



Rhode Island Turnpike and Bridge Authority

July 26, 2023

REQUEST FOR PROPOSALS

**Investment Management & Advisory Services
Contract No. 23-16**

Introduction

Rhode Island Turnpike & Bridge Authority (RITBA or Authority) is seeking proposals from “qualified” firms that can provide investment management and advisory services. The information provided must demonstrate to the RITBA that the firm would be “qualified” and competent to provide the services requested. To be considered “qualified”, firms must demonstrate the skills and experience necessary to provide, at a minimum, the services listed in this Request for Proposals. Services shall be undertaken in a manner consistent with the prevailing accepted standards for similar services with respect to projects of comparable function and complexity and with the applicable laws and regulations published and in effect at the time of performance of the services.

The Authority is soliciting proposals from qualified Investment Management and Advisory firms to assist the Authority in connection with cash management and investment strategy related to assets held by the Authority that are designated for the ongoing repair, replacement, and maintenance of the Authority’s fixed assets. The firm or firms will be chosen based on the experience of the individuals with whom the Authority will work, and the demonstrated ability of the firm to carry out the Authority’s investment strategy.

The RITBA is looking to engage firms and advisors that are registered with the Securities and Exchange Commission and licensed as a broker-dealer and /or investment adviser by the Rhode Island Department of Business Regulation to provide agreed-upon portfolio management and advisory services for the Authority’s approximately \$15,000,000 investment portfolio. The Authority reserves the right to choose one or multiple advisors as it deems prudent and allocate the pool of funds accordingly.

Background

RITBA is a quasi-public agency created by the Rhode Island General Assembly in 1954 as a corporate and body politic, with powers to construct, acquire, maintain and operate bridge projects as defined by law. The Authority was responsible for the construction of the Claiborne Pell Bridge (formerly the Newport Bridge) which opened to traffic on June 28, 1969. The Authority has been responsible for the operation and maintenance of the Mount Hope Bridge between Bristol, Rhode Island and Portsmouth, Rhode Island and the Claiborne Pell Bridge between Newport, Rhode Island and Jamestown, Rhode Island since 1964 and 1969, respectively. On April 25, 2013, the State transferred custody, control and supervision of the land and improvements for the Jamestown and the Sakonnet River Bridges from the Rhode Island Department of Transportation (RIDOT) to the Authority. Ownership and title of the Jamestown and Sakonnet River bridges remains with the State. In addition to the four (4) bridges noted above, RITBA also operates and maintains Route 138 through Jamestown and ten (10) smaller bridges associated with this highway and the approaches to the four (4) major bridges.

RITBA operates on a fiscal year basis beginning on July 1st and continuing through the following June 30th of each year. Day to day operations of RITBA are led by an Executive Director who oversees approximately 81 full time equivalent employees. The Executive Director reports to a five member Authority Board consisting of four members appointed by the Governor and the Director of Transportation, who is a member ex-officio.

RITBA is a component unit of the State of Rhode Island for financial reporting purposes and

as such, the financial statements of the Authority will be included in the State of Rhode Island's Annual Financial Report.

Request For Proposal Requirements

RITBA requires respondents keep proposals to a maximum of fifteen (15) double sided 8 ½ x 11 pages (no less than 12 font), excluding:

- Cover Letter
- Table of Contents
- Dividers
- Resumes
- Attachment A Cost Proposal.

RITBA will not accept videos, simulations, or other electronic presentations for this submittal. However, such electronic information may be presented during an interview process for the shortlisted proposers if so necessary.

