



**MINNESOTA SCHOOL DISTRICT
LIQUID ASSET FUND PLUS
(the "Fund")**

SUPPLEMENT DATED JUNE 24, 2009
TO THE INFORMATION STATEMENT DATED DECEMBER 1, 2006

The following information supplements and should be read in conjunction with the information provided in the Fund's Information Statement dated December 1, 2006 as supplemented to date.

1. The section entitled "Certain Risks of Investment in the Fund – FDIC Insured Certificates of Deposit" should be amended as follows:

FDIC Insured Certificates of Deposit. Some of the assets of the Fund may be invested in certificates of deposit issued by depository institutions which are insured by the Federal Deposit Insurance Corporation (the "FDIC"). FDIC insurance is backed by the full faith and credit of the United States government. Although the Investment Adviser uses the investment criteria established by the Trustees in order to reduce risk when determining which institutions will be used for such investments, no assurance can be given that such an institution will not become insolvent during the life of an investment in it. Accordingly, the Fund will invest in CDs only on a fully collateralized basis as provided by Minnesota Law or in amounts that will result in full insurance in accordance with the regulations of the FDIC as interpreted by the FDIC from time to time. Currently under these regulations deposits in each insured institution are insured up to the applicable FDIC insurance limits in effect at the time of purchase \$100,000 in the aggregate, regardless of whether the deposits are made through the Fund's Fixed Income Investment Program or directly by a Participant.

In the event that an institution issuing a certificate of deposit in which the Fund has invested becomes insolvent, or in the event of any other default with respect to such a certificate of deposit, an insurance claim will be filed with the FDIC by the Fund, if appropriate. In such a case, there may be delays before the FDIC, or other financial institution to which the FDIC has arranged for the deposit to be transferred, makes the relevant payments. Such delays may be occasioned by requirements relating to the filing and processing of insurance claims, including requests for additional information by the FDIC. Furthermore, if the defaulted deposit is transferred to another institution, the transferee institution may, instead of paying the insured amount, elect to keep the deposit in existence with or without changing its original terms. Such changes of terms may include a reduction of the original interest rate paid on the deposit.

The amount insured by the FDIC is the principal of the relevant deposit and the interest accrued on the deposit to the date of default, up to ~~\$100,000~~ in the applicable FDIC insurance limit in effect at the time of purchase in the aggregate. There is no

insurance with respect to interest on a deposit between the date of the default and the date of the payment of insurance by the FDIC. Accordingly, a default by an institution might result in a delay in the receipt by an affected Participant of invested principal and pre-default accrued interest and a loss of interest related to the period between the date of the default and the payment of the insurance.

In addition, the FDIC may deny any claim that it does not deem to be valid. Any such denial might have to be challenged in judicial or administrative proceedings brought by the Fund and any affected Participant. In the event that funds are not made available to it by the United States or other sources, Participants could experience a loss due to a full or partial nonpayment of insurance claims by the FDIC.

2. The section entitled “ADDITIONAL FUND PROGRAMS – Fixed Income Investment Program” should be amended as follows:

Fixed Term Investment Program. The Fixed Term Investment Program allows Participants to individually invest in fixed income investments permitted under Minnesota law. The Adviser will offer investment advice on a non-discretionary basis and assist Participants in the purchase of these investments for an advisory fee, based upon factors such as the amount and complexity of the transaction.

Included in the instruments permitted under Minnesota Law, Participants may purchase certificates of deposit ("CDs") through the Fixed Term Investment Program. Participants select from among CDs of varying maturities issued by a variety of financial institutions.

In order to simplify recordkeeping requirements for Participants in the Fixed Term Investment Program, all CD principal and interest is promptly credited when received by the Custodian for the Fund to a Participant’s Fund account at maturity. ~~Because interest is credited in the manner described above, a Participant who purchases a CD will not have use of the interest earned on the CD, including the opportunity for reinvestment of interest earned, until maturity.~~

Generally, CDs available through the Fixed Term Investment Program are issued by Minnesota institutions whose deposits are insured by the Federal Deposit Insurance Corporation (“FDIC”) within limits prescribed by law. FDIC insurance is backed by the full faith and credit of the United States government. For each depositor that otherwise qualifies, interest and principal are fully insured, up to the ~~\$100,000~~ applicable insurance limit in effect at the time of purchase. In order to maintain FDIC insurance coverage of both principal and interest on CDs purchased through the Fixed Income Investment Program, CDs may only be purchased in denominations ~~of that~~ are less than the applicable FDIC insurance limit so that the total value of the CD and all interest thereon will not exceed ~~\$100,000~~ the applicable FDIC insurance limit. For purposes of providing advice on CDs, the Adviser will assume, unless the Participant informs the Adviser to the contrary, that the Participant is entitled to ~~\$100,000~~ the applicable ~~of~~ FDIC insurance on each CD purchased through the Program.

Additional information regarding FDIC coverage limits and requirements can be found on the FDIC website: www.myFDICinsurance.gov.

The date of this Supplement is June 24, 2009.

**THIS SUPPLEMENT TO THE INFORMATION STATEMENT PROVIDES ADDITIONAL
INFORMATION ABOUT THE FUND.**

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.



**MINNESOTA SCHOOL DISTRICT
LIQUID ASSET FUND PLUS
(the “Fund”)**

SUPPLEMENT DATED MAY 19, 2009
TO THE INFORMATION STATEMENT DATED DECEMBER 1, 2006

The following information supplements and should be read in conjunction with the information provided in the Fund’s Information Statement dated December 1, 2006 as supplemented to date.

The following language should be added on page 20 at the end of the section entitled **MSDLAF+ EXPENSES**: PFM, the Sponsors and U.S. Bank (each a “Service Provider”) may, but shall not be obligated to, reduce a portion of its fees to assist the Fund in an attempt to maintain a positive yield. In the event that a Service Provider elects to initiate a fee reduction, such fee reduction shall be applicable to the computation of the net asset value (“NAV”) of the Fund on the business day immediately following the date on which the Service Provider gives notice to the Fund on the rate of the fee reduction to be applied in calculating the NAV. A fee reduction shall remain in effect until notice is provided to the Fund by the Service Provider regarding its intent to terminate its fee reduction or revise, upward or downward, the rate of its fee reduction.

At any time after a fee reduction has been terminated, the relevant Service Provider may elect to have the amount of its accumulated reduced fees restored in whole or in part under the conditions described in the Service Provider’s Fee Reduction Agreement with the Fund by way of a payment of fees in excess of the rate it was entitled to, prior to any fee reduction, all as set forth in the respective Fee Reduction Agreement.

The date of this Supplement is May 19, 2009.

**THIS SUPPLEMENT TO THE INFORMATION STATEMENT PROVIDES
ADDITIONAL INFORMATION ABOUT THE FUND.**

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.



**MINNESOTA SCHOOL DISTRICT
LIQUID ASSET FUND PLUS
(the “Fund”)**

**SUPPLEMENT DATED OCTOBER 16, 2008
TO THE INFORMATION STATEMENT DATED DECEMBER 1, 2006**

The following information supplements and should be read in conjunction with the information provided in the Fund’s Information Statement dated December 1, 2006.

On October 3, 2008, the United States Congress approved legislation authorizing the temporary increase of deposit insurance provided by the Federal Deposit Insurance Corporation (“FDIC”) from \$100,000 to \$250,000 per depositor through December 31, 2009.

The sections entitled “CERTAIN RISKS OF INVESTMENT IN THE FUND – FDIC Insured Certificates of Deposit” and “ADDITIONAL FUND PROGRAMS – Fixed Term Investment Program” should be amended to reflect the temporary increase in deposit insurance coverage as described above. As such, Participants will be able to purchase FDIC insured certificates of deposit (“CDs”) in denominations that are less than the applicable FDIC insurance limit.

Additional information regarding FDIC coverage limits and requirements can be found on the FDIC website: www.myFDICinsurance.gov.

The date of this Supplement is October 16, 2008.

**THIS SUPPLEMENT TO THE INFORMATION STATEMENT PROVIDES
ADDITIONAL INFORMATION ABOUT THE FUND.**

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.



**MINNESOTA SCHOOL DISTRICT
LIQUID ASSET FUND PLUS
(the "Fund")**

SUPPLEMENT DATED MAY 22, 2008
TO THE INFORMATION STATEMENT DATED DECEMBER 1, 2006

The following information supplements and should be read in conjunction with the information provided in the Fund's Information Statement dated December 1, 2006.

The following language should be added to the section entitled "**THE SERIES OF THE FUND: MSDLAF+ PORTFOLIO**" and should replace the section entitled "**Max Class**":

MAX Class. Investments in the MSDLAF+ Portfolio's MAX Class must be held for at least 14 calendar days, with the exception of direct investment of funds distributed by the State of Minnesota or the deposit of proceeds of aid, tax or revenue anticipation certificates of indebtedness.

