

# STAR Ohio

State Treasury Asset Reserve of Ohio

**STAR Ohio**

State Treasury Asset Reserve of Ohio

State Treasury Asset  
Reserve of Ohio  
STAR Ohio  
30 E. Broad St.  
Columbus, Ohio  
43215-3461  
[www.ohiotreasurer.gov](http://www.ohiotreasurer.gov)

## Annual Report

June 30, 2010

KEVIN L. BOYCE  
OHIO TREASURER OF STATE



## A Message from Ohio Treasurer of State Kevin L. Boyce



August 2, 2010

Dear Public Fund Managers,

I am proud to present to you the State Treasury Asset Reserve of Ohio (STAR Ohio) annual report for the fiscal year ended June 30, 2010.

Over the past year, financial markets nationwide have seen a slight rebound; however, investors still felt some economic uncertainty. Despite these conditions STAR Ohio has continued to remain safe. This positive outcome is due to thorough investment research completed by the Ohio Treasury and the support of our partners.

My administration is constantly looking for ways to cut costs without compromising services. In fiscal year 2010 we created a competitive bidding process, which will result in a 53% reduction in administrative fees for STAR Ohio participants during Fiscal Year 2011. This equals an estimated yield increase of 4 basis points, which would make STAR Ohio one of the highest yielding Local Government Investment Pools in the Nation.

We are committed to maintaining STAR Ohio as a top-rated option for our shareholders. I thank you for your continued participation and I look forward to your ongoing support of STAR Ohio. If you would like to discuss the ways STAR Ohio and the Ohio Treasury can assist your community, please feel free to contact me at 1-800-228-1102 or at [treasurer@tos.ohio.gov](mailto:treasurer@tos.ohio.gov).

Sincerely,

A handwritten signature in black ink that reads "Kevin L. Boyce". The signature is written in a cursive, flowing style.

Kevin L. Boyce  
Treasurer State of Ohio

## MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION (UNAUDITED)

### Background

The State Treasury Asset Reserve of Ohio (STAR Ohio) is a statewide investment pool managed and administered by the Ohio Treasurer of State (the Treasurer). Participation is offered to Ohio political subdivisions as a means to invest in a portfolio of short-term investment securities and registered investment companies. The investment objective of STAR Ohio is to seek a high level of current income as is consistent with prudent investment management, the preservation of capital and the maintenance of liquidity. STAR Ohio seeks to achieve this objective by investing only in high-grade investment instruments and money market funds. STAR Ohio is similar in concept to a registered investment company using redeemable securities, commonly called a "money market mutual fund." Our discussion and analysis below is based upon currently known facts and conditions that we judge to have had a material effect on STAR Ohio's financial condition and results of operations.

The Ohio Treasurer of State is committed to maintaining STAR Ohio as a top-rated investment option for all government subdivisions of Ohio. As such, the additional level of safety in the fund is attributed to the constant monitoring of credit ratings for issuers of investments held by STAR Ohio as well as a modification to the custodial arrangement in which the fund's assets are now held in a specific trust account at the Depositor Trust Clearing Corporation designated for STAR Ohio. Both measures ensure that the underlying assets of STAR Ohio are highly rated, secure and readily available to the fund.

### Overview of Financial Condition

STAR Ohio's net assets decreased by approximately \$1.6 billion or by approximately 26 percent during Fiscal Year 2010. This decline is due in part to general economic conditions of the STAR Ohio shareholders and the return STAR Ohio is able to generate in the current market while maintaining the objective of safety and liquidity. STAR Ohio continued to maintain its AAAM rating from Standard & Poor's, the highest rating possible for a Local Government Investment Pool.

### Overview of Operations

STAR Ohio has continued to seek safety and liquidity for the STAR Ohio shareholders. We have achieved this by investing in high-grade government agency issuers, government money market funds, and in highly rated commercial paper. The Treasurer suspended its management fees on March 15, 2010 for the remainder of the 2010 Fiscal Year to increase yield for shareholders. This resulted in a .01% increase in yield. The Federal Funds target rate remained at 0% -.25% during STAR Ohio's entire Fiscal Year. During a time of minimal returns on investments portfolios, STAR Ohio was able to achieve a .12% total return for Fiscal Year 2010.

