

# Georgia Extended Asset Pool

**Fund Credit Quality Ratings Definitions**

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

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

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

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

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

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

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

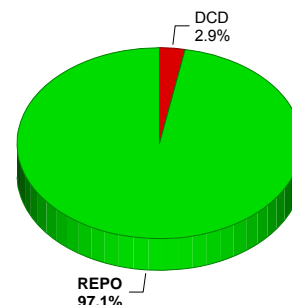
**Plus (+) or Minus (-)** The ratings from 'AAf' to 'CCCf' may be modified to show relative standing within the major rating categories.

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

About the Pool

Pool Rating	<b>AA+f / S1</b>
Pool Type	Variable NAV Government Investment Pool
Investment Adviser	Office of the State Treasurer
Portfolio Manager	Laura B. Glenn, CFA Mark W. Jones
Pool Rated Since	November 2000
Custodian	State Street Corp.
Distributor	Office of the State Treasurer

Portfolio Composition as of September 30, 2016



REPO - Repurchase Agreement; DCD - Domestic Certificate of Deposit

\*As assessed by S&P Global Ratings

**Pool Highlights**

- The Georgia Extended Asset Pool (GEAP) commenced operations on July 1, 2000, with \$700 million of funds from the state of Georgia.
- The pool has several investors, including cities, boards of education, state agency trust funds, and public universities.

**Management**

GEAP was established as a second investment option for municipalities within the state that have longer-term investment needs. GEAP is only available to those local governments and public entities that have core deposits or reserves available for investment periods of one year or longer and a minimum opening account balance of \$1 million or more. The Office of the State Treasurer (OST) assumes the daily responsibility of managing the assets of the pool. The state of Georgia has hired an independent third party, State Street Corporation, to perform custodial and evaluation services. In addition, OST consults with its outside investment managers--for externally-administered, risk management portfolios--about economic conditions.

**Credit Quality**

GEAP invests in U.S. Treasury bills, U.S. Treasury notes, securities issued by federal agencies and instrumentalities, collateralized bank investment agreements and repurchase agreements with highly-rated counterparties. The maximum final maturity of any security purchased by the pool is limited to five years. The duration of the pool will be managed between six and 18 months. Because of the strong credit quality of the portfolio's assets and eligible investments, Standard & Poor's rates GEAP 'AA+f'.

**Portfolio Assets**

GEAP holds a Standard & Poor's volatility rating of 'S1'. This rating, which demonstrates the pool's low sensitivity to changing market conditions, is based on the fund's conservative investment policies, tight maturity restrictions, and profile of little historical risk. The rating, which is the result of a comprehensive analysis of the pool's investment holdings and strategies, historical return volatility, and management, signifies that the pool possesses an aggregate level of risk that is less than or equal to that of a portfolio comprised of government securities maturing within one to three years. The primary objective of GEAP is the prudent management of public funds on behalf of the state and local governments throughout Georgia. When compared to Georgia Fund 1--which is a stable net asset value (NAV) pool with a weighted average maturity to reset (WAM(R)) of 60 days or less--GEAP differs as it is a variable NAV pool comprised of longer-dated securities. The value of shares of GEAP will fluctuate with changes in market conditions. GEAP was designed for investors seeking income higher than income from money market rates and willing to accept price fluctuations. For more information on GEAP, please visit <http://ost.georgia.gov>.

**S&P Global Ratings Analyst:** Peter Gargiulo - (1) 212-438-5423

[www.standardandpoors.com](http://www.standardandpoors.com)

*Participants should consider the investment objectives, risks, 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.*

**Volatility Ratings Definitions**

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

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

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

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

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

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

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

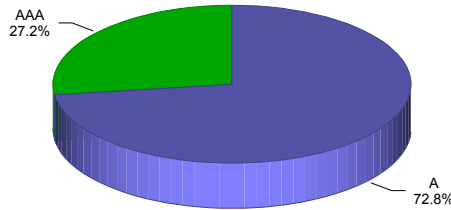
Not all bond funds have volatility ratings

**Data Bank as of September 30, 2016**

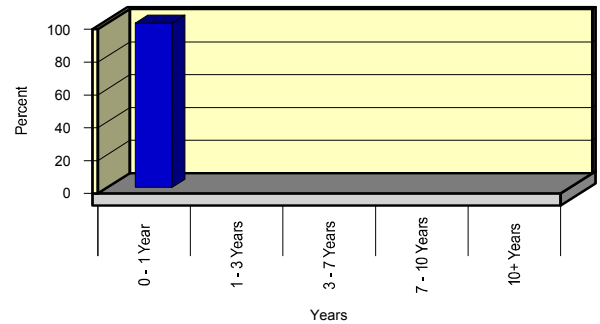
Ticker Symbol..... N/A  
 NAV..... \$1.99

Net Assets (millions)..... \$206.00  
 Inception Date..... July 2000

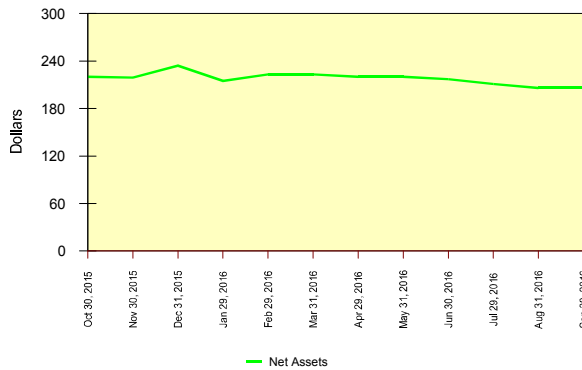
Portfolio Credit Quality as of September 30, 2016 \*



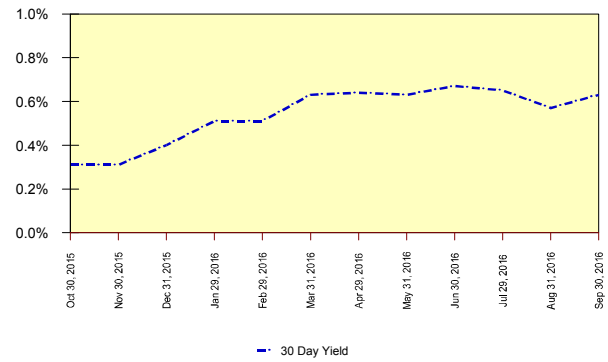
Portfolio Maturity Distribution as of September 30, 2016



Net Assets as of September 30, 2016



Portfolio 30 Day Yield as of September 30, 2016



**Top Ten Holdings as of September 30, 2016**

Security	%	Security	%
HSBC REPO	58.24		
MORGAN STANLEY REPO	24.31		
HSBC REPO	14.58		
BRANCH BANKING + TRUST	2.87		

A Volatility Rating is not a credit rating. S&P Global Ratings is neither associated nor affiliated with the fund.

Copyright © 2016 by Standard & Poor's Financial Services LLC. All rights reserved. No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgement at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgement as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

S&P GLOBAL RATINGS, S&P, GLOBAL CREDIT PORTAL and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.