Except as noted, all investments in the MAX Class by Participants must be deposited for a minimum of fourteen (14) calendar days. No investment made in the MAX Class may be withdrawn during the first fourteen (14) calendar days after it is made without incurring a penalty for such premature withdrawal. However, the fourteen (14) day minimum investment period does not apply to direct deposits of state aid payments or proceeds of aid, tax or revenue anticipation certificates of indebtedness into the MAX Class. In the event that a Participant withdraws a deposit within such initial fourteen (14) calendar day period, it will be subject to a penalty equal to the loss of seven (7) days interest on the amount so withdrawn. Such seven (7) day interest penalty will be calculated on the basis of the dividend rates in effect for the MAX Class for the seven (7) day period immediately preceding the withdrawal date. Accordingly, the penalty will be equal to the dividend that would have been earned during the seven (7) days preceding the withdrawal date on the amount prematurely withdrawn. Such penalty will be assessed even though the amount withdrawn may not have been invested in the MAX Class for the full seven (7) day period preceding the withdrawal date on the amount prematurely withdrawn.

**THIS SUPPLEMENT TO THE INFORMATION STATEMENT PROVIDES
ADDITIONAL INFORMATION ABOUT THE FUND.**

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.



**MINNESOTA SCHOOL DISTRICT
LIQUID ASSET FUND PLUS
(the “Fund”)**

SUPPLEMENT DATED OCTOBER 22, 2007
TO THE INFORMATION STATEMENT DATED DECEMBER 1, 2006

The following information supplements and should be read in conjunction with the information provided in the Fund’s Information Statement dated December 1, 2006.

The following language should be added to the section entitled “**How to Invest: Liquid Class & MAX Class**” and should replace the section entitled “**Next Day Transfer**”:

Purchase by Automated Clearing House (ACH).

Participant Initiated ACH Purchases. Shares may be purchased by requesting that the Administrator initiate an ACH transfer from a Participant’s local bank account. All ACH requests must be reported to the Fund by 1:00 p.m. Central Time in order to begin earning interest in a Participant’s account the following Business Day. Requests received after 1:00 p.m. Central Time will be initiated the next Business Day and a Participant’s account will begin to earn interest two Business Days after the notice. Participants can contact the Administrator by calling 1-888-467-3523 or by entering the request on EON. ACH’s will only be initiated if the instructions for authorizing ACH transfers from the bank have been submitted, in writing, to the Fund’s Administrator prior to the request.

Third-Party Initiated ACH Purchases. Shares may be purchased by Participants arranging to allow third-parties to directly deposit funds to their Participant account by ACH. Shareholders who want to permit such a purchase must submit certain information regarding the third-party, in writing, to the Fund’s Administrator prior to the third-party initiating the ACH. Third-party initiated ACH purchases, reported by the Custodian to the Administrator by 1:00 p.m. Central Time will begin earning interest that same day. Third-party initiated ACH purchases reported by the Custodian to the Administrator after 1:00 p.m. Central Time will begin earning interest the next Business Day. Banks that originate ACH transactions cause the ACH to be initiated at least one Business Day prior to its being reported by the Custodian to the Administrator. To arrange for third-party ACH purchases Participants can contact the Administrator by calling 1-888-467-3523 or by entering the required third-party information on EON.

The following language should be added to the section entitled “**How to Redeem: Liquid Class & MAX Class**”:

Redemption by Automated Clearing House (ACH).

Participant Initiated ACH Redemptions. Shares may be redeemed by requesting that the Administrator initiate an ACH transfer to a Participant’s specified bank or vendor account. All ACH requests must be made to the Administrator by 1:00 p.m. Central Time to be available in the Participant’s specified bank or vendor account the following Business Day. Requests received after 1:00 p.m. Central Time will be initiated the next Business Day and be available in the

specified bank or vendor account two Business Days after the notice. A Participant can contact the Administrator by calling 1-888-467-3523 or by entering the request on EON. ACH's will only be initiated if the instructions authorizing ACH transfers to the specified bank or vendor account have been submitted in writing to the Administrator prior to the request.

Third-Party Initiated ACH Redemptions. Shares may be redeemed by Participants arranging to allow third-parties to directly withdraw from their Participant account by ACH. Shareholders who want to permit such a redemption must submit certain information regarding the third-party, in writing, to the Fund's Administrator prior to the third-party initiating the ACH. Third-party initiated ACH redemptions, reported by the Custodian to the Administrator by 1:00 p.m. Central Time will effectuate a redemption of shares and transfer from the Shareholder's account that same day. Third-party initiated ACH redemptions reported by the Custodian to the Administrator after 1:00 p.m. Central Time will be available in the specified bank or vendor account the next Business Day. The third-party initiator must generally cause the ACH to be initiated one Business Day before the ACH is reported by the Custodian to the Administrator. To arrange for third-party ACH redemptions Participants can contact the Administrator by calling 1-888-467-3523 or by entering the required third-party information on EON.

**THIS SUPPLEMENT TO THE INFORMATION STATEMENT PROVIDES
ADDITIONAL INFORMATION ABOUT THE FUND.**

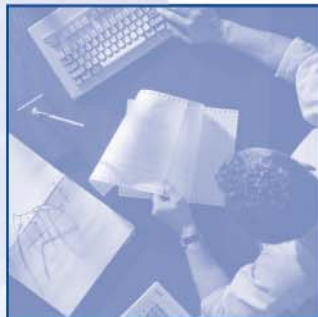
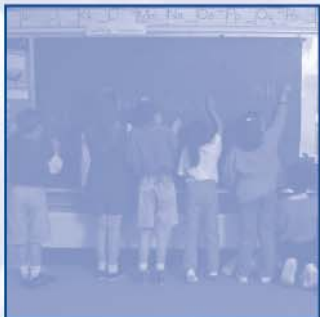
PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.

Minnesota School District Liquid Asset Fund Plus

Information Statement

December 1, 2006

A Comprehensive Cash
Management Program exclusively for
Minnesota Public School Districts.



MSDLAF+ is endorsed by:

Minnesota School Boards Association

Minnesota Association of School
Board Administrators

Minnesota Association of School
Business Officials



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This Information Statement provides detailed information about the investment objectives, organization, structure and operations of MSDLAF+ and its investment opportunities. Prospective investors should read it carefully before investing and retain it for future reference.

No person or entity has been authorized to give any information or to make any representations other than those contained in this Information Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by MSDLAF+, its Trustees, the Investment Adviser, the Administrator, the Marketing Agent, the Custodian or any agent of MSDLAF+ or of the Trustees.

The Fund seeks to attain as high a level of income as consistent with the preservation of capital and maintenance of liquidity. There can be no assurance that any series or class of the Fund will be able to meet its investment objectives. The MSDLAF+ Portfolio and its Liquid and MAX Classes seek to maintain a net asset value (“NAV”) of \$1.00 per share. MSDLAF+ Term Series do not maintain a stable NAV of \$1.00 per share; rather they have the objective of achieving a NAV of \$1.00 per share on the Termination Date of a series and on planned early withdrawal dates.

THE FUND

The Minnesota School District Liquid Asset Fund Plus (the "Fund") is a joint powers entity in the form of a common law trust organized and existing under the laws of the State of Minnesota in accordance with the provisions of the Minnesota Joint Powers Act (Minnesota Statutes, Section 471.59), as amended (the "Joint Powers Act") to permit Minnesota School Districts to pool their investment funds to seek the highest possible investment yield, while maintaining liquidity and preserving capital. The Fund was established on November 29, 1984, by the adoption of a Declaration of Trust by three Minnesota School Districts as the initial Participants. The Declaration of Trust was amended on October 7, 1986, amended and restated on October 21, 1991, and further amended on October 23, 2006.

Management of the affairs of the Fund is the responsibility of the Board of Trustees elected by the Participants of the Fund. The Board of Trustees has engaged PFM Asset Management LLC ("PFM") as administrator (the "Administrator") and investment adviser (the "Adviser") for the Fund. U.S. Bank N.A. serves as the custodian bank for the Fund (the "Custodian").

The office of record of the Fund is c/o Minnesota School Boards Association, 1900 Jefferson Avenue, St. Peter, Minnesota 56082-3015.

To receive additional information about the Fund, please contact the Fund's Marketing Agent, PFM Fund Distributors, Inc., 45 South Seventh Street, Suite 2800, Minneapolis, Minnesota, 55402 or call 1-888-467-3523. Participant account information, including transaction confirmations and monthly statements, are also available through EON, the Fund's online information system. An EON account can be obtained by contacting a Fund representative at 1-888-467-3523, Option 2, or by visiting www.msdlaf.org.

INVESTMENTS IN THE FUND INVOLVE CERTAIN RISKS WHICH SHOULD BE CONSIDERED BY EACH POTENTIAL PARTICIPANT BEFORE INVESTING. AN INVESTMENT IN THE FUND IS NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY. FOR FURTHER INFORMATION REGARDING CERTAIN RISKS ASSOCIATED WITH INVESTMENTS IN THE FUND, SEE "CERTAIN RISKS OF INVESTMENT IN THE FUND" ON PAGES 14 TO 16.