## STATE TREASURY ASSET RESERVE OF OHIO FINANCIAL HIGHLIGHTS

Data for each share outstanding throughout the year

	Year ended June 30,				
	2010	2009	2008	2007	2006
Net asset value, beginning of year . . . . .	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Net investment income . . . . .	.0012	.0130	.0383	.0516	.0407
Distributions from net investment income . . . . .	(.0012)	(.0130)	(.0383)	(.0516)	(.0407)
Net asset value, end of year . . . . .	<u>\$1.00</u>	<u>\$1.00</u>	<u>\$1.00</u>	<u>\$1.00</u>	<u>\$1.00</u>
Total return . . . . .	.12%	1.30%	3.83%	5.16%	4.07%
<b>Ratios/Supplemental Information</b>					
Expenses as a percentage of average net assets(1) . . . . .	.089%	.078%	.084%	.097%	.102%
Net investment income as a percentage of average net assets(1) . . . . .	.12%	1.30%	3.83%	5.16%	4.07%
Net assets, at end of year . . . . .	\$4,713,903,434	\$6,354,772,711	\$6,570,253,325	\$4,821,138,575	\$4,151,966,416

(1) These percentages should not be construed as representative of the yield or expenses related to further investments in STAR Ohio.



## SCHEDULE OF INVESTMENTS

June 30, 2010

<u>Principal Amount/Shares</u>		<u>Maturity Date</u>	<u>Value (Note B)</u>
<b>FEDERAL AGENCY ISSUES — 80.0%</b>			
\$ 75,000,000	Federal Farm Credit Banks Callable Debentures, .38-.39% . . . .	12/1/10	\$ 75,000,000
125,000,000	Federal Farm Credit Banks Discount Notes, .01-.12% . . . . .	7/1/10 - 8/31/10	124,994,917
125,000,000	Federal Home Loan Bank Callable Debentures, .55-.70% . . . . .	7/1/10 - 6/10/11	124,996,329
150,000,000	Federal Home Loan Bank Debentures, .28-.39% . . . . .	9/15/10 - 3/28/11	149,979,651
1,040,753,000	Federal Home Loan Bank Discount Notes, .08-.50% . . . . .	7/2/10 - 12/17/10	1,040,550,726
1,219,492,000	Federal Home Loan Mortgage Corp. Discount Notes, .11- .33% . . . . .	7/12/10 - 12/7/10	1,219,072,890
1,038,620,000	Federal National Mortgage Association Discount Notes, .10- .36% . . . . .	7/7/10 - 12/20/10	<u>1,038,087,526</u>
	<b>Total Federal Agency Issues . . . . .</b>		<u><b>3,772,682,039</b></u>
<b>COMMERCIAL PAPER — 7.1%</b>			
112,000,000	Chevron Funding Corporation, .13 -.14% . . . . .	7/8/10 - 7/13/10	111,996,597
70,000,000	General Electric Capital Corporation, .18-.27% . . . . .	7/20/10 - 7/27/10	69,990,338
42,000,000	General Electric Capital Service, .29% . . . . .	7/15/10	41,995,263
112,000,000	J.P. Morgan Chase Company, .12-.23% . . . . .	7/12/10 - 7/20/10	<u>111,992,972</u>
	<b>Total Commercial Paper . . . . .</b>		<u><b>335,975,170</b></u>
<b>MONEY MARKET FUNDS* — 12.9%</b>			
100,325,311	Goldman Sachs Financial Square Government Fund, .03% . . . .		100,325,311
509,057,455	J.P. Morgan U.S. Government Fund, .06% . . . . .		<u>509,057,455</u>
	<b>Total Money Market Funds . . . . .</b>		<u><b>609,382,766</b></u>
	<b>TOTAL INVESTMENTS — 100% . . . . .</b>		<u><b>4,718,039,975</b></u>
	<b>Liabilities in excess of other assets . . . . .</b>		<u><b>(4,136,541)</b></u>
	<b>NET ASSETS — 100% — equivalent to \$1.00 per share for outstanding shares of 4,713,903,434 in the Pool . . . . .</b>		<u><u><b>\$4,713,903,434</b></u></u>

\* Money Market Funds, the yield shown represents the rate at June 30, 2010.

See Accompanying Notes to Financial Statements.



