in depth discussion.
3.0	Differences of opinion on issues are resolved to the satisfaction of the committee.	7	0	0	0	None.
4.0	Committee members challenge the Chair as appropriate.	6	0	1	0	I wish the committee members were more interactive. We need to encourage more in depth discussion.
5.0	The committee charter is used as a document to guide the committee in its efforts, and to help guide the committee's agenda.	7	0	0	0	Once the charter is approved it is put on the back shelf until it is time to review it again. Not sure that it is referred to during the year. Should it?
6.1	Committee members are financially literate, and the committee has determined that it has adequate financial expertise in accordance with its charter.	6	0	1	0	I wish that there were more "financial experts" on the committee
6.2	Committee members participate in some form of continuing education to stay abreast of changes in the financial accounting and reporting, regulatory and ethics areas.	4	0	3	0	I think the committee goes through the motions, but in depth training is not evident.  Some of the members do attend continuing education on their own, but there is no ERCOT sponsored continuing education and I am not certain if all members of the Committee do participate in continuing education to stay abreast of changes.  I do 40 hours per year.
6.3	The committee understands how the organization's performance compares with its budgetary targets and its peers, and how management plans to address any unfavorable variances.	6	0	1	0	The committee should dig deeper into the financial matters of ERCOT.
6.4	The committee discusses the initial selection of or changes in significant accounting policies used in developing the financial statements, the reason for and impact of any changes in policy, and reasons alternative treatments were not adopted.	6	1	0	0	The committee should be made more aware of the accounting policies that impact ERCOT.
6.5	The committee discusses significant, complex, or unusual transactions with management and the external auditors.	7	0	0	0	Yes, but I am not sure how complex they are. More probing and discussions should be encouraged.
6.6	The committee understands which areas represent high risk for material misstatement of the financial statements, and discusses assumptions and approaches used with management and the external auditors.	7	0	0	0	But, the committee could have more in-depth discussions of significant matters.



ERCOT  
Finance and Audit Committee  
Summary of responses to the 2011 annual self-assessment survey

Question Number	Survey Question	Response Count				Comment
		Yes	No	Not Sure	Skipped	
6.7	The committee forms its own view of the risk of material misstatement due to fraud, discusses with management and the external auditors their views on the risk of material misstatement due to fraud, and is comfortable that any differences in views can be reconciled.	6	0	1	0	More time should be spent in such discussions with the outside auditors. Too much time is spent on internal auditor items
6.8	The committee fully understands significant changes in financial statements from prior years and from budget, and is provided with sufficient, reliable evidence to support variances.	6	0	1	0	The budget has been fairly non-controversial for a number of years. The budget should be zero based every year with everything on the table.
6.9	The committee commits sufficient time to review, discuss, and consider the financial statements.	6	1	0	0	Too many times it is glossed over.
6.10	The committee makes optimum use of the meeting time allotted.	6	0	1	0	For what is on the agenda the time is well spent. Should the agenda be more diverse?
6.11	The committee meets with financial management to discuss results reported before finalization.	7	0	0	0	None.
7.0	Committee members have a clear understanding of ERCOT's debt structure and cash management practices.	6	0	1	0	An in depth discussion should take place at least once a year.
8.0	Committee members receive sufficient details regarding long-term financial planning.	7	0	0	0	But, not sure how good the long range financial planning is. We tend to focus on the current year and not further out.
9.0	The Committee makes appropriate use of workgroups or task forces to investigate issues defined by the Committee.	5	1	1	0	The committee could be more proactive on financial issues.  I am unaware of a need for workgroups or task forces and to the best my knowledge none have been used.
10.0	The committee engages outside experts as appropriate.	6	0	1	0	Not necessarily the case. The PUC has a tendency to dictate the use of outside experts. An example of this is the Navigant audit.
11.1	The organization's financial reporting processes are stronger as a result of management's interactions with the committee.	7	0	0	0	None.
11.2	The committee understands and agrees with the board on which categories of internal control it oversees. Categories include integrity of financial reporting; compliance with laws and regulations; and operational efficiency and effectiveness.	6	0	1	0	The committee does a reasonable job of this.
11.3	The committee and the board concur with any changes to the committee's internal control oversight mandate.	7	0	0	0	None.

ERCOT

Finance and Audit Committee

Summary of responses to the 2011 annual self-assessment survey

Question Number	Survey Question	Response Count				Comment
		Yes	No	Not Sure	Skipped	
11.4	The committee understands the current high-risk areas - including information technology and computer systems - in the categories of controls it oversees, as well as how management addresses those areas.	5	0	2	0	Not sure the committee is informed or involved in all of these.  The highest risk area appears to me to be in market credit standards and management. This area is so complex that I am not always clear that the members of the committee and even the ERCOT staff have a complete understanding of the risks and effectiveness of controls.  Additional discussion of IT vulnerability will become increasingly important from an enterprise risk management perspective.
12.0	The committee is cognizant of the line between oversight and management, and endeavors to respect that line.	7	0	0	0	None.
13.0	The committee conducts executive sessions in a manner that offers a "safe haven" to the individual, while at the same time asking tough and necessary questions, evaluating the answers, and pursuing issues that might arise to a satisfactory resolution.	6	0	0	1	None.
14.1	The committee does its part to ensure the objectivity of the internal audit team.	6	0	0	1	None.
14.2	The committee provides constructive feedback to the chief audit executive at least annually.	6	0	0	1	None.
14.3	The committee receives sufficient detail regarding material issues and complaints brought forward which relate to the company's fraud, ethics or accounting practices.	6	0	0	1	None.
14.4	The committee has developed the scope of work to be done by the independent auditor and by the internal audit department based upon a reasoned review of the risks or exposures to the company.	5	0	1	1	The scope of the audit is determined by the Financial team at ERCOT and set before the committee. Maybe the committee should be more involved with the outside auditor on this.
15.0	The committee communicates at an appropriate level of detail when informing the Board of its actions.	5	0	1	1	Occasionally ERCOT staff will bring an issue expecting the committee members to have a full understanding and agreement, when in fact, the members are not fully advised or in agreement. One recent example is in the Protocol and procedure modifications to comply with requests of the CFTC. The committee did not have sufficient information from staff--at least initially--to fully assess these changes. Once the committee discussed, ERCOT staff did a more complete job in providing information.
16.0	Committee members receive clear and succinct agendas and supporting written material sufficiently prior to scheduled meetings.	6	0	0	1	None.

ERCOT

Finance and Audit Committee

Summary of responses to the 2011 annual self-assessment survey

Question Number	Survey Question	Response Count				Comment
		Yes	No	Not Sure	Skipped	
17.0	Committee members have adequate opportunities to discuss issues and ask questions.	6	0	0	1	None.
18.0	The frequency of committee meetings is appropriate for the responsibilities assigned to the committee.	5	0	1	1	There is a trend to have less meetings. Not sure this is a good idea.  We should determine early in 2012 whether the six meeting frequency is sufficient to discharge our role.
19.0	Meeting facilities and presentation materials are effective for the conduct of committee activities.	6	0	0	1	None.
20.0	The committee is efficient and value adding.	5	0	0	2	But, I think it could do more
21.0	Please add additional comments, questions and suggestions here.					Due to the meeting schedules of other committees at times the F&A committee has been time constrained. It would be nice to have more time between meetings in case an item requires more attention than originally planned.  To me, the biggest financial risk we face is in market credit policy, oversight, and management. That there is not a single question in this survey referencing this issue, I'm perhaps concerned that the ERCOT staff may have a different impression of the issue than I do. More attention to market credit policy may be in order.

## 7. Quarterly Committee Education on Accounting Developments

### Rebecca Beckham

### Accounting standards update (as of December 2011)

- Most believe that a single-set of high-quality, transparent, and robust accounting standards for all public companies will enhance capital markets.
- Approximately 90 countries have adopted international accounting standards (IFRS), in some form, for publicly listed companies.
- The United States continues to follow GAAP and has not adopted IFRS.
- Those advocating US GAAP vs. IFRS cite the following:

US GAAP	IFRS
Rules-based (more detailed guidance)	Principles based
Well-established	Increased global comparability
Meets needs of users	Lower preparation costs
Allows US companies low cost of capital	Easier cross-border access to capital

# 7. Quarterly Committee Education on Accounting Developments

## Rebecca Beckham

### Current status in the United States

- Key regulatory bodies in the US:
  1. FASB- established by the SEC and is the accounting standard setting body.
  2. PCAOB - created by the Sarbanes-Oxley Act to oversee the auditors of public companies.

- The US path to IFRS adoption:

Conversion → Convergence → Condorsement

“Condorsement”- a currently proposed method by the SEC where GAAP would continue to exist, but the FASB would endorse new international standards and would evaluate other existing international standards and consider how to conform US standards to them.

“A new major international standard should be incorporated into US GAAP if that standard improves the quality of financial reporting already in place in the US.”

## **7. Quarterly Committee Education on Accounting Developments**

### **Rebecca Beckham**

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**On the current US path to IFRS adoption, there are two main issues related to ERCOT:**

- 1) Accounting for leases
- 2) Regulatory accounting

## 7. Quarterly Committee Education on Accounting Developments

### Rebecca Beckham

#### 1) Accounting for leases

- The FASB and IASB released a joint Exposure Draft, *Leases*, in 2010 and are currently redeliberating to release an updated Exposure Draft in early 2012.
- This addresses investor complaints that current accounting rules let companies keep investors in the dark on leasing arrangements.
- Under the new proposal:
  - Off-balance sheet accounting would be eliminated for most leases
  - The cost of a lease would be accelerated into its early years
  - Rent expense would be replaced with amortization and interest expense
  - A right of use asset and corresponding liability would be recorded
- Effective date not expected before 2015

## 7. Quarterly Committee Education on Accounting Developments

### Rebecca Beckham

### Potential impact to ERCOT (using 2012 leasing data)

Cash flow	Current	Proposed
Rent payment	\$675,000	\$675,000

- No cash flow impact

Financial line item	Current	Proposed
Asset	\$0	\$1,300,000
Liability	\$0	\$1,300,000
Amortization expense	\$0	\$650,000
Interest expense	\$0	\$40,000
Rent expense	\$675,000	\$0

- Balance Sheet grossed up by \$1.3 million
- Expenses accelerated in the earlier years of the lease
- Minimal impact to ERCOT's existing debt covenant ratios



## 7. Quarterly Committee Education on Accounting Developments

### Rebecca Beckham

### 2) Regulatory accounting

GAAP	IFRS
<ul style="list-style-type: none"><li>•Allows regulated companies to match costs and the rates designed to recover them over time.</li><li>•<b>Regulatory asset</b>- specific costs deferred to the balance sheet that will be recovered through rates in the future.</li><li>• <b>Regulatory liability</b>- specific revenue deferred to the balance sheet that will be offset by specific costs in the future.</li></ul>	<ul style="list-style-type: none"><li>•Does not permit the recognition of regulatory assets and liabilities</li><li>•Might consider through Intangible Asset and Contingent Liability guidance</li><li>•All revenue and costs would be recognized immediately as opposed to deferred onto the balance sheet</li></ul>

In a recent poll, power and utility companies considered this the most significant conversion matter.

## 7. Quarterly Committee Education on Accounting Developments

### Rebecca Beckham

### Potential impact to ERCOT

- Most believe the elimination of regulatory accounting is not likely to occur based on the amount of companies significantly impacted.
- ERCOT has a Nodal regulatory liability of \$114 million as of 10/31/2011.
- Based on Nodal surcharge collections and continued depreciation of Nodal assets, ERCOT expects the regulatory liability to be fully recognized in net income (and move to \$0) before any accounting changes take place.
- Once the Nodal regulatory liability is fully recognized in income, ERCOT does not expect to have any additional transactions subject to regulatory accounting.

## 7. Quarterly Committee Education on Accounting Developments

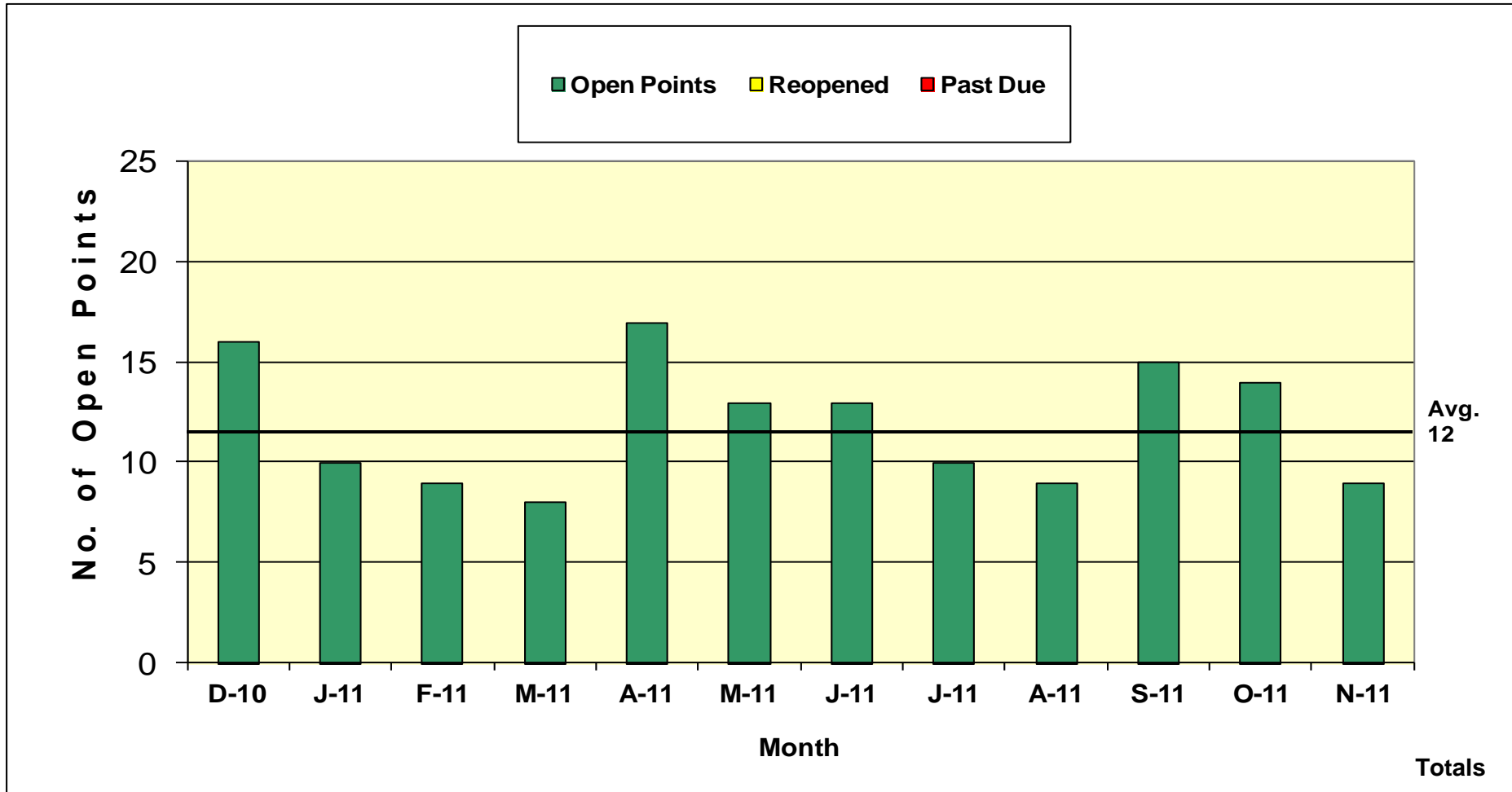
### Rebecca Beckham

### Other FASB activity impacting ERCOT

- Once the FASB identifies a financial reporting issue to address, they issue an Exposure Draft, which is open to public review and comment. After final analysis, an Accounting Standards Update is issued.
- ERCOT accounting staff continually monitors this process. For issues impacting ERCOT, the accounting staff reviews and considers providing comment letters to the FASB to express any concerns or support.
- The FASB has added two new projects to improve financial reporting by not-for-profit organizations.
  1. A standard setting project to focus on the financial statements and related notes unique to not-for-profits
  2. A research project to study other means of communication that not-for-profits use in telling their financial story

# 8. Committee Brief ICMP: Status of Open Audit Points

## Cheryl Moseley



	D-10	J-11	F-11	M-11	A-11	M-11	J-11	J-11	A-11	S-11	O-11	N-11	Totals
Audits Completed	6	1	1	2	8	0	4	0	3	4	1	2	32
Points Added	7	0	0	3	15	0	7	0	2	8	0	0	42
Points Completed	10	6	1	4	6	4	7	3	3	2	1	5	52

All audit points except three expected to be complete by 1/31/12.

## 8. Committee Brief: ICMP – Audits

### Cheryl Moseley

#### Audits Completed

(last 3 months)

##### Internal Audits

- Q3 Fraud Auditing
- ICMP Program Evaluation and Control Self Assessment Process
- Assessment of Completed Projects
- Cash and Investments
- Annual Corporate Controls Testing Summary

##### External Audits

- None

#### Audits in Progress

##### Internal Audits

- Business Continuity Plan and Disaster Recovery
- Storage and Capacity Planning
- Nodal Program Bonus Payments (Special Request)
- Enterprise Risk Management (Consulting/Advisory)
- Business Integration Testing
- Protocol 1.4 Required Audit – Ethics (Employee & Contractor Ethics)
- Market Credit

##### External Audits

- 2011 Type 2 SSAE 16 (SAS 70) Audit (BrightLine CPAs & Associates, Inc.)
- Nodal Program Audit (Navigant Consulting, LLC)

#### Planned Audits

(next 3 months)

##### Internal Audits

- Vulnerability Audit Follow-up
- Congestion Revenue Rights (Nodal Protocol Section 7)
- Compliance with “Must” and “Shall” Protocol Requirements
- Operator Training (Consulting/Advisory Services)
- Crisis Communications Procedures

##### External Audits

- 2011 Financial Audit (Ernst & Young, LLP)

## 8. Committee Brief: ICMP – Security Assessments

### Cheryl Moseley

#### Consultation/Analysis Reports Completed

(last 3 months)

#### Assessments

- None

#### Open Consultation/ Analysis Reviews

(in progress)

#### Assessments

- None

#### Planned Consultation/ Analysis Reviews

(next 3 months)

#### Assessments

- None



## MEMORANDUM

To: Finance and Audit (F&A) Committee  
From: Rebecca Beckham, Manager of Financial Reporting  
Date: December 5, 2011  
Re: Action Item - October 17, 2011 F&A Committee Meeting

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You may recall that, during Executive Session of the October 2011 F&A Committee meeting, Clifton Karnei and Miguel Espinosa inquired whether Ernst & Young, LLP (E&Y) was engaged on a year-by-year basis for ERCOT's financial statement audits. Please let this memorandum serve as response to such inquiry.

In brief, the Board of Directors (Board) did approve E&Y's engagement as financial statement auditor for a three-year period which allowed ERCOT staff the ability to set rates for three years. The engagement letters with E&Y have been executed on an annual basis, subject to any other necessary F&A Committee and Board approvals. ERCOT staff seeks annual reaffirmation by the F&A Committee and approval by the Board based on auditor independence confirmation and Section 4.10 of the ERCOT Bylaws which states that one of the Board's duties is "annual selection of a qualified independent public accounting firm to audit the financial statements of ERCOT."

By way of background, on September 15, 2009, the F&A Committee recommended and the Board approved the selection of E&Y as "the qualified public accounting firm to audit ERCOT's financial statements... for the years ending December 31, 2009, December 31, 2010 and December 31, 2011."

The 2009 financial statement audit engagement letter between ERCOT and E&Y provides that:

We [E&Y] may audit and report on the financial statements of the Company [ERCOT] for the years ended December 31, 2010 and December 31, 2011, as approved in advance by the Audit Committee and the Board of Directors, *as necessary*, and requested in writing by an authorized officer of the Company. The fees for the 2010 and 2011 Audit Services, if such Services are so approved, would be based on the proposed dated August 7, 2009. Changes in the scope of the Audit Services and estimated fees for such services in subsequent fiscal years will be communicated in supplemental letters. (Emphasis added.)

The 2010 financial statement audit engagement letter between ERCOT and E&Y contains similar wording.

# 8. Committee Brief: Investment Report

## Leslie Wiley

### Summary of Investments November 30, 2011

Counter Party	Treasury	Treasury and Treasury Repo	Total Invested	Percentage of Investments
	<small>\$ millions</small>			
Dreyfus	\$ 49.5		49.5	8%
Fidelity	49.5		49.5	8%
Goldman Sachs	\$ 49.5		\$ 49.5	8%
SSgA	49.5		49.5	8%
Western Asset	49.5		49.5	8%
BlackRock	24.5	25.0	49.5	8%
Federated	24.5	25.0	49.5	8%
Invesco		49.5	49.5	8%
JPMorgan		49.5	49.5	8%
Morgan Stanley		49.5	49.5	8%
UBS		49.5	49.5	8%
Wells Fargo		49.5	49.5	8%
Total	\$ 296.5	\$ 297.5	\$ 594.0	100%



## 8. Committee Briefs: Investment Corporate Standard Quarterly Compliance – Leslie Wiley

Standard	Compliance
Money market mutual funds invested only in obligations of or guaranteed by the US Treasuries or repurchase agreements in which the collateral is obligations of or guaranteed by US Treasuries.	Yes
No more than 40 percent of the portfolio shall be invested in repurchase agreements across all money market mutual funds.	Yes
No more than 10% of investable funds will be maintained in any one fund.	Yes
No more than \$50 million will be maintained in any one fund.	Yes
Has assets under management in the fund of at least \$1 billion	Yes

**Electric Reliability Council of Texas, Inc.**  
**Summary of Investment Results**  
**Third Quarter 2011**  
(in 000's)

Investment Funds (Note 1)	Balance at Sept 30	Average Bal for Qtr	Interest 3rd Qtr	Yield 3rd Qtr Avg	Yield End of 3rd Qtr	% of portfolio at Sept 30	Detailed Fund Holdings
Bank of America Treasury Reserves MMF	1,000	12,416	-	0.00%		0%	Attachment A
BlackRock Institutional T-Fund (60) MMF	15,929	19,348	0.5	0.01%		3%	Attachment B
BlackRock Institutional Treasury Trust Fund MMF	33,992	35,755	-	0.00%		7%	Attachment C
Federated Fund 068 Treasury Obligations Fund	20,807	21,264	0.6	0.01%		4%	Attachment D
Federated Fund 0125 US Treasury Cash Reserves Fund	29,176	32,733	0.2	0.00%		6%	Attachment E
Fidelity 695 Institutional MMF: Treasury Portfolio	991	7,915	0.2	0.01%		0%	Attachment F
Fidelity 680 Institutional MMF: Treasury Only Portfolio	48,995	48,220	1.3	0.01%		10%	Attachment G
Goldman Sachs Treasury Instruments Fund 506	49,900	39,758	0.5	0.01%		10%	Attachment H
Invesco Institutional Treasury Portfolio	49,744	48,211	2.5	0.02%		10%	Attachment I
JP Morgan Chase US Treasury Plus MM Fund	49,416	46,644	-	0.00%		10%	Attachment J
Morgan Stanley Fund 8304 Treasury	49,991	46,302	1.3	0.01%		10%	Attachment K
State Street Global Advisors Institutional Treasury MMF	49,400	42,671	-	0.00%		10%	Attachment L
UBS Select Treasury Preferred Fund 46	196	31,559	0.8	0.01%		0%	Attachment M
Wells Fargo Institutional Treasury Plus MMF	6,010	12,480	0.3	0.01%		1%	Attachment N
Wells Fargo 100% Treasury MMF	43,986	44,878	1.1	0.01%		9%	Attachment O
Western Asset Institutional US Treasury Reserves	49,991	42,981	1.7	0.02%		10%	Attachment P
<b>Sub-Total</b>	<b>499,524</b>	<b>533,135</b>	<b>11.0</b>			<b>100%</b>	
Other cash net of outstanding checks (Note 2)	39						
<b>Total cash and cash equivalents (est)</b>	<b>499,563</b>						

**Benchmark data** (Note 3)

Four Week T-Bill:	0.02%
Other open relevant Treasury MMFs:	0.01% (Range: 0.00% - 0.02%)

**Notes**

Note 1: In compliance with the Investment Corporate Standard, these funds invest solely in Treasury or obligations backed by US treasuries.