ELIGIBLE PARTICIPANTS

School Districts. The Declaration of Trust allows School Districts, as defined below, to open accounts and become Participants as described in this Information Statement. School Districts which participate in the programs of the Fund are referred to as "Participants" in the Declaration of Trust and this Information Statement. Public school entities and districts of every kind and nature organized under the laws of the State of Minnesota, including, without limitation, school districts, intermediate school districts, education districts, service cooperatives, secondary vocational cooperative centers, special education cooperatives, regional management information centers, joint purchasing cooperatives, and any "instrumentality" (as that term is defined in the Joint Powers Act) of a school district are collectively referred to in the Declaration of Trust and in this Information Statement as "School Districts."

Member of MSBA. A School District may not become a Participant unless and until it is a member in good standing of the Minnesota School Boards Association. The Board of Directors of the Minnesota School Boards Association shall determine whether a School District is a member in good standing for this purpose. In the event that the Fund has been notified that a Participant has ceased to be a member in good standing of the Minnesota School Boards Association, the Participant shall no longer be considered a Participant in the Fund and the Fund shall, within ten (10) business days, redeem all of the shares of that Participant at the net asset value of the Participant's shares as of the Withdrawal date.

INVESTMENT OBJECTIVES AND POLICIES

General Objective. The Fund's investment objective is to provide a means for Participants to achieve high current income while preserving capital and maintaining liquidity. There can be no assurance that this investment objective will be achieved. The Fund seeks to achieve its investment objective through professionally managed investment programs in accordance with Minnesota Laws and governed by the investment policies and restrictions described below.

Permitted Investments. The Fund is specifically designed for Minnesota School Districts. Accordingly, the Portfolios will only contain instruments in which School Districts are permitted to invest funds pursuant to Minnesota Law. Even if a particular instrument or security would otherwise be a Permitted Investment under Minnesota law, no instrument or security may be acquired by the Fund for any Portfolio unless it also meets the additional and more stringent criteria approved by the Trustees in consultation with the Adviser. Authorized instruments include the following:

- (a) government bonds, notes, bills, mortgages (excluding certain high-risk mortgage backed securities), and other securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress;
- (b) any security which is a general obligation of any state or local government with taxing powers which is rated A or better by a national bond rating service;
- (c) any security which is a revenue obligation of any state or local government with taxing powers which is rated AA or better by a national bond rating service;
- (d) a general obligation of the Minnesota Housing Finance Agency which is a moral obligation of the State of Minnesota and is rated A or better by a national bond rating agency;
- (e) bankers' acceptances of United States banks;
- (f) commercial paper issued by United States corporations or their Canadian subsidiaries that is rated the highest quality category by at least two nationally recognized rating agencies and that matures in 270 days or less;
- (g) time deposits that are fully insured by the Federal Deposit Insurance Corporation; provided that any such deposits shall be insured, bonded, or collateralized in the manner required by Minnesota Law and that any such bank or thrift institution accepting the time deposit shall meet the criteria designated from time to time by the Trustees;
- (h) certain general obligation temporary bonds;
- (i) repurchase agreements consisting of authorized collateral and reverse repurchase agreements that qualify under Minnesota Statutes, Section 118A.05 with (i) a financial institution qualified as a depository of public funds of a government entity; (ii) any other financial institution which is a member of the Federal Reserve System and whose combined capital and surplus equals or exceeds \$10,000,000; (iii) a primary reporting dealer in United States government securities to the Federal Reserve Bank of New York; or (iv) a securities broker-dealer licensed pursuant to Minnesota Statutes, Chapter 80A, or an affiliate of it, regulated by the Securities and Exchange Commission and maintaining a combined capital and surplus of \$40,000,000 or more, exclusive of subordinated debt;

For information regarding certain risks associated with investments by the Fund in various Permitted Investments, see "Certain Risks of Investment in the Fund" on Pages 14 to 16.

INVESTMENT OBJECTIVES AND POLICIES - continued

- (j) securities lending agreements, including custody agreements, with a financial institution that has its principal executive office in Minnesota and (i) is qualified as a depository of public funds of a governmental entity or (ii) is a member of the Federal Reserve System and whose combined capital and surplus equals or exceeds \$10,000,000; provided that collateral for such transactions shall be limited to securities described in Minnesota Statutes, Sections 118A.04 and 118A.05.
- (k) agreements or contracts for shares of a Minnesota joint powers investment trust whose investments are restricted to securities described in Minnesota Statutes, Sections 118A.04 and 118A.05;
- (l) units of a short-term investment fund established and administered pursuant to Regulation 9 of the Office of the Comptroller of the Currency, in which investments are restricted to securities described in Minnesota Statutes Sections 118A.04 and 118A.05;
- (m) shares of an investment company which is registered under the Investment Company Act of 1940 and which holds itself out as a money market fund meeting the conditions of Rule 2a-7 of the Securities and Exchange Commission and is rated in one of two highest rating categories for money market funds by at least one nationally recognized statistical rating organization;
- (n) agreements or contracts for shares of an investment company which is registered under the Investment Company Act of 1940, and whose shares are registered under the Securities Act of 1933, as long as the investment company's fund receives the highest credit rating and is rated in one of the two highest risk categories by at least one nationally recognized statistical rating organization and is invested in financial instruments with a final maturity no longer than 13 months;
- (o) agreements or contracts for guaranteed investment contracts if they are issued or guaranteed by United States commercial banks, domestic branches of foreign banks, United States insurance companies, or their Canadian subsidiaries, or the domestic affiliates of any of the foregoing, and if the credit quality of the issuer's or guarantor's short and long term unsecured debt is rated in one of the two highest categories by a nationally recognized rating agency;
- (p) any other investment instruments now or hereafter permitted by applicable law for the investment of the funds of School Districts organized under the laws of the State of Minnesota. The investment instruments above are referred to in this Information Statement as "Permitted Investments."

INVESTMENT OBJECTIVES AND POLICIES - continued

Investment Restrictions. The Fund and its Portfolios may buy and sell, and enter into agreements to buy and sell, Permitted Investments subject to the restrictions described below. These restrictions are considered to be fundamental to the operation and activities of the Fund and may not be changed without the affirmative vote of a majority of the Participants. The Fund:

- (a) may not make any investment other than a Permitted Investment;
- (b) may not purchase any Permitted Investment which has a maturity date more than one (1) year from date of the Fund's or its Portfolio's purchase thereof, unless it is subject at the time of its purchase to an irrevocable agreement on the part of a Responsible Person to repurchase it from the Fund or such Portfolio within one (1) year; provided, however, the Trustees may, in their discretion, waive this one (1) year limitation with respect to any one or more of the Fund's Portfolios;
- (c) may not purchase any Permitted Investment for any Portfolio if the effect of such purchase by the Fund would be to make the average dollar weighted maturity of that Portfolio greater than the period designated by the Trustees as the maximum average dollar weighted maturity of that Portfolio (however, in determining the effect of a purchase on a Portfolio's average maturity, any Permitted Investment which is subject to an irrevocable agreement of the nature referred to in the preceding clause (b) is deemed to mature on the day on which the Fund or such Portfolio is obligated to sell such Permitted Investment back to a Responsible Person or the day on which the Fund or such Portfolio may exercise its rights under such agreement to require the purchase of such Permitted Investment by a Responsible Person); and
- (d) may not borrow money or incur indebtedness except to facilitate as a temporary measure: (i) withdrawal requests which might otherwise require unscheduled dispositions of Portfolio investments; (ii) for a period not to exceed one (1) business day, withdrawal requests pending receipt of collected funds from investments sold on the date of the withdrawal requests or withdrawal requests from Participants who have notified the Fund of their intention to deposit funds in their accounts on the date of the withdrawal requests; or (iii) for a period not to exceed one (1) business day, the purchase of Permitted Investments pending receipt of collected funds from Participants who have notified the Fund of their intention to deposit funds in their accounts on the date of the purchase of the Permitted Investments;
- (e) may not make loans, provided the Fund may make Permitted Investments;
- (f) may not hold or provide for the custody of any Fund Property in a manner not authorized by law or by any institution or person not authorized by law;
- (g) except as permitted above under the heading "Permitted Investments," may not purchase securities or shares of investment companies or any entities similar to the Fund; and
- (h) may not pledge assets except to secure indebtedness permitted by clause (d) above, provided that in the case of indebtedness secured under clause (d) (ii) or (iii) above, it may pledge assets only to the extent of actual funds in the account of a Participant on whose behalf the indebtedness was incurred plus an amount equal to the amount which that Participant has notified the Fund that it intends to deposit in its account on that date.

The phrase "Responsible Person" means a recognized securities firm designated as such from time to time by the Trustees acting with the advice and counsel of the Adviser.

TRUSTEES AND OFFICERS

Powers and Duties. The Trustees have full, exclusive and absolute control and authority over the business and affairs of the Fund, its Portfolios and the assets of each of the Portfolios, subject to the rights of the Participants as provided in the Declaration of Trust. The Trustees may perform such acts as in their sole judgment and discretion are necessary and proper for conducting the business and affairs of the Fund or promoting the interests of the Fund or its Participants. The Trustees oversee, review, and supervise the activities of all consultants and professional advisers to the Fund.

Number; Terms. The number of Trustees may be changed from time to time by resolution of the Trustees, provided that the number of Trustees may never be less than three (3) nor more than fifteen (15). There are presently eleven (11) voting Trustees and three (3), ex-officio, non-voting Trustees.