Proposing firms shall submit one electronic (thumb/flash drive only) and four (4) printed copies of the proposal to:

Office of Procurement
Rhode Island Turnpike and Bridge Authority
1 East Shore Road
Jamestown, RI 02835

Attn: Investment Management & Advisory Services – Contract No. 23-16

The proposal must be received no later than **2:00pm EDT August 22, 2023**. Late submissions will **not** be accepted. RITBA accepts deliveries during normal business hours Monday through Friday 8:30am to 4:00pm EDT excluding national and local state holidays. It is the sole responsibility of the responding firm to ensure delivery of its proposal on or before the due date/time, RITBA will not accept any proposals that are received after the due date/time. In order to control the dissemination of information regarding this RFP, firms interested in submitting proposals shall not make personal contact with any member of RITBA staff and/or Authority Board during the RFP process. Questions concerning this RFP should be directed, via email to procurement@ritba.com no later than **2:00pm August 4, 2023 EDT**. RITBA will respond to all relevant questions no later than end of day **EDT August 9, 2023**. This addendum will be posted to RITBA's website (www.ritba.com) and the State of Rhode Island's Division of Purchasing website (www.purchasing.ri.gov).

RITBA accepts no financial responsibility for any costs incurred by a firm in responding to this RFP, participating in oral presentations, or meeting with RITBA prior to a contract award. The proposals in response to this RFP become the property of RITBA and may be used by RITBA in any way it deems appropriate. All information submitted in response to this RFP is deemed public and subject to disclosure unless a separate redacted public copy is submitted, regardless of whether the information is marked confidential/proprietary. Firms may redact in the public copy any trade secrets or commercial or financial information which is of a privileged or confidential nature pursuant to the Access to Public Records Act (R.I. Gen. Laws § 38-2 et. seq.). If a firm does not submit a redacted public copy, RITBA deems that the firm is not seeking confidential treatment for any of its information and thus, all

information is subject to public disclosure. By submitting a proposal, the firm certifies that it has fully read and understands the RFP, has full knowledge of the scope of work to be provided, and accepts the terms and conditions under which the services are to be performed. RITBA will be the sole judge in determining as equivalent products (if applicable).

RITBA reserves the right to, virtually, interview some, all or none of the firms responding to this RFP based solely on its judgment as to the firm(s) proposals and capabilities. RITBA reserves the right to select firms directly from the proposals received without the use of an interview process. RITBA reserves the right to request and consider additional information from submitters, and to reject any submittals on any basis without disclosing the reason. No firm may withdraw their submittal for at least one-hundred twenty (120) days after the time and date set for submission.

RITBA reserves the right to waive any irregularities and technical defects. RITBA reserves the right to modify, amend or waive any provision of this RFP, prior to the issuance of a contract for these services.

The investment of Authority funds is set forth in the covenants of the Rhode Island Turnpike and Bridge Authority Master Trust Indenture dated July 31, 2003 Amended and Restated as of April 1, 2010 and Amended and Restated as of November 1, 2019 (Toll Indenture) in Article I, Section 101 – Definitions defined in “Permitted Investments” (Exhibit A-1) and the Rhode Island Turnpike and Bridge Authority Master Trust Indenture dated January 15, 2016 (Motor Fuel Indenture) in Article I, Section 101 – Definitions defined in “Permitted Investments” (Exhibit A-2), as applicable.¹

The Authority’s primary investment objectives, in order of importance, are the preservation of principal, maintenance of sufficient liquidity and a reasonable and competitive return.

We are, therefore, seeking advisors who demonstrate extensive experience with fixed-income securities to provide certain services related to the investment of the Authority’s funds, including the execution of securities purchases/sales for the Authority’s Renewal and Replacement Fund and Operation and Maintenance Reserve Fund, investment advice and investment reporting.