Note 2: All other cash, net of outstanding checks, held by ERCOT in bank accounts as of September 30, 2011.

Note 3: Benchmark data obtained as of September 30, 2011 for T-Bills and for comparable funds for which quotes are periodically obtained. Funds not currently open for investment are not included in range. Note that due diligence has not been performed on funds included in the benchmark and included funds may not meet ERCOT investment standards.

Note 4: No individual securities held as of September 30, 2011.

**Statement of Compliance**

Upon a review of the investment activity for the 3 month period ended September 30, 2011, I have no knowledge of any ERCOT action that does not comply with that required by the Investment Corporate Standard.

Signature on File  
Michael Petterson Vice President Finance and Treasury

# 8. Committee Briefs: Investment Corporate Standard Quarterly Compliance – Leslie Wiley

Electric Reliability Council of Texas, Inc  
 Summary of Investment Funds - Concentration Report  
 As of 10/31/11

SPONSOR	AS OF DATE	ERCOT VALUE	% OF ERCOT PORTFOLIO	TOTAL FUND AMOUNT
Treasuries		\$417,400,813	72.65%	\$166,664,438,254
Repurchase Agreements		\$157,099,187	27.35%	\$56,746,321,854
<b>Total</b>		<b>\$574,500,000</b>	<b>100.00%</b>	<b>\$223,410,760,108</b>

ERCOT Portfolio	ERCOT INVESTMENT	SECURITY	SECURITY TYPE	ICD TICKER	PAR VALUE	MATURITY	% WEIGHT of ERCOT portfolio
73%	\$417,400,814	US TREASURY BILLS/Notes	TREASURY		\$166,664,438,255		
	\$9,058,658	Bank of America Tri Party Repo	REPO	STPXX	\$2,350,000,000	11/01/2011	5.77%
	\$139,479	Bank of Montreal dated	REPO	TOIXX	\$140,000,000	11/01/2011	0.09%
	\$5,624,382	Bank of Nova Scotia	REPO	MISXX	\$595,000,000	11/01/2011	3.58%
	\$1,403,055	Barclays Capital Inc	REPO	SCTZZ	\$443,346,854	11/01/2011	0.89%
	\$1,582,345	Barclays Capital Inc	REPO	SCTZZ	\$500,000,000	11/01/2011	1.01%
	\$1,582,345	Barclays Capital Inc	REPO	SCTZZ	\$500,000,000	11/01/2011	1.01%
	\$1,898,813	Barclays Capital Inc	REPO	SCTZZ	\$600,000,000	11/01/2011	1.21%
	\$2,363,186	Barclays Capital Inc	REPO	MISXX	\$250,000,000	11/02/2011	1.50%
	\$3,119,405	Barclays Capital Inc	REPO	MISXX	\$330,000,000	11/01/2011	1.99%
	\$996,276	Barclays Capital Inc dated	REPO	TOIXX	\$1,000,000,000	11/02/2011	0.63%
	\$1,316,081	Barclays Capital Inc dated	REPO	TOIXX	\$1,321,000,000	11/18/2011	0.84%
	\$1,534,266	Barclays Capital Inc dated	REPO	TOIXX	\$1,540,000,000	11/01/2011	0.98%
	\$708,600	Barclays Capital INC REPO UST BRCCAP	REPO	PISXX	\$250,000,000	11/03/2011	0.45%
	\$770,950	Barclays Capital Inc Tri Party Repo	REPO	STPXX	\$200,000,000	11/01/2011	0.49%
	\$1,541,899	Barclays Capital Inc Tri Party Repo	REPO	STPXX	\$400,000,000	11/03/2011	0.98%
	\$2,698,324	Barclays Capital Inc Tri Party Repo	REPO	STPXX	\$700,000,000	11/02/2011	1.72%
	\$2,834,400	Barclays Capital Incorporated	REPO	PISXX	\$1,000,000,000	11/01/2011	1.80%
	\$474,703	BMO Capital Markets Corp	REPO	SCTZZ	\$150,000,000	11/01/2011	0.30%
	\$1,417,200	BNP PARIBAS SECS CORP REPO UST PARSEC	REPO	PISXX	\$500,000,000	11/01/2011	0.90%
	\$2,215,282	BNP Paribas Securities Corp	REPO	SCTZZ	\$700,000,000	11/01/2011	1.41%
	\$7,089,558	BNP Paribas Securities Corp	REPO	MISXX	\$750,000,000	11/01/2011	4.51%
	\$1,036,127	BNP Panbas Securities Corp dated	REPO	TOIXX	\$1,040,000,000	11/01/2011	0.66%
	\$1,491,426	BNP Paribas Securities Corp dated	REPO	TOIXX	\$1,497,000,000	11/08/2011	0.95%
	\$316,469	CIBC World Markets Corp	REPO	SCTZZ	\$100,000,000	11/01/2011	0.20%
	\$99,628	CIBC World Markets Corp dated	REPO	TOIXX	\$100,000,000	11/01/2011	0.06%
	\$747,207	Citibank NA New York dated	REPO	TOIXX	\$750,000,000	11/01/2011	0.48%
	\$1,796,021	Credit Agricole Securities USA	REPO	MISXX	\$190,000,000	11/01/2011	1.14%
	\$255,524	Credit Agricole Securities USA Inc dated	REPO	TOIXX	\$256,479,000	11/01/2011	0.16%
	\$708,600	CREDIT SUISSE SECS USA REPO UST CSFBCO	REPO	PISXX	\$250,000,000	11/04/2011	0.45%
	\$1,868,578	CREDIT SUISSE SECS USA REPO UST CSFBCO	REPO	PISXX	\$659,250,000	11/01/2011	1.19%
	\$737,314	Credit Suisse Securities USA	REPO	MISXX	\$78,000,000	11/01/2011	0.47%
	\$2,363,186	Credit Suisse Securities USA	REPO	MISXX	\$250,000,000	11/03/2011	1.50%
	\$791,172	Credit Suisse Securities USA LLC	REPO	SCTZZ	\$250,000,000	11/01/2011	0.50%
	\$1,582,345	Credit Suisse Securities USA LLC	REPO	SCTZZ	\$500,000,000	11/04/2011	1.01%
	\$1,582,345	Credit Suisse Securities USA LLC	REPO	SCTZZ	\$500,000,000	11/21/2011	1.01%
	\$996,276	Credit Suisse Securities USA LLC dated	REPO	TOIXX	\$1,000,000,000	11/03/2011	0.63%
	\$1,285,196	Credit Suisse Securities USA LLC dated	REPO	TOIXX	\$1,290,000,000	11/01/2011	0.82%
	\$1,342,980	Credit Suisse Securities USA LLC dated	REPO	TOIXX	\$1,348,000,000	11/02/2011	0.85%
	\$945,274	Deutsche Bank Securities Inc	REPO	MISXX	\$100,000,000	11/02/2011	0.60%
	\$1,582,345	Deutsche Bank Securities Inc	REPO	SCTZZ	\$500,000,000	11/01/2011	1.01%
	\$1,710,001	Deutsche Bank Securities Inc	REPO	MISXX	\$180,900,000	11/01/2011	1.09%
	\$1,890,549	Deutsche Bank Securities Inc	REPO	MISXX	\$200,000,000	11/03/2011	1.20%
	\$1,898,813	Deutsche Bank Securities Inc	REPO	SCTZZ	\$600,000,000	11/01/2011	1.21%
	\$53,799	Deutsche Bank Securities Inc dated	REPO	TOIXX	\$54,000,000	11/01/2011	0.03%
	\$879,712	Deutsche Bank Securities Inc dated	REPO	TOIXX	\$883,000,000	11/07/2011	0.56%
	\$425,160	Deutsche Bank Securities Repo Ust Db	REPO	PISXX	\$150,000,000	11/01/2011	0.27%

Electric Reliability Council of Texas, Inc  
Summary of Investment Funds - Concentration Report  
As of 10/31/11

ERCOT Portfolio	ERCOT INVESTMENT	SECURITY	SECURITY TYPE	ICD TICKER	PAR VALUE	MATURITY	% WEIGHT of ERCOT portfolio
	\$708,600	Deutsche Bank Securities Repo Ust Db	REPO	PISXX	\$250,000,000	11/07/2011	0.45%
	\$708,600	Deutsche Bank Securities Repo Ust Db	REPO	PISXX	\$250,000,000	11/01/2011	0.45%
	\$1,787,832	Deutsche Bank Tri Party Repo	REPO	STPXX	\$463,800,000	11/01/2011	1.14%
	\$1,927,374	Deutsche Bank Tri Party Repo	REPO	STPXX	\$500,000,000	11/03/2011	1.23%
	\$283,440	Goldman Sachs CO Repo Ust Goldmn	REPO	PISXX	\$100,000,000	11/01/2011	0.18%
	\$2,505,586	Goldman Sachs Co Tri Party Repo	REPO	STPXX	\$650,000,000	11/04/2011	1.59%
	\$5,782,122	Goldman Sachs Co Tri Party Repo	REPO	STPXX	\$1,500,000,000	11/01/2011	3.68%
	\$316,469	HSBC Securities USA Inc	REPO	SCTZZ	\$100,000,000	11/01/2011	0.20%
	\$1,890,549	HSBC Securities USA Inc	REPO	MISXX	\$200,000,000	11/01/2011	1.20%
	\$2,215,282	HSBC Securities USA Inc	REPO	SCTZZ	\$700,000,000	11/01/2011	1.41%
	\$378,585	HSBC Securities USA Inc dated	REPO	TOIXX	\$380,000,000	11/01/2011	0.24%
	\$945,274	ING Financial Markets LLC	REPO	MISXX	\$100,000,000	11/01/2011	0.60%
	\$56,599	JP Morgan Securities LLC dated	REPO	TOIXX	\$56,811,000	11/01/2011	0.04%
	\$2,057,048	Merrill Lynch Pierce Fenner Smith Inc	REPO	SCTZZ	\$650,000,000	11/01/2011	1.31%
	\$288,920	Merrill Lynch Pierce Fenner Smith Inc dated	REPO	TOIXX	\$290,000,000	11/01/2011	0.18%
	\$354,300	MERRILL PIERCE FENNER SM REPO UST MER	REPO	PISXX	\$125,000,000	11/01/2011	0.23%
	\$632,938	Morgan Stanley Co Inc	REPO	SCTZZ	\$200,000,000	11/01/2011	0.40%
	\$425,160	Morgan Stanley And CO Repo Ust Morgco	REPO	PISXX	\$150,000,000	11/01/2011	0.27%
	\$1,582,345	RBS Securities Inc	REPO	SCTZZ	\$500,000,000	11/01/2011	1.01%
	\$1,582,345	RBS Securities Inc	REPO	SCTZZ	\$500,000,000	11/01/2011	1.01%
	\$5,671,646	RBS Securities Inc	REPO	MISXX	\$600,000,000	11/01/2011	3.61%
	\$3,985,105	RBS Securities Inc dated	REPO	TOIXX	\$4,000,000,000	11/01/2011	2.54%
	\$2,834,400	RBS SECURITIES INC REPO UST RBSSEC	REPO	PISXX	\$1,000,000,000	11/01/2011	1.80%
	\$1,582,345	Societe Generale	REPO	SCTZZ	\$500,000,000	11/01/2011	1.01%
	\$2,531,751	Societe Generale	REPO	SCTZZ	\$800,000,000	11/01/2011	1.61%
	\$6,144,283	Societe Generale	REPO	MISXX	\$650,000,000	11/01/2011	3.91%
	\$2,125,800	SOCIETE GENERALE NY REPO UST SOGNNY	REPO	PISXX	\$750,000,000	11/01/2011	1.35%
	\$1,534,266	Societe Generale Paris dated	REPO	TOIXX	\$1,540,000,000	11/01/2011	0.98%
	\$23	State Street Bank and Trust Co	REPO	STPXX	\$6,000	11/01/2011	0.00%
	\$472,637	TD Securities USA LLC	REPO	MISXX	\$50,000,000	11/01/2011	0.30%
	\$777,096	TD Securities USA LLC dated	REPO	TOIXX	\$780,000,000	11/01/2011	0.49%
	\$2,093,307	TRIPARTY BARCLAYS CAPITAL INC	REPO	TSTXX	\$1,200,000,000	11/01/2011	1.33%
	\$1,622,313	TRIPARTY CITIGROUP GLOBAL MARKETS	REPO	TSTXX	\$930,000,000	11/01/2011	1.03%
	\$1,744,423	TRIPARTY CREDIT SUISSE SECURITIES	REPO	TSTXX	\$1,000,000,000	11/01/2011	1.11%
	\$829,558	TRIPARTY DEUTSCHE BANK SECURITIES	REPO	TSTXX	\$475,549,000	11/01/2011	0.53%
	\$1,247,262	TRIPARTY DEUTSCHE BANK SECURITIES	REPO	TSTXX	\$715,000,000	11/07/2011	0.79%
	\$1,569,980	TRIPARTY DEUTSCHE BANK SECURITIES	REPO	TSTXX	\$900,000,000	11/01/2011	1.00%
	\$1,415,445	TRIPARTY HSBC SECURITIES USA IN	REPO	TSTXX	\$811,412,000	11/01/2011	0.90%
	\$1,089,629	TRIPARTY JP MORGAN SECURITIES L	REPO	TSTXX	\$624,636,000	11/01/2011	0.69%
	\$814,253	TRIPARTY MERRILL LYNCH PIERCE F	REPO	TSTXX	\$466,775,000	11/01/2011	0.52%
	\$218,053	TRIPARTY MORGAN STANLEY CO LLC	REPO	TSTXX	\$125,000,000	11/01/2011	0.14%
	\$462,272	TRIPARTY MORGAN STANLEY CO LLC	REPO	TSTXX	\$265,000,000	11/01/2011	0.29%
	\$872,211	TRIPARTY MORGAN STANLEY CO LLC	REPO	TSTXX	\$500,000,000	11/04/2011	0.56%
	\$1,805,477	TRIPARTY RBS SECURITIES INC	REPO	TSTXX	\$1,035,000,000	11/01/2011	1.15%
	\$872,211	TRIPARTY UBS SECURITIES LLC	REPO	TSTXX	\$500,000,000	11/07/2011	0.56%
	\$900,745	TRIPARTY UBS SECURITIES LLC	REPO	TSTXX	\$516,357,000	11/01/2011	0.57%
	\$1,417,912	UBS Securities LLC	REPO	MISXX	\$150,000,000	11/01/2011	0.90%
	\$708,600	UBS SECURITIES LLC REPO UST UBSLLC	REPO	PISXX	\$250,000,000	11/02/2011	0.45%
	\$1,417,200	UBS SECURITIES LLC REPO UST UBSLLC	REPO	PISXX	\$500,000,000	11/01/2011	0.90%
	\$791,172	Wells Fargo Securities LLC	REPO	SCTZZ	\$250,000,000	11/01/2011	0.50%
	\$2,363,186	Wells Fargo Securities LLC	REPO	MISXX	\$250,000,000	11/01/2011	1.50%
27%	\$157,099,186	Total Repurchase Agreements			\$56,746,321,854		
100%	\$574,500,000	Total ERCOT Portfolio					

## BofA™ Global Capital Management

### BofA Treasury Reserves

Fund Information and Unaudited Holdings as of 09/30/11

Weighted Average Maturity: 52 days

Weighted Average Life: 52 days

ISSUER	INVESTMENT CATEGORY	CUSIP	PRINCIPAL AMOUNT	EFFECTIVE MATURITY DATE	FINAL MATURITY DATE	COUPON RATE	AMORTIZED COST/VALUE	% OF PORTFOLIO
BNP Paribas SA	Treasury Repurchase Agreement	N/A	34,000,000	3-Oct-11	3-Oct-11	0.020	34,000,000	0.42%
BNP Paribas SA	Other Repurchase Agreement	N/A	208,000,000	3-Oct-11	3-Oct-11	0.140	208,000,000	2.60%
BNP Paribas SA	Government Agency Repurchase Agreement	N/A	125,000,000	3-Oct-11	3-Oct-11	0.070	125,000,000	1.56%
Citibank N.A. Repo	Treasury Repurchase Agreement	N/A	450,000,000	3-Oct-11	3-Oct-11	0.040	450,000,000	5.61%
Credit Agricole SA	Treasury Repurchase Agreement	N/A	1,000,000,000	3-Oct-11	3-Oct-11	0.030	1,000,000,000	12.48%
Credit Suisse First Boston	Treasury Repurchase Agreement	N/A	138,000,000	20-Oct-11	20-Oct-11	0.080	138,000,000	1.72%
Credit Suisse First Boston	Treasury Repurchase Agreement	N/A	152,000,000	28-Oct-11	28-Oct-11	0.060	152,000,000	1.90%
Credit Suisse First Boston	Treasury Repurchase Agreement	N/A	100,381,000	3-Oct-11	3-Oct-11	0.040	100,381,000	1.25%
HSBC USA, Inc.	Treasury Repurchase Agreement	N/A	200,000,000	3-Oct-11	3-Oct-11	0.020	200,000,000	2.50%
JPMorgan Securities LLC	Treasury Repurchase Agreement	N/A	119,000,000	3-Oct-11	3-Oct-11	0.010	119,000,000	1.48%
Mizuho Securities USA, Inc.	Treasury Repurchase Agreement	N/A	450,000,000	3-Oct-11	3-Oct-11	0.050	450,000,000	5.61%
Royal Bank of Canada	Government Agency Repurchase Agreement	N/A	250,000,000	3-Oct-11	3-Oct-11	0.020	250,000,000	3.12%
Royal Bank of Canada	Treasury Repurchase Agreement	N/A	1,000,000,000	3-Oct-11	3-Oct-11	0.010	1,000,000,000	12.48%
Societe Generale SA	Treasury Repurchase Agreement	N/A	400,000,000	3-Oct-11	3-Oct-11	0.030	400,000,000	4.99%
Societe Generale SA	Government Agency Repurchase Agreement	N/A	400,000,000	3-Oct-11	3-Oct-11	0.040	400,000,000	4.99%
TD Securities USA LLC	Treasury Repurchase Agreement	N/A	250,000,000	3-Oct-11	3-Oct-11	0.050	250,000,000	3.12%
U.S. Treasury Bill	Treasury Debt	912795Y88	285,000,000	2-Feb-12	2-Feb-12	0.120	284,882,200	3.56%
U.S. Treasury Bill	Treasury Debt	9127952P5	16,200,000	17-Nov-11	17-Nov-11	0.160	16,196,616	0.20%
U.S. Treasury Bill	Treasury Debt	9127953G4	89,000,000	8-Mar-12	8-Mar-12	0.070	88,972,484	1.11%
U.S. Treasury Bill	Treasury Debt	9127953N9	79,050,000	3-May-12	3-May-12	0.100	79,002,790	0.99%
U.S. Treasury Note	Treasury Debt	9128277L0	177,400,000	15-Feb-12	15-Feb-12	4.875	180,585,023	2.21%
U.S. Treasury Note	Treasury Debt	912828FW5	97,250,000	31-Oct-11	31-Oct-11	4.625	97,595,927	1.21%
U.S. Treasury Note	Treasury Debt	912828GA2	80,000,000	30-Nov-11	30-Nov-11	4.500	80,546,474	1.00%
U.S. Treasury Note	Treasury Debt	912828GM6	108,204,000	31-Mar-12	31-Mar-12	4.500	110,573,349	1.35%
U.S. Treasury Note	Treasury Debt	912828GQ7	95,481,000	30-Apr-12	30-Apr-12	4.500	97,889,378	1.19%
U.S. Treasury Note	Treasury Debt	912828JU5	116,500,000	15-Nov-11	15-Nov-11	1.750	116,712,019	1.45%
U.S. Treasury Note	Treasury Debt	912828KC3	4,658,000	15-Feb-12	15-Feb-12	1.375	4,681,041	0.06%
U.S. Treasury Note	Treasury Debt	912828KG4	89,000,000	15-Mar-12	15-Mar-12	1.375	89,538,854	1.11%
U.S. Treasury Note	Treasury Debt	912828KK5	167,300,000	15-Apr-12	15-Apr-12	1.375	168,403,397	2.09%

NOT FDIC INSURED	May Lose Value
NOT BANK ISSUED	No Bank Guarantee

Advisory services provided by BofA Advisors, LLC, Securities offered through BofA Distributors, Inc., nonbank subsidiaries of



ISSUER	INVESTMENT CATEGORY	CUSIP	PRINCIPAL AMOUNT	EFFECTIVE MATURITY DATE	FINAL MATURITY DATE	COUPON RATE	AMORTIZED COST/VALUE	% OF PORTFOLIO
U.S. Treasury Note	Treasury Debt	912828KP4	48,204,000	15-May-12	15-May-12	1.375	48,565,212	0.60%
U.S. Treasury Note	Treasury Debt	912828ML1	327,000,000	31-Dec-11	31-Dec-11	1.000	327,771,964	4.08%
U.S. Treasury Note	Treasury Debt	912828MM9	80,100,000	30-Nov-11	30-Nov-11	0.750	80,172,353	1.00%
U.S. Treasury Note	Treasury Debt	912828NB2	342,000,000	30-Apr-12	30-Apr-12	1.000	343,750,185	4.27%
U.S. Treasury Note	Treasury Debt	912828NE6	337,020,000	31-May-12	31-May-12	0.750	338,458,150	4.20%
UBS Financial Services, Inc.	Government Agency Repurchase Agreement	N/A	100,000,000	3-Oct-11	3-Oct-11	0.070	100,000,000	1.25%
UBS Financial Services, Inc.	Treasury Repurchase Agreement	N/A	99,277,000	3-Oct-11	3-Oct-11	0.030	99,277,000	1.24%

Please note that the fund holdings report does not include uninvested cash held by the fund. This uninvested cash is included in the funds' assets but is not considered a portfolio holding of the funds under applicable regulatory guidance. Uninvested cash is held at the funds' custodial bank account and has unlimited FDIC coverage. The total assets of a fund is the sum of the value of the portfolio holdings plus the uninvested cash held at the custodial bank. Please refer to the Performance page of the website for the total net assets of the Fund.

