



## TexPool Highlights

### **What is TexPool?**

Organized in 1989, TexPool is the largest and oldest local government investment pool in the State of Texas. TexPool currently provides investment services to over 2000 communities throughout Texas.

### **How is TexPool organized?**

The State Comptroller of Public Accounts oversees TexPool. Federated Investors is the full service provider to the pools managing the assets, providing Participant Services, and arranging for all custody and other functions in support of the pools operations under a contract with the Comptroller.

### **What is TexPool's investment philosophy?**

TexPool and TexPool Prime are managed conservatively to provide a safe, efficient, and liquid investment alternative to Texas governments. The pools seek to maintain a \$1.00 value per share as required by the Texas Public Funds Investment Act. TexPool investments consist exclusively of U. S. Government securities, repurchase agreements collateralized by U. S. Government securities, and AAA-rated no-load money market mutual funds. TexPool Prime invests in the above plus, commercial paper and certificates of deposits. TexPool and TexPool Prime are each rated AAAM by Standard & Poor's, the highest rating a local government investment pool can achieve. The weighted average maturities of the pools cannot exceed 60 days, with the maximum maturity of any investment limited to 13 months. TexPool and TexPool Prime, like its participants, are governed by the Texas Public Funds Investment Act, and are in full compliance with the Act.

### **How are deposits and withdrawals to TexPool / TexPool Prime made?**

Deposits and withdrawals to TexPool / TexPool Prime can be made on any business day of the week. Four methods of completing transactions are available. Deposits, withdrawals, and transfers may be made using our TexConnect Online system, our TexConnect VRU, EDGEnet, or by contacting a Participant Services Representative directly. Transactions can be requested up to 90 business days in advance in the TexConnect systems.

### **Are TexPool participants required to keep minimum balances?**

There are no minimum balance requirements for TexPool or TexPool Prime participants, and there is no limit on the number of accounts a participant can have.

### **What are TexPool and TexPool Prime's fees?**

TexPool's fee is 0.0473% annually, and TexPool Prime's fee is 0.0638% annually, calculated daily on the fund balance of each respective pool. The fees are deducted from the interest earnings of the pools. There is no direct reduction to the participant's account, and all TexPool and TexPool Prime rates are quoted net of fees. These fees will remain fixed throughout the term of the management contract with Federated Investors.

### **How is interest paid to the TexPool participant?**

Interest is accrued daily and paid monthly. Interest may either be left in the participant's account or withdrawn.

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