The Trustees (other than the three (3) ex-officio Trustees described below) are divided into three (3) classes, as equal in number as practicable, arranged so that the term of one (1) class expires at the annual meeting held each year. At each annual meeting of Participants, Trustees of the class whose term then expires are elected to serve for a term of three (3) years. Trustees may be elected to any number of successive terms.

Eligibility; Proportional Composition. The Declaration of Trust requires that the elected Trustees be individuals who are school board members or employees of a School District which is a Participant in the Fund. The Declaration of Trust further provides that the Trustees shall determine the proportional composition of the Board of Trustees with respect to the number of Trustees who must be school board members, school superintendents, and school business officials. At present the Trustees have provided that five (5) Trustees shall be school board members, three (3) shall be school superintendents and three (3) shall be school business officials.

Ex-Officio Trustees. The persons who are from time to time serving respectively as the Executive Director of the Minnesota School Boards Association ("MSBA"), the Executive Director of the Minnesota Association of School Administrators ("MASA") and the Executive Director of the Minnesota Association of School Business Officials ("MASBO"), are ex-officio, non-voting Trustees.

Compensation. The Trustees serve without compensation, but they are reimbursed by the Fund for reasonable travel and other out-of-pocket expenses incurred in connection with their duties as Trustees. The Trustees are not required to devote their entire time to the affairs of the Fund.

Nominations. The Board of Trustees nominates candidates for election as Trustees. In making such nominations, the Board of Trustees are required to consider such recommendations as the Board of Directors of the Minnesota School Boards Association (after consultation with the Board of Directors of the Minnesota Association of School Administrators and the Board of Directors of the Minnesota Association of School Business Officials) may make. Nominations also may be made by the Participants in accordance with such procedures as the Trustees may establish.

Election of Trustees. Election of the Trustees at the annual meeting is by the affirmative vote of a majority of the Participants that are entitled to vote, present in person or by proxy, at that meeting. A Trustee vacancy may be filled for the unexpired portion of the applicable term by a vote of a majority of the remaining Trustees or a majority of the Participants.

Officers; Elections; Vacancies. The Trustees annually elect one (1) of their number to serve as Chair of the Fund and be its chief officer. They also elect a Vice Chair from their numbers and a Secretary and a Treasurer. The persons selected as the Secretary and as the Treasurer need not be Trustees.

TRUSTEES AND OFFICERS - continued

Duties; Appointment of Advisers. The Trustees are responsible for the general investment policy and program of the Fund and for the general supervision and administration of the business and affairs of the Fund. However, the Trustees are not required personally to conduct all of the business of the Fund and, consistent with their ultimate responsibility, the Trustees have appointed an Adviser, an Administrator, a Custodian, an Independent Accountant, and Legal Counsel. The Trustees are authorized to assign such duties to the Adviser, the Administrator, and the Custodian as they deem to be appropriate.

Designation as Portfolio Trustees. The Trustees have full and complete power to and may designate one or more of their number to serve as Trustees assigned to the official custodianship of the Fund Property allocated to a particular Portfolio and the supervision of the activities of the Fund related to a particular Portfolio. The designation of Trustees assigned to a particular Portfolio occurs in the Certificate of Designation creating that Portfolio. All Trustees of the Fund have been designated as the Trustees of the MSDLAF+ Portfolio, its Liquid Class and its MAX Class and each MSDLAF+ Term Series.

THE INVESTMENT ADVISER

Adviser Agreement. PFM, a Delaware limited liability company and a registered investment adviser under the Investment Advisers Act of 1940, as amended, serves as the investment adviser of the Fund.

The Fund entered into an Administration and Investment Advisory Agreement with the Adviser effective July 1, 2006 (the "Agreement") which will remain in effect until June 30, 2011 and will continue thereafter until a successor agreement is approved. The Agreement is not assignable without the Fund's prior written consent and may be terminated without penalty on sixty (60) days' written notice at the option of the Trustees or the Adviser.

Duties. The Adviser continuously supervises the investment programs of the Fund and its series, subject to the supervision of the Trustees, determines what investment instruments shall be purchased or sold by the Fund's series, arranges for the purchase and sale of investment instruments held by the series, and, in connection with the purchase of certificates of deposit by any series or any fixed term investment program available as an additional service through the Adviser, establishes and maintains a list of state banks, national banks and thrift institutions that qualify as depositories for School Districts under Minnesota Law and meet the criteria established or approved by the Trustees.

No Trading. The Fund does not engage in the trading of investment instruments for the Fund with or through the Adviser or any of its affiliates as principal or broker.

THE ADMINISTRATOR

Administration Agreement. Under the Agreement, PFM also provides administrative and marketing services to the Fund.

Duties. The Administrator assists in supervising all aspects of the Fund's operations (other than those operations to be managed by the Adviser or Custodian); services all Participant accounts in the Fund; determines and allocates income of the Fund; provides certain written confirmations of the investment and withdrawal of monies by Participants and the income earned and fees paid by each Participant; provides administrative and clerical personnel and facilities to the Fund; determines the net asset value of each Participant's account in the Liquid Class and the MAX Class on a daily basis; furnishes each Participant with a monthly statement of its account in the Fund and a quarterly copy of the Fund's financial statements for the fiscal quarter most recently ended; bears certain expenses for the Fund; and performs all related administrative services for the Fund.

The Administrator, through its wholly-owned subsidiary, PFM Fund Distributors, Inc., which is a member of the Municipal Securities Rulemaking Board and the National Association of Securities Dealers, also provides marketing services to the Fund. As part of those duties PFM Fund Distributors, Inc. has established a marketing team with appropriate training, attends Fund seminars and conferences, provides advice regarding methods of seeking and obtaining additional Participants for the Fund, assists Participants in completing and submitting registration forms, assists in preparing and distributing information about the Fund and at least once each quarter, provides the Trustees with a summary of future marketing strategies.

THE CUSTODIAN

Custodian Agreement. U.S. Bank National Association of Minneapolis, Minnesota serves as Custodian for the Fund (“U.S. Bank”). The Fund entered into a Custodian Agreement with U.S. Bank effective July 1, 2006 which will remain in effect until June 30, 2011 and will continue thereafter until a successor agreement is approved. The Fund's agreement with the Custodian remains in effect from year to year if approved annually by the Trustees or by a majority of the Participants. The agreement is not assignable without the Fund's prior written consent and may be terminated without penalty on sixty (60) days' written notice at the option of the Trustees or the Custodian.

Duties. The Custodian acts as safekeeping agent for the investment portfolios of each of the Fund's various series. It also serves as the depository in connection with the direct investment and withdrawal mechanisms of the Fund. The Custodian does not participate in the Fund's investment decision making process. The Fund may invest in obligations of the Custodian and buy and sell Permitted Investments from and to it.

Additional Custodians. The Trustees or the Custodian may in their discretion employ one or more custodians in addition to the Custodian referred to above. Any such additional custodians must be institutions and entities as specified in Minnesota law. Such additional custodians shall perform such safekeeping duties (including duties applicable only to a designated Portfolio) as may be set forth in an agreement between the Fund and the additional custodian. An additional custodian need not have an office in the State of Minnesota.

SPONSORS, LEGAL COUNSEL AND INDEPENDENT ACCOUNTING FIRM

Sponsors. The Minnesota School Boards Association, the Minnesota Association of School Administrators and the Minnesota Association of School Business Officials serve as the sponsors of the Fund (collectively, the “Sponsors”).

Legal Counsel. Knutson, Flynn & Deans, Professional Association of Mendota Heights, Minnesota serve as legal counsel to the Fund.

Independent Accountants. PricewaterhouseCoopers LLP serves as the independent accountant of the Fund and conducts the annual audit of the Fund.

THE SERIES OF THE FUND

Overview. The Declaration of Trust provides for the creation of multiple specialized investment series and classes within the Fund and sets forth the manner in which such series may be created and managed. At present, the Fund consists of the MSDLAF+ Portfolio Series (“MSDLAF+ Portfolio”), which includes Liquid Class Shares and MAX Class Shares, and multiple MSDLAF+ Term Series (“MSDLAF+ Term”).

Each series is invested separately in Permitted Investments. The Trustees determine when and what types of series are made available to Participants. A Participant may participate in as few or as many series as it chooses, provided that all Participants must invest in the MSDLAF+ Portfolio.

Establishment of Portfolios. The Trustees determine the overall policy of the Fund and each of its component series. To establish a series and/or class, the Trustees authorize and adopt a Certificate of Designation for that series and/or class. The Certificate of Designation establishes and sets forth the terms and investment characteristics of the series and/or class, including: (a) the name and date of establishment of the series and/or class; (b) the term of the series and/or class; (c) the identity of Participants permitted to participate; (d) the nature of the series' investments; (e) the Trustees assigned to the series and/or class; (f) the maximum average weighted maturity of the series; (g) the method of determining the net asset value of the series and/or class; and (h) other terms or characteristics applicable to the series and/or class.

Trustees. One or more Trustees can be assigned to each series and have particular responsibility for the operation of that series, and its classes, where applicable. The Trustees assigned to each series are designated pursuant to the Declaration of Trust and the applicable Certificate of Designation as being the official custodians of the assets of such series. At present, all Trustees are assigned to each series.

MSDLAF+ Portfolio. The assets of the MSDLAF+ Portfolio are invested in Permitted Investments in such a manner as to result in an average dollar weighted maturity for the series of no greater than ninety (90) days. In addition, the MSDLAF+ Portfolio seeks to maintain a constant net asset value per share of \$1.00. The Permitted Investments in which the MSDLAF+ Portfolio invests are selected by the Adviser and consist of money market instruments permitted by applicable Minnesota law. Participants may purchase either Liquid Class Shares of the MSDLAF+ Portfolio or MAX Class Shares of the MSDLAF+ Portfolio. A copy of the Certificate of Designation of the MSDLAF+ Portfolio is annexed to this Information Statement or is available upon request from the Administrator.

Liquid Class. The MSDLAF+ Portfolio's Liquid Class has a minimum balance requirement of \$1.00 and no minimum investment deposit or withdrawal requirements. A Participant may redeem shares of the Liquid Class in any amount not in excess of its account balance in such class. Upon request, a Participant may have unlimited check writing privileges in its Liquid Class account(s).

MAX Class. Investments in the MSDLAF+ Portfolio's MAX Class must be held for at least 14 calendar days, with the exception of direct investments of funds distributed by the State of Minnesota.

THE SERIES OF THE FUND - continued

Except as noted, all investments in the MAX Class by Participants must be deposited for a minimum of fourteen (14) calendar days. No investment made in the MAX Class may be withdrawn during the first fourteen (14) calendar days after it is made without incurring a penalty for such premature withdrawal. However, the fourteen (14) day minimum investment period does not apply to direct deposits of state aid payments into the MAX Class. In the event that a Participant withdraws a deposit within such initial fourteen (14) calendar day period, it will be subject to a penalty equal to the loss of seven (7) days interest on the amount so withdrawn. Such seven (7) day interest penalty will be calculated on the basis of the dividend rates in effect for the MAX Class for the seven (7) day period immediately preceding the withdrawal date. Accordingly, the penalty will be equal to the dividend that would have been earned during the seven (7) days preceding the withdrawal date on the amount prematurely withdrawn. Such penalty will be assessed even though the amount withdrawn may not have been invested in the MAX Class for the full seven (7) day period preceding the withdrawal date on the amount prematurely withdrawn.

Notices of withdrawal from the MAX Class must be received by the Fund's Administrator not less than one (1) Minnesota banking day prior to the requested withdrawal date. For the purpose of calculating whether the notice requirement has been met, a notice will have been deemed to have been received on a particular Minnesota banking day if it is received by the Fund's Administrator no later than 4:00 p.m. eastern time on such day. In the event that a Participant withdraws an investment from the MAX Portfolio without giving the required one (1) Minnesota banking day notice, it will be subject to a penalty equal to the loss of seven (7) days interest on the amount so withdrawn calculated in the same manner as is set forth above with respect to the penalty applicable to premature withdrawals. In the event that a Participant withdraws an investment from the MAX Portfolio without complying with the fourteen (14) day deposit requirement and without complying with the one (1) day notice requirement, only a single penalty will be assessed.

If a penalty relating to premature withdrawal is assessed and sufficient interest has not been earned with respect to the investment so that such penalty can be paid by reducing the dividends that would otherwise have been paid to the Participant, the principal amount of the withdrawal paid to the Participant will be reduced to the extent necessary to cover the penalty.

In determining whether an amount is eligible for withdrawal from a particular MAX Class account, the first-in/first-out method will be used. If a Participant has more than one MAX Class account, only the dates on which investments were made in the particular account to which a withdrawal request relates will be taken into consideration when making this determination.

THE SERIES OF THE FUND - continued

MSDLAF+ Term Series. MSDLAF+ Term Series (“MSDLAF+ Term”) offers a fixed rate, fixed-term investment with a minimum maturity of sixty (60) days and a maximum maturity of one year. MSDLAF+ Term requires a minimum investment of \$100,000 and seeks to obtain a high rate of return. A projected dividend rate is determined when the shares are offered and the dividend is declared and paid on the planned withdrawal date. MSDLAF+ Term seeks to return all invested principal at a Planned Early Withdrawal (as defined hereafter) or upon termination. Withdrawal from MSDLAF+ Term at any time other than on a Planned Early Withdrawal date may result in a substantial early withdrawal penalty.

Each series of MSDLAF+ Term is a portfolio of Permitted Investments and has a series-specific Termination Date. The Board of Trustees has approved the creation of multiple series of MSDLAF+ Term with staggered maturity dates.

The investment strategy of MSDLAF+ Term is to match the cash flows required to meet Participants’ planned withdrawals, including the projected dividend, with the cash flows from the portfolio. Consistent with this strategy active trading of securities held by the portfolio will be practiced with the objective of enhancing the overall yield of the portfolio.

Funds of a Participant may be invested in MSDLAF+ Term through same day wire or transfer from the Participant’s account in the Liquid Class. Upon withdrawal of a MSDLAF+ Term investment, funds are transferred to the Participant’s Liquid Class account or transferred by bank wire to a pre-authorized Participant bank account.

A Participant only receives dividends from the investment of the specific MSDLAF+ Term portfolio in which it has invested. At the Termination (as defined hereafter) Date of any series of MSDLAF+ Term, any excess net income of the series will be distributed in the form of a supplemental dividend only to shares of the series that are outstanding on the Termination Date of the series, and the excess net income will be allocated on a pro rata basis to all shares then outstanding.

The investment portfolio of each MSDLAF+ Term Series is accounted for independent of the investment portfolio of any other series of the Fund. In the event a MSDLAF+ Term portfolio were to realize a loss (whether of principal or interest), no contribution would be made to such series of MSDLAF+ Term from any other series to offset such loss. No MSDLAF+ Term Series constitutes security or collateral for any other series.

A copy of the model Certificate of Designation for each series of MSDLAF+ Term annexed to this Information Statement.

A copy of the Certificate of Designation for each series of MSDLAF+ Term is available upon request from the Administrator.

CERTAIN RISKS OF INVESTMENT IN THE FUND

There are risks associated with investment in the Fund which should be considered carefully by Participants and potential Participants in light of their particular circumstances as they may exist from time to time. The Fund may not be an appropriate investment in certain situations for some Participants and potential Participants. Although the Fund has been designed and is operated with the goal of minimizing risk, Participants and potential Participants should carefully consider the factors described in this section in light of their particular circumstances. The risks specified in this section may also be applicable to certain investments in any additional programs offered by the Adviser.

Income, Market and Credit Risk. Investments in the Fund are subject to income, market and credit risk. Income risk is the potential for a decline in current income of an investment portfolio of the Fund. The current income of the MSDLAF+ Portfolio is based on relatively short-term interest rates, which can fluctuate substantially over short periods. Accordingly, investments in the MSDLAF+ Portfolio are subject to current income volatility. Market risk is the potential for a decline in the market value of fixed-income securities held in an investment portfolio of the Fund as a result of a rise in prevailing interest rates. This could result in the incurrence of a loss with respect to a security in the event that such a security were to be sold for a market price less than its amortized value. Credit risk is the possibility that an issuer of securities held in an investment portfolio of the Fund fails to make timely payments of principal or interest. The credit risk of a portfolio is a function of the credit quality of its underlying securities. A discussion of the credit risks associated with certain Permitted Investments is set forth below.

Repurchase Agreements. The Fund may invest in Permitted Investments which may include repurchase agreements. In a repurchase agreement, an investment is sold to the Fund at which time, the seller agrees to repurchase the investment from the Fund at a specified time and at an agreed upon price. The yield on the repurchase agreement is determined at the time of sale. This yield may be more or less than the interest rate on the underlying collateral.

Although the Fund enters into such repurchase agreement arrangements only with recognized and established securities firms designated as Responsible Persons from time to time by the Trustees acting with the advice and counsel of the Investment Adviser, there can be no assurance that such a Responsible Person will pay the agreed upon repurchase amount on the designated date. In the event that such a Responsible Person fails to pay the agreed upon price at the specified time, the Fund might suffer a loss resulting from (i) diminution of the value of the underlying Permitted Investment to an amount below the amount of the anticipated repurchase price, (ii) the costs associated with the resale of the investment, and (iii) a delay experienced in foreclosing upon and selling the investment.

Although at the time the Fund enters into a repurchase agreement the underlying collateral has a market value which is equal to 102% of the price paid by the Fund and equal to or greater than the anticipated repurchase price, there can be no assurance that such market value will continue to equal or exceed the repurchase price. In the event the market value of the underlying collateral falls below the agreed upon repurchase price, the Responsible Person with which the Fund has entered into the repurchase agreement will be required to deliver additional collateral to the Fund.

There can be no assurance that such deliveries of additional collateral will be made in all circumstances. In the event that such a delivery is not made and the Responsible Person does not pay the repurchase price on the specified date, the amount of the Fund's loss will be increased as a consequence of such failure of delivery because the value of the underlying collateral will be less than the amount originally paid by the Fund.