The fund will file its complete schedule of investments with the Securities and Exchange Commission for each month end on Form N-MFP. The funds' Form N-MFP is available 60 days following each month end on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov).

The fund also publishes its portfolio of investments at each fiscal quarter end in its annual and semiannual reports and on Form N-Q. To view a copy of a fund's Form N-Q you can visit the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov).

The Effective Maturity Date reflects the maturity date of the security as determined under Rule 2a-7 under the Investment Company Act of 1940, as amended, for purposes of calculating the dollar-weighted average maturity. Generally the date represents the earlier of the next interest rate reset date or final legal maturity date. The Final Maturity Date reflects the final legal maturity date of the security, if different from the Effective Maturity Date.

Portfolio characteristics and holdings are subject to change periodically and may not be representative of current holdings. Current and future holdings are subject to risk, including, but not limited to, market and credit risk.

***An investment in money market mutual funds is not insured or guaranteed by Bank of America, N.A. or its affiliates, or by the Federal Deposit Insurance Corporation or any other government agency. Although money market mutual funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in money market mutual funds.***

**Please read and consider the investment objectives, risks, charges and expenses for any fund carefully before investing. For a prospectus which contains this and other important information about the fund, contact your BofA Global Capital Management representative or financial advisor or go to [www.bofacapital.com](http://www.bofacapital.com).**

BofA Global Capital Management Group, LLC (BofA Global Capital Management) is an asset management division of Bank of America Corporation. BofA Global Capital Management entities furnish investment management services and products for institutional and individual investors. BofA Funds are distributed by **BofA Distributors, Inc.**, member FINRA and SIPC. **BofA Distributors, Inc.** is part of BofA Global Capital Management and an affiliate of Bank of America Corporation.

NOT FDIC INSURED	May Lose Value
NOT BANK ISSUED	No Bank Guarantee

Advisory services provided by BofA Advisors, LLC, Securities offered through BofA Distributors, Inc., nonbank subsidiaries of



UNAUDITED Schedule of Investments T-Fund

9/30/2011

Position Description	CUSIP	Par	% Par	Maturity or Reset	Final Maturity	Yield or Coupon	Amortized Cost	Moody's Rating	S&P Rating
<b>WAM 48 Days / WAL 48 Days</b>									
<b>Treasury Debt</b>		<b>4,572,110,000</b>	<b>31.64%</b>				<b>4,582,022,528</b>		
TREASURY BILL	9127953M1	114,000,000	0.79%	10/6/2011	10/6/2011	0.14%	113,998,694	Govt	A-1+
TREASURY BILL	9127952K6	70,000,000	0.48%	10/20/2011	10/20/2011	0.23%	69,992,397	Govt	A-1+
TREASURY BILL	9127953Q2	350,000,000	2.42%	10/27/2011	10/27/2011	0.00%	350,000,000	Govt	A-1+
TREASURY BILL	9127953Q2	300,000,000	2.08%	10/27/2011	10/27/2011	0.00%	300,000,000	Govt	A-1+
TREASURY BILL	9127953Q2	100,000,000	0.69%	10/27/2011	10/27/2011	0.00%	99,999,995	Govt	A-1+
TREASURY BILL	9127953Q2	100,000,000	0.69%	10/27/2011	10/27/2011	0.00%	99,999,995	Govt	A-1+
TREASURY BILL	9127953Q2	50,000,000	0.35%	10/27/2011	10/27/2011	0.00%	49,999,967	Govt	A-1+
TREASURY BILL	9127952P5	62,000,000	0.43%	11/17/2011	11/17/2011	0.25%	61,980,664	Govt	A-1+
TREASURY BILL	9127952P5	50,000,000	0.35%	11/17/2011	11/17/2011	0.28%	49,982,500	Govt	A-1+
TREASURY BILL	9127952T7	34,672,200	0.24%	12/15/2011	12/15/2011	0.30%	34,651,459	Govt	A-1+
TREASURY BILL	9127952T7	5,327,800	0.04%	12/15/2011	12/15/2011	0.30%	5,324,613	Govt	A-1+
TREASURY BILL	9127954A6	190,000,000	1.31%	1/5/2012	1/5/2012	0.09%	189,955,350	Govt	A-1+
TREASURY BILL	9127954A6	10,000,000	0.07%	1/5/2012	1/5/2012	0.09%	9,997,650	Govt	A-1+
TREASURY BILL	9127952Y6	40,000,000	0.28%	1/12/2012	1/12/2012	0.29%	39,968,466	Govt	A-1+
TREASURY BILL	912795Y70	100,000,000	0.69%	1/26/2012	1/26/2012	0.10%	99,968,056	Govt	A-1+
TREASURY BILL	912795Z20	42,000,000	0.29%	2/16/2012	2/16/2012	0.08%	41,987,307	Govt	A-1+
TREASURY BILL	912795Z46	50,000,000	0.35%	3/1/2012	3/1/2012	0.04%	49,992,708	Govt	A-1+
TREASURY BILL	912795Z46	25,000,000	0.17%	3/1/2012	3/1/2012	0.05%	24,996,354	Govt	A-1+
TREASURY BILL	912795Z46	25,000,000	0.17%	3/1/2012	3/1/2012	0.05%	24,996,354	Govt	A-1+
TREASURY BILL	9127953G4	50,000,000	0.35%	3/8/2012	3/8/2012	0.07%	49,943,306	Govt	A-1+
TREASURY BILL	9127953G4	50,000,000	0.35%	3/8/2012	3/8/2012	0.07%	49,943,306	Govt	A-1+
TREASURY BILL	9127953G4	45,000,000	0.31%	3/8/2012	3/8/2012	0.26%	44,948,975	Govt	A-1+
TREASURY BILL	9127955D9	50,000,000	0.35%	3/15/2012	3/15/2012	0.05%	49,988,611	Govt	A-1+
TREASURY BILL	9127955D9	40,000,000	0.28%	3/15/2012	3/15/2012	0.05%	39,990,889	Govt	A-1+
TREASURY BILL	9127955D9	35,000,000	0.24%	3/15/2012	3/15/2012	0.05%	34,991,868	Govt	A-1+
TREASURY BILL	9127955E7	70,000,000	0.48%	3/22/2012	3/22/2012	0.04%	69,988,362	Govt	A-1+
TREASURY BILL	912795Y96	100,000,000	0.69%	8/23/2012	8/23/2012	0.10%	99,914,236	Govt	A-1+
TREASURY BILL	912795Y96	60,000,000	0.42%	8/23/2012	8/23/2012	0.10%	59,947,458	Govt	A-1+
TREASURY BILL	912795Y96	44,725,000	0.31%	8/23/2012	8/23/2012	0.10%	44,684,623	Govt	A-1+
TREASURY BILL	912795Y96	30,000,000	0.21%	8/23/2012	8/23/2012	0.10%	29,972,917	Govt	A-1+
TREASURY NOTE	912828MJ6	100,000,000	0.69%	1/31/2012	1/31/2012	0.03%	100,276,821	Govt	AA+
TREASURY NOTE	912828MJ6	100,000,000	0.69%	1/31/2012	1/31/2012	0.05%	100,270,074	Govt	AA+
TREASURY NOTE	912828MJ6	35,000,000	0.24%	1/31/2012	1/31/2012	0.10%	35,089,039	Govt	AA+
TREASURY NOTE	912828MJ6	50,000,000	0.35%	1/31/2012	1/31/2012	0.10%	50,127,099	Govt	AA+
TREASURY NOTE	912828MJ6	50,000,000	0.35%	1/31/2012	1/31/2012	0.10%	50,126,470	Govt	AA+
TREASURY NOTE	912828MJ6	100,000,000	0.69%	1/31/2012	1/31/2012	0.14%	100,241,319	Govt	AA+
TREASURY NOTE	912828MJ6	60,000,000	0.42%	1/31/2012	1/31/2012	0.15%	60,142,756	Govt	AA+
TREASURY NOTE	912828KC3	200,000,000	1.38%	2/15/2012	2/15/2012	0.04%	200,981,830	Govt	AA+
TREASURY NOTE	912828KC3	100,000,000	0.69%	2/15/2012	2/15/2012	0.04%	100,481,225	Govt	AA+
TREASURY NOTE	912828KC3	100,000,000	0.69%	2/15/2012	2/15/2012	0.04%	100,481,225	Govt	AA+
TREASURY NOTE	912828KC3	20,360,000	0.14%	2/15/2012	2/15/2012	0.33%	20,438,598	Govt	AA+
TREASURY NOTE	912828MQ0	200,000,000	1.38%	2/29/2012	2/29/2012	0.12%	200,612,398	Govt	AA+
TREASURY NOTE	912828NB2	50,000,000	0.35%	4/30/2012	4/30/2012	0.07%	50,260,503	Govt	AA+
TREASURY NOTE	912828NB2	50,000,000	0.35%	4/30/2012	4/30/2012	0.07%	50,260,503	Govt	AA+
TREASURY NOTE	912828NB2	200,000,000	1.38%	4/30/2012	4/30/2012	0.09%	201,051,491	Govt	AA+
TREASURY NOTE	912828NB2	100,000,000	0.69%	4/30/2012	4/30/2012	0.11%	100,511,526	Govt	AA+
TREASURY NOTE	912828NB2	50,000,000	0.35%	4/30/2012	4/30/2012	0.11%	50,260,503	Govt	AA+
TREASURY NOTE	912828NB2	50,000,000	0.35%	4/30/2012	4/30/2012	0.11%	50,260,503	Govt	AA+
TREASURY NOTE	912828KP4	150,000,000	1.04%	5/15/2012	5/15/2012	0.11%	151,167,150	Govt	AA+
TREASURY NOTE	912828KP4	50,000,000	0.35%	5/15/2012	5/15/2012	0.25%	50,345,578	Govt	AA+
TREASURY NOTE	912828NE6	40,000,000	0.28%	5/31/2012	5/31/2012	0.12%	40,166,616	Govt	AA+
TREASURY NOTE	912828NE6	100,000,000	0.69%	5/31/2012	5/31/2012	0.12%	100,414,857	Govt	AA+
TREASURY NOTE	912828NS5	194,000,000	1.34%	7/2/2012	6/30/2012	0.08%	194,779,410	Govt	AA+
TREASURY NOTE	912828PH7	50,025,000	0.35%	8/31/2012	8/31/2012	0.11%	50,144,172	Govt	AA+
TREASURY NOTE	912828LR9	80,000,000	0.55%	10/15/2012	10/15/2012	0.13%	81,023,782	Govt	AA+
<b>Treasury Repurchase Agreement</b>		<b>9,878,262,000</b>	<b>68.36%</b>				<b>9,878,262,000</b>		
TRI-PARTY BARCLAYS CAPITAL INC.	BRSCSEDPA	600,000,000	4.15%	10/3/2011	10/3/2011	P 0.03%	600,000,000	NR	NR
TRI-PARTY BARCLAYS CAPITAL INC.	BRSD0HVH3	906,046,000	6.27%	10/3/2011	10/3/2011	0.05%	906,046,000	NR	NR



UNAUDITED Schedule of Investments T-Fund

9/30/2011

Position Description	CUSIP	Par	% Par	Maturity or Reset	Final Maturity	Yield or Coupon	Amortized Cost	Moody's Rating	S&P Rating
TRI-PARTY BARCLAYS CAPITAL INC.	BRSCP9L79	468,000,000	3.24%	10/7/2011	10/7/2011	P 0.09%	468,000,000	NR	NR
TRI-PARTY CITIGROUP GLOBAL MARKETS	BRSD0HVV0	985,281,000	6.82%	10/3/2011	10/3/2011	0.05%	985,281,000	P-1	A-1
TRI-PARTY CREDIT SUISSE SECURITIES	BRSD0HVT7	500,000,000	3.46%	10/3/2011	10/3/2011	0.04%	500,000,000	NR	NR
TRI-PARTY CREDIT SUISSE SECURITIES	BRSD0HVZ3	1,077,859,000	7.46%	10/3/2011	10/3/2011	0.05%	1,077,859,000	NR	NR
TRI-PARTY DEUTSCHE BANK SECURITIES	BRSD0HVL4	472,072,000	3.27%	10/3/2011	10/3/2011	0.03%	472,072,000	P-1	A-1
TRI-PARTY DEUTSCHE BANK SECURITIES	BRSD0HVL4	66,410,000	0.46%	10/3/2011	10/3/2011	0.03%	66,410,000	P-1	A-1
TRI-PARTY DEUTSCHE BANK SECURITIES	BRSD0JSJ9	40,000,000	0.28%	10/3/2011	10/3/2011	0.03%	40,000,000	P-1	A-1
TRI-PARTY DEUTSCHE BANK SECURITIES	BRSD0HVS9	470,000,000	3.25%	10/4/2011	10/4/2011	P 0.10%	470,000,000	P-1	A-1
TRI-PARTY DEUTSCHE BANK SECURITIES	BRSD0HVC4	747,000,000	5.17%	10/7/2011	10/7/2011	P 0.05%	747,000,000	P-1	A-1
TRI-PARTY HSBC SECURITIES (USA) IN	BRSD0HW66	162,522,000	1.12%	10/3/2011	10/3/2011	0.03%	162,522,000	NR	A-1+
TRI-PARTY HSBC SECURITIES (USA) IN	BRSD0M0E3	300,000,000	2.08%	10/3/2011	10/3/2011	0.04%	300,000,000	NR	A-1+
TRI-PARTY J.P. MORGAN SECURITIES L	BRSD0HVC4	675,072,000	4.67%	10/3/2011	10/3/2011	0.02%	675,072,000	NR	A-1+
TRI-PARTY MERRILL LYNCH, PIERCE, F	BRSD0HUM3	310,000,000	2.15%	10/3/2011	10/3/2011	0.02%	310,000,000	NR	A-1
TRI-PARTY MORGAN STANLEY & CO LLC	BRSD0HUS0	23,000,000	0.16%	10/3/2011	10/3/2011	0.02%	23,000,000	NR	A-1
TRI-PARTY MORGAN STANLEY & CO LLC	BRSD0HUS0	4,000,000	0.03%	10/3/2011	10/3/2011	0.02%	4,000,000	NR	A-1
TRI-PARTY MORGAN STANLEY & CO LLC	BRSD0HUS0	500,000,000	3.46%	10/7/2011	10/7/2011	P 0.08%	500,000,000	NR	A-1
TRI-PARTY MORGAN STANLEY & CO LLC	BRSCMLNH1	500,000,000	3.46%	10/7/2011	10/7/2011	P 0.08%	500,000,000	NR	A-1
TRI-PARTY RBS SECURITIES INC.	BRSD0HTT0	500,000,000	3.46%	10/3/2011	10/3/2011	0.03%	500,000,000	NR	NR
TRI-PARTY RBS SECURITIES INC.	BRSD0HVS9	595,000,000	4.12%	10/3/2011	10/3/2011	0.05%	595,000,000	NR	NR
TRI-PARTY RBS SECURITIES INC.	BRSD0LUV4	50,000,000	0.35%	10/3/2011	10/3/2011	0.07%	50,000,000	NR	NR
TRI-PARTY UBS SECURITIES LLC	BRSD0HV75	426,000,000	2.95%	10/3/2011	10/3/2011	0.05%	426,000,000	NR	A-1
<b>TOTAL</b>		<b>14,450,372,000</b>	<b>100%</b>				<b>14,460,284,528</b>		

P = Put

The Fund's current prospectus contains more complete information about the Fund, including its fees and expenses.

An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund. Statements and other information herein are as dated and subject to change. Portfolio holdings should not be deemed as a recommendation to purchase any of the securities listed above. Ratings and portfolio credit quality may change over time. Unrated securities do not necessarily indicate low quality.

WAM (Weighted Average Maturity) of a Fund is the average amount of time until the organizations that issued the debt securities in the Fund's portfolio must pay off the principal amount of the debt. "Weighted" means the larger the dollar value of a debt security in a Fund, the more weight it gets in calculating this average. To calculate the WAM, the Fund may treat a variable or floating rate security as having a maturity equal to the time remaining to the security's next interest rate reset date rather than the security's actual maturity. WAL (Weighted Average Life) is the WAM of a Fund's portfolio calculated without reference to the exceptions used for variable or floating rate securities regarding the use of the date of interest rate resets in lieu of the security's actual maturity date.

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UNAUDITED Schedule of Investments Treasury Trust Fund

9/30/2011

Position Description	CUSIP	Par	% Par	Maturity or Reset	Final Maturity	Yield or Coupon	Amortized Cost	Moody's Rating	S&P Rating
<b>WAM 53 Days / WAL 53 Days</b>									
<b>Treasury Debt</b>		<b>4,630,220,000</b>	<b>100%</b>				<b>4,631,525,023</b>		
TREASURY BILL	9127953M1	300,000,000	6.48%	10/6/2011	10/6/2011	0.01%	299,999,875	Govt	A-1+
TREASURY BILL	9127953M1	100,000,000	2.16%	10/6/2011	10/6/2011	0.01%	99,999,958	Govt	A-1+
TREASURY BILL	9127953M1	66,460,000	1.44%	10/6/2011	10/6/2011	0.03%	66,459,859	Govt	A-1+
TREASURY BILL	9127953P4	91,220,000	1.97%	10/13/2011	10/13/2011	0.00%	91,220,000	Govt	A-1+
TREASURY BILL	9127953P4	75,000,000	1.62%	10/13/2011	10/13/2011	0.00%	75,000,000	Govt	A-1+
TREASURY BILL	9127953P4	125,000,000	2.70%	10/13/2011	10/13/2011	0.00%	124,999,902	Govt	A-1+
TREASURY BILL	9127953P4	175,000,000	3.78%	10/13/2011	10/13/2011	0.01%	174,999,757	Govt	A-1+
TREASURY BILL	9127953P4	40,000,000	0.86%	10/13/2011	10/13/2011	0.01%	39,999,944	Govt	A-1+
TREASURY BILL	9127953P4	125,000,000	2.70%	10/13/2011	10/13/2011	0.01%	124,999,902	Govt	A-1+
TREASURY BILL	9127952K6	250,000,000	5.40%	10/20/2011	10/20/2011	0.00%	250,000,000	Govt	A-1+
TREASURY BILL	9127952K6	75,000,000	1.62%	10/20/2011	10/20/2011	0.00%	75,000,000	Govt	A-1+
TREASURY BILL	9127952K6	75,000,000	1.62%	10/20/2011	10/20/2011	0.00%	75,000,000	Govt	A-1+
TREASURY BILL	9127952K6	100,000,000	2.16%	10/20/2011	10/20/2011	0.00%	100,000,000	Govt	A-1+
TREASURY BILL	9127952K6	60,000,000	1.30%	10/20/2011	10/20/2011	0.09%	59,997,450	Govt	A-1+
TREASURY BILL	9127953Q2	459,926,000	9.93%	10/27/2011	10/27/2011	0.00%	459,925,693	Govt	A-1+
TREASURY BILL	9127953Q2	165,000,000	3.56%	10/27/2011	10/27/2011	0.06%	164,993,400	Govt	A-1+
TREASURY BILL	9127953R0	150,000,000	3.24%	11/3/2011	11/3/2011	0.01%	149,999,354	Govt	A-1+
TREASURY BILL	9127953R0	9,972,000	0.22%	11/3/2011	11/3/2011	0.01%	9,971,957	Govt	A-1+
TREASURY BILL	9127953R0	50,000,000	1.08%	11/3/2011	11/3/2011	0.09%	49,999,785	Govt	A-1+
TREASURY BILL	9127953R0	50,000,000	1.08%	11/3/2011	11/3/2011	0.09%	49,999,785	Govt	A-1+
TREASURY BILL	9127952P5	100,000,000	2.16%	11/17/2011	11/17/2011	0.03%	99,995,805	Govt	A-1+
TREASURY BILL	9127952P5	100,000,000	2.16%	11/17/2011	11/17/2011	0.04%	99,995,482	Govt	A-1+
TREASURY BILL	9127952P5	50,000,000	1.08%	11/17/2011	11/17/2011	0.04%	49,997,741	Govt	A-1+
TREASURY BILL	9127952P5	50,000,000	1.08%	11/17/2011	11/17/2011	0.04%	49,997,741	Govt	A-1+
TREASURY BILL	9127953U3	150,000,000	3.24%	11/25/2011	11/25/2011	0.02%	149,995,583	Govt	A-1+
TREASURY BILL	9127953U3	50,000,000	1.08%	11/25/2011	11/25/2011	0.02%	49,998,528	Govt	A-1+
TREASURY BILL	9127953V1	105,642,000	2.28%	12/1/2011	12/1/2011	0.01%	105,639,836	Govt	A-1+
TREASURY BILL	9127953V1	155,000,000	3.35%	12/1/2011	12/1/2011	0.02%	154,996,190	Govt	A-1+
TREASURY BILL	9127953V1	110,000,000	2.38%	12/1/2011	12/1/2011	0.02%	109,997,296	Govt	A-1+
TREASURY BILL	9127953X7	38,000,000	0.82%	12/8/2011	12/8/2011	0.03%	37,997,910	Govt	A-1+
TREASURY BILL	9127953X7	37,000,000	0.80%	12/8/2011	12/8/2011	0.04%	36,997,626	Govt	A-1+
TREASURY BILL	9127953Y5	35,000,000	0.76%	12/22/2011	12/22/2011	0.01%	34,999,222	Govt	A-1+
TREASURY BILL	9127954A6	25,000,000	0.54%	1/5/2012	1/5/2012	0.09%	24,994,125	Govt	A-1+
TREASURY BILL	9127952Y6	50,000,000	1.08%	1/12/2012	1/12/2012	0.02%	49,997,194	Govt	A-1+
TREASURY BILL	912795Y88	15,000,000	0.32%	2/2/2012	2/2/2012	0.03%	14,998,399	Govt	A-1+
TREASURY BILL	912795Z38	15,000,000	0.32%	2/23/2012	2/23/2012	0.05%	14,997,319	Govt	A-1+
TREASURY BILL	912795Z46	37,500,000	0.81%	3/1/2012	3/1/2012	0.04%	37,494,531	Govt	A-1+
TREASURY BILL	912795Z46	19,500,000	0.42%	3/1/2012	3/1/2012	0.05%	19,496,344	Govt	A-1+
TREASURY BILL	912795Z46	18,000,000	0.39%	3/1/2012	3/1/2012	0.05%	17,996,625	Govt	A-1+
TREASURY BILL	9127953G4	55,000,000	1.19%	3/8/2012	3/8/2012	0.07%	54,984,409	Govt	A-1+
TREASURY BILL	9127953G4	67,727,000	1.46%	3/8/2012	3/8/2012	0.07%	67,706,324	Govt	A-1+
TREASURY BILL	9127953G4	2,273,000	0.05%	3/8/2012	3/8/2012	0.07%	2,272,306	Govt	A-1+
TREASURY BILL	9127955D9	100,000,000	2.16%	3/15/2012	3/15/2012	0.05%	99,977,222	Govt	A-1+
TREASURY BILL	9127955F4	101,000,000	2.18%	3/29/2012	3/29/2012	0.04%	100,982,521	Govt	A-1+
TREASURY BILL	912795Y96	21,000,000	0.45%	8/23/2012	8/23/2012	0.10%	20,981,990	Govt	A-1+
TREASURY NOTE	912828LT5	35,000,000	0.76%	10/31/2011	10/31/2011	0.05%	35,025,355	Govt	AA+
TREASURY NOTE	912828JU5	150,000,000	3.24%	11/15/2011	11/15/2011	0.01%	150,304,557	Govt	AA+
TREASURY NOTE	912828JU5	25,000,000	0.54%	11/15/2011	11/15/2011	0.09%	25,050,760	Govt	AA+
TREASURY NOTE	912828JU5	25,000,000	0.54%	11/15/2011	11/15/2011	0.09%	25,050,760	Govt	AA+
TREASURY NOTE	912828JU5	25,000,000	0.54%	11/15/2011	11/15/2011	0.09%	25,050,760	Govt	AA+
TREASURY NOTE	912828MJ6	50,000,000	1.08%	1/31/2012	1/31/2012	0.03%	50,130,606	Govt	AA+
TREASURY NOTE	912828MJ6	50,000,000	1.08%	1/31/2012	1/31/2012	0.03%	50,130,606	Govt	AA+
TREASURY NOTE	912828MJ6	25,000,000	0.54%	1/31/2012	1/31/2012	0.04%	25,065,303	Govt	AA+
TREASURY NOTE	912828MJ6	25,000,000	0.54%	1/31/2012	1/31/2012	0.04%	25,065,303	Govt	AA+
TREASURY NOTE	912828MJ6	25,000,000	0.54%	1/31/2012	1/31/2012	0.04%	25,065,303	Govt	AA+

UNAUDITED Schedule of Investments Treasury Trust Fund

9/30/2011

Position Description	CUSIP	Par	% Par	Maturity or Reset	Final Maturity	Yield or Coupon	Amortized Cost	Moody's Rating	S&P Rating
TREASURY NOTE	912828MJ6	60,000,000	1.30%	1/31/2012	1/31/2012	0.05%	60,162,045	Govt	AA+
TREASURY NOTE	912828MJ6	25,000,000	0.54%	1/31/2012	1/31/2012	0.14%	25,059,986	Govt	AA+
TREASURY NOTE	912828NB2	60,000,000	1.30%	4/30/2012	4/30/2012	0.10%	60,308,787	Govt	AA+
<b>TOTAL</b>		<b>4,630,220,000</b>	<b>100%</b>				<b>4,631,525,023</b>		

The Fund's current prospectus contains more complete information about the Fund, including its fees and expenses.