SUBMITTAL AND EVALUATION CRITERIA

Proposals will be evaluated by a Selection Committee, which will be seeking to distinguish which proposer has, through the appropriate combination of several criteria, the abilities to best perform the required services to the satisfaction of RITBA. While some criteria may be ranked higher than others in the selection process, the proposal that achieves the highest

¹ Note: certain funds under the Toll Indenture are held by the Authority, names the Renewal & Replacement Fund and the Operation & Maintenance Fund.

overall ranking will be considered top-ranked by the Selection Committee. The proposals will be evaluated using the following criteria:

1. Experience of proposed team including professional qualifications of each team member.
2. Experience of firm including demonstrated ability in providing similar services to other quasi-state entities or municipalities.
3. Recommended approach to management of RITBA's portfolio.
4. Cost

Scope:

The Investment Advisor shall:

1. Be a registered Investment Advisor as defined and regulated by the Securities and Exchange Commission and be licensed as a broker-dealer and/or investment adviser by the Rhode Island Department of Business Regulation.
2. Take custody of the funds and investments and execute agreed-upon trades thereof, always subject, however, to the order of the Authority, except where such funds remain with the RITBA bond Trustee.
3. Provide security or other assurance protecting the Authority's funds and investments regardless of financial, credit, legal, or other circumstances affecting the proposer.
4. Assist in developing and implementing investment strategies that will enhance portfolio performance under current and anticipated changes in market conditions within the parameters of the established investment policies and cash flow needs. When requested, make presentations to the Authority Board, Executive Director and/or Chief Financial Officer to support recommendations relating to investment strategy.
5. Provide detailed monthly reports and year-end report for auditing purposes, in a format acceptable to the Authority, which include the following information on each security: par value, cost value, book value, market value etc.
6. As required, provide the Arbitrage Rebate consultant with any and all relevant information and assistance as requested on behalf of the Authority.

To facilitate comparisons between responding firms, please format your response to this request in the following order:

1. REFERENCES
 - a) Provide a list of five public sector clients, including contact person and telephone numbers.
2. ORGANIZATION
 - a) Describe the organization, date founded, and ownership of your firm as well as any subsidiaries and affiliates relevant to the Authority.
 - b) Describe the experience of the firm in serving as investment advisor for quasi-public agencies.

- c) Describe the experience of the firm serving as investment advisor for funds pursuant to Trust Indenture Permitted Investments.
- d) Identify the types of accounts primarily serviced by your firm.
- e) Describe any SEC or regulatory censure or litigation involving institutional business your firm conducts with government investors at this time or within the past three years and the reason.
- f) Describe whether any accounts have dropped the firm in the past three years.
- g) Identify the size of the firm's staff committed to the public sector and the credentials of key personnel.
- h) Identify the investment professionals who would be directly involved in providing services to the Authority. Describe their relationship to your firm, their responsibilities, and their experience in the number of years they have been associated with your firm.
- i) Have any of the above personnel ever been investigated for alleged improper, fraudulent or unfair activities related to the sale of securities?
- j) What efforts does your firm make to keep its investment professionals informed of developments relevant to government investment managers?

3. INVESTMENT MANAGEMENT APPROACH

- a) Outline the steps that would be taken to ensure the Authority's objectives of safety, liquidity and yield.
- b) What is your firm's experience in developing investment policies and portfolio strategies for governmental funds?
- c) Describe the types of investment research utilized and the methods for making investment decisions, including maturity and selection.
- d) What are the primary strategies for adding value to portfolios?
- e) What performance benchmarks would you suggest for the portfolio?
- f) Describe the daily procedures for portfolio review and client contact.

4. REPORTING

- a) Describe and submit samples of reports that would be provided and their frequency. Include the methods and formulas used to calculate yield and performance.

5. OTHER SERVICES

- a) Describe additional investment or financial services offered or available through affiliates.
- b) Describe how client accounts are protected from adverse circumstances affecting the proposer.

6. COST

- a) Describe the proposed compensation for services. RITBA prefers a flat fee or a fee tied to the value of the portfolio.

ADDITIONAL REQUIREMENTS

Disadvantaged Business Enterprise Participation

The firm must indicate that it will comply with all applicable Federal, State and Local regulations and laws, including Affirmative Action and the Disadvantaged Business Enterprise programs. In accordance with R.I. Gen. Law §§ 37-14.1-1 it is the policy of the State of Rhode Island to support the fullest possible participation of firms owned and controlled by minorities (MBEs) and women (WBEs) (collectively referred to as MBEs herein) in the performance of State procurements and projects.