CERTAIN RISKS OF INVESTMENT IN THE FUND - continued

Obligations of United States Government Agencies and Instrumentalities. Participants should be aware that not all obligations issued by agencies and instrumentalities of the United States Government are the subject of a guarantee of the full faith and credit of the United States Government. The obligations of some agencies and instrumentalities of the United States Government that may be purchased by the Fund from time to time are obligations only of the applicable agency or instrumentality and are not full faith and credit obligations of the United States. The creditworthiness of such obligations relates only to the credit of the issuing agency or instrumentality. No assurance can be given that the agency or instrumentality will under all circumstances be able to obtain funds from the United States Government or other sources to support all of its obligations.

FDIC Insured Certificates of Deposit. Some of the assets of the Fund may be invested in certificates of deposit issued by depository institutions which are insured by the Federal Deposit Insurance Corporation (the "FDIC"). Although the Investment Adviser uses the investment criteria established by the Trustees in order to reduce risk when determining which institutions will be used for such investments, no assurance can be given that such an institution will not become insolvent during the life of an investment in it. Accordingly, the Fund will invest in CDs only on a fully collateralized basis as provided by Minnesota Law or in amounts that will result in full insurance in accordance with the regulations of the FDIC as interpreted by the FDIC from time to time. Currently under these regulations deposits in each insured institution are insured up to \$100,000 in the aggregate, regardless of whether the deposits are made through the Fund or directly by a Participant.

In the event that an institution issuing a certificate of deposit in which the Fund has invested becomes insolvent, or in the event of any other default with respect to such a certificate of deposit, an insurance claim will be filed with the FDIC by the Fund, if appropriate. In such a case, there may be delays before the FDIC, or other financial institution to which the FDIC has arranged for the deposit to be transferred, makes the relevant payments. Such delays may be occasioned by requirements relating to the filing and processing of insurance claims, including requests for additional information by the FDIC. Furthermore, if the defaulted deposit is transferred to another institution, the transferee institution may, instead of paying the insured amount, elect to keep the deposit in existence with or without changing its original terms. Such changes of terms may include a reduction of the original interest rate paid on the deposit.

The amount insured by the FDIC is the principal of the relevant deposit and the interest accrued on the deposit to the date of default, up to \$100,000 in the aggregate. There is no insurance with respect to interest on a deposit between the date of the default and the date of the payment of insurance by the FDIC. Accordingly, a default by an institution might result in a delay in the receipt by an affected Participant of invested principal and pre-default accrued interest and a loss of interest related to the period between the date of the default and the payment of the insurance.

In addition, the FDIC may deny any claim that it does not deem to be valid. Any such denial might have to be challenged in judicial or administrative proceedings brought by the Fund and any affected Participant. In the event that funds are not made available to it by the United States or other sources, Participants could experience a loss due to a full or partial non-payment of insurance claims by the FDIC.

Collateralized Certificates of Deposit. From time to time, the Fund may invest in collateralized certificates of deposit as permitted by Minnesota Law. In the event of a default on such a certificate of deposit, it may be necessary to foreclose on the collateral. Such foreclosure will entail certain risks for the Participants participating in the Fund. These risks include losses resulting from a diminution in the value of the collateral before it can be sold, procedural delays relating to the foreclosure, costs of foreclosure and a failure to realize an amount in the foreclosure equal to the principal of and interest on the defaulted certificate of deposit.

CERTAIN RISKS OF INVESTMENT IN THE FUND - continued

Payments after Maturity Date. In the event that monies are received with respect to a fixed income investment as a result of a deposit insurance claim, foreclosure of collateral or for any other reason after the maturity date of such fixed income investment, the amounts of such payments will not be distributed to the Participants participating in such fixed income investment until after the maturity date of such fixed income investment. Accordingly, care should be exercised by Participants in determining whether or not investment in a particular fixed term investment is appropriate if all of the money that would be invested by the Participant in such investment is required by it in full and without delay on the maturity date of the fixed income investment.

Commercial Paper. The Fund may purchase commercial paper which qualifies as a Permitted Investment. Commercial paper is a debt instrument that is issued by a company and is secured only by the assets, if any, of that company. The creditworthiness of such an obligation relates only to the creditworthiness of the issuing company. Although the Adviser uses certain criteria when determining which companies' commercial paper will be purchased, no assurance can be given that a company will not become insolvent during the life of an investment in it. In the event of such insolvency or in the event of any other default with respect to such commercial paper, a claim will be filed by the Fund against the company, if appropriate. However, there is no assurance that the Fund will receive any recovery as a result of filing a claim.

Bankers' Acceptances. Bankers' acceptances are credit instruments evidencing the obligation of a bank to pay a draft drawn on it by a customer. These instruments reflect the obligations both of the bank and of the drawer to pay the face amount of the instrument upon maturity. They are not FDIC insured, but rather their creditworthiness relates only to the creditworthiness of the issuing bank.

Floating-Rate and Variable-Rate Obligations. Debt obligations purchased by the Fund may have interest rates that are periodically adjusted at specified intervals or whenever a benchmark rate or index changes. These floating-rate and variable-rate instruments may include certificates of participation in such instruments. These securities may have demand features which give the Fund the right to demand repayment of principal on specified dates or after giving a specified notice. Variable-rate securities and securities with demand features may be deemed by the Fund to have maturities shorter than their stated maturity dates for purposes of applicable investment restrictions.

An obligation of the United States of America which is a variable-rate security, and which has its rate of interest readjusted no less frequently than every 397 days shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate or earlier maturity. An obligation of the United States of America which is a floating-rate security shall be deemed to have a remaining maturity of one day.

EXPENSES OF THE FUND

Adviser Fee.

MSDLAF+ Portfolio. Under the Agreement, the Adviser is paid a fee for its services as investment adviser for the MSDLAF+ Portfolio at an annual rate applied to the total average daily net assets of all Fund Participants invested in the MSDLAF+ Portfolio of the Fund. That rate is as follows:

MSDLAF+ Portfolio Average Daily Net Assets	Rate
First \$1,500,000,000	.080%
\$1,500,000,001 to \$2,000,000,000	.075%
\$2,000,000,001 to \$2,500,000,000	.070%
\$2,500,000,001 to \$3,000,000,000	.065%
Over \$3,000,000,000	.060%

This fee is computed daily and paid monthly.

MSDLAF+ Term. Under its agreement with the Fund, each MSDLAF+ Term Series pays the Adviser a monthly fee for investment advisory, administration and marketing services at the annual rate of 0.25% of average daily net assets. At its discretion, the Adviser may waive some or all of its fees for MSDLAF+ Term, and such waiver may be discontinued at any time. In addition to the aforementioned fees, each MSDLAF+ Term Series is responsible for its own associated expenses such as insurance costs, the fees of the Custodian, audit, rating agency, trustee expenses and legal fees.

Administrator Fee.

MSDLAF+ Portfolio.

Liquid Class Shares. Under the Agreement, the Administrator is paid a fee for its services as Administrator for the MSDLAF+ Portfolio's Liquid Class at an annual rate applied to the total average daily net assets of all Fund Participants invested in the Liquid Class of the Fund. That rate is as follows:

Liquid Class Average Daily Net Assets	Rate
First \$250,000,000	.15%
\$250,000,001 to \$500,000,000	.14%
Over \$500,000,000	.13%

This fee is computed daily and paid monthly.

EXPENSES OF THE FUND - continued

MAX Class Shares. Under the Agreement, the Administrator is paid a fee for its services as Administrator for the MSDLAF+ Portfolio's MAX Class at an annual rate applied to the total average daily net assets of all Fund Participants invested in the MAX Class of the Fund. That rate is as follows:

MAX Class Average Daily Net Assets	Rate
First \$250,000,000	.12%
\$250,000,001 to \$500,000,000	.11%
Over \$500,000,000	.10%

This fee is computed daily and paid monthly.

Marketing Fee.

MSDLAF+ Portfolio. Under its agreement with the Fund, the Administrator or PFM Fund Distributors, Inc. as applicable, is paid a fee for marketing services related to the MSDLAF+ Portfolio at the applicable annual percentage specified below based on the total average daily net assets of the Liquid Class and the MAX Class. For the purpose of calculating breakpoints to determine the applicable annual percentage, the total average daily net assets of all Fund programs shall be included, including but not limited to the Liquid Class, the MAX Class, each MSDLAF+ Term Series, all SAM accounts, all BAM Accounts, and the individualized portfolios, the Fixed Term Investment Program, or any other investment program approved, endorsed or otherwise made available to Participants by the Fund or by PFM:

Total Average Daily Net Fund Asset Breakpoint	Fee
first \$750,000,000	.040%
\$750,000,001 to \$1,500,000,000	.035%
\$1,500,000,001 to \$3,000,000,000	.030%
over \$3,000,000,000	.020%

The fee is computed daily and paid monthly. This fee shall be allocated between and be paid from the MSDLAF+ Portfolio's Liquid Class and MAX Class based on the average daily net assets in each such class which is accrued daily.