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**FEDERATED TREASURY OBLIGATIONS FUND**

Portfolio as of September 30, 2011  
 Current Net Assets -- \$ 23,290,142,246



WORLD-CLASS INVESTMENT MANAGER

Weighted Average Maturity: 21 Days

Weighted Average Life: 21 Days

Credit Rating:

AAAm STANDARD & POOR'S

Aaa-mf MOODY'S

Principal Amount	(1) Security Description	CUSIP	Amortized Cost Value	(2) Effective Maturity	(3) Final Maturity	Rule 2a-7 Category of Investment
	<b>REPURCHASE AGREEMENTS - 86.9%</b>					
\$ 4,000,000	BNP Paribas Securities Corp., 0.020% dated 9/30/2011	69999A006	\$ 4,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 1,497,000,000 (6)	BNP Paribas Securities Corp., 0.070% dated 8/10/2011	69999A006	\$ 1,497,000,000	11/8/2011	11/8/2011	Treasury Repurchase Agreement
\$ 50,000,000	Bank of Montreal, 0.010% dated 9/30/2011	06399G001	\$ 50,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 240,000,000	Bank of Montreal, 0.030% dated 9/30/2011	06399G001	\$ 240,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 350,000,000 (6)	Bank of Montreal, 0.060% dated 9/22/2011	06399G001	\$ 350,000,000	10/21/2011	10/21/2011	Treasury Repurchase Agreement
\$ 500,000,000 (6)	Barclays Capital, Inc., 0.020% dated 9/26/2011	068992007	\$ 500,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 1,321,000,000 (6)	Barclays Capital, Inc., 0.040% dated 9/19/2011	068992007	\$ 1,321,000,000	10/19/2011	10/19/2011	Treasury Repurchase Agreement
\$ 1,540,000,000	Barclays Capital, Inc., 0.050% dated 9/30/2011	068992007	\$ 1,540,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 100,000,000	CIBC World Markets Corp., 0.030% dated 9/30/2011	126997006	\$ 100,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 780,000,000	Citibank NA, New York, 0.050% dated 9/30/2011	989LHR002	\$ 780,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 3,501,342,000	Credit Agricole Securities (USA), Inc., 0.030% dated 9/30/2011	959KQWII1	\$ 3,501,342,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 1,790,000,000	Credit Suisse First Boston LLC, 0.030% dated 9/30/2011	319981007	\$ 1,790,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 2,555,000,000	Credit Suisse First Boston LLC, 0.050% dated 9/30/2011	319981007	\$ 2,555,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 200,000,000	Deutsche Bank Securities, Inc., 0.005% dated 9/30/2011	25199K004	\$ 200,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 500,000,000	Deutsche Bank Securities, Inc., 0.030% dated 9/30/2011	25199K004	\$ 500,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 300,000,000	J.P. Morgan Securities LLC, 0.010% dated 9/30/2011	616994000	\$ 300,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 400,000,000	Merrill Lynch, Pierce, Fenner & Smith, Inc., 0.020% dated 9/30/2011	983JVMII0	\$ 400,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 1,890,000,000	RBC Capital Markets, LLC, 0.010% dated 9/30/2011	15499K002	\$ 1,890,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 1,286,000,000	RBS Securities, Inc., 0.030% dated 9/30/2011	75099K9L5	\$ 1,286,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 500,000,000	RBS Securities, Inc., 0.070% dated 9/30/2011	75099K9L5	\$ 500,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 40,000,000	Societe Generale, Paris, 0.030% dated 9/30/2011	8336P1001	\$ 40,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
\$ 890,000,000	TD Securities (USA) LLC, 0.050% dated 9/30/2011	891960007	\$ 890,000,000	10/3/2011	10/3/2011	Treasury Repurchase Agreement
	<b>TOTAL REPURCHASE AGREEMENTS</b>		<b>\$ 20,234,342,000</b>			
	<b>U.S. TREASURY - 13.1%</b>					
\$ 236,000,000	United States Treasury Notes, 0.750%	912828MM9	\$ 236,176,447	11/30/2011	11/30/2011	Treasury Debt
\$ 100,000,000	United States Treasury Notes, 0.750%	912828NE6	\$ 100,389,180	5/31/2012	5/31/2012	Treasury Debt
\$ 296,000,000	United States Treasury Notes, 0.875%	912828MJ6	\$ 296,574,111	1/31/2012	1/31/2012	Treasury Debt
\$ 789,000,000	United States Treasury Notes, 1.000%	912828ML1	\$ 790,617,883	12/31/2011	12/31/2011	Treasury Debt
\$ 168,500,000	United States Treasury Notes, 1.000%	912828MU1	\$ 169,178,384	3/31/2012	3/31/2012	Treasury Debt

Principal Amount	<sup>(1)</sup> Security Description	CUSIP	Amortized Cost Value	<sup>(2)</sup> Effective Maturity	<sup>(3)</sup> Final Maturity	Rule 2a-7 Category of Investment
\$ 126,000,000	United States Treasury Notes, 1.000%	912828NB2	\$ 126,584,857	4/30/2012	4/30/2012	Treasury Debt
\$ 147,600,000	United States Treasury Notes, 1.375%	912828KC3	\$ 148,163,002	2/15/2012	2/15/2012	Treasury Debt
\$ 300,000,000	United States Treasury Notes, 1.750%	912828JU5	\$ 300,548,917	11/15/2011	11/15/2011	Treasury Debt
\$ 302,100,000	United States Treasury Notes, 4.500%	912828GA2	\$ 304,196,211	11/30/2011	11/30/2011	Treasury Debt
\$ 189,500,000	United States Treasury Notes, 4.500%	912828GQ7	\$ 194,232,957	4/30/2012	4/30/2012	Treasury Debt
\$ 149,000,000	United States Treasury Notes, 4.625%	912828GK0	\$ 151,749,362	2/29/2012	2/29/2012	Treasury Debt
\$ 217,700,000	United States Treasury Notes, 4.875%	9128277L0	\$ 221,466,998	2/15/2012	2/15/2012	Treasury Debt
<b>TOTAL U.S. TREASURY</b>			<b>\$ 3,039,878,308</b>			
<b>TOTAL INVESTMENTS</b>			<b>\$ 23,274,220,308</b>			

- (1) Includes the name of issuer and coupon or yield of the security.
- (2) Maturity date as determined under Rule 2a-7(d) for purposes of calculating the portfolio's Weighted Average Maturity
- (3) The date on which the fund has an unconditional right to payment of the full principal amount of and any remaining interest on the security.
- (4) Discount rate at time of purchase.
- (5) Floating rate notes with current rate shown.
- (6) Although the repurchase date is more than seven days after the date of purchase, the Fund has the right to terminate the repurchase agreement at any time with seven-days' notice.

The categories of investments are shown as a percentage of net assets (\$23,290,142,246) at the close of business on September 30, 2011, and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes.

Where appropriate, the following acronyms may be used throughout this portfolio:

FDIC --Federal Deposit Insurance Corporation

GTD --Guaranteed

LIQ --Liquidity Agreement

LLC --Limited Liability Corporation

An investment in money market funds is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in these funds.

Portfolio holdings are shown as of the date indicated and are unaudited. Since market conditions fluctuate suddenly and frequently, the portfolio holdings may change and this list is not indicative of future portfolio composition. These portfolio holdings are not intended to be and do not constitute recommendations that others buy, sell, or hold any of the securities listed.

Principal Amount	<sup>(1)</sup> Security Description	CUSIP	Amortized Cost Value	<sup>(2)</sup> Effective Maturity	<sup>(3)</sup> Final Maturity	Rule 2a-7 Category of Investment
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For more complete information on the fund, visit [FederatedInvestors.com](http://FederatedInvestors.com) for a prospectus or a summary prospectus, if available. You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the fund's prospectus or summary prospectus, which you should read carefully before investing.

A money market fund rated AAAM by Standard & Poor's is granted after evaluating a number of factors, including credit quality, market price exposure, and management. Money market funds rated Aaa by Moody's are judged to be of an investment quality similar to Aaa-rated fixed income obligations, that is, they are judged to be of the best quality. Fitch's money market fund ratings are an assessment of the safety of invested principal and the ability to maintain a stable market value of the fund's shares. Ratings are subject to change and do not remove market risk.

**NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE**

Federated Securities Corp., Distributor  
(32248) 09/30/2011

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**FEDERATED U.S. TREASURY CASH RESERVES**

Portfolio as of September 30, 2011  
 Current Net Assets -- \$ 18,554,210,605



WORLD-CLASS INVESTMENT MANAGER

Weighted Average Maturity: 58 Days  
 Weighted Average Life: 58 Days  
 Credit Rating:  
 AAAM STANDARD & POOR'S  
 Aaa-mf MOODY'S

Principal Amount	(1) Security Description	CUSIP	Amortized Cost Value	(2) Effective Maturity	(3) Final Maturity	Rule 2a-7 Category of Investment
<b>U.S. TREASURY - 96.1%</b>						
\$ 486,400,000 (4)	United States Treasury Bills, 0.000%	9127952K6	\$ 486,400,000	10/20/2011	10/20/2011	Treasury Debt
\$ 324,000,000 (4)	United States Treasury Bills, 0.000%	9127953M1	\$ 324,000,000	10/6/2011	10/6/2011	Treasury Debt
\$ 853,925,000 (4)	United States Treasury Bills, 0.000%	9127953P4	\$ 853,925,000	10/13/2011	10/13/2011	Treasury Debt
\$ 100,000,000 (4)	United States Treasury Bills, 0.000%	9127953Q2	\$ 100,000,000	10/27/2011	10/27/2011	Treasury Debt
\$ 250,000,000 (4)	United States Treasury Bills, 0.003%	9127953P4	\$ 249,999,826	10/13/2011	10/13/2011	Treasury Debt
\$ 160,000,000 (4)	United States Treasury Bills, 0.005%	9127952K6	\$ 159,999,622	10/20/2011	10/20/2011	Treasury Debt
\$ 100,000,000 (4)	United States Treasury Bills, 0.010%	9127953U3	\$ 99,998,528	11/25/2011	11/25/2011	Treasury Debt
\$ 400,000,000 (4)	United States Treasury Bills, 0.010%	9127953V1	\$ 399,993,444	12/1/2011	12/1/2011	Treasury Debt
\$ 331,846,000 (4)	United States Treasury Bills, 0.015%	9127952P5	\$ 331,839,778	11/17/2011	11/17/2011	Treasury Debt
\$ 300,000,000 (4)	United States Treasury Bills, 0.020%	9127952P5	\$ 299,992,500	11/17/2011	11/17/2011	Treasury Debt
\$ 200,000,000 (4)	United States Treasury Bills, 0.020%	9127953T6	\$ 199,995,778	11/10/2011	11/10/2011	Treasury Debt
\$ 125,000,000 (4)	United States Treasury Bills, 0.025%	9127953T6	\$ 124,996,701	11/10/2011	11/10/2011	Treasury Debt
\$ 175,000,000 (4)	United States Treasury Bills, 0.025%	9127953U3	\$ 174,993,559	11/25/2011	11/25/2011	Treasury Debt
\$ 300,000,000 (4)	United States Treasury Bills, 0.030%	9127952P5	\$ 299,986,875	11/17/2011	11/17/2011	Treasury Debt
\$ 1,250,000,000 (4)	United States Treasury Bills, 0.035%	9127952P5	\$ 1,249,947,187	11/17/2011	11/17/2011	Treasury Debt
\$ 200,000,000 (4)	United States Treasury Bills, 0.040%	912795Z46	\$ 199,966,667	3/1/2012	3/1/2012	Treasury Debt
\$ 250,000,000 (4)	United States Treasury Bills, 0.045%	9127953T6	\$ 249,986,542	11/10/2011	11/10/2011	Treasury Debt
\$ 500,000,000 (4)	United States Treasury Bills, 0.050%	9127953T6	\$ 499,974,667	11/10/2011	11/10/2011	Treasury Debt
\$ 200,000,000 (4)	United States Treasury Bills, 0.051%	9127953T6	\$ 199,989,708	11/10/2011	11/10/2011	Treasury Debt
\$ 250,000,000 (4)	United States Treasury Bills, 0.065%	9127953R0	\$ 249,986,007	11/3/2011	11/3/2011	Treasury Debt
\$ 500,000,000 (4)	United States Treasury Bills, 0.085%	9127953R0	\$ 499,963,403	11/3/2011	11/3/2011	Treasury Debt
\$ 110,075,000 (4)	United States Treasury Bills, 0.110%	9127953P4	\$ 110,071,637	10/13/2011	10/13/2011	Treasury Debt
\$ 1,297,000,000	United States Treasury Notes, 0.750%	912828MM9	\$ 1,298,519,927	11/30/2011	11/30/2011	Treasury Debt
\$ 431,050,000	United States Treasury Notes, 0.875%	912828MJ6	\$ 432,206,516	1/31/2012	1/31/2012	Treasury Debt
\$ 1,471,000,000	United States Treasury Notes, 1.000%	912828LT5	\$ 1,472,073,256	10/31/2011	10/31/2011	Treasury Debt
\$ 1,014,882,000	United States Treasury Notes, 1.000%	912828ML1	\$ 1,017,250,505	12/31/2011	12/31/2011	Treasury Debt
\$ 300,000,000	United States Treasury Notes, 1.000%	912828MU1	\$ 301,396,346	3/31/2012	3/31/2012	Treasury Debt
\$ 722,000,000	United States Treasury Notes, 1.125%	912828KA7	\$ 723,581,141	12/15/2011	12/15/2011	Treasury Debt
\$ 980,000,000	United States Treasury Notes, 1.125%	912828KB5	\$ 983,015,204	1/15/2012	1/15/2012	Treasury Debt

Principal Amount	<sup>(1)</sup> Security Description	CUSIP	Amortized Cost Value	<sup>(2)</sup> Effective Maturity	<sup>(3)</sup> Final Maturity	Rule 2a-7 Category of Investment
\$ 580,000,000	United States Treasury Notes, 1.375%	912828KC3	\$ 582,695,110	2/15/2012	2/15/2012	Treasury Debt
\$ 2,100,000,000	United States Treasury Notes, 1.750%	912828JU5	\$ 2,104,253,246	11/15/2011	11/15/2011	Treasury Debt
\$ 107,000,000	United States Treasury Notes, 4.500%	912828GA2	\$ 107,760,013	11/30/2011	11/30/2011	Treasury Debt
\$ 803,000,000	United States Treasury Notes, 4.625%	912828FW5	\$ 805,785,050	10/31/2011	10/31/2011	Treasury Debt
\$ 84,000,000	United States Treasury Notes, 4.625%	912828GC8	\$ 84,933,230	12/31/2011	12/31/2011	Treasury Debt
\$ 550,000,000	United States Treasury Notes, 4.875%	9128277L0	\$ 559,486,725	2/15/2012	2/15/2012	Treasury Debt
<b>TOTAL U.S. TREASURY</b>			<b>\$ 17,838,963,699</b>			
<b>TOTAL INVESTMENTS</b>			<b>\$ 17,838,963,699</b>			

- (1) Includes the name of issuer and coupon or yield of the security.
- (2) Maturity date as determined under Rule 2a-7(d) for purposes of calculating the portfolio's Weighted Average Maturity
- (3) The date on which the fund has an unconditional right to payment of the full principal amount of and any remaining interest on the security.
- (4) Discount rate at time of purchase.
- (5) Floating rate notes with current rate shown.

The categories of investments are shown as a percentage of net assets (\$18,554,210,605) at the close of business on September 30, 2011, and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes.

Where appropriate, the following acronyms may be used throughout this portfolio:

FDIC --Federal Deposit Insurance Corporation

GTD --Guaranteed

LIQ --Liquidity Agreement

LLC --Limited Liability Corporation

An investment in money market funds is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in these funds.

Portfolio holdings are shown as of the date indicated and are unaudited. Since market conditions fluctuate suddenly and frequently, the portfolio holdings may change and this list is not indicative of future portfolio composition. These portfolio holdings are not intended to be and do not constitute recommendations that others buy, sell, or hold any of the securities listed.

For more complete information on the fund, visit [FederatedInvestors.com](http://FederatedInvestors.com) for a prospectus or a summary prospectus, if available. You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the fund's prospectus or summary prospectus, which you should read carefully before investing.



Principal Amount	<sup>(1)</sup> Security Description	CUSIP	Amortized Cost Value	<sup>(2)</sup> Effective Maturity	<sup>(3)</sup> Final Maturity	Rule 2a-7 Category of Investment
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A money market fund rated AAAM by Standard & Poor's is granted after evaluating a number of factors, including credit quality, market price exposure, and management. Money market funds rated Aaa by Moody's are judged to be of an investment quality similar to Aaa-rated fixed income obligations, that is, they are judged to be of the best quality. Fitch's money market fund ratings are an assessment of the safety of invested principal and the ability to maintain a stable market value of the fund's shares. Ratings are subject to change and do not remove market risk.

**NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE**

Federated Securities Corp., Distributor  
(32255) 09/30/2011

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# Fidelity® Institutional Money Market Funds: Treasury Portfolio

## Monthly Holdings for September 30, 2011

Weighted Average Life: 30 Days

Weighted Average Portfolio Maturity: 30 Days

Description	CUSIP	Coupon/Yield (a)	Final Maturity Date	Effective Maturity Date	Footnotes	Principal Amount (\$)	Amortized Cost (\$)	% of Net Assets
<b>Treasury Debt</b>								
<b>U.S. Treasury Obligations</b>								
U.S. Treasury Bills	9127953G4	0.06% to 0.07%	03/08/2012	03/08/2012		309,000,000	308,914,670	
U.S. Treasury Bills	9127954A6	0.08% to 0.09%	01/05/2012	01/05/2012		170,000,000	169,961,067	
U.S. Treasury Bills	912795Y70	0.11%	01/26/2012	01/26/2012		53,000,000	52,981,914	
U.S. Treasury Bills	9127952K6	0.23%	10/20/2011	10/20/2011		100,000,000	99,987,915	
U.S. Treasury Bills	9127952P5	0.28%	11/17/2011	11/17/2011		51,000,000	50,981,357	
U.S. Treasury Bills	9127952T7	0.30%	12/15/2011	12/15/2011		75,000,000	74,953,125	
U.S. Treasury Notes	912828NB2	0.11% to 0.18%	04/30/2012	04/30/2012		282,000,000	283,418,873	
U.S. Treasury Notes	912828NS5	0.11% to 0.13%	06/30/2012	06/30/2012		286,000,000	287,070,447	
U.S. Treasury Notes	912828LB4	0.11%	07/15/2012	07/15/2012		79,000,000	79,862,929	
U.S. Treasury Notes	912828ML1	0.13% to 0.14%	12/31/2011	12/31/2011		334,000,000	334,714,179	
U.S. Treasury Notes	912828GU8	0.13%	05/31/2012	05/31/2012		5,000,000	5,153,095	
U.S. Treasury Notes	912828KB5	0.14%	01/15/2012	01/15/2012		200,000,000	200,566,441	
U.S. Treasury Notes	912828KX7	0.14%	06/15/2012	06/15/2012		58,000,000	58,702,344	
U.S. Treasury Notes	912828MJ6	0.15%	01/31/2012	01/31/2012		203,000,000	203,487,490	
U.S. Treasury Notes	912828GM6	0.18%	03/31/2012	03/31/2012		122,000,000	124,611,493	
U.S. Treasury Notes	912828KP4	0.19%	05/15/2012	05/15/2012		185,000,000	186,357,102	
U.S. Treasury Notes	912828LT5	0.20% to 0.24%	10/31/2011	10/31/2011		418,000,000	418,267,237	
U.S. Treasury Notes	912828MM9	0.20% to 0.32%	11/30/2011	11/30/2011		807,000,000	807,675,331	
U.S. Treasury Notes	912828JU5	0.25%	11/15/2011	11/15/2011		130,000,000	130,239,426	
U.S. Treasury Notes	912828FW5	0.30%	10/31/2011	10/31/2011		39,000,000	39,138,094	
<b>Total Treasury Debt</b>							<b>3,917,044,529</b>	<b>22.3%</b>
<b>Treasury Repurchase Agreements</b>								
In a joint trading account with Barclays Capital, Inc. at 0.05%, dated 9/30/11 due 10/3/11	NA	0.05%	10/03/2011	10/03/2011		2,878,122,949	2,878,122,948	
In a joint trading account with Commerz Markets LLC at 0.05%, dated 9/30/11 due 10/3/11	NA	0.05%	10/03/2011	10/03/2011		382,312,029	382,312,029	
In a joint trading account with Credit Agricole Securities (USA), Inc. at 0.05%, dated 9/30/11 due 10/3/11	NA	0.05%	10/03/2011	10/03/2011		3,058,496,235	3,058,496,235	
In a joint trading account with Credit Suisse Securities (USA) LLC at 0.05%, dated 9/30/11 due 10/3/11	NA	0.05%	10/03/2011	10/03/2011		2,293,872,176	2,293,872,176	
In a joint trading account with RBS Securities, Inc. at 0.05%, dated 9/30/11 due 10/3/11	NA	0.05%	10/03/2011	10/03/2011		1,911,560,147	1,911,560,147	
In a joint trading account with UBS Securities LLC at 0.05%, dated 9/30/11 due 10/3/11	NA	0.05%	10/03/2011	10/03/2011		764,624,059	764,624,059	
In a joint trading account with Wells Fargo Securities LLC at 0.05%, dated 9/30/11 due 10/3/11	NA	0.05%	10/03/2011	10/03/2011		76,462,406	76,462,406	
In a joint trading account with Barclays Capital, Inc. at 0.04%, dated 9/30/11 due 10/3/11	NA	0.04%	10/03/2011	10/03/2011		112,957,076	112,957,076	
In a joint trading account with HSBC Securities (USA), Inc. at 0.04%, dated 9/30/11 due 10/3/11	NA	0.04%	10/03/2011	10/03/2011		212,359,303	212,359,303	

# Fidelity® Institutional Money Market Funds: Treasury Portfolio

## Monthly Holdings for September 30, 2011

Description	CUSIP	Coupon/Yield (a)	Final Maturity Date	Effective Maturity Date	Footnotes	Principal Amount (\$)	Amortized Cost (\$)	% of Net Assets
<b>Treasury Repurchase Agreements (continued)</b>								
In a joint trading account with Merrill Lynch, Pierce, Fenner & Smith, Inc. at 0.04%, dated 9/30/11 due 10/3/11	NA	0.04%	10/03/2011	10/03/2011		79,049,621	79,049,621	
Citigroup Global Capital Markets, Inc.	NA	0.04%	10/06/2011	10/06/2011		778,000,000	778,000,000	
Deutsche Bank Securities, Inc.	NA	0.14%	10/07/2011	10/07/2011		387,000,000	387,000,000	
Morgan Stanley & Co., Inc.	NA	0.09%	10/07/2011	10/07/2011		395,000,000	395,000,000	
Morgan Stanley & Co., Inc.	NA	0.11%	10/07/2011	10/07/2011		395,000,000	395,000,000	
<b>Total Treasury Repurchase Agreements</b>							<b>13,724,816,000</b>	<b>78.0%</b>
					<b>Total Investment Portfolio</b>		<b>17,641,860,529</b>	<b>100.3%</b>
					<b>Net Other Assets</b>		<b>(50,042,043)</b>	<b>-0.3%</b>
					<b>Total Net Assets</b>		<b>17,591,818,486</b>	<b>100.0%</b>

### Footnotes

a Yield represents either the annualized yield at the date of purchase, or the stated coupon rate, or, for floating rate securities, the rate at period end.