**STATEMENT OF ASSETS & LIABILITIES**  
**JUNE 30, 2010**

**ASSETS**

Investments	
Federal Agency Issues .....	\$3,772,682,039
Commercial Paper .....	335,975,170
Money Market Funds .....	<u>609,382,766</u>
Total Investments .....	4,718,039,975
Interest Receivable .....	216,924
Receivable for Fund Shares Purchased .....	<u>191,934</u>
Total Assets .....	<u>4,718,448,833</u>

**LIABILITIES**

Payable for Fund Shares Redeemed .....	4,170,793
Accrued Custodian and Transfer Agent Fees .....	123,246
Accrued Co-Administrator Fees .....	112,500
Accrued Investment Consultant Fees .....	83,424
Accrued Audit Fees .....	43,500
Other Liabilities .....	<u>11,936</u>
Total Liabilities .....	<u>4,545,399</u>

**NET ASSETS** .....

\$4,713,903,434

**Participant Net Asset Value, Price Per Unit**..... \$ 1.00

See Accompanying Notes to Financial Statements.



## STATEMENTS OF OPERATIONS

	Year ended June 30,	
	2010	2009
<b>INVESTMENT INCOME</b>		
Interest Income .....	\$11,613,513	\$101,063,694
<b>EXPENSES</b>		
Custodian and Transfer Agent Fees .....	1,776,126	2,315,217
Co-administrator Fees .....	1,350,000	1,350,000
Investment Consultant Fees .....	1,135,395	1,322,080
Management Fees .....	350,000	500,000
Bloomberg and Pricing Service Fees .....	149,400	114,220
Postage and Printing Fees .....	44,955	50,275
Audit Fees .....	43,500	41,750
S & P Analytical Fees .....	36,500	36,500
Telephone Response Fees .....	29,425	28,625
Total Expenses .....	<u>4,915,301</u>	<u>5,758,667</u>
<b>NET INVESTMENT INCOME</b> .....	<u>\$ 6,698,212</u>	<u>\$ 95,305,027</u>

## STATEMENTS OF CHANGES IN NET ASSETS

	Year ended June 30,	
	2010	2009
<b>DECREASE IN NET ASSETS</b>		
<b>Operations</b>		
Net Investment Income .....	\$ 6,698,212	\$ 95,305,027
<b>Distributions to Shareholders from</b>		
Net Investment Income .....	(6,698,212)	(95,305,027)
<b>Capital Share Transactions Net (Decrease) — Note E</b> ...		
(Decrease) in Net Assets .....	<u>(1,640,869,277)</u>	<u>(215,480,614)</u>
<b>Net Assets</b>		
Beginning of Year .....	<u>6,354,772,711</u>	<u>6,570,253,325</u>
End of Year .....	<u>\$ 4,713,903,434</u>	<u>\$6,354,772,711</u>

See Accompanying Notes to Financial Statements.



## NOTES TO FINANCIAL STATEMENTS

### NOTE A — SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Section 135.45 of the Ohio Revised Code permits the State's political subdivisions to pool their public funds into an investment fund managed by the Ohio Treasurer of State. The State Treasury Asset Reserve of Ohio (STAR Ohio) provides units of local government with an investment option for their public funds.

STAR Ohio is a statewide investment pool managed by the Ohio Treasurer of State. Participation is offered to Ohio political subdivisions as defined in Section 135.45(F)(2)(a) of the Ohio Revised Code. STAR Ohio offers these subdivisions a means of investing in a portfolio of investment instruments. STAR Ohio seeks to obtain as high a level of current income as is consistent with prudent investment management, the preservation of capital, and maintenance of liquidity. There can be no guarantee that this will be achieved.

Ohio Treasurer of State, Kevin L. Boyce, through the Treasurer's Investment Department, 30 East Broad Street, 9th Floor, Columbus, Ohio 43215-3461, serves as investment advisor and administrator to STAR Ohio. The advisor manages the investment and reinvestment of STAR Ohio's assets in accordance with STAR Ohio's investment objectives and policies, subject to the general limitations of Section 135.143 of the Ohio Revised Code. In addition, the advisor is responsible for the overall management of STAR Ohio's business affairs. STAR Ohio compensates the advisor with a flat management fee of \$500,000 per year. On March 15, 2010, the Treasurer suspended their advisory fee for the remainder of STAR Ohio's Fiscal Year.

