

# New York Cooperative Liquid Assets Securities System

## Principal Stability Fund Ratings Definitions

**AAAm** A fund rated 'AAAm' demonstrates extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk. 'AAAm' is the highest principal stability fund rating assigned by S&P Global Ratings

**AAm** A fund rated 'AAm' demonstrates very strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk. It differs from the highest-rated funds only to a small degree.

**Am** A fund rated 'Am' demonstrates strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk, but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than funds in higher-rated categories

**BBBm** A fund rated 'BBBm' demonstrates adequate capacity to maintain principal stability and to limit exposure to principal losses due to credit risk. However, adverse economic conditions or changing circumstances are more likely to lead to a reduced capacity to maintain principal stability.

**BBm** A fund rated 'BBm' demonstrates speculative characteristics and uncertain capacity to maintain principal stability. It is vulnerable to principal losses due to credit risk. While such funds will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

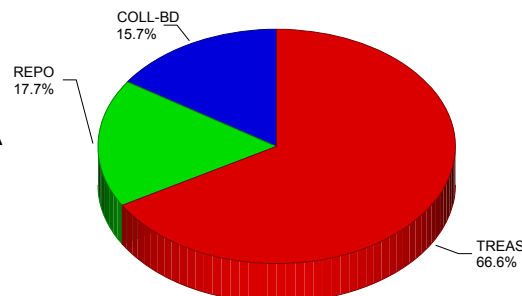
**Dm** A fund rated 'Dm' has failed to maintain principal stability resulting in a realized or unrealized loss of principal.

**Plus (+) or Minus (-)**  
The ratings may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.

## About the Pool

Pool Rating	<b>AAAm</b>
Pool Type	Stable NAV Government Investment Pool
Investment Adviser	Public Trust Advisors, LLC
Portfolio Manager	Randy Palomba, CFA & Neil Waud, CFA
Pool Rated Since	March 2009
Custodian	Wells Fargo Bank N.A.
Distributor	Public Trust Advisors, LLC (Public Trust)

Portfolio Composition as of September 25, 2018



TREAS - Treasury; REPO - Repurchase Agreement; COLL-BD - Collateralized - Bank Deposits; GOV-AGCY - Agency and Government

## Rationale

New York Cooperative Liquid Assets Securities System (NYCLASS) is rated 'AAAm' by S&P Global. The rating signifies our forward-looking opinion about a fixed-income fund's ability to maintain principal value (i.e., stable net asset value, or 'NAV'). This is accomplished through conservative investment practices and strict internal controls. Standard & Poor's monitors the portfolio on a weekly basis.

## Overview

NYCLASS was established on September 19, 1989 as a cooperative investment program organized under a municipal cooperation agreement made pursuant to New York General Municipal Law. NYCLASS is a short-term, highly-liquid investment vehicle designed specifically for public sector funds. It enables Participants to invest on a cooperative basis in short-term investments that are selected to yield favorable returns while they provide maximum safety and liquidity. Participation is available to any municipal corporation or special purpose district as defined by New York General Municipal Law to include counties, cities, towns, villages, school districts, fire districts, and boards of cooperative educational services. The objectives of NYCLASS are to invest in only investments that are legally permissible for all Participants, provide safety for Participants' principal, ensure liquidity as required to finance Participants' operations, and maximize current income to the degree consistent with legality, safety, and liquidity.

## Management

The investment advisor for NYCLASS is Public Trust Advisors, LLC (Public Trust), an SEC registered investment advisor. The administrative, marketing and operational functions of the portfolio are also performed by Public Trust. The Cooperative is subject to the general supervision of the Governing Board. The Governing Board is elected by NYCLASS Participants and is composed by members who are active Participants in the Cooperative. Wells Fargo Bank, NA serves as the custodian to the cooperative's assets.

## Portfolio Assets

The cooperative is actively managed and invests exclusively in investments legally permissible for New York State school districts and municipal corporations. These permissible investments include: U.S. Treasury securities, obligations backed by the full faith and credit of the U.S. government, collateralized bank deposits, and repurchase agreements collateralized at 102% by Treasury securities and agency securities backed by the full faith and credit of the U.S. government. All counterparties to repurchase agreements are highly-rated primary dealers, and a custodial bank holds all collateral supporting the transactions in constructive possession on the cooperative's behalf. The portfolio's weighted average maturity to reset (WAM(R)) is maintained at 60 days or less, which enhances liquidity. Portfolio securities are priced to market on a daily basis.