Net Other Assets may include cash and receivables and payables related to open security or capital stock trades.

### Weighted Average Life (WAL):

For money market funds, this is the weighted average of the life of the securities held in a fund or portfolio and can be used as a measure of sensitivity to changes in liquidity and/or credit risk. Generally, the higher the value, the greater the sensitivity. WAL is based on the dollar-weighted average length of time until principal payments must be paid, taking into account any call options exercised by the issuer and any permissible maturity shortening features other than interest rate resets. For money market funds, the difference between WAM and WAL is that WAM takes into account interest rate resets and WAL does not. WAL for money market funds is not the same as WAL of a mortgage- or asset-backed security.

### Weighted Average Maturity (WAM):

This is a weighted average of all the maturities of the securities held in a fund. WAM can be used as a measure of sensitivity to interest rate changes and markets changes. Generally, the longer the maturity, the greater the sensitivity to such changes. WAM is based on the dollar-weighted average length of time until principal payments must be paid. Depending on the types of securities held in a fund, certain maturity shortening devices (e.g., demand features, interest rate resets, and call options) may be taken into account when calculating the WAM.

## **Fidelity® Institutional Money Market Funds: Treasury Portfolio Monthly Holdings for September 30, 2011**

The fund's holdings report has not been audited. For more information regarding the fund, please see the fund's most recent prospectus and semi-annual or annual report.

Third party trademarks and service marks are the property of their respective owners. All other trademarks and service marks are the property of FMR LLC or an affiliate.

The following link can be used to obtain the most recent 12 months of publicly available information filed by the fund:

<http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0000356173&type=N-MFP&dateb=&count=20&scd=filings>.

**Fidelity® Institutional Money Market Funds: Treasury Only Portfolio**  
**Monthly Holdings for September 30, 2011**

Weighted Average Life: 52 Days

Weighted Average Portfolio Maturity: 52 Days

Description	CUSIP	Coupon/Yield (a)	Final Maturity Date	Effective Maturity Date	Footnotes	Principal Amount (\$)	Amortized Cost (\$)	% of Net Assets
<b>Treasury Debt</b>								
<b>U.S. Treasury Obligations</b>								
U.S. Treasury Bills	9127953P4	–% to 0.03%	10/13/2011	10/13/2011		980,000,000	979,994,708	
U.S. Treasury Bills	9127952K6	–%	10/20/2011	10/20/2011		678,378,000	678,377,642	
U.S. Treasury Bills	9127953Q2	–%	10/27/2011	10/27/2011		1,436,094,000	1,436,092,963	
U.S. Treasury Bills	9127953M1	0.01% to 0.04%	10/06/2011	10/06/2011		1,345,342,000	1,345,338,614	
U.S. Treasury Bills	9127953U3	0.02%	11/25/2011	11/25/2011		666,000,000	665,982,385	
U.S. Treasury Bills	9127953V1	0.02%	12/01/2011	12/01/2011		848,995,000	848,973,420	
U.S. Treasury Bills	9127953X7	0.04%	12/08/2011	12/08/2011		255,000,000	254,983,142	
U.S. Treasury Bills	9127953T6	0.05%	11/10/2011	11/10/2011		234,000,000	233,988,300	
U.S. Treasury Bills	912795Z20	0.08%	02/16/2012	02/16/2012		325,000,000	324,900,334	
U.S. Treasury Bills	912795Y88	0.12%	02/02/2012	02/02/2012		145,000,000	144,940,067	
U.S. Treasury Notes	912828LT5	0.01% to 0.20%	10/31/2011	10/31/2011		509,000,000	509,384,641	
U.S. Treasury Notes	912828FW5	0.02%	10/31/2011	10/31/2011		105,000,000	105,394,012	
U.S. Treasury Notes	912828MM9	0.02% to 0.32%	11/30/2011	11/30/2011		350,000,000	350,332,475	
U.S. Treasury Notes	912828ML1	0.04% to 0.13%	12/31/2011	12/31/2011		618,000,000	619,393,235	
U.S. Treasury Notes	912828MJ6	0.04% to 0.07%	01/31/2012	01/31/2012		331,000,000	331,904,484	
U.S. Treasury Notes	912828NE6	0.11%	05/31/2012	05/31/2012		41,000,000	41,174,894	
U.S. Treasury Notes	912828KX7	0.11% to 0.14%	06/15/2012	06/15/2012		59,000,000	59,718,604	
U.S. Treasury Notes	912828NS5	0.11%	06/30/2012	06/30/2012		150,000,000	150,571,702	
U.S. Treasury Notes	912828MU1	0.18%	03/31/2012	03/31/2012		118,000,000	118,475,889	
<b>Total Treasury Debt</b>							<b>9,199,921,511</b>	<b>100.4%</b>
					<b>Total Investment Portfolio</b>		<b>9,199,921,511</b>	<b>100.4%</b>
					<b>Net Other Assets</b>		<b>(37,435,642)</b>	<b>-0.4%</b>
					<b>Total Net Assets</b>		<b>9,162,485,869</b>	<b>100.0%</b>

**Footnotes**

a Yield represents either the annualized yield at the date of purchase, or the stated coupon rate, or, for floating rate securities, the rate at period end.

# Fidelity® Institutional Money Market Funds: Treasury Only Portfolio

## Monthly Holdings for September 30, 2011

Net Other Assets may include cash and receivables and payables related to open security or capital stock trades.

### Weighted Average Life (WAL):

For money market funds, this is the weighted average of the life of the securities held in a fund or portfolio and can be used as a measure of sensitivity to changes in liquidity and/or credit risk. Generally, the higher the value, the greater the sensitivity. WAL is based on the dollar-weighted average length of time until principal payments must be paid, taking into account any call options exercised by the issuer and any permissible maturity shortening features other than interest rate resets. For money market funds, the difference between WAM and WAL is that WAM takes into account interest rate resets and WAL does not. WAL for money market funds is not the same as WAL of a mortgage- or asset-backed security.

### Weighted Average Maturity (WAM):

This is a weighted average of all the maturities of the securities held in a fund. WAM can be used as a measure of sensitivity to interest rate changes and markets changes. Generally, the longer the maturity, the greater the sensitivity to such changes. WAM is based on the dollar-weighted average length of time until principal payments must be paid. Depending on the types of securities held in a fund, certain maturity shortening devices (e.g., demand features, interest rate resets, and call options) may be taken into account when calculating the WAM.

The fund's holdings report has not been audited. For more information regarding the fund, please see the fund's most recent prospectus and semi-annual or annual report.

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The following link can be used to obtain the most recent 12 months of publicly available information filed by the fund:

<http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0000356173&type=N-MFP&dateb=&count=20&scd=filings>.

## Financial Square Treasury Instruments Fund

Fund Information and Unaudited Holdings September 30, 2011

Weighted Average Maturity: 45 days

Weighted Average Life: 45 days

Issuer	Category of Investment	Cusip	Principal Amount (\$)	Effective Maturity Date	Final Maturity Date	Coupon Rate/Yield (%)	Amortized Cost (\$)
U.S. Treasury Bill	Treasury Debt	9127952K6	5,426,120,000	10/20/11	10/20/11	0.000	5,426,117,361
U.S. Treasury Bill	Treasury Debt	9127953M1	2,796,000,000	10/06/11	10/06/11	0.000	2,795,999,729
U.S. Treasury Bill	Treasury Debt	9127953Q2	3,339,000,000	10/27/11	10/27/11	0.000	3,338,999,614
U.S. Treasury Bill	Treasury Debt	912795Z20	350,000,000	02/16/12	02/16/12	0.001	349,892,667
U.S. Treasury Bill	Treasury Debt	9127953P4	4,636,450,000	10/13/11	10/13/11	0.000	4,636,449,283
U.S. Treasury Bill	Treasury Debt	9127955D9	730,000,000	03/15/12	03/15/12	0.000	729,841,608
U.S. Treasury Note	Treasury Debt	912828FW5	156,000,000	10/31/11	10/31/11	4.625	156,588,179
U.S. Treasury Note	Treasury Debt	912828GF1	720,000,000	01/31/12	01/31/12	4.750	731,201,469
U.S. Treasury Note	Treasury Debt	912828GK0	28,000,000	02/29/12	02/29/12	4.625	28,528,803
U.S. Treasury Note	Treasury Debt	912828GU8	36,000,000	05/31/12	05/31/12	4.750	37,102,280
U.S. Treasury Note	Treasury Debt	912828KB5	925,000,000	01/15/12	01/15/12	1.125	927,873,059
U.S. Treasury Note	Treasury Debt	912828KC3	412,000,000	02/15/12	02/15/12	1.375	413,999,639
U.S. Treasury Note	Treasury Debt	912828KP4	546,000,000	05/15/12	05/15/12	1.375	550,217,797
U.S. Treasury Note	Treasury Debt	912828LT5	1,759,000,000	10/31/11	10/31/11	1.000	1,760,266,321
U.S. Treasury Note	Treasury Debt	912828MJ6	800,000,000	01/31/12	01/31/12	0.875	802,167,380
U.S. Treasury Note	Treasury Debt	912828ML1	350,000,000	12/31/11	12/31/11	1.000	350,675,345
U.S. Treasury Note	Treasury Debt	912828MM9	155,000,000	11/30/11	11/30/11	0.750	155,136,250
U.S. Treasury Note	Treasury Debt	912828MQ0	339,000,000	02/29/12	02/29/12	0.875	340,124,099
U.S. Treasury Note	Treasury Debt	912828NB2	70,000,000	04/30/12	04/30/12	1.000	70,363,533
U.S. Treasury Note	Treasury Debt	912828NE6	200,000,000	05/31/12	05/31/12	0.750	200,852,506

**WAM:** The money market fund's weighted average maturity (WAM) is an average of the effective maturities of all securities held in the portfolio, weighted by each security's percentage of net assets.

**WAL:** The money market fund's weighted average life (WAL) is an average of the final maturities (or where applicable the date of demand) of all securities held in the portfolio, weighted by each security's percentage of net assets.

**Effective Maturity Date:** Represents the next interest rate reset date, demand date or prerefunded date.

**Final Maturity Date:** Represents the maturity date utilized to calculate the WAL.

Holdings allocations shown are unaudited, and may not be representative of current or future investments. Holdings and allocations may not include the Fund's entire investment portfolio, which may change at any time. Fund holdings should not be relied on in making investment decisions and should not be construed as research or investment advice regarding particular securities.

**An investment in a money market portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market portfolio seeks to preserve the value of an investment of \$1.00 per share, it is possible to lose money by investing in a money market portfolio.**

**A summary prospectus, if available, or a Prospectus for the Fund containing more information may be obtained from your authorized dealer or from Goldman, Sachs & Co. by calling 1-800-526-7384 (for Retail Shareholders) or 1-800-621-2550 (for Institutional Shareholders). Please consider a fund's objectives, risks, charges and expenses, and read the summary prospectus, if available, and the Prospectus carefully before investing. The summary prospectus, if available, and the Prospectus contains this and other information about the Fund.**

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**Treasury Portfolio**  
Short-Term Investments Trust

Portfolio Holdings  
Data as of September 30, 2011

Weighted Average Maturity - 41.35 days  
Weighted Average Life - 41.35 days

Quantity (Par)	Amortized Cost	Security Description	1	2	3	Maturity/Reset	4	Associated Issuer	% of Portfolio
			CUSIP	Security Yield			Maturity Date		
<b>Other Repurchase Agreement</b>									
<b>REPURCHASE AGREEMENT</b>									
250,000,000	250,000,000	Barclays Capital Inc.	N/A	0.05	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	1.59
240,570,398	240,570,398	Barclays Capital Inc.	N/A	0.05	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	1.53
150,000,000	150,000,000	BMO Capital Markets Corp.	N/A	0.03	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	0.95
630,000,000	630,000,000	BNP Paribas Securities Corp.	N/A	0.02	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	4.00
100,000,000	100,000,000	CIBC World Markets Corp.	N/A	0.02	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	0.63
150,000,000	150,000,000	Deutsche Bank Securities Inc.	N/A	0.03	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	0.95
600,000,000	600,000,000	HSBC Securities (USA) Inc.	N/A	0.03	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	3.81
250,000,000	250,000,000	JPMorgan Securities Inc.	N/A	0.01	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	1.59
200,000,000	200,000,000	Morgan Stanley & Co. Inc.	N/A	0.02	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	1.27
500,000,000	500,000,000	RBC Capital Markets Corp.	N/A	0.01	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	3.17
500,000,000	500,000,000	RBS Securities Inc.	N/A	0.02	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	3.17
153,030,073	153,030,073	Societe Generale	N/A	0.03	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	0.97
450,000,000	450,000,000	Wells Fargo Securities, LLC	N/A	0.05	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	2.36
<b>4,173,600,471</b>	<b>4,173,600,471</b>	<b>Repurchase Agreement</b>							<b>26.49</b>
<b>REPURCHASE AGREEMENT - TERM</b>									
800,000,000	800,000,000	Barclays Capital Inc.	07101211D	0.06	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	5.08
500,000,000	500,000,000	Barclays Capital Inc.	07100311D	0.11	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	3.17
600,000,000	600,000,000	Barclays Capital Inc.	08101711D	0.07	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	3.81
700,000,000	700,000,000	BMO Capital Markets Corp.	10102611D	0.09	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	4.44
600,000,000	600,000,000	BNP Paribas Securities Corp.	10101711D	0.05	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	3.81
500,000,000	500,000,000	Credit Suisse Securities (USA) LLC	19100411D	0.05	10/04/2011	10/04/2011	10/04/2011	US TREASURY COLLATERAL	3.17
500,000,000	500,000,000	Credit Suisse Securities (USA) LLC	13112111D	0.08	11/21/2011	11/21/2011	11/21/2011	US TREASURY COLLATERAL	3.17
600,000,000	600,000,000	Deutsche Bank Securities Inc.	23101111D	0.03	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	3.81
300,000,000	300,000,000	RBS Securities Inc.	76101411D	0.05	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	1.90
500,000,000	500,000,000	Societe Generale	83110111D	0.08	10/03/2011	10/03/2011	10/03/2011	US TREASURY COLLATERAL	3.17
<b>5,600,000,000</b>	<b>5,600,000,000</b>	<b>Repurchase Agreement - Term</b>							<b>35.55</b>
<b>9,773,600,471</b>	<b>9,773,600,471</b>	<b>Other Repurchase Agreement Total</b>							<b>62.04</b>

Continued...

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# Treasury Portfolio

Short-Term Investments Trust

## Portfolio Holdings

Data as of September 30, 2011

Quantity (Par)	Amortized Cost	Security Description	1	2	3	4	Associated Issuer	% of Portfolio
			Security Yield	CUSIP	Maturity/Reset	Maturity Date		
<b>Treasury Debt</b>								
<b>U.S. TREASURY BILL</b>								
550,000,000	549,848,218	U.S. Treasury Bills	0.10	9127952Y6	01/12/2012	01/12/2012	US TREASURY	3.49
500,000,000	499,880,222	U.S. Treasury Bills	0.08	912795Y62	01/19/2012	01/19/2012	US TREASURY	3.17
400,000,000	399,873,088	U.S. Treasury Bills	0.10	912795Y70	01/26/2012	01/26/2012	US TREASURY	2.54
150,000,000	149,932,833	U.S. Treasury Bills	0.13	912795Y88	02/02/2012	02/02/2012	US TREASURY	0.95
545,000,000	544,935,683	U.S. Treasury Bills	0.03	9127953C3	02/09/2012	02/09/2012	US TREASURY	3.46
200,000,000	199,939,625	U.S. Treasury Bills	0.08	912795Z20	02/16/2012	02/16/2012	US TREASURY	1.27
300,000,000	299,987,333	U.S. Treasury Bills	0.01	912795Z46	03/01/2012	03/01/2012	US TREASURY	1.90
150,000,000	149,956,938	U.S. Treasury Bills	0.07	9127953G4	03/08/2012	03/08/2012	US TREASURY	0.95
300,000,000	299,971,167	U.S. Treasury Bills	0.02	9127955E7	03/22/2012	03/22/2012	US TREASURY	1.90
300,000,000	299,958,750	U.S. Treasury Bills	0.03	9127955F4	03/29/2012	03/29/2012	US TREASURY	1.90
413,000,000	412,995,235	U.S. Treasury Bills	0.08	9127953M1	10/06/2011	10/06/2011	US TREASURY	2.62
375,000,000	374,993,200	U.S. Treasury Bills	0.06	9127953P4	10/13/2011	10/13/2011	US TREASURY	2.38
375,000,000	374,983,299	U.S. Treasury Bills	0.06	9127953Q2	10/27/2011	10/27/2011	US TREASURY	2.38
200,000,000	199,995,444	U.S. Treasury Bills	0.01	9127953Y5	12/22/2011	12/22/2011	US TREASURY	1.27
<b>4,758,000,000</b>	<b>4,757,251,034</b>	<b>U.S. Treasury Bill</b>						<b>30.20</b>
<b>U.S. TREASURY NOTE/BOND</b>								
303,000,000	303,777,283	U.S. Treasury Notes	0.10	912828MJ6	01/31/2012	01/31/2012	US TREASURY	1.92
150,000,000	150,714,270	U.S. Treasury Notes	0.09	912828KC3	02/15/2012	02/15/2012	US TREASURY	0.95
243,000,000	243,767,489	U.S. Treasury Notes	0.11	912828MQ0	02/29/2012	02/29/2012	US TREASURY	1.54
125,000,000	125,462,656	U.S. Treasury Notes	0.08	912828FW5	10/31/2011	10/31/2011	US TREASURY	0.79
200,000,000	200,147,339	U.S. Treasury Notes	0.10	912828LT5	10/31/2011	10/31/2011	US TREASURY	1.27
200,000,000	200,225,421	U.S. Treasury Notes	0.06	912828MM9	11/30/2011	11/30/2011	US TREASURY	1.27



# Treasury Portfolio

Short-Term Investments Trust

Portfolio Holdings

Data as of September 30, 2011

Quantity (Par)	Amortized Cost	<sup>1</sup> Security Description	<sup>2</sup> CUSIP	<sup>3</sup> Security Yield	<sup>3</sup> Maturity/Reset	<sup>4</sup> Maturity Date	Associated Issuer	% of Portfolio
1,221,000,000	1,224,094,457	U.S. Treasury Note/Bond						7.75
5,979,000,000	5,981,345,492	Treasury Debt Total						37.96
15,752,600,471	15,754,945,963	GRAND TOTAL						100.00

**An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of an investment at \$1.00 per share, it is possible to lose money by investing in the Fund.**

For more information about the Treasury Portfolio, please contact our Cash Management Sales Desk at 800 659 1005, Option 2 or visit [invesco.com/us](http://invesco.com/us).

All data provided by Invesco unless otherwise noted.

\* Multi-Credit Enhancement Providers (CEP) - 100% CEP rated minimum A-1/P-1/F-1 or comparable long term rating.

# Open security with one-day demand.

<sup>1</sup> Amortized Cost method of valuation means the method of calculating an investment company's net asset value where portfolio securities are valued at the fund's acquisition cost as adjusted for amortization of premium or accretion of discount rather than their value based on current market factors.

<sup>2</sup> CUSIPs may include other unique identifiers, such as the central index key (CIK).

<sup>3</sup> Past performance is no guarantee to future results. The security yield is not an indication of fund performance.

<sup>4</sup> Securities may include features including but not limited to a preresulting, demand feature or put option.

Portfolio composition is subject to change. The list of portfolio holdings is as of the date shown and may not represent current or future portfolio composition. This portfolio data has not been audited or adjusted for certain financial statement reclassifications. An audit could potentially result in adjustments to this data. The following attributes, if applicable, are available upon request: Associated issuer, short-term ratings for S&P, Moody's, Fitch Ratings and the Dominion Bond Rating Service (DBRS®), long-term ratings for S&P, Moody's and Fitch Ratings, industry and exposure to underlying asset class.