Carnegie Capital Partners LLC, Cleveland, Ohio is the co-administrator for STAR Ohio and provides certain clerical and administrative services for STAR Ohio. Compensation to the co-administrator is based on a flat fee of \$1,350,000 per year.

PNC, Pittsburgh, is the dividend and transfer agent for STAR Ohio and also serves as custodian of its portfolio. Compensation is based on a percentage of daily net assets. As of July 26, 2010, Huntington National Bank succeeded PNC as the dividend and transfer agent and custodian of STAR Ohio.

United American Capital Corporation, Worthington, Ohio is the investment consultant for STAR Ohio. Compensation is based on a percentage of daily net assets.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of both contingent assets and liabilities as well as amounts of income and expenses. Actual results could differ from those estimates.

Pursuant to the Government Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, STAR Ohio follows GASB guidance as applicable to proprietary funds and Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements.

STAR Ohio is not registered with the Securities Exchange Commission (SEC) as an investment company, but maintains a policy to operate as a "2a-7 like pool" in a manner consistent with the Governmental Accounting Standards Board, Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." Subsequent to the SEC's issuance of a revised Rule 2a-7, as promulgated under the Investment Company Act of 1940, as amended, on June 24, 2010, GASB issued Statement No. 59, "Financial Instruments Omnibus." Statement No. 59 provides guidance that a "2a-7-like pool," as described in Statement No. 31, is an external investment pool, that operates in conformity with SEC Rule 2a-7, as amended. Statement No. 59 is effective for financial statements for periods beginning after June 15, 2010. STAR Ohio is presently evaluating the changes that would be required to its investment policy to continue to meet the definition of a "2a-7 like pool" and the resulting effects, if any, on its accounting policies and disclosures.

## NOTE B — INVESTMENT SECURITIES

Investment securities other than money market funds are valued according to the amortized cost method (which approximates fair value) whereby a security is valued at cost adjusted for the amortization of any premiums or accretion of any discounts over the period until maturity. Investments in money market funds are valued at quoted market values.

Security transactions are accounted for on the trade date (day the order to buy or sell is executed). Interest income is determined on an accrual basis with earned discounts (including original issue and market discount) accreted and paid premiums amortized. Any realized gains or losses on sales of securities are calculated on the identified cost basis.

STAR Ohio is permitted to invest in commercial paper, but commercial paper holdings shall not exceed 25 percent of the average net assets which is defined as the 12 month rolling average of the total shares in the fund on the last day of the month. As of June 30, 2010, commercial paper holdings represented approximately 7 percent of the net assets.

All repurchase agreements are fully collateralized by United States Government or Federal Agency securities, pursuant to Section 135.143 of the Ohio Revised Code, and such collateral is in the possession of STAR Ohio's custodian on a daily basis. STAR Ohio evaluates collateral daily to ensure its market value plus accrued interest exceeds the delivery value of the repurchase agreement at maturity. STAR Ohio does not enter into reverse repurchase (borrowing) agreements.

STAR Ohio maintains a stable net asset value per share by using the amortized cost method of portfolio valuation. STAR Ohio has established procedures to stabilize the net asset value per share, as computed for the purpose of purchase and redemption, at a single value of \$1.00. The mark-to-market of the portfolio is used to monitor the appropriateness of the amortized cost method and is calculated using available market quotations.

As of June 30, 2010, STAR Ohio had the following investments and maturities:

<u>Investment Type</u>	<u>Value</u>	<u>Investment Maturities (in Years) Less than 1</u>
Commercial Paper . . . . .	\$ 335,975,170	\$ 335,975,170
Federal Agency Issues . . . . .	3,772,682,039	3,772,682,039
Money Market Funds . . . . .	<u>609,382,766</u>	<u>609,382,766</u>
	<u>\$4,718,039,975</u>	<u>\$4,718,039,975</u>

*Interest Rate Risk.* Through its investment policy, STAR Ohio manages its exposure to fair value losses arising from increasing interest rates by limiting the final stated maturity on any investment to 397 days and limiting the weighted average maturity of the portfolio to 60 days. Federal Agency Issues include callable bonds which have maturity dates less than one year and callable dates ranging from July 1, 2010 through May 10, 2011.