For further information, visit the Office of Diversity, Equity and Opportunity's website, at <http://odeo.ri.gov/> and see R.I. Gen. Laws 37-14.1, R.I. Gen Laws Ch. 37-2.2, and 220-RICR-80-10-2. The Office of Diversity, Equity and Opportunity may be contacted at (401) 574-8670.

Campaign Finance Compliance

Every person or business entity providing goods or services at a cost of \$5,000 cumulated value is required to file an affidavit regarding political campaign contributions with the RI State Board of Elections even if no reportable contributions have been made. R.I.G.L. § 17-27 Forms may be obtained at Board of Elections, Campaign Finance Division, website at <https://elections.ri.gov/finance/index.php>. Please call (401) 222-2345 or e-mail campaign.finance@elections.ri.gov with any questions or concerns. For the purposes of this RFP RITBA asks that firm's commit to properly filing all appropriate documentation prior to any contract being signed.

Major State Decision-Maker

Does any Rhode Island "Major State Decision-Maker", as defined below, or the spouse or dependent child of such person, hold (i) a ten percent or greater equity interest, or (ii) a \$5,000 or greater cash interest in this business?

For purposes of this question, "Major State Decision-Maker" means:

- (a) All general officers; and all executive or administrative head or heads of any state executive agency enumerated in R.I.G.L § 42-6-1 as well as the executive or administrative head or heads of state quasi-public corporations, whether appointed or serving as an employee. The phrase "executive or administrative head or heads" shall include anyone serving in the positions of president, senior vice president, general counsel, director, executive director, deputy director, assistant director, executive counsel or chief of staff;
- (ii) All members of the general assembly and the executive or administrative head or heads of a state legislative agency, whether appointed or serving as an employee. The phrase "executive or administrative head or heads" shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel, or chief of staff; and
- (iii) All members of the state judiciary and all state magistrates and the executive or administrative head or heads of a state judicial agency, whether appointed or serving as an employee. The phrase "executive or administrative head or

heads" shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel, chief of staff or state court administrator.

If your answer is "Yes", please identify the Major State Decision-Maker, specify the nature of their ownership interest, and provide a copy of the annual financial disclosure required to be filed with the Rhode Island Ethics Commission pursuant to R.I.G.L. §36-14-16, 17 and 18.

Title VI Solicitation Notice

RITBA, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 USC §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises or airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

Exhibit A-1

Rhode Island Turnpike & Bridge Authority Revenue Bonds, Taxable Refunding Toll Revenue Bonds 2019 Series 1 Permitted Investments

"Permitted Investments" shall mean and include any of the following, if and to the extent the same are at the time legal for the investment of the Authority's money, except as may be provided in the applicable Supplemental Indenture:

- (a) Government Obligations ("Government Obligations" shall mean direct and general obligations of, or obligations the timely payment of principal and interest on which, are unconditionally guaranteed by the United States of America) and Government Certificates.
- (b) Obligations issued or guaranteed by any of the following:
 - (i) Federal Home Loan Bank System;
 - (ii) Export-Import Bank of the United States;
 - (iii) Federal Financing Bank;
 - (iv) Government National Mortgage Association;
 - (v) Farmers' Home Administration;
 - (vi) Federal Home Loan Mortgage Company;
 - (vii) Federal Housing Administration;
 - (viii) Private Export Funding Corp;
 - (ix) Federal Farm Credit Bank;