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**An investor should consider the investment objectives, risks, fees and expenses carefully before investing. Please read the prospectus or other offering documents carefully before investing. For this and more complete information, contact your financial advisor or visit [invesco.com/fundprospectus](http://invesco.com/fundprospectus).**

# Global Liquidity

J.P.Morgan  
Asset Management

UNAUDITED

JPM US Treasury Plus MM Fund

As of Date: 09/30/2011

Category of Investment	Name	Yield or Coupon	Effective Maturity Date	Final Maturity Date	CUSIP / Security ID	Principal Amount	Value	% of Total Value	Moody's Rating	S&P Rating	Country
Treasury Debt	US TREASURY	0.00%	10/20/11	10/20/11	9127952K6	1,043,800,000.00	1,043,799,472.22	7.45	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	0.02%	10/06/11	10/06/11	9127953M1	1,544,000,000.00	1,543,995,263.89	11.02	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	0.00%	10/13/11	10/13/11	9127953P4	1,900,000,000.00	1,899,998,865.83	13.56	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	0.00%	10/27/11	10/27/11	9127953Q2	950,000,000.00	949,999,638.88	6.78	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	4.75%	01/31/12	01/31/12	912828GF1	140,000,000.00	142,185,194.16	1.01	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	4.63%	02/29/12	02/29/12	912828GK0	64,000,000.00	65,176,707.05	0.47	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	4.50%	03/31/12	03/31/12	912828GM6	135,500,000.00	138,482,538.87	0.99	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	4.88%	06/30/12	06/30/12	912828GW4	400,000,000.00	414,179,662.25	2.96	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	1.75%	11/15/11	11/15/11	912828JU5	100,000,000.00	100,183,182.57	0.72	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	1.13%	12/15/11	12/15/11	912828KA7	75,000,000.00	75,126,198.19	0.54	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	1.38%	02/15/12	02/15/12	912828KC3	305,000,000.00	306,467,854.08	2.19	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	1.38%	03/15/12	03/15/12	912828KG4	20,000,000.00	20,096,663.61	0.14	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	1.38%	04/15/12	04/15/12	912828KK5	218,500,000.00	220,013,154.15	1.57	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	1.00%	10/31/11	10/31/11	912828LT5	375,000,000.00	375,228,596.41	2.68	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	0.88%	01/31/12	01/31/12	912828MJ6	260,000,000.00	260,659,131.12	1.86	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	1.00%	12/31/11	12/31/11	912828ML1	110,000,000.00	110,264,881.82	0.79	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	0.75%	11/30/11	11/30/11	912828MM9	416,500,000.00	416,843,154.03	2.98	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	0.88%	02/29/12	02/29/12	912828MQ0	100,000,000.00	100,212,697.38	0.72	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	1.00%	04/30/12	04/30/12	912828NB2	400,000,000.00	402,093,216.63	2.87	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	0.75%	05/31/12	05/31/12	912828NE6	100,000,000.00	100,426,253.18	0.72	P-1	A-1+	UNITED STATES
Treasury Debt	US TREASURY	0.63%	06/30/12	06/30/12	912828NS5	225,000,000.00	225,889,693.48	1.61	P-1	A-1+	UNITED STATES
Treasury Repo Agreement	BARCLAYS CAPITAL INC. (REPO)	0.05%	10/05/11	10/05/11	0BAR14CH7	500,000,000.00	500,000,000.00	3.57	P-1	A-1+	UNITED KINGDOM
Treasury Repo Agreement	BARCLAYS CAPITAL INC. (REPO)	0.05%	10/03/11	10/03/11	0BAR14DE3	250,000,000.00	250,000,000.00	1.78	P-1	A-1+	UNITED STATES
Treasury Repo Agreement	CITIBANK NA (REPO)	0.05%	10/03/11	10/03/11	0CAN010B1	500,000,000.00	500,000,000.00	3.57	P-1	A-1	GERMANY
Treasury Repo Agreement	DEUTSCHE BANK SECURITIES (REPO)	0.08%	10/03/11	10/03/11	0DBS14LP2	500,000,000.00	500,000,000.00	3.57	P-1	A-1	GERMANY
Treasury Repo Agreement	DEUTSCHE BANK SECURITIES (REPO)	0.08%	10/04/11	10/04/11	0DBS14UV9	500,000,000.00	500,000,000.00	3.57	P-1	A-1	GERMANY
Treasury Repo Agreement	DEUTSCHE BANK SECURITIES (REPO)	0.03%	10/03/11	10/03/11	0DBS14VC0	500,000,000.00	500,000,000.00	3.57	P-1	A-1	GERMANY
Treasury Repo Agreement	MERRILL LYNCH PFS INC. (REPO)	0.02%	10/03/11	10/03/11	0MRL02B27	500,000,000.00	500,000,000.00	3.57	P-2	A-1	UNITED STATES
Treasury Repo Agreement	MERRILL LYNCH PFS INC. (REPO)	0.03%	10/03/11	10/03/11	0MRL02B43	1,000,000,000.00	1,000,000,000.00	7.14	P-2	A-1	UNITED STATES
Treasury Repo Agreement	RBS SECURITIES INC. (REPO)	0.05%	10/03/11	10/03/11	0RS103D51	500,000,000.00	500,000,000.00	3.57	P-1	A-1	UNITED KINGDOM
Treasury Repo Agreement	UBS WARBURG LLC REPO	0.04%	10/03/11	10/03/11	0UBS17FH8	350,000,000.00	350,000,000.00	2.50	P-1	A-1	SWITZERLAND
<b>Grand Total</b>							<b>14,011,322,019.80</b>	<b>100.00</b>			

Weighted Average Maturity 45  
Weighted Average Life 45

Must be preceded or accompanied by a prospectus.  
The "UNAUDITED UNCERTIFIED MUTUAL FUND HOLDINGS" LIST ("the list") IS TO BE USED FOR REPORTING PURPOSES ONLY.  
The list is submitted for the general information of the Fund. The list has been created from the books and records of the Fund without examination by independent auditors.  
The uncertified holdings list is available on a one business day lag. The figures shown in the "Value" column, represent the values of the Fund's investments using the amortized cost method of valuation pursuant to Rule 2a-7 of the Investment Company Act of 1940. The list is subject to change without notice. The Value

# Global Liquidity

J.P. Morgan  
Asset Management

UNAUDITED

JPM US Treasury Plus MM Fund

As of Date: 09/30/2011

Category of Investment	Name	Yield or Coupon	Effective Maturity Date	Final Maturity Date	CUSIP / Security ID	Principal Amount	Value	% of		Country
								Total Value	S&P Rating	

represents the Gross Assets of the Fund and may include forward settling trades.

This list is for informational purposes only and not intended as an offer or solicitation with respect to the purchase or sale of any security.

Each business day, each Fund will make available upon request an uncertified complete schedule of its portfolio holdings as of the prior business day. Shareholders may request portfolio holdings schedules for a particular day or on an ongoing basis at no charge by calling 1-800-480-4111.

Unless otherwise noted, the dollar-weighted average maturity and the dollar-weighted average life listed for the Fund is the same for each of the Fund's share classes.

Dollar-weighted average maturity: The average maturity of the Fund is the average amount of time until the organizations that issued the debt securities in the Fund's portfolio must pay off the principal amount of the debt. "Dollar-weighted" means the larger the dollar value of debt security in the Fund, the more weight it gets in calculating this average. To calculate the dollar-weighted average maturity, the Fund may treat a variable or floating rate security as having a maturity equal to the time remaining to the security's next interest rate reset date rather than the security's actual maturity date.

Dollar-weighted average life: The dollar weighted average portfolio maturity without reference to the exceptions used for variable or floating rate securities regarding the use of the date of interest rate resets in lieu of the security's actual maturity date.

Final Legal Maturity Date: The final legal maturity date is the date on which the organization that issued the debt security must pay off the principal amount of the debt.

J. P. Morgan Asset Management is the marketing name for the asset management business of JPMorganChase & Co.

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JPMorganChase & Co. 2011.

## MORGAN STANLEY INSTITUTIONAL LIQUIDITY FUNDS - TREASURY PORTFOLIO

Fund Information and Unaudited Holdings as of September 30, 2011

Weighted Average Maturity: 7 Days

Weighted Average Life: 7 Days

INVESTMENT CATEGORY	ISSUER	CUSIP	PRINCIPAL AMOUNT	COUPON RATE <sup>(1)</sup>	EFFECTIVE MATURITY DATE <sup>(2)</sup>	FINAL MATURITY DATE <sup>(3)</sup>	AMORTIZED COST <sup>(4)</sup> /VALUE	% of Amortized Cost
Treasury Debt	U.S. Treasury Bill	9127953M1	\$ 20,000	0.010%	10/06/11	10/06/11	\$ 20,000	0.00%
Treasury Debt	U.S. Treasury Bill	9127953R0	10,000,000	0.010	11/03/11	11/03/11	10,000,000	0.15%
Treasury Debt	U.S. Treasury Bill	9127953N9	50,000,000	0.212	05/03/12	05/03/12	49,937,579	0.78%
Treasury Debt	U.S. Treasury Bill	9127952K6	49,000,000	0.228	10/20/11	10/20/11	48,994,724	0.76%
Treasury Debt	U.S. Treasury Note	912828LT5	25,000,000	1.000	10/31/11	10/31/11	25,015,141	0.39%
Treasury Debt	U.S. Treasury Note	912828KA7	35,000,000	1.125	12/15/11	12/15/11	35,055,660	0.55%
Treasury Debt	U.S. Treasury Note	912828GA2	52,000,000	4.500	11/30/11	11/30/11	52,349,730	0.82%
Treasury Debt	U.S. Treasury Note	912828FW5	46,000,000	4.625	10/31/11	10/31/11	46,153,005	0.72%
Treasury Debt	U.S. Treasury Note	912828GC8	43,500,000	4.625	12/31/11	12/31/11	43,963,910	0.68%
Treasury Debt	U.S. Treasury Note	912828GF1	25,000,000	4.750	01/31/12	01/31/12	25,360,754	0.39%
Treasury Repurchase Agreement	Bank of Nova Scotia		1,450,000,000	0.030	10/03/11	10/03/11	1,450,000,000	22.60%
Treasury Repurchase Agreement	Barclays Capital, Inc.		250,000,000	0.010	10/05/11	10/05/11	250,000,000	3.90%
Treasury Repurchase Agreement	Barclays Capital, Inc.		330,000,000	0.030	10/03/11	10/03/11	330,000,000	5.14%
Treasury Repurchase Agreement	Barclays Capital, Inc.		695,000,000	0.050	10/03/11	10/03/11	695,000,000	10.83%
Treasury Repurchase Agreement	BNP Paribas Securities Corp.		800,000,000	0.020	10/03/11	10/03/11	800,000,000	12.47%
Treasury Repurchase Agreement	Credit Agricole Securities USA		195,000,000	0.050	10/03/11	10/03/11	195,000,000	3.04%
Treasury Repurchase Agreement	Deutsche Bank Securities, Inc.		79,467,000	0.030	10/03/11	10/03/11	79,467,000	1.24%
Treasury Repurchase Agreement	Deutsche Bank Securities, Inc.		200,000,000	0.030	10/06/11	10/06/11	200,000,000	3.12%
Treasury Repurchase Agreement	Deutsche Bank Securities, Inc.		100,000,000	0.070	10/05/11	10/05/11	100,000,000	1.56%
Treasury Repurchase Agreement	HSBC Securities USA, Inc.		250,000,000	0.020	10/03/11	10/03/11	250,000,000	3.90%
Treasury Repurchase Agreement	ING Financial Markets LLC		75,000,000	0.020	10/03/11	10/03/11	75,000,000	1.17%
Treasury Repurchase Agreement	RBS Securities, Inc.		750,000,000	0.050	10/03/11	10/03/11	750,000,000	11.69%
Treasury Repurchase Agreement	Societe Generale		400,000,000	0.030	10/03/11	10/03/11	400,000,000	6.23%
Treasury Repurchase Agreement	TD Securities USA LLC		155,000,000	0.050	10/03/11	10/03/11	155,000,000	2.41%
Treasury Repurchase Agreement	UBS Securities LLC		100,000,000	0.040	10/03/11	10/03/11	100,000,000	1.56%
Treasury Repurchase Agreement	Wells Fargo Securities LLC		250,000,000	0.050	10/03/11	10/03/11	250,000,000	3.90%
<b>Total Amortized Cost</b>							<b>\$ 6,416,317,503</b>	<b>100.00%</b>
<b>Net Assets <sup>(4)</sup></b>							<b>\$ 6,418,942,561</b>	

(1) The coupon rate shown reflects the effective rate as of the date on this report.

(2) The date shown reflects the lower of the stated maturity date or the next interest rate reset date, which are used to calculate the portfolio's weighted average maturity (WAM).

(3) The date shown reflects the lower of the stated final maturity date or the next demand feature date, which are used to calculate the portfolio's weighted average life (WAL).

(4) **Amortized Cost** - A method of valuation, discussed in rule 2a-7 of the Investment Company Act of 1940, in which a portfolio security is carried at cost and any discount or premium from par is amortized to income on a daily basis over the life of the instrument.

**(5) Net Assets** - The term used by an investment company to designate the excess of the fair value of securities owned, cash, receivables, and other assets over the liabilities of the company.

Subject to change daily. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries shown above.

**An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.**

**Please consider the investment objectives, risks, charges and expenses of the fund carefully before investing. The prospectus contains this and other information about the fund. To obtain a prospectus, contact your financial advisor or download a copy at [morganstanley.com/im](http://morganstanley.com/im). Please read the prospectus carefully before investing.**

Morgan Stanley is a full service securities firm engaged in securities trading and brokerage activities, investment banking, research and analysis, financing and financial advisory services.

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IU10-03172P-N09/10

Institutional Treasury Money Market Fund  
Unaudited Fund Information and Holdings as of September 30, 2011

Weighted Average Maturity: 26 days

Weighted Average Life: 26 days

ISSUER	INVESTMENT CATEGORY	CUSIP	PRINCIPAL AMOUNT	COUPON RATE	MATURITY DATE	FINAL MATURITY DATE	AMORTIZED COST/VALUE	% of AMORTIZED COST
U.S. Treasury Bill	Treasury Debt	9127953M1	191,000,000	0.000000	10/06/11	10/06/11	191,000,000	2.32
U.S. Treasury Bill	Treasury Debt	9127953M1	79,171,000	0.001000	10/06/11	10/06/11	79,170,989	0.96
U.S. Treasury Bill	Treasury Debt	9127953M1	102,610,000	0.002500	10/06/11	10/06/11	102,609,964	1.24
U.S. Treasury Bill	Treasury Debt	9127953M1	600,000,000	0.005000	10/06/11	10/06/11	599,999,583	7.28
U.S. Treasury Bill	Treasury Debt	9127953M1	161,233,000	0.053000	10/06/11	10/06/11	161,231,813	1.95
U.S. Treasury Bill	Treasury Debt	9127953P4	923,000,000	0.000000	10/13/11	10/13/11	923,000,000	11.2
U.S. Treasury Bill	Treasury Debt	9127953P4	318,000,000	0.001000	10/13/11	10/13/11	317,999,894	3.86
U.S. Treasury Bill	Treasury Debt	9127953P4	510,000,000	0.005000	10/13/11	10/13/11	509,999,150	6.19
U.S. Treasury Bill	Treasury Debt	9127952K6	1,532,000,000	0.000000	10/20/11	10/20/11	1,532,000,000	18.59
U.S. Treasury Bill	Treasury Debt	9127952K6	277,000,000	0.001000	10/20/11	10/20/11	276,999,854	3.36
U.S. Treasury Bill	Treasury Debt	9127952K6	39,000,000	0.002500	10/20/11	10/20/11	38,999,949	0.47
U.S. Treasury Bill	Treasury Debt	9127952K6	350,000,000	0.005000	10/20/11	10/20/11	349,999,076	4.24
U.S. Treasury Bill	Treasury Debt	9127953Q2	37,000,000	0.000000	10/27/11	10/27/11	37,000,000	0.45
U.S. Treasury Bill	Treasury Debt	9127953Q2	1,000,000,000	0.001000	10/27/11	10/27/11	999,999,278	12.13
U.S. Treasury Bill	Treasury Debt	9127953Q2	125,000,000	0.002500	10/27/11	10/27/11	124,999,774	1.52
U.S. Treasury Bill	Treasury Debt	9127953Q2	74,000,000	0.005000	10/27/11	10/27/11	73,999,733	0.9
U.S. Treasury Bill	Treasury Debt	9127953R0	102,000,000	0.000000	11/03/11	11/03/11	102,000,000	1.24
U.S. Treasury Bill	Treasury Debt	9127953R0	20,000,000	0.001000	11/03/11	11/03/11	19,999,982	0.24
U.S. Treasury Bill	Treasury Debt	9127953T6	80,000,000	0.000000	11/10/11	11/10/11	80,000,000	0.97



U.S. Treasury Bill	Treasury Debt	9127953T6	50,000,000	0.002500	11/10/11	11/10/11	49,999,861	0.61
U.S. Treasury Bill	Treasury Debt	9127952P5	284,598,000	0.000000	11/17/11	11/17/11	284,598,000	3.45
U.S. Treasury Bill	Treasury Debt	9127952P5	60,000,000	0.001000	11/17/11	11/17/11	59,999,922	0.73
U.S. Treasury Bill	Treasury Debt	9127952P5	170,000,000	0.002500	11/17/11	11/17/11	169,999,445	2.06
U.S. Treasury Bill	Treasury Debt	9127953U3	263,000,000	0.000000	11/25/11	11/25/11	263,000,000	3.19
U.S. Treasury Bill	Treasury Debt	9127953U3	200,000,000	0.002500	11/25/11	11/25/11	199,999,236	2.43
U.S. Treasury Bill	Treasury Debt	9127953U3	15,000,000	0.005000	11/25/11	11/25/11	14,999,885	0.18
U.S. Treasury Bill	Treasury Debt	9127953V1	79,000,000	0.000000	12/01/11	12/01/11	79,000,000	0.96
U.S. Treasury Bill	Treasury Debt	9127953V1	200,000,000	0.005000	12/01/11	12/01/11	199,998,306	2.43
U.S. Treasury Bill	Treasury Debt	9127953X7	100,000,000	0.000000	12/08/11	12/08/11	100,000,000	1.21
U.S. Treasury Bill	Treasury Debt	9127953X7	300,000,000	0.035000	12/08/11	12/08/11	299,980,167	3.64

The figures presented are as of the date shown and may change at any time.

For purposes of this report, for non-interest bearing Commercial Paper and Discount Notes, the discount rate at purchase is used to populate the coupon rate column.

Securities transactions are recorded, and WAM and WAL are calculated, on a trade date basis. As a result, these holdings and calculations may include security purchases and/or sales that have been executed but have not yet settled.

*An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or another governmental agency.*

*Although a money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.*

Distributor: State Street Global Markets, LLC, member FINRA, SIPC, a wholly owned subsidiary of State Street Corporation. References to State Street may include State Street Corporation and its affiliates.

**Before investing, consider the funds' investment objectives, risks, charges and expenses. To obtain a prospectus which contains this information, call 1-800-997-7327 or visit [www.ssgafunds.com](http://www.ssgafunds.com). Read it carefully.**

IBG-4794

# Treasury Master Fund

Schedule of Investments (Unaudited Holdings as of 09/30/2011)

Presented below is the monthly portfolio holdings report for Master Trust - Treasury Master Fund (the "Master Fund"). Each of the funds in the UBS Select Treasury series is a "feeder fund" that invests in individual money market securities through the Master Fund.

Weighted Average Maturity: 53 days

Weighted Average Life: 53 days

Issuer	Category of Investment	Cusip	Principal Amount	Maturity Date	Final Maturity Date	Coupon Rate	Amortized Cost	% of Total*	Moody's Rating†	S&P Rating†
Bank of America Tri Party Repo	Treasury Repurchase Agreement	N/A	1,500,000,000	10/03/11	10/03/11	0.020	1,500,000,000	12.35	TSY	TSY
Barclays Bank PLC Tri Party Repo	Treasury Repurchase Agreement	N/A	1,050,000,000	10/03/11	10/03/11	0.050	1,050,000,000	8.64	TSY	TSY
Barclays Bank PLC Tri Party Repo	Treasury Repurchase Agreement	N/A	500,000,000	10/04/11	10/04/11	0.020	500,000,000	4.12	TSY	TSY
Barclays Bank PLC Tri Party Repo	Treasury Repurchase Agreement	N/A	700,000,000	10/05/11	10/05/11	0.010	700,000,000	5.76	TSY	TSY
Deutsche Bank Tri Party Repo	Treasury Repurchase Agreement	N/A	105,000,000	10/03/11	10/03/11	0.030	105,000,000	0.86	TSY	TSY
Deutsche Bank Tri Party Repo	Treasury Repurchase Agreement	N/A	500,000,000	10/06/11	10/06/11	0.020	500,000,000	4.12	TSY	TSY
Goldman Sachs & Co. Tri Party Repo	Treasury Repurchase Agreement	N/A	315,000,000	10/03/11	10/03/11	0.010	315,000,000	2.59	TSY	TSY
Goldman Sachs & Co. Tri Party Repo	Treasury Repurchase Agreement	N/A	650,000,000	10/07/11	10/07/11	0.010	650,000,000	5.35	TSY	TSY
Morgan Stanley Tri Party Repo	Treasury Repurchase Agreement	N/A	75,000,000	10/03/11	10/03/11	0.010	75,000,000	0.62	TSY	TSY
State Street Bank and Trust Co.	Treasury Repurchase Agreement	N/A	500,000,000	10/03/11	10/03/11	0.010	500,000,000	4.12	TSY	TSY
U.S. Treasury Bill	Treasury Debt	9127952K6	1,000,000,000	10/20/11	10/20/11	0.000	1,000,000,000	8.23	TSY	TSY
U.S. Treasury Bill	Treasury Debt	9127952P5	50,000,000	11/17/11	11/17/11	0.000	50,000,000	0.41	TSY	TSY
U.S. Treasury Bill	Treasury Debt	9127952T7	200,000,000	12/15/11	12/15/11	0.000	200,000,000	1.65	TSY	TSY
U.S. Treasury Bill	Treasury Debt	9127953U3	60,000,000	11/25/11	11/25/11	0.000	60,000,000	0.49	TSY	TSY
U.S. Treasury Bill	Treasury Debt	9127953Z2	250,000,000	12/29/11	12/29/11	0.010	249,993,819	2.06	TSY	TSY
U.S. Treasury Note	Treasury Debt	9128277L0	155,000,000	02/15/12	02/15/12	4.875	157,794,754	1.28	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828FW5	200,000,000	10/31/11	10/31/11	4.625	200,717,491	1.65	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828GK0	400,000,000	02/29/12	02/29/12	4.625	407,622,258	3.29	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828GM6	550,000,000	03/31/12	03/31/12	4.500	562,085,110	4.53	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828JU5	360,000,000	11/15/11	11/15/11	1.750	360,702,616	2.96	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828KB5	558,000,000	01/15/12	01/15/12	1.125	559,723,486	4.59	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828KC3	325,000,000	02/15/12	02/15/12	1.375	326,488,566	2.67	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828LH1	150,000,000	08/15/12	08/15/12	1.750	152,136,161	1.23	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828LT5	475,000,000	10/31/11	10/31/11	1.000	475,349,344	3.91	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828MJ6	500,000,000	01/31/12	01/31/12	0.875	501,407,865	4.12	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828ML1	75,000,000	12/31/11	12/31/11	1.000	75,143,208	0.62	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828MM9	447,000,000	11/30/11	11/30/11	0.750	447,449,142	3.68	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828MQ0	122,500,000	02/29/12	02/29/12	0.875	122,897,833	1.01	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828MU1	325,000,000	03/31/12	03/31/12	1.000	326,328,106	2.68	TSY	TSY
U.S. Treasury Note	Treasury Debt	912828NB2	50,000,000	04/30/12	04/30/12	1.000	50,181,904	0.41	TSY	TSY
<b>Total</b>			12,147,500,000				12,181,021,663	100.00		

*Investors in the fund should read and carefully consider the investment objective, risks, charges and expenses before investing. The fund's prospectus contains this and other information about the fund. Contact the UBS Global Asset Management National Sales Desk at 888-793-8637 for a current prospectus. An investment in the fund is only one component of a balanced investment plan.*

**Investors should note that current and future portfolio holdings are subject to risk.**

**An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund. Mutual funds are sold by prospectus, which includes more complete information on risks, charges, expenses and other matters of interest. Investors should read the prospectus carefully before investing.**

**Not FDIC insured. May lose value. No bank guarantee.**

The fund is actively managed, and its holdings are subject to change and should not be considered a recommendation to buy or sell individual securities.