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*Participants should consider the investment objectives, risks and charges and expenses of the pool before investing. The investment guidelines which can be obtained from your broker-dealer, contain this and other information about the pool and should be read carefully before investing.*

*Portfolio securities are priced mark to market on a weekly basis and stress tested to a full liquidation scenario monthly.*

## Principal Stability Rating Approach and Criteria

A S&P Global Ratings principal stability fund rating, also known as a "money market fund rating", is a forward-looking opinion about a fixed income fund's capacity to maintain stable principal (net asset value). When assigning a principal stability rating to a fund, S&P Global Ratings analysis focuses primarily on the creditworthiness of the fund's investments and counterparties, and also its investments' maturity structure and management's ability and policies to maintain the fund's stable net asset value. Principal stability fund ratings are assigned to funds that seek to maintain a stable or an accumulating net asset value.

Generally, when faced with an unanticipated level of redemption requests during periods of high market stress, the manager of any fund may suspend redemptions for up to five business days or meet redemption requests with payments in-kind in lieu of cash. A temporary suspension of redemptions or meeting redemption requests with distributions in-kind does not constitute a failure to maintain stable net asset values. However, higher rated funds are expected to have stronger capacities to pay investor redemptions in cash during times of high market stress because they generally comprise shorter maturity and higher quality investments.

Principal stability fund ratings, or money market fund ratings, are identified by the 'm' suffix (e.g., 'AAAm') to distinguish the principal stability rating from a S&P Global Ratings traditional issue or issuer credit rating. A traditional issue or issuer credit rating reflects S&P Global Ratings view of a borrower's ability to meet its financial obligations. Principal stability fund ratings are not commentaries on yield levels.

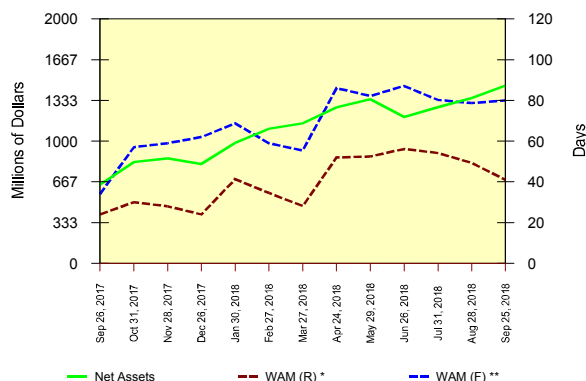
## New York Cooperative Liquid Assets Securities System

AAAm

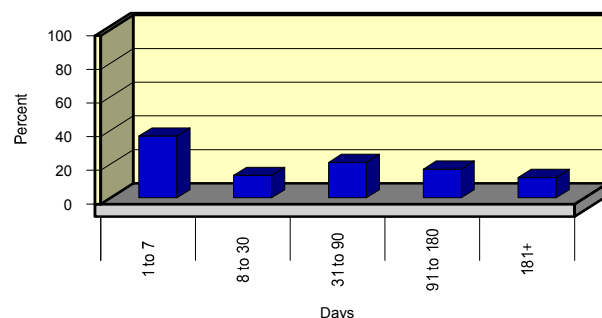
### Data Bank as of September 25, 2018

Net Asset Value per Share.....	\$0.99988	Net Assets (millions).....	\$1,453.71	Inception Date.....	September 1989
WAM (R) * .....	41 days	WAM (F) ** .....	80 days	7 Day Yield.....	1.91%
* Weighted Average Maturity (Reset)		** Weighted Average Maturity (Final)			

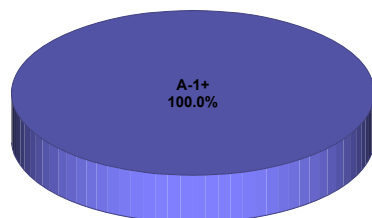
### Net Assets, WAM (R) and WAM (F)



### Portfolio Maturity Distribution as of September 25, 2018

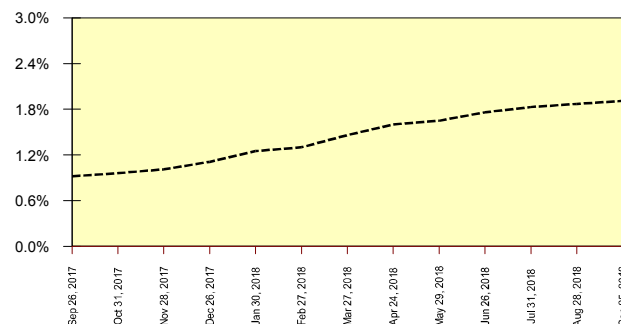


### Portfolio Credit Quality as of September 25, 2018 \*



\*As assessed by S&P Global Ratings

### Portfolio 7 Day Net-Yield



The yield quoted represents past performance. Past performance does not guarantee future results. Current yield may be lower or higher than the yield quoted.

Pool portfolios are monitored weekly for developments that could cause changes in the ratings. Rating decisions are based on periodic meetings with senior pool executives and public information.

S&P Global Ratings is neither associated nor affiliated with the fund.

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