 - (x) Resolution Trust Corporation, and
 - (xi) Student Loan Marketing Association,
- (c) Senior debt obligations of the Federal National Mortgage Association, participation certificates of the General Services Administration, guaranteed participation certificates and guaranteed pool certificates of the Small Business Administration, local authority bonds of the U.S. Department of Housing & Urban Development, guaranteed Title XI financings of the U.S. Maritime Administration, and guaranteed transit bonds of the Washington Metropolitan Area Transit Authority.
- (d) Pre-refunded municipal obligations rated in the highest rating category by at least two Rating Agencies and meeting the following conditions:
 - (i) such obligations are (A) not to be redeemed prior to maturity or the trustee for such municipal obligations has been given irrevocable instructions concerning their calling and redemption and (B) the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

 - (ii) such obligations are secured by Government Obligations or Government Certificates that may be applied only to principal, premium payments and interest of such obligations;

(iii) the principal of and interest on such Government Obligations or Government Certificates (plus any cash in the escrow fund with respect to such prefunded obligations) are sufficient to meet the liabilities of the obligations;

(iv) the Government Obligations or Government Certificates serving as security for the obligations are held by an escrow agent or trustee; and

(v) such Government Obligations or Government Certificates are not available to satisfy any other claims, including those against the trustee or escrow agent.

(e) Direct and general long-term obligations of any state of the United States of America or the District of Columbia to the payment of which the full faith and credit of such state is pledged and that are rated in either of the two highest rating categories by at least two Rating Agencies.

(f) Direct and general short-term obligations of any state, to the payment of which the full faith and credit of such state is pledged and that are rated in the highest rating category by at least two Rating Agencies.

(g) Interest-bearing demand or time deposits with, or interests in money market portfolios rated AAA-m by Standard & Poor's issued by, state banks or trust companies or national banking associations, including the Trustee if otherwise eligible, that are members of the Federal Deposit Insurance Corporation ("FDIC"). Such deposits or interests must be (i) continuously and fully insured by FDIC, (ii) if they have a maturity of one (1) year or less, with or issued by banks that are rated in one of the two (2) highest short term rating categories by at least two (2) Rating Agencies, (iii) if they have a maturity longer than one (1) year, with or issued by banks that are rated in one (1) of the two (2) highest rating categories by at least two Rating Agencies, or (iv) fully secured by Government Obligations and Government Certificates. Such Government Obligations and Government Certificates must have a market value at all times at least equal to the principal amount of the deposits or interests. The Government Obligations and Government Certificates must be held by a third party (who shall not be the provider of the collateral), or by any Federal Reserve Bank or depository, as custodian for the institution issuing the deposits or interests. Such third party should have a perfected first lien in the Government Obligations and Government Certificates serving as collateral, and such collateral is to be free from all other third party liens.

(h) Eurodollar time deposits issued by a bank with a deposit rating in one of the top two (2) short-term deposit rating categories by at least two (2) Rating Agencies.

(i) Long-term or medium-term corporate debt guaranteed by any corporation that is rated by at least two Rating Agencies in one of their two (2) highest rating categories.

(j) Repurchase agreements including those of the Trustee in its corporate capacity, the maturities of which are thirty (30) days or less or (ii) the maturities of which are longer than thirty (30) days provided the collateral subject to such agreements are marked to market weekly, entered into with financial institutions such as banks or trust

companies organized under State law or national banking associations, insurance companies, or government bond dealers reporting to, trading with, and recognized as a primary dealer by, the Federal Reserve Bank of New York or with a dealer or parent holding company that is rated investment grade ("A" or better) by at least two (2) Rating Agencies. The repurchase agreement shall be collateralized with Government Obligations and Government Certificates or obligations described in paragraph (b) of this definition (the "Collateral"). The repurchase agreement securities and, to the extent necessary, Government Obligations and Government Certificates or obligations described in paragraph (b), exclusive of accrued interest, shall be maintained in an amount at least equal to the amount invested in the repurchase agreements. In addition, the provisions of the repurchase agreement shall meet the following additional criteria:

(i) the third party (who shall not be the provider of the collateral) has possession of the Collateral;

(ii) failure to maintain the requisite collateral levels will require the third party having possession of the securities to liquidate the securities immediately.