UBS Global Asset Management (US) Inc. is the fund's distributor.

**† Description of Ratings**

TSY: U.S. Treasury obligation

**% of Total**

Represents the percentage of the total principal amount of the securities in the portfolio.

Holdings as of 09-30-2011. Portfolio holdings are subject to change and may have changed since the date specified.

## Treasury Plus Money Market Fund

Weighted Average Maturity 23 Days  
 Weighted Average Final Maturity 23 Days

### Total Holdings

Security	CUSIP	Category	Yield %	Maturity Date	Final Maturity Date	Principal Amount \$	Amortized Cost Value \$
Credit Suisse Secs Usa	959JEK001	Treasury Repurchase Agreement	0.05	10/3/2011	10/3/2011	1,000,000,000	1,000,000,000
Jp Morgansecurities	981QQZ001	Treasury Repurchase Agreement	0.01	10/3/2011	10/3/2011	1,000,000,000	1,000,000,000
Barclays Capital Inc	981QNT008	Treasury Repurchase Agreement	0.05	10/3/2011	10/3/2011	850,000,000	850,000,000
Rbs Securities Inc	981RRU009	Treasury Repurchase Agreement	0.05	10/3/2011	10/3/2011	773,260,000	773,260,000
Ubs Securities Llc	981RPW007	Treasury Repurchase Agreement	0.03	10/3/2011	10/3/2011	500,000,000	500,000,000
Societe Generale Ny	985FDN002	Treasury Repurchase Agreement	0.02	10/3/2011	10/3/2011	500,000,000	500,000,000
Barclays Capital Inc	959JCF004	Treasury Repurchase Agreement	0.02	10/4/2011	10/4/2011	500,000,000	500,000,000
U.S. Treasury Bill	9127952P5	Treasury Debt	0.03	11/17/2011	11/17/2011	467,000,000	466,979,569
U.S. Treasury Bill	9127953U3	Treasury Debt	0.02	11/25/2011	11/25/2011	300,000,000	299,993,375
U.S. Treasury Bill	9127953V1	Treasury Debt	0.02	12/1/2011	12/1/2011	300,000,000	299,992,625
U.S. Treasury Bill	9127953X7	Treasury Debt	0.03	12/8/2011	12/8/2011	275,000,000	274,982,354
Bnp Paribas Secs Corp	959JCU001	Treasury Repurchase Agreement	0.03	10/3/2011	10/3/2011	250,000,000	250,000,000
Credit Suisse Secs Usa	981QP8005	Treasury Repurchase Agreement	0.06	10/7/2011	10/7/2011	250,000,000	250,000,000
U.S. Treasury Bill	9127953Y5	Treasury Debt	0.01	12/22/2011	12/22/2011	220,000,000	219,995,111
Hsbc Usa Inc	981REC003	Treasury Repurchase Agreement	0.03	10/3/2011	10/4/2011	200,000,000	200,000,000
U.S. Treasury Bill	9127953M1	Treasury Debt	0.02	10/6/2011	10/6/2011	200,000,000	199,999,542
U.S. Treasury Bill	9127953V1	Treasury Debt	0.02	12/1/2011	12/1/2011	200,000,000	199,995,083
U.S. Treasury Bill	9127952T7	Treasury Debt	0.01	12/15/2011	12/15/2011	200,000,000	199,993,917
U.S. Treasury Bill	9127953P4	Treasury Debt	0.03	10/13/2011	10/13/2011	200,000,000	199,993,611
U.S. Treasury Bill	9127953Z2	Treasury Debt	0.02	12/29/2011	12/29/2011	180,000,000	179,991,300
U.S. Treasury Bill	9127953Z2	Treasury Debt	0.02	12/29/2011	12/29/2011	160,000,000	159,994,200
Us Treasury N/B	912828MM9	Treasury Debt	0.75	11/30/2011	11/30/2011	150,000,000	150,160,653
Deutsche Bank Securities	959JFK000	Treasury Repurchase Agreement	0.03	10/3/2011	10/3/2011	150,000,000	150,000,000
Morgan Stanley And Co	981RQD008	Treasury Repurchase Agreement	0.01	10/3/2011	10/3/2011	150,000,000	150,000,000
U.S. Treasury Bill	9127953Q2	Treasury Debt	0.00	10/27/2011	10/27/2011	150,000,000	150,000,000
U.S. Treasury Bill	9127953P4	Treasury Debt	0.03	10/13/2011	10/13/2011	145,000,000	144,998,892
Merrill Pierce Fenner Sm	983YZZ002	Treasury Repurchase Agreement	0.01	10/3/2011	10/3/2011	125,000,000	125,000,000
U.S. Treasury Bill	9127953X7	Treasury Debt	0.03	12/8/2011	12/8/2011	125,000,000	124,992,552
U.S. Treasury Bill	9127953Z2	Treasury Debt	0.02	12/29/2011	12/29/2011	110,000,000	109,994,683
Goldman Sachs + Co	959JGM005	Treasury Repurchase Agreement	0.01	10/3/2011	10/3/2011	100,000,000	100,000,000
U.S. Treasury Bill	9127952K6	Treasury Debt	0.00	10/20/2011	10/20/2011	100,000,000	100,000,000
U.S. Treasury Bill	9127953M1	Treasury Debt	0.02	10/6/2011	10/6/2011	100,000,000	99,999,875
U.S. Treasury Bill	9127953M1	Treasury Debt	0.02	10/6/2011	10/6/2011	100,000,000	99,998,917
U.S. Treasury Bill	9127952K6	Treasury Debt	0.00	10/20/2011	10/20/2011	100,000,000	99,994,569

Security	CUSIP	Category	Yield %	Maturity Date	Final Maturity Date	Principal Amount \$	Amortized Cost Value \$
U.S. Treasury Bill	9127953Q2	Treasury Debt	0.00	10/27/2011	10/27/2011	100,000,000	99,992,000
U.S. Treasury Bill	9127953Y5	Treasury Debt	0.01	12/22/2011	12/22/2011	90,000,000	89,998,000
U.S. Treasury Bill	9127953Y5	Treasury Debt	0.01	12/22/2011	12/22/2011	90,000,000	89,997,500
U.S. Treasury Bill	9127952P5	Treasury Debt	0.03	11/17/2011	11/17/2011	83,000,000	82,996,628
U.S. Treasury Bill	9127953P4	Treasury Debt	0.03	10/13/2011	10/13/2011	55,000,000	54,999,427
U.S. Treasury Bill	9127953Q2	Treasury Debt	0.00	10/27/2011	10/27/2011	50,000,000	50,000,000
U.S. Treasury Bill	9127952K6	Treasury Debt	0.00	10/20/2011	10/20/2011	50,000,000	49,999,528
U.S. Treasury Bill	9127952T7	Treasury Debt	0.01	12/15/2011	12/15/2011	50,000,000	49,998,733
U.S. Treasury Bill	9127953T6	Treasury Debt	0.04	11/10/2011	11/10/2011	25,000,000	24,999,076

Carefully consider a fund's investment objectives, risks, charges, and expenses before investing. For a current prospectus, containing this and other information, visit [www.wellsfargo.com/advantagefunds](http://www.wellsfargo.com/advantagefunds). Read it carefully before investing.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Wells Fargo Advantage Funds seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund. The U.S. government guarantee applies to certain underlying securities and not to shares of the Fund. A portion of the Fund's income may be subject to federal, state, and/or local income taxes or the alternative minimum tax (AMT).

Wells Fargo Funds Management, LLC, a wholly owned subsidiary of Wells Fargo & Company, provides investment advisory and administrative services for Wells Fargo Advantage Funds. Other affiliates of Wells Fargo & Company provide subadvisory and other services for the Funds. The Funds are distributed by **Wells Fargo Funds Distributor, LLC**, Member FINRA/SIPC, an affiliate of Wells Fargo & Company.

**NOT FDIC INSURED | NOT BANK GUARANTEED | MAY LOSE VALUE**

200835

Holdings as of 09-30-2011. Portfolio holdings are subject to change and may have changed since the date specified.

**100% Treasury Money Market Fund**

Weighted Average Maturity 54 Days

Weighted Average Final Maturity 54 Days

**Total Holdings**

Security	CUSIP	Category	Yield %	Maturity Date	Final Maturity Date	Principal Amount \$	Amortized Cost Value \$
U.S. Treasury Bill	9127953V1	Treasury Debt	0.02	12/1/2011	12/1/2011	700,000,000	699,982,792
U.S. Treasury Bill	9127952T7	Treasury Debt	0.01	12/15/2011	12/15/2011	600,000,000	599,981,750
U.S. Treasury Bill	9127953T6	Treasury Debt	0.04	11/10/2011	11/10/2011	600,000,000	599,977,833
U.S. Treasury Bill	9127953P4	Treasury Debt	0.01	10/13/2011	10/13/2011	505,000,000	504,996,142
U.S. Treasury Bill	9127953U3	Treasury Debt	0.02	11/25/2011	11/25/2011	500,000,000	499,988,958
U.S. Treasury Bill	9127953X7	Treasury Debt	0.03	12/8/2011	12/8/2011	475,000,000	474,969,521
U.S. Treasury Bill	9127952K6	Treasury Debt	0.00	10/20/2011	10/20/2011	450,000,000	449,995,750
U.S. Treasury Bill	9127953Q2	Treasury Debt	0.00	10/27/2011	10/27/2011	431,870,000	431,853,445
U.S. Treasury Bill	9127952P5	Treasury Debt	0.03	11/17/2011	11/17/2011	400,000,000	399,982,500
U.S. Treasury Bill	9127953R0	Treasury Debt	0.10	11/3/2011	11/3/2011	400,000,000	399,958,667
U.S. Treasury Bill	9127953M1	Treasury Debt	0.02	10/6/2011	10/6/2011	387,490,000	387,489,112
U.S. Treasury Bill	9127953Y5	Treasury Debt	0.01	12/22/2011	12/22/2011	360,000,000	359,992,000
U.S. Treasury Bill	9127952P5	Treasury Debt	0.03	11/17/2011	11/17/2011	253,000,000	252,988,931
U.S. Treasury Bill	9127953X7	Treasury Debt	0.03	12/8/2011	12/8/2011	225,000,000	224,986,594
U.S. Treasury Bill	9127953Z2	Treasury Debt	0.03	12/29/2011	12/29/2011	220,000,000	219,989,367
Us Treasury N/B	912828GC8	Treasury Debt	4.63	12/31/2011	12/31/2011	200,000,000	202,206,013
U.S. Treasury Bill	9127953R0	Treasury Debt	0.10	11/3/2011	11/3/2011	200,000,000	199,982,778
U.S. Treasury Bill	9127953Z2	Treasury Debt	0.03	12/29/2011	12/29/2011	190,000,000	189,993,113
U.S. Treasury Bill	9127953Y5	Treasury Debt	0.01	12/22/2011	12/22/2011	160,000,000	159,996,444
U.S. Treasury Bill	9127953Y5	Treasury Debt	0.01	12/22/2011	12/22/2011	160,000,000	159,995,556
U.S. Treasury Bill	9127953Q2	Treasury Debt	0.00	10/27/2011	10/27/2011	150,000,000	150,000,000
U.S. Treasury Bill	9127953M1	Treasury Debt	0.02	10/6/2011	10/6/2011	150,000,000	149,999,875
U.S. Treasury Bill	9127953P4	Treasury Debt	0.01	10/13/2011	10/13/2011	150,000,000	149,999,583
U.S. Treasury Bill	9127952K6	Treasury Debt	0.00	10/20/2011	10/20/2011	150,000,000	149,999,292
U.S. Treasury Bill	9127952T7	Treasury Debt	0.01	12/15/2011	12/15/2011	150,000,000	149,996,198
U.S. Treasury Bill	9127953T6	Treasury Debt	0.04	11/10/2011	11/10/2011	150,000,000	149,994,063
U.S. Treasury Bill	9127953Z2	Treasury Debt	0.03	12/29/2011	12/29/2011	140,000,000	139,993,233
U.S. Treasury Bill	9127952K6	Treasury Debt	0.00	10/20/2011	10/20/2011	120,000,000	119,999,150
U.S. Treasury Bill	9127952P5	Treasury Debt	0.03	11/17/2011	11/17/2011	117,000,000	116,995,247
Us Treasury N/B	912828MJ6	Treasury Debt	0.88	1/31/2012	1/31/2012	100,000,000	100,270,075
U.S. Treasury Bill	9127953M1	Treasury Debt	0.02	10/6/2011	10/6/2011	100,000,000	100,000,000
Us Treasury N/B	912828KB5	Treasury Debt	1.13	1/15/2012	1/15/2012	80,000,000	80,238,672
U.S. Treasury Bill	9127953P4	Treasury Debt	0.01	10/13/2011	10/13/2011	75,000,000	74,999,219
Us Treasury N/B	912828KB5	Treasury Debt	1.13	1/15/2012	1/15/2012	70,000,000	70,216,219
Us Treasury N/B	912828FW5	Treasury Debt	4.63	10/31/2011	10/31/2011	69,000,000	69,241,162
Us Treasury N/B	912828MM9	Treasury Debt	0.75	11/30/2011	11/30/2011	60,000,000	60,065,006
Us Treasury N/B	9128277L0	Treasury Debt	4.88	2/15/2012	2/15/2012	50,000,000	50,888,446
Us Treasury N/B	912828KG4	Treasury Debt	1.38	3/15/2012	3/15/2012	50,000,000	50,295,986
Us Treasury N/B	912828KC3	Treasury Debt	1.38	2/15/2012	2/15/2012	50,000,000	50,238,953
Us Treasury N/B	912828MU1	Treasury Debt	1.00	3/31/2012	3/31/2012	50,000,000	50,229,362
Us Treasury N/B	912828MJ6	Treasury Debt	0.88	1/31/2012	1/31/2012	50,000,000	50,132,612
Us Treasury N/B	912828KA7	Treasury Debt	1.13	12/15/2011	12/15/2011	50,000,000	50,000,000

Security	CUSIP	Category	Yield %	Maturity Date	Final Maturity Date	Principal Amount \$	Amortized Cost Value \$
U.S. Treasury Bill	9127953Q2	Treasury Debt	0.00	10/27/2011	10/27/2011	50,000,000	50,000,000
U.S. Treasury Bill	9127953P4	Treasury Debt	0.01	10/13/2011	10/13/2011	50,000,000	49,999,861
U.S. Treasury Bill	9127953Q2	Treasury Debt	0.00	10/27/2011	10/27/2011	50,000,000	49,999,833
U.S. Treasury Bill	9127953V1	Treasury Debt	0.02	12/1/2011	12/1/2011	50,000,000	49,999,181
U.S. Treasury Bill	9127953Z2	Treasury Debt	0.03	12/29/2011	12/29/2011	50,000,000	49,996,979
U.S. Treasury Bill	912795Z38	Treasury Debt	0.03	2/23/2012	2/23/2012	50,000,000	49,993,545
U.S. Treasury Bill	912795Z46	Treasury Debt	0.05	3/1/2012	3/1/2012	50,000,000	49,990,625
U.S. Treasury Bill	9127953G4	Treasury Debt	0.07	3/8/2012	3/8/2012	50,000,000	49,985,281
U.S. Treasury Bill	9127953M1	Treasury Debt	0.02	10/6/2011	10/6/2011	48,935,000	48,934,939
U.S. Treasury Bill	912795Z20	Treasury Debt	0.08	2/16/2012	2/16/2012	35,000,000	34,989,422
Us Treasury N/B	912828LT5	Treasury Debt	1.00	10/31/2011	10/31/2011	30,000,000	30,022,113
U.S. Treasury Bill	9127952K6	Treasury Debt	0.00	10/20/2011	10/20/2011	29,460,000	29,460,000
U.S. Treasury Bill	9127953M1	Treasury Debt	0.02	10/6/2011	10/6/2011	22,970,000	22,970,000
U.S. Treasury Bill	912795Z20	Treasury Debt	0.08	2/16/2012	2/16/2012	15,000,000	14,995,608

Carefully consider a fund's investment objectives, risks, charges, and expenses before investing. For a current prospectus, containing this and other information, visit [www.wellsfargo.com/advantagefunds](http://www.wellsfargo.com/advantagefunds). Read it carefully before investing.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Wells Fargo Advantage Funds seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund. The U.S. government guarantee applies to certain underlying securities and not to shares of the Fund. A portion of the Fund's income may be subject to federal, state, and/or local income taxes or the alternative minimum tax (AMT).

Wells Fargo Funds Management, LLC, a wholly owned subsidiary of Wells Fargo & Company, provides investment advisory and administrative services for Wells Fargo Advantage Funds. Other affiliates of Wells Fargo & Company provide subadvisory and other services for the Funds. The Funds are distributed by **Wells Fargo Funds Distributor, LLC**, Member FINRA/SIPC, an affiliate of Wells Fargo & Company.

NOT FDIC INSURED	NOT BANK GUARANTEED	MAY LOSE VALUE
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200835

## US Treasury Reserves Portfolio

Full Holdings ( As of 2011-09-30 )

Weighted Average Maturity: 49 days

Weighted Average Life: 49 days

**Total Net Assets: 20,251.6 (\$MM)**

### Holdings

As of 2011-09-30

Principal Amount	Securities Description	Rate	CUSIP	Amortized Cost Value	% of Investments	Effective Maturity	Final Maturity	Rule-2a-7 Category of Investment
3,899,106,000	U.S. Treasury Bill	0.01	-	3,899,106,000.00	19.28	2011-10-20	2011-10-20	Treasury Debt
2,295,500,000	UNITED STATES OF AMER TREAS BI	0.01	9127953Q2	2,295,500,000.00	11.35	2011-10-27	2011-10-27	Treasury Debt
2,064,840,000	TREASURY BILL	0.01	9127953M1	2,064,838,916.32	10.21	2011-10-06	2011-10-06	Treasury Debt
1,257,000,000	United States Treas Nts 0.0100% 12/15/11	1.12	912828KA7	1,259,751,808.75	6.23	2011-12-15	2011-12-15	Treasury Debt
1,250,000,000	TREASURY BILL	0.00	9127953P4	1,249,999,134.00	6.18	2011-10-13	2011-10-13	Treasury Debt
1,247,400,000	TREASURY BILL	0.01	9127953P4	1,247,399,444.32	6.17	2011-10-13	2011-10-13	Treasury Debt
800,000,000	U.S. Treasury Bill	0.03	9127953X7	799,956,001.92	3.96	2011-12-08	2011-12-08	Treasury Debt
770,298,000	U.S. Treasury Bills	0.01	9127952P5	770,298,000.00	3.81	2011-11-17	2011-11-17	Treasury Debt
505,434,000	TREASURY BILL	0.00	9127953M1	505,433,958.32	2.50	2011-10-06	2011-10-06	Treasury Debt
500,000,000	TREASURY BILL	0.00	9127953M1	499,999,896.10	2.47	2011-10-06	2011-10-06	Treasury Debt
468,000,000	U.S. Treasury Note	0.75	912828MM9	468,545,067.38	2.32	2011-11-30	2011-11-30	Treasury Debt
327,000,000	U.S. Treasury Bills	0.01	9127953R0	327,000,000.00	1.62	2011-11-03	2011-11-03	Treasury Debt
310,000,000	U.S. Treasury Notes	1.00	912828NB2	311,417,399.71	1.54	2012-04-30	2012-04-30	Treasury Debt
300,000,000	UNITES STATES TREAS NTS, 1.7500% Mat 11/15/2011	1.75	912828JU5	300,609,611.39	1.49	2011-11-15	2011-11-15	Treasury Debt
280,000,000	U.S. Treasury Note	1.00	912828LT5	280,200,761.09	1.39	2011-10-31	2011-10-31	Treasury Debt
252,000,000	U.S. Treasury Notes	1.00	912828MU1	253,055,686.70	1.25	2012-03-31	2012-03-31	Treasury Debt
250,000,000	U.S. Treasury Bill	0.04	9127953X7	249,983,958.75	1.24	2011-12-08	2011-12-08	Treasury Debt
240,000,000	U.S. Treasury Note	0.88	912828MJ6	240,517,939.48	1.19	2012-01-31	2012-01-31	Treasury Debt
225,000,000	United States Treas NTS, 4.500% 04/30/12	4.50	912828GQ7	230,543,920.22	1.14	2012-04-30	2012-04-30	Treasury Debt
225,000,000	UNITED STATES TREAS NT, 4.7500% Mat 01/31/2012	4.75	912828GF1	228,444,082.45	1.13	2012-01-31	2012-01-31	Treasury Debt
224,305,000	US TREAS BILLS 0% 26/01/2012	0.10	912795Y70	224,233,346.39	1.11	2012-01-26	2012-01-26	Treasury Debt
200,000,000	US TREASURY N/B 06/12 1.875	1.88	912828KX7	202,356,720.58	1.00	2012-06-15	2012-06-15	Treasury Debt
200,000,000	US TREAS BILLS 0% 26/01/2012	0.13	912795Y70	199,916,944.00	0.99	2012-01-26	2012-01-26	Treasury Debt
200,000,000	TREASURY BILL 02/12 0.00000	0.13	912795Y88	199,915,278.36	0.99	2012-02-02	2012-02-02	Treasury Debt
175,000,000	US TREASURY NOTE	4.75	912828GU8	180,239,735.86	0.89	2012-05-31	2012-05-31	Treasury Debt
178,000,000	4.5000% Mat 11/30/2011	4.50	912828GA2	179,217,015.74	0.89	2011-11-30	2011-11-30	Treasury Debt
174,000,000	U.S. Treasury Bills	0.00	9127952P5	173,999,782.33	0.86	2011-11-17	2011-11-17	Treasury Debt
155,000,000	US TREASURY T/B, Mat 05/15/2012 1.2500%	1.38	912828KP4	156,135,192.95	0.77	2012-05-15	2012-05-15	Treasury Debt
150,000,000	U.S. Treasury Note	0.75	912828NE6	150,522,464.20	0.74	2012-05-31	2012-05-31	Treasury Debt
150,000,000	U.S. Treasury Bill	0.01	9127953X7	150,000,000.00	0.74	2011-12-08	2011-12-08	Treasury Debt
143,000,000	U.S. TREASURY BILLS	0.01	9127953T6	143,000,000.00	0.71	2011-11-10	2011-11-10	Treasury Debt
107,000,000	UNITD STATES TREAS NTS, 4.6250% Mat 10/31/2011	4.62	912828FW5	107,376,535.46	0.53	2011-10-31	2011-10-31	Treasury Debt
100,000,000	TREASURY BILL	0.00	9127953P4	99,999,944.28	0.49	2011-10-13	2011-10-13	Treasury Debt
100,000,000	U.S. Treasury Bills	0.11	9127952Y6	99,969,138.62	0.49	2012-01-12	2012-01-12	Treasury Debt
90,000,000	US TREASURY NB 1.375% 09-15/FE	1.38	912828KC3	90,341,017.47	0.45	2012-02-15	2012-02-15	Treasury Debt
62,000,000	U.S. Treasury Bills	0.01	9127953U3	62,000,000.00	0.31	2011-11-25	2011-11-25	Treasury Debt
62,000,000	UNITED STATES OF AMER TREAS BI	0.00	9127953Q2	61,999,958.57	0.31	2011-10-27	2011-10-27	Treasury Debt
54,000,000	U.S. TREASURY BILLS	0.00	9127953T6	53,999,942.94	0.27	2011-11-10	2011-11-10	Treasury Debt
50,000,000	UNITED STATES TREAS NTS, 4.875% Mat 02/15/2012	4.88	9128277L0	50,835,479.89	0.25	2012-02-15	2012-02-15	Treasury Debt
50,000,000	TREASURY BILL	0.12	9127953P4	49,998,402.77	0.25	2011-10-13	2011-10-13	Treasury Debt
50,000,000	TREASURY BILL	0.12	9127953P4	49,998,388.89	0.25	2011-10-13	2011-10-13	Treasury Debt



50,000,000	TREASURY BILL	0.12	9127953P4	49,998,333.34	0.25	2011-10-13	2011-10-13	Treasury Debt
7,760,000	U.S. Treasury Bill	0.10	9127953Y5	7,758,275.54	0.04	2011-12-22	2011-12-22	Treasury Debt

The information shown above relates to U.S. Treasury Reserves Portfolio ("the Portfolio"), the registered investment company in which the Fund invests all of its investable assets.