EXPENSES OF THE FUND - continued**Sponsor Fees.****MSDLAF+ Portfolio**

Liquid Class & MAX Class. The Sponsors are paid a fee for the services rendered as sponsor to the MSDLAF+ Portfolio's Liquid Class and MAX Class at an annual rate applied to the total average daily net assets of all Fund Participants invested in the Liquid Class and MAX Class of the Fund. That rate and sponsoring organization is as follows:

Organization	Rate	
	Liquid Class	MAX Class
Minnesota School Boards Association	.05%	.025%
Minnesota Association of School Administrators	.01%	.01%
Minnesota Association of School Business Officials	.01%	.01%

This fee is computed daily and paid monthly.

Custodian & Cash Management Fee.**MSDLAF+ Portfolio.**

Under its agreement with the Fund, the Custodian is paid an annual administration charge for the MSDLAF+ Portfolio of \$7,200. The Custodian is also paid a fee for its services as custodian of the MSDLAF+ Portfolio at an annual rate equal to 0.00333% of the MSDLAF+ Portfolio's average monthly market value. The market value of the MSDLAF+ Portfolio is computed as of the close of business on each Friday. The average monthly market value is computed by adding together the total for each weekly valuation and dividing by the number of Fridays occurring in the month. The custodian fee for the MSDLAF+ Portfolio is computed and paid monthly. The Custodian is also paid various transaction fees.

For the Liquid Class only, the Custodian is also paid a fee for its cash management services based on the per item charges and demand deposit credits and charges specified in the schedule of compensation for cash management services included in its agreement with the Fund.

EXPENSES OF THE FUND - continued

The Custodian fee is computed and paid monthly.

Account Overdrafts. Under its agreement with the Fund, the Custodian is also paid a fee for account overdrafts equal to the overdraft amount multiplied by the U.S. Bank's reference rate less one percent, divided by 360. Overdraft fees are calculated daily and paid monthly.

Expenses. The Administrator pays the Fund's expenses for printing certain documents such as the Information Statement and the administrative costs of the Fund such as postage, telephone charges and computer time. The Administrator also furnishes the Fund, at the Administrator's expense, with the services of persons who perform certain administrative and clerical functions for the Fund and with office space, utilities, office equipment, and related services.

Except as otherwise noted herein with respect to certain expenses paid or reimbursed by the Administrator, the Fund pays the reasonable out-of-pocket expenses incurred by the Trustees and officers in connection with the discharge of their duties, and other expenses including brokerage commissions, the fees of the Adviser under the Administration and Investment Advisory Agreement, the fees of the Custodian under the Custodian Agreement, the legal fees of the Fund, the fees of the Fund's independent accountants, the costs of appropriate insurance for the Fund and its Trustees and officers, and various other expenses. These expenses are allocated between the Fund's MSDLAF+ Portfolio and MSDLAF+ Term either (a) on a pro-rata basis, (b) on the basis of actual cost to a series, or (c) as otherwise provided in the Agreement.

DAILY INCOME ALLOCATIONS

MSDLAF+ Portfolio. All net income of the MSDLAF+ Portfolio is determined as of the close of business on each Minnesota banking day (and at such other times as set forth in the Agreement or the Custodian Agreement or as the Trustees may determine). Net income is converted as of the close of business of each calendar month into additional shares of beneficial interest which are credited to and are held in each Participant's account in the respective class. Although dividends are not automatically transmitted in cash, Participants may obtain cash by withdrawing shares at their net asset value without charge.

For the purpose of calculating MSDLAF+ Portfolio dividends, net income consists of interest earned plus any discount ratably amortized to the maturity date plus or minus all realized gains and losses on the sale of securities prior to maturity, less ratable amortization of any premium and, for each class in the portfolio, less all accrued expenses of the class, including the fees payable to the Investment Adviser, the Administrator and others who provide services to the MSDLAF+ Portfolio.

MSDLAF+ Term. Dividends on shares of each MSDLAF+ Term Series are declared and paid on the Termination Date of each series, except for dividends on shares redeemed pursuant to a Planned Early Withdrawal or a Premature Withdrawal before the Termination Date of such series, which will be declared and paid when such shares are redeemed. Dividends will be paid from net income, which will consist of interest earned, plus any discount ratably amortized to the date of maturity, plus all realized gains and losses on the sale of securities prior to maturity, less ratable amortization of any premium and all accrued expenses of that series.

Dividends on shares which are declared and paid on a Planned Early Withdrawal Date are equal to the projected yield for such shares to the Planned Early Withdrawal Date, less any losses affecting projected yield attributable to such shares. Dividends on shares declared and paid on a Premature Withdrawal Date are equal to the projected yield for such shares to the Premature Withdrawal Date, less any losses affecting projected yield attributable to such shares. Dividends on shares declared and paid on a Termination Date for a series are equal to the projected yield for such shares to the Termination Date, less any losses affecting projected yield attributable to such shares, plus an additional dividend, if any, equal to any excess net income of the series attributable to such shares. Any excess net income of a series on the Termination Date of the series will be allocated on a pro rata basis to all shares then outstanding. Dividends are deposited into a Participant's Liquid Class account unless a separate wire transfer has been pre-authorized.

Investment securities may be distributed to the Participants in any series in lieu of cash whenever the Trustees determine that such distributions would be in the best interest of the Participants in the series.

COMPUTATION OF YIELD

MSDLAF+ Portfolio. Liquid Class and MAX Class. Current yield information for the Liquid Class and the MAX Class may, from time to time, be quoted in reports, literature and advertisements published by the Fund. The current yield of each Class, which is also known as the current annualized yield or the current seven-day yield, represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally valued at \$1.00 per share) over a seven-day base period expressed as a percentage of the value of one share at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7.

The Fund may also quote a current effective yield of each class from time to time. The current effective yield represents the current yield compounded to assume reinvestment of dividends. The current effective yield is computed by determining the net change in account value over a seven-day base period (exclusive of capital changes and income other than investment income), in the value of a hypothetical account with a balance of one share at the beginning of the period, dividing the difference by the value of the account at the beginning of the period to obtain the base period return, then compounding the base period return by adding 1, raising the sum to a power equal to 365 divided by 7, and subtracting 1 from the result. The current effective yield will normally be slightly higher than the current yield because of the compounding effect of the assumed reinvestment.

The Fund also may publish a “monthly distribution yield” on each Participant’s month-end account statement. The monthly distribution yield represents the net change in the value of one share (normally valued at \$1.00 per share) resulting from all dividends declared during a month by a class expressed as a percentage of the value of a hypothetical account with a balance of one share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

At the request of the Trustees or Participants, the Fund may also quote the current yield of the classes’ from time to time on bases other than seven days for the information of its Participants.

MSDLAF+ Term. The yield quoted for any investment in a series of MSDLAF+ Term is determined by dividing the expected net income per share for the period from the settlement date to the Termination Date by the purchase price per share, dividing this result by the actual number of days between the settlement date and the Termination Date, and multiplying the result by 365.

The yields quoted by the Fund or any of its representatives should not be considered a representation of the yield of the Liquid Class, the MAX Class or MSDLAF+ Term Series in the future, since the yield is not fixed. Actual yields will depend on the type, quality, yield and maturities of securities held by the series, changes in interest rates, market conditions and other factors.

DETERMINATION OF NET ASSET VALUE

MSDLAF+ Portfolio. Liquid Class and MAX Class. The net asset value per share of the classes for the purpose of calculating the price at which shares are issued and redeemed is determined by the Administrator as of the close of business of each Minnesota banking day or at such other time or times as set forth in the Fund's agreements with the Custodian, Adviser and Administrator or as the Trustees by resolution may determine. Such determination is made by subtracting from the value of the assets of the MSDLAF+ Portfolio the amount of its liabilities and dividing the remainder by the number of outstanding shares of all classes.

In making these computations, the Administrator values the MSDLAF+ Portfolio's investments by using the amortized cost method. The amortized cost method of valuation involves valuing an investment instrument at its cost at the time of purchase and thereafter assuming a constant amortization to maturity of any discount or premium, regardless of the impact of fluctuating interest rates on the market value of the instrument. While this method provides certainty in valuation, it may result in periods during which value, as determined by amortized cost, is higher or lower than the price the MSDLAF+ Portfolio would receive if it sold the instrument. During such periods, the yield to Participants may differ somewhat from that which would be obtained if the MSDLAF+ Portfolio used the market value method for valuing all its portfolio investments. For example, if the use of amortized cost resulted in a lower (higher) aggregate portfolio value on a particular day, a prospective Participant of the MSDLAF+ Portfolio would be able to obtain a somewhat higher (lower) yield than would result if the MSDLAF+ Portfolio used the market value method, and existing Participants would receive less (more) investment income. The purpose of this method of calculation is to attempt to maintain a constant net asset value per share of one dollar (\$1.00).

The Trustees have adopted certain procedures with respect to the MSDLAF+ Portfolio's use of the amortized cost method to value its investment portfolio. These procedures are designed and intended (taking into account market conditions and the Fund's investment objectives) to stabilize net asset value per share as computed for the purpose of investment and withdrawal at one dollar (\$1.00) per share of each class. The procedures include a valuation of the MSDLAF+ Portfolio by the Administrator and the Custodian using the market value method and a periodic review by the Trustees, in such manner as they deem appropriate and at such intervals as are reasonable in light of current market conditions, of the relationship between net asset value per share based upon the amortized cost value of the MSDLAF+ Portfolio's investments and the net asset value per share based upon available indications of market value with respect to such series investments. In the event that there is a difference of more than 0.5% between the amortized cost value and the market value, it is anticipated that the Trustees will take such steps as they consider appropriate (such as shortening the average portfolio maturity or realizing gains or losses) to minimize any material dilution or other unfair results which might arise from differences between the two methods of valuation.

It is a fundamental policy of the MSDLAF+ Portfolio to maintain a net asset value of \$1.00 per share for each class, but for the reasons here discussed there can be no assurance that the net asset value of the shares will not vary from \$1.00 per share. The market value basis net asset value per share for the portfolio may be affected by general changes in interest rates resulting in increases or decreases in the value of securities held by the MSDLAF+ Portfolio. The market value of such securities will tend to vary inversely to changes in prevailing interest rates. Thus, if interest rates rise after a security is purchased, such a security, if sold, might be sold at a price less than its amortized cost. Similarly, if interest rates decline, such a security, if sold, might be sold at a price greater than its amortized cost. If a security is held to maturity, no loss or gain is normally realized as a result of these price fluctuations; however, withdrawals by Participants could require the sale of portfolio securities prior to maturity. In the event that the difference between the amortized cost basis net asset value per share and market value basis net asset value per share exceeds 1/2 of 1 percent, the Investment Adviser and the Trustees will consider what, if any, corrective action should be taken to minimize any material dilution or other unfair results which might arise from differences between the two.

DETERMINATION OF NET ASSET VALUE - continued

This action may include the reduction of the number of outstanding shares by having each Participant proportionately contribute shares to the portfolio's capital, suspension or rescission of dividends, declaration of a special capital distribution, sales of portfolio securities prior to maturity to reduce the average maturity or to realize capital gains or losses, transfers of portfolio securities to a separate account, or redemptions of shares in kind in an effort to maintain the net asset value at \$1.00 per share. If the number of outstanding shares is reduced in order to maintain a constant net asset value of \$1.00 per share, Participants will contribute proportionately to the portfolio's capital the number of shares which represent the difference between the amortized cost valuation and market valuation of the portfolio. Each Participant will be deemed to have agreed to such contribution by its investment in the portfolio.

MSDLAF+ Term

The withdrawal value per share for any series of MSDLAF+ Term will be determined as of the close of business on any day when a withdrawal is made. The withdrawal value per share on the Termination Date of a series of MSDLAF+ Term is equal to the original purchase price for such share, plus dividends thereon, at the projected yield less such share's allocation of any losses incurred by the series (other than losses resulting from Premature Withdrawals of shares of the series). The withdrawal value per share for shares being redeemed on a Planned Early Withdrawal Date is equal to the original purchase price for such share, plus dividends thereon, at the projected yield less such share's allocation of any losses incurred by the series (other than losses resulting from Premature Withdrawals of shares of the series). The withdrawal value per share for shares being redeemed on a Premature Withdrawal Date is equal to the original price for such share, plus dividends thereon, at the projected yield less such share's allocation of any losses incurred by the series, less a Premature Withdrawal penalty, if any.

Each series of MSDLAF+ Term provides for a fixed-rate, fixed-term investment by Participants, but the market value of the underlying assets will, prior to their maturity, tend to fluctuate inversely with the direction of interest rates. It is the intent of the Fund to manage MSDLAF+ Term in a manner that produces a share price of at least \$1.00 on the Termination Date and on each Planned Early Withdrawal Date for the Participant that redeems on said date. However, there can be no guarantee that this objective will be achieved.

The Adviser, on behalf of the Trust, determines the net asset value of the shares of MSDLAF+ Term at the close of each business day for purpose of computing fees. The net asset value per share for MSDLAF+ Term is calculated by dividing the total value of investments and other assets less any liabilities by the total outstanding shares of a series of MSDLAF+ Term as of the day the calculation is made.

PORTFOLIO TRANSACTIONS

Subject to the general supervision of the Trustees, the Adviser is responsible for the investment decisions and for placing the orders for portfolio transactions for the Fund. The Fund's portfolio transactions occur primarily with major dealers in money market and government instruments acting as principals. Such transactions are normally on a net basis, which do not involve payment of brokerage commissions. Transactions with dealers normally reflect the spread between bid and asked prices.

Although the Fund does not ordinarily seek, but may nonetheless make profits through short-term trading, the Adviser may, on behalf of the Fund, dispose of any portfolio investment prior to its maturity if it believes such disposition is advisable. The Fund's policy of generally investing in instruments with maturities of less than one (1) year will result in high portfolio turnover. However, since brokerage commissions are not normally paid on the types of investments which the Fund may make, any turnover resulting from such investments should not adversely affect the net asset value or net income of the Fund.

The Adviser seeks to obtain the best net price and most favorable execution of orders for the purchase and sale of portfolio securities. Where price and execution offered by more than one dealer are comparable, the Adviser may, in its discretion, purchase and sell investments through dealers which provide research, statistical and other information to the Adviser or to the Fund. Such supplemental information received from a dealer is in addition to the services required to be performed by the Adviser under its agreement with the Fund, and the expenses of the Adviser will not necessarily be reduced as a result of the receipt of such information.

Portfolio investments will not be purchased from or sold to the Adviser or any affiliate of the Adviser.

REPORTS TO PARTICIPANTS AND TAXES

Reports to Participants.

Each Participant receives quarterly and annual reports providing financial information regarding the Fund. The annual report includes audited financial statements of the MSDLAF + Portfolio, its Liquid Class and MAX Class and of any MSDLAF+ Term Series which terminates on a June 30 date. Participants in any MSDLAF+ Term Series which terminates on a December 31 date will receive audited financial statements of that MSDLAF+ Term Series. In addition, a Participant receives a daily confirmation listing each investment and withdrawal that it makes that day and a monthly statement detailing the entire month's activity.

For the additional programs offered by the Adviser, all deposits and withdrawals are reported to the applicable Participant by a statement on the day of such activity. In addition, a monthly statement is sent to the applicable Participant reflecting all deposits, withdrawals, and earnings with respect to the relevant program.

The Fund's fiscal year ends on June 30 of each calendar year. The annual report of the Fund for its most recent fiscal year is provided to each School District considering becoming a Participant. Participants and potential Participants are advised to review this report.

The Fund answers inquiries from a Participant at any time during business hours concerning the status of its account (number of shares owned, etc.) and the current yields of the Fund's various investment options. Such inquiries can be made by mail or by telephoning toll-free, 1-888-467-3523.

A Participant's confirmation and monthly statements are also available through EON, the Fund's online Information System. EON can be accessed through the Fund's website at www.MSDLAF.org. If a Participant does not have an EON account, it may contact the Administrator at 1-888-467-3523, Option #2.

Taxes.

Counsel to the Fund is of the opinion that the Fund is not subject to Federal or Minnesota income tax upon the income realized by it, and that the Participants are likewise not taxable upon distributions to them of such income.

DECLARATION OF TRUST

Each potential Participant in the Fund is given a copy of the Declaration of Trust before it becomes a Participant. Certain portions of the Declaration of Trust are summarized in this Information Statement. However, these summaries are qualified in their entirety by reference to the text of the Declaration of Trust.

Recording. The Declaration of Trust, and amendments thereto, have been filed in the office of the Governor of the State of Minnesota and the Register of Deeds in all Minnesota counties.

Description of Shares. The Declaration of Trust authorizes the issuance of an unlimited number of non-transferable shares that may be used to represent the proportionate allocation among Participants of beneficial interest in the Fund. These shares do not entitle Participants to any preference, conversion, exchange or preemptive rights. No shares may be assigned or transferred to any person other than the Fund itself at the time of withdrawal. Furthermore, shares may not be pledged, hypothecated or otherwise encumbered by a Participant.

The Trustees, in their discretion, from time to time, may authorize the division of shares into two or more separate series and the division of any series into two or more separate classes of Shares, as they deem necessary and desirable. The different series or classes shall be established and designated, and the variations in the relative rights and preferences as between the different series or classes, shall be fixed and determined, by the Trustees, without the requirement of Participant approval. Each series shall relate to a separate portfolio of investments.

A Participant only receives earnings from the investments of the series or class in which it invests. The investment portfolio of each series is independent of the investment portfolio of each other series. In the event of the incurrence of a loss with respect to any series (whether of principal or interest), no contribution will be made to such series from the portfolio of any other series to offset such loss. No series constitutes security or collateral for any other series.

Voting. For all matters requiring a vote of Participants, each Participant is entitled to one vote with respect to each matter, regardless of the number of shares that the Participant holds. Participants are not entitled to cumulative voting or voting on a series-by-series or class-by-class basis.

Initiating a Vote of the Participants. As to any matter with regard to which the Participants have a right to vote, any Participant may initiate a vote of