(k) Prime commercial paper of a corporation, finance company or banking institution rated in the highest short-term rating category by at least two (2) Rating Agencies.

(l) Public housing bonds issued by public agencies. Such bonds must be: fully secured by a pledge of annual contributions under a contract with the United States of America; temporary notes, preliminary loan notes or project notes secured by a requisition or payment agreement with the United States of America; or state or public agency or municipality obligations rated in the highest credit rating category by at least two Rating Agencies.

(m) Shares of a diversified open-end management investment company, as defined in the Investment Company Act of 1940, or shares in a regulated investment company, as defined in Section 851(a) of the Code, that is a money market fund that has been rated in the highest rating category by at least two Rating Agencies.

(n) Money market accounts of any state or federal bank, or bank whose holding parent company is, rated in the two highest short-term or long-term rating categories by at least two Rating Agencies.

(o) Investment agreements, the issuer of which is rated in one of the two highest rating categories, by at least two Rating Agencies.

(p) Any debt or fixed income security, the issuer of which is rated in the highest rating category by at least two Rating Agencies.

Exhibit A-2

Rhode Island Turnpike & Bridge Authority Motor Fuels Tax Revenue Bonds, Series 2016A dated January 15, 2016 & Motor Fuel Tax Revenue Bonds, Series 2019 A dated December 5, 2019 Permitted Investments

“*Permitted Investments*” shall mean and include any of the following, if and to the extent the same are at the time legal for the investment of the Authority’s money, except as may be provided in the applicable Supplemental Indenture:

- (a) Government Obligations (“*Government Obligations*” means direct and general obligations of, or obligations the timely payment of principal and interest on which, are unconditionally guaranteed by the United States of America) and Government Certificates.
- (b) Obligations issued or guaranteed by any of the following:
 - (i) Federal Home Loan Bank System;
 - (ii) Export-Import Bank of the United States;
 - (iii) Federal Financing Bank;
 - (iv) Government National Mortgage Association;
 - (v) Farmers’ Home Administration;
 - (vi) Federal Home Loan Mortgage Company;
 - (vii) Federal Housing Administration;
 - (viii) Private Export Funding Corp;
 - (ix) Federal Farm Credit Bank;
 - (x) Resolution Trust Corporation, and
 - (xi) Student Loan Marketing Association,
- (c) Senior debt obligations of the Federal National Mortgage Association, participation certificates of the General Services Administration, guaranteed participation certificates and guaranteed pool certificates of the Small Business Administration, local authority bonds of the U.S. Department of Housing & Urban Development, guaranteed Title XI financings of the U.S. Maritime Administration, and guaranteed transit bonds of the Washington Metropolitan Area Transit Authority.
- (d) Pre-refunded municipal obligations rated in the highest rating category by at least two Rating Agencies and meeting the following conditions:
 - (i) such obligations are (A) not to be redeemed prior to maturity or the trustee for such municipal obligations has been given irrevocable instructions concerning their calling and redemption and (B) the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(ii) such obligations are secured by Government Obligations or Government Certificates that may be applied only to principal, premium payments and interest of such obligations;

(iii) the principal of and interest on such Government Obligations or Government Certificates (plus any cash in the escrow fund with respect to such pre-refunded obligations) are sufficient to meet the liabilities of the obligations;

(iv) the Government Obligations or Government Certificates serving as security for the obligations are held by an escrow agent or trustee; and

(v) such Government Obligations or Government Certificates are not available to satisfy any other claims, including those against the trustee or escrow agent.

(e) Direct and general long-term obligations of any state of the United States of America or the District of Columbia to the payment of which the full faith and credit of such state is pledged and that are rated in either of the two highest rating categories by at least two Rating Agencies.

(f) Direct and general short-term obligations of any state, to the payment of which the full faith and credit of such state is pledged and that are rated in the highest rating category by at least two Rating Agencies.