The Portfolio's investments are valued at amortized cost, which approximates market value, in accordance with Rule 2a-7 under the Investment Company Act of 1940. The amortized cost method of valuation involves valuing portfolio securities at their cost and thereafter assuming a constant amortization to maturity of any discount or premium.

The Portfolio's use of amortized cost is subject to its compliance with certain conditions as specified by Rule 2a-7 under the 1940 Act. The Portfolio continues to meet the requirements of Rule 2a-7 that permit it to utilize amortized cost to value its securities.

Weighted Average Maturity (WAM) is a weighted average of all the maturities of the securities held in a fund. WAM for money market funds can be used as a measure of sensitivity to interest rate changes. Generally, the longer the maturity, the greater the sensitivity.

Weighted Average Life (WAL) is the weighted average of the life of the securities held in a fund or portfolio and can be used as a measure of sensitivity to changes in liquidity and/or credit risk. Generally, the higher the value, the greater the sensitivity. However, unlike WAM, WAL does not include interest rate resets in its calculation.

Legg Mason Partners Fund Advisor, LLC is the investment manager and Western Asset Management Company is the subadviser of the Fund.

Please note that an investment in a money market fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

INVESTMENT PRODUCTS: NOT FDIC INSURED. NO BANK GUARANTEE. MAY LOSE VALUE.

Investors should consider the Fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the Fund. To obtain a free prospectus, please call your financial professional or access one from this page. Please read the prospectus carefully before investing.

Structured investments can be illiquid, may disproportionately increase losses, and have a potentially large impact on fund performance.

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**ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**  
**FINANCE & AUDIT COMMITTEE CHARTER**

**Purpose**

The Finance and Audit Committee (the “Committee”) of the Board of Directors (“Board”) of Electric Reliability Council of Texas, Inc. (“ERCOT” or the “Company”) shall:

1. Oversee the development of and adherence to a Company budget;
2. Provide recommendations to the Board for financing Company needs, including both debt and revenue financing;
3. Review and make recommendations to the Board regarding investment and financial guidelines for the Company;
4. Review and make recommendations to the Board regarding credit standards, procedures, governance, ERCOT Protocols and other market rules which impact credit risk;
5. Ensure that the Company’s financial statements are timely audited by qualified accountants who are independent;
6. Assist the Board in fulfilling its oversight responsibility with respect to the Company’s maintenance of an effective internal audit function;
7. Establish and maintain procedures for the receipt (including anonymous submission), retention and treatment of complaints regarding accounting, internal controls, and auditing;
8. Perform such other duties and responsibilities enumerated in and consistent with this Charter.

The Committee’s function is one of oversight, recognizing that the Company’s management is responsible for preparing the Company’s financial statements, and the independent auditor is responsible for auditing those statements. In adopting this Charter, the Board acknowledges that the Committee members (“Committee Members”) are not employees of the Company (with the exception of ERCOT’s Chief Executive Officer) and are not providing any expert or special assurance as to the Company’s financial statements or any professional certification as to the external auditor’s work or auditing standards. Each Committee Member shall be entitled to rely on the integrity of staff and external auditors to provide accurate, complete financial and other information to the Committee, absent actual knowledge to the contrary, and shall also exercise their fiduciary duties as Directors, including their duties of care, loyalty, and obedience.

While the Committee has the responsibilities, duties and powers set forth in this Charter, it shall be the responsibility and duty of the Company’s management and independent auditor, and not the responsibility or duty of the Committee, to plan or conduct audits, to make any determination that the Company’s financial statements are complete, accurate and in accordance with generally accepted accounting principles, and to assure compliance with laws, regulations and the Company’s ethics policies. It is the responsibility of the Committee to conduct investigations and resolve disagreements regarding financial reporting, if any, between management and the independent auditor.

The Committee shall provide assistance to the Board in fulfilling its oversight responsibility relating to the Company’s financial statements and the financial reporting process, the systems of internal accounting and financial controls, the annual independent audit of the Company’s

financial statements and the legal compliance and ethics programs as established by management and the Board. In so doing, it is the responsibility of the Committee to maintain free and open communication between the Committee and the Company's independent auditors, internal accounting personnel and management.

## **Membership and Qualifications**

### Committee Composition; Committee Member Qualifications; and Term

The Board members shall decide from among themselves who shall participate in the Committee. The Committee shall be comprised of at least five Board members, at least three of which are from Market Segments and two or more of which must be Unaffiliated Board members. Each Committee Member must be able to read and understand fundamental financial statements, including the balance sheet, income statement and cash flow statement. Each Committee Member shall also meet any experience requirements as may be established from time to time by the Board. The term of the Committee and its Committee Members shall be for not more than one year.

### Designation and Qualifications of Committee Financial Expert

At least one Committee Member shall be designated a "financial expert" as such term may be defined from time to time by the Board consistent with definitions generally accepted by the accounting industry or other regulatory authorities (the "Financial Expert"). At a minimum, the Financial Expert must have past employment experience in finance or accounting, requisite professional certification in accounting or any other comparable experience or background which ensures the individual's financial sophistication, including a past or current position as a Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") or other senior officer with financial oversight responsibilities. The Board shall endeavor to appoint at least one Board member to the Committee as the Financial Expert.

### Election of Committee Chair; and Chair Qualifications

The Chair of the Committee shall be elected through a majority vote of the Committee Members. The Committee Chair shall not be the CEO of the Company and shall have accounting or related financial management expertise.

## **Authority**

### Power to Investigate

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company and the power to retain outside counsel or other experts for this purpose. All employees are directed to cooperate as requested by the Committee or any of its Committee Members for Committee purposes. The Committee may request any officer or employee of the Company, the Company's outside counsel or the Company's independent auditor to attend a meeting of the Committee or to meet with any Committee Member or any consultants to the Committee.

The Committee may appoint workgroups or task forces to investigate issues defined by the Committee. Members of such workgroups or task forces need not be Directors. Such workgroups or task forces shall have no authority to bind the Committee or the Company.

### Reporting Relationship and Role of Company's Chief Audit Executive

The Director of Internal Audit is the Chief Audit Executive at the Company. The Company's Chief Audit Executive shall report directly to the Committee. For administrative purposes, the Chief Audit Executive shall report to the CEO. The Committee shall approve an Annual Internal Audit Plan prepared by the Chief Audit Executive. The Chief Audit Executive shall (1) manage the execution of the Annual Internal Audit Plan, (2) conduct investigations at the direction of the Chair and the Committee, and (3) make periodic reports to the Committee at regularly scheduled Committee meetings and as otherwise directed by the Chair and the Committee.

### Quorum and Action by Committee Members

The presence of at least half of the Committee Members for the transaction of Committee business shall constitute a quorum. At any meeting at which a quorum exists, the act of a majority of the Committee Members present at a meeting shall be the act of the Committee. For the purposes of voting, Committee Members who recuse themselves from voting on an issue shall not be counted as present for that vote.

### Duties and Responsibilities

The following shall be the prominent recurring duties and responsibilities of the Committee in carrying out its oversight functions. The duties and responsibilities are set forth below as a guide to the Committee with the understanding that the Committee may alter or supplement them as appropriate under the circumstances to the extent permitted by applicable law, and by the Company's Articles of Incorporation and Bylaws:

#### ***With respect to budget oversight and financing:***

1. Annually, the Committee shall review staff's proposed budget for the following year.
2. The Committee shall review the staff's recommendation of the amount and type of financing needed, both revenue and debt financing, to support the proposed budget and meet the Company's liquidity needs.
3. Following the Committee's review of the above items, the Committee shall recommend to the Board, a proposed budget and associated financing plan for the following year.
4. As needed throughout the year, the Committee shall review staff's recommendations regarding specific debt financing transactions and make recommendations to the Board for approval.

#### ***With respect to maintaining investment and financial guidelines for the Company, the Committee shall:***

1. Establish standards by which the Company will invest funds and maintain its financial health/strength and review these standards at least annually, recommending updates to the Board of Directors as needed.

#### ***With respect to the Company's credit policies and standards:***

1. Establish a standard by which the Board will seek to maintain the long-term financial integrity of the ERCOT market and review this standard at least annually, recommending updates to the Board of Directors as needed.

2. The Committee shall review the Company's credit policies to consider:
  - a. Appropriateness of credit practices and creditworthiness standards established for market participants;
  - b. Compliance with existing creditworthiness standards by market participants;
  - c. Compliance with credit-related Protocols and market rules; and
  - d. Development of appropriate methods to evaluate and mitigate credit risk;
3. In establishing or reviewing the standard under Item 1 above and in conducting the review under Item 2 above the Committee shall consider the recommendations of staff and the Credit Work Group and the decisions and recommendations of the appropriate stakeholder groups, including the Technical Advisory Committee and the Market Credit Work Group.
4. Following each such review, the Committee may, in its discretion, recommend to the Board any proposed changes to the previously approved standard or credit policies.

***With respect to the independent auditors engaged to audit ERCOT financial statements:***

1. Annually, the Committee shall recommend to the Board the selection and engagement of a qualified independent public accounting firm to audit the financial statements of ERCOT. The Committee shall fulfill the oversight responsibility of the Board with respect to the independent auditors' audit of the books and accounts of the Company and for the fiscal year for which it is appointed.
2. The Committee shall approve the provision of all auditing and non-audit services (in excess of \$5,000) by the independent auditor to the Company in advance of the provision of those services and shall also approve the fees for all non-audit services provided by the independent auditor.
3. Provision of non-audit services of less than or equal to \$5,000 by the independent auditor to the Company do not require pre-approval from the Committee, but shall be communicated in writing to the Committee Members at the first meeting following the engagement for the non-audit services at issue.
4. In connection with the Committee's approval of non-audit services, the Committee shall consider whether the independent auditor's performance of any non-audit services is compatible with the external auditor's independence.
5. At least annually, the Committee shall obtain and review a report by the independent auditor describing:
  - a. The independent auditor's internal quality control procedures; and
  - b. All relationships between the independent auditor and the Company, in order to assess the auditor's independence.
6. The Committee shall also review any report by the independent auditor describing:
  - a. Significant accounting policies and practices used by the Company;
  - b. Alternative treatments of financial information as required to be discussed by the independent auditors with the Committee; and
  - c. Any other material written communication between the independent auditors firm and the Company's management.
7. Establish the Company's hiring policies for employees who are former employees of the Company's independent auditors.

***With respect to the Company's financial statements:***

1. The Committee shall discuss the annual audited financial statements with management and the independent auditor, including the Company's disclosures.
2. The Committee shall review disclosures made to the Committee by the Company's CEO and Vice President of Finance and Treasury about any significant deficiencies in the design or operation of the internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.
3. In connection with its review of the Company's financial statements, the Committee shall review and discuss with the independent auditor the matters relating to the conduct of the audit as they may be modified or supplemented, including, but not limited to, significant judgments, significant estimates, critical accounting policies, and unadjusted differences.
4. Review major changes to the Company's auditing and accounting principles and practices as suggested by the independent auditor, internal auditors or management.
5. Review with management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports that raise material issues regarding the Company's financial statements or accounting policies.
6. Review with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
7. Review any and all press stories that relate to the Company's accounting and disclosure, require that management or the auditor explain any negative comments and determine whether these comments necessitate a change in the accounting structure of the Company.
8. Based on its review and discussions with management, the Chief Audit Executive and the independent auditor, the Committee shall provide a recommendation to the Board whether the Company's financial statements audit report should be accepted.

***With respect to the independent auditors engaged to perform ERCOT's annual Statement on Standards for Attestation Engagements (SSAE) 16 audit:***

1. Periodically select and authorize engagement of an independent audit firm to perform annual SSAE 16 audit of ERCOT's controls related to settlement operations.
2. As necessary, before and during SSAE 16 audit fieldwork, the Committee shall discuss with management and the independent auditor the planning and execution of the audit.
3. Based on its review and discussions with management and the independent auditor, the Committee shall provide a recommendation to the Board whether the Company's SSAE 16 audit report should be accepted.

***With respect to the independent auditors engaged to perform ERCOT's annual 401(k) Savings Plan audit:***

1. Periodically select and authorize engagement of an independent audit firm to perform annual audit of ERCOT's 401(k) Savings Plan.
2. As necessary, before and during 401(k) Savings Plan audit fieldwork, the Committee shall discuss with management and the independent auditor the planning and execution of the audit.
3. Based on its review and discussions with management and the independent auditor, the Committee shall provide a recommendation to the Board whether the Company's 401(k) Savings Plan audit report should be accepted.

***With respect to periodic reviews and reports:***

1. Periodically, the committee shall meet separately with senior management, the Chief Audit Executive and the independent auditors.
2. The Committee shall review with the independent auditor any audit problems or difficulties and management's response to them.
3. The Committee shall review the Company's policies with respect to risk assessment and risk management.
4. The Committee shall inquire of management and the independent auditors about significant risks or exposures to the Company and the Company's market and assess the steps management has taken to minimize such risks.
5. The Committee shall establish procedures for:
  - a. The receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
  - b. The confidential, anonymous submission by the Company's employees of concerns regarding accounting or auditing matters.
6. The Committee shall review a summary of the Company's dealings with any financial institutions that are also market participants.
7. The Committee shall communicate to the Board the matters discussed at each meeting of the Committee, including any issues with respect to the quality or integrity of the Company's financial statements, the performance and independence of the Company's independent auditors or the performance of the internal audit function.
8. The Committee shall review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board.

***With respect to Internal Audit:***

1. The Committee shall review with management and the Chief Audit Executive the charter, activities, staffing, and organizational structure of the internal audit function.
2. The Committee shall have final authority to review and approve the Annual Internal Audit Plan and all major changes to the Plan.
3. The Committee shall review, considering the recommendations of the independent auditors and the CEO, the scope of the Internal Audit Plan and the plan of work to be done by the Company's Internal Audit Department, and the results of such work.
4. The Committee shall review the reports to management prepared by the Internal Audit Department and management's responses.
5. The Committee shall ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal of the Chief Audit Executive.
6. The Committee shall, at least once per year, review the performance of the Chief Audit Executive and concur with the annual compensation and salary adjustment.
7. The Committee shall review the adequacy and effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.
8. The Committee shall, on a regular basis, meet separately with the Chief Audit Executive in executive session of a Committee meeting to discuss any matters that the committee or Internal Audit believes should be discussed privately.

## **Meetings**

### **Frequency of Meetings**

The Committee shall meet at least once during each fiscal quarter, and as many additional times as the Committee shall deem necessary or appropriate. The Chair, in consultation with the Vice President of Finance and Treasury, shall develop the agenda, the frequency, and length of meetings and shall have unlimited access to management and information for purposes of carrying out functions of the Committee. The Chair shall establish such other rules, as may from time to time be necessary and proper for the conduct of the Committee.

### **Attendance at Open Session and Executive Session of Committee Meetings**

Any member of the public may attend and participate in the open session of Committee meetings. For the executive session of Committee meetings, the Committee shall close the Committee meeting to the public to address sensitive matters such as confidential personnel information, contracts, lawsuits, competitively sensitive information, or other information related to the security of the regional electrical network. For such executive sessions of Committee meetings, the Committee may request that any officers or employees of the Company, or any other person, whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests. In addition, for such executive sessions of the Committee meetings, the Committee may exclude any persons who are not Directors, the Directors' Segment Alternates or the Directors' Alternate Representatives.

### **Participation and Voting During Committee Meetings**

**Board members who are not Committee Members (including Segment Alternates and Alternate Representatives) may attend and participate in all Committee meetings, but may not participate in Committee voting.**

### **Minutes**

The Committee shall designate a secretary, who may be a Committee Member or employee of ERCOT, who shall prepare or cause to be prepared the minutes of each meeting and file such minutes with the corporate records of the Company. The secretary shall send, or cause to be sent, copies of such minutes to each of the Committee Members.

### **Evaluation**

The Committee shall undertake an annual evaluation assessing its performance and, in light of this, consider changes in its membership, Charter or procedures. The Committee shall report to the Board the results of its evaluation, including recommended Charter, membership and other changes, if any.



ERCOT  
 Finance and Audit Committee  
 2012 Committee Membership Charter Compliance

	Count	Committee Member Name	Board Member Type		Financial Understanding	Financial Expert
			Segment	Unaffiliated		
Required Membership	1					
	2					
	3					
	4					
	5					
Optional Membership	6					
	7					
	8					
	9					
	10					

Membership requirements established in the Finance and Audit Committee Charter

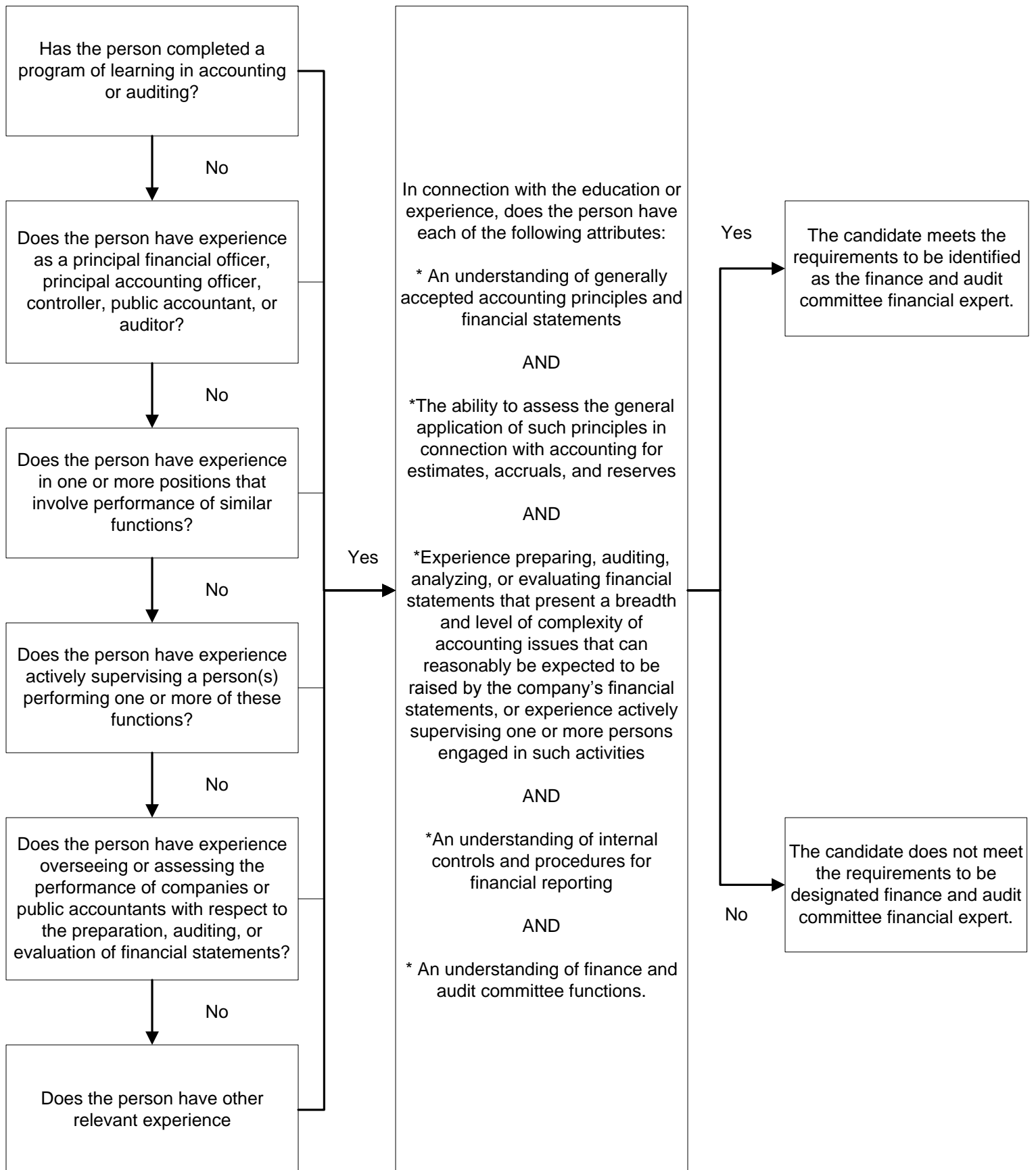
The Committee shall be comprised of at least five Board members, at least three of which are from Market Segments and two or more of which must be Unaffiliated Board members.

Each Committee Member must be able to read and understand fundamental financial statements, including the balance sheet, income statement and cash flow statement.

At least one Committee Member shall be designated a “financial expert” as such term may be defined from time to time by the Board consistent with definitions generally accepted by the accounting industry or other regulatory authorities (the “Financial Expert”).

The Chair of the Committee shall be elected through a majority vote of the Committee Members. The Committee Chair shall not be the CEO of the Company and shall have accounting or related financial management expertise.

# Finance and Audit Committee Financial Expert Decision Process



## **14. Vote on Matters from Executive Session**

### **Clifton Karnei**

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- **Vote to approve the Contract matter noted in the Executive Session meeting materials as Agenda Item 12.a. and as discussed during Executive Session.**
- **Vote to approve the Contract matter noted in the Executive Session meeting materials as Agenda Item 12.c. and as discussed during Executive Session.**
- **Vote to approve the 2012 internal audit plan noted in Executive Session meeting materials as Agenda Item 13.b. and as discussed during executive session.**