*Credit Risk.* STAR Ohio's investment policy requires money market securities to be valued at AAAM or AAAM-G or better by Standard & Poor's Corporation, and all other securities held by STAR Ohio be rated the equivalent of A-1+ or A-1 and at least 50% of the Total Average Portfolio be rated A-1+ or better. As of June 30, 2010, STAR Ohio's investments in U.S. Agencies and the money market funds were rated AAA and AAAM, respectively, by Standard & Poor's and Aaa by Moody's Investor Services. Of the commercial paper, \$223,982,198 was rated A-1+/P-1 and the remaining \$111,992,972 was rated A-1/P-1.

*Concentration of Credit Risk.* STAR Ohio, through its investment policy, limits the amount invested in any single issuer to 2 percent of STAR Ohio's Total Average Portfolio, which is defined as the 12 month rolling average of the total shares in the fund on the last day of the month, with the following exceptions: U.S. Treasury Obligations (100 percent maximum), U.S. Agency Obligations (33 percent maximum), Repurchase Agreement Counterparties (10 percent or \$500 million, whichever is less), and Mutual Funds (10 percent maximum).



As of June 30, 2010, STAR Ohio had 5 percent or more of its Total Average Portfolio, in the following issuers:

Federal Home Loan Bank . . . . .	24%
Federal Home Loan Mortgage Corporation . . . . .	22%
Federal National Mortgage Association . . . . .	19%
J.P. Morgan U.S. Government Fund . . . . .	9%

*Foreign Currency Risk.* STAR Ohio does not have exposure to foreign exchange risk.

*Custodial Credit Risk.* STAR Ohio's investments are not exposed to custodial credit risk, as defined by GASB Statement No. 40. Securities in STAR Ohio are either insured, registered, held by STAR Ohio, or held in a specific trust account designated for STAR Ohio.

**NOTE C — SECURITIES LENDING**

Pursuant to Section 135.143 of the Ohio Revised Code, the Pool may lend up to 25 percent of its securities to any eligible financial institution that is a member of the Federal Reserve System or any recognized United States government securities dealer.

The Pool follows strict levels of collateralization governed by daily mark-to-market analysis, a review of the credit worthiness of securities dealers and banks, and strict monitoring of their respective credit limits. This is done to control exposure due to possible credit loss resulting from a reduction in the underlying collateral value or non-performance by a security dealer or bank. Either the Pool or the borrower can terminate all security loans on demand.

For the fiscal year ended June 30, 2010, STAR Ohio did not participate in security lending transactions.

**NOTE D — INCOME DISTRIBUTIONS**

Each business day STAR Ohio declares a distribution of its net investment income and realized capital gains, if any. All such distributions are automatically reinvested in additional shares.

**NOTE E — CAPITAL SHARES**

Transactions in capital shares (all at \$1.00 per share) were as follows:

	<b>Year ended June 30,</b>	
	<b>2010</b>	<b>2009</b>
Shares Sold . . . . .	15,866,246,455	23,025,781,159
Shares Issued for Reinvestment of Distributions . . . . .	6,698,212	95,305,027
	<u>15,872,944,667</u>	<u>23,121,086,186</u>
Shares Redeemed . . . . .	<u>(17,513,813,944)</u>	<u>(23,336,566,800)</u>
Capital Shares Transactions Net (Decrease) . . . . .	<u>(1,640,869,277)</u>	<u>(215,480,614)</u>

## Independent Auditors' Report

The Honorable Mary Taylor  
Ohio Auditor of State

The Honorable Kevin L. Boyce  
Ohio Treasurer of State

We have audited the statement of assets and liabilities, including the schedule of investments, of the State Treasury Asset Reserve of Ohio ("STAR Ohio") as of June 30, 2010, and the related statements of operations and changes in net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of STAR Ohio's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of STAR Ohio as of June 30, 2010, and the results of its operations and changes in net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on Page 2 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



Cohen & Company, Ltd.  
Cleveland, Ohio  
August 31, 2010



## APPENDIX

### STANDARD & POOR'S RATING OF STAR OHIO

Standard & Poor's has assigned an AAAM money market rating, its highest rating, to STAR Ohio. By obtaining a triple-A rating, STAR Ohio is considered to have a superior capacity to maintain principal (\$1.00 per share value) and limit exposure to loss. The rating is based on an analysis of STAR Ohio's management, investment guidelines, portfolio holdings and market price exposure.