(1) Interest-bearing demand or time deposits with, or other bank deposit products, or interests in money market portfolios rated AAA-m by Standard & Poor's issued by, state banks or trust companies or national banking associations, including the Trustee if otherwise eligible, that are members of the Federal Deposit Insurance Corporation ("FDIC"). Such deposits or interests must be (i) continuously and fully insured by FDIC, (ii) if they have a maturity of one (1) year or less, with or issued by banks that are rated in one of the three (3) highest short term rating categories by at least two (2) Rating Agencies, (iii) if they have a maturity longer than one year, with or issued by banks that are rated in one (1) of the three (3) highest rating categories by at least two (2) Rating Agencies, or (iv) fully secured by Government Obligations and Government Certificates. Such Government Obligations and Government Certificates must have a market value at all times at least equal to the principal amount of the deposits or interests. The Government Obligations and Government Certificates must be held by a third party (who shall not be the provider of the collateral), or by any Federal Reserve Bank or depository, as custodian for the institution issuing the deposits or interests. Such third party should have a perfected first lien in the Government Obligations and Government Certificates serving as collateral, and such collateral is to be free from all other third party liens.

(g) Eurodollar time deposits issued by a bank with a deposit rating in one of the top three (3) short-term deposit rating categories by at least two (2) Rating Agencies.

(h) Long-term or medium-term corporate debt guaranteed by any corporation that is rated by at least two Rating Agencies in one of their three (3) highest

rating categories.

(i) Repurchase agreements including those of the Trustee in its corporate capacity,

(i) the maturities of which are thirty (30) days or less or (ii) the maturities of which are longer than thirty (30) days provided the collateral subject to such agreements are marked to market weekly, entered into with financial institutions such as banks or trust companies organized under State law or national banking associations, insurance companies, or government bond dealers reporting to, trading with, and recognized as a primary dealer by, the Federal Reserve Bank of New York or with a dealer or parent holding company that is rated investment grade ("A" or better) by at least two (2) Rating Agencies. The repurchase agreement shall be collateralized with Government Obligations and Government Certificates or obligations described in paragraph (b) of this definition (the "Collateral"). The repurchase agreement securities and, to the extent necessary, Government Obligations and Government Certificates or obligations described in paragraph (b), exclusive of accrued interest, shall be maintained in an amount at least equal to the amount invested in the repurchase agreements. In addition, the provisions of the repurchase agreement shall meet the following additional criteria:

(i) the third party (who shall not be the provider of the collateral) has possession of the Collateral;

(ii) failure to maintain the requisite collateral levels will require the third party having possession of the securities to liquidate the securities immediately.

(k) Prime commercial paper of a corporation, finance company or banking institution rated in the highest short-term rating category by at least two (2) Rating Agencies.

(l) Public housing bonds issued by public agencies. Such bonds must be fully secured by a pledge of annual contributions under a contract with the United States of America; temporary notes, preliminary loan notes or project notes secured by a requisition or payment agreement with the United States of America; or state or public agency or municipality obligations rated in the highest credit rating category by at least two Rating Agencies.

(m) Shares of a diversified open-end management investment company, as defined in the Investment Company Act of 1940, or shares in a regulated investment company, as defined in Section 851(a) of the Code, that is a money market fund that has been rated in the highest rating category by at least two (2) Rating Agencies.

(n) Money market accounts of any state or federal bank, or bank whose holding parent company is, rated in the two (2) highest short-term or long-term rating categories by at least two Rating Agencies.

(o) Investment agreements, the issuer of which is rated in one of the two highest rating categories, by at least two (2) Rating Agencies.

(p) Any debt or fixed income security, the issuer of which is rated in the highest rating category by at least two (2) Rating Agencies.

provided, that no Permitted Investment may (a) except for Defeasance Securities, evidence the right to receive only interest with respect to the obligations underlying such instrument or (b) be purchased at a price greater than par if such instrument may be prepaid or called at a price less than its purchase price prior to its stated maturity.