### SUMMARY OF INVESTMENT OBJECTIVES & ALL PERMITTED & ELIGIBLE INVESTMENTS

The investment objective of STAR Ohio is to seek as high a level of current income as is consistent with prudent investment management, the preservation of capital and maintenance of liquidity. STAR Ohio seeks to achieve this objective by investing only in certain high-grade short-term investment instruments, which are authorized for investment by the State of Ohio as specified in Section 135.143 of the Ohio Revised Code. Instruments in which STAR Ohio may invest include:

(1) United States Treasury bills, notes, bonds, or any other obligations or securities issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

(2) Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality;

(3)(a) Written repurchase agreements with any eligible Ohio financial institution that is a member of the Federal Reserve System or Federal Home Loan Bank or any recognized United States government securities dealer, under the terms of which agreement the Treasurer of State purchases and the eligible financial institution or dealer agrees unconditionally to repurchase any of the securities that are listed in items (1) or (2) above and that will mature or are redeemable within ten years from the date of purchase. The market value of securities subject to these transactions must exceed the principal value of the repurchase agreement by an amount specified by the Treasurer of State, and the securities must be delivered into the custody of the Treasurer of State or the qualified trustee or agent designated by the Treasurer of State. The agreement shall contain the requirement that for each transaction pursuant to the agreement, the participating institution or dealer shall provide all of the following information:

(i) The par value of the securities;

(ii) The type, rate, and maturity date of the securities;

(iii) A numerical identifier generally accepted in the securities industry that designates the securities.

(b) STAR Ohio does not invest in reverse repurchase agreements, which are securities sold to a broker-dealer under the provision that they will be bought back at a predetermined date for a specified price.

(4) The Ohio Treasurer of State also may sell any securities, listed in items (1) or (2) above, regardless of maturity or time of redemption of the securities, under the same terms and conditions for repurchase, provided that the securities have been fully paid for and are held in trust by the Ohio Treasurer of State at the time of the sale.

(5) Securities lending agreements with any eligible financial institution that is a member of the Federal Reserve System or Federal Home Loan Bank or any recognized United States government securities dealer, under the terms of which agreement the Ohio Treasurer of State lends securities and the eligible financial institution or dealer agrees to simultaneously exchange similar securities or cash, equal value for equal value;

(6) Various forms of commercial paper, maturing in 180 days or less, issued by any corporation that is incorporated under the laws of the United States or a state, which such notes are rated in the two highest categories by two nationally recognized rating agencies, provided that the total amount invested in commercial paper at any time shall not exceed 25 percent of the average net assets which is defined as the 12 month rolling average of the total shares in the fund on the last day of the month;

(7) Banker's acceptances, maturing in 270 days or less, which are eligible for purchase by the Federal Reserve System, provided that the total amount invested in banker's acceptances at any time shall not exceed 10 percent of the total average net assets, as determined and calculated by the Ohio Treasurer of State;

(8) Certificates of deposit in eligible institutions applying for interim monies as provided in Section 135.08 of the Ohio Revised Code.

(9) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) of this section and commercial paper and repurchase agreements secured by such obligations.

# STAR<sup>★</sup>Ohio

*State Treasury Asset Reserve of Ohio*

Investment Advisor and Administrator  
Kevin L. Boyce  
Ohio Treasurer of State

Co-Administrator  
Carnegie Capital Partners LLC  
Cleveland, OH

Custodian and Transfer Agent  
Huntington National Bank  
Columbus, OH

Co-Investment Advisor  
United American Capital Corporation  
Worthington, OH

For more information, current yields or assistance in opening a STAR account call toll free: 1-800-648-7827 (STAR).

Additional information regarding STAR Ohio and other Treasurer of State Programs may be accessed through [www.ohiotreasurer.gov](http://www.ohiotreasurer.gov)

The Office of the State Treasurer, Carnegie Capital Partners LLC, Huntington National Bank, and United American Capital Corporation are Equal Opportunity Employers and Service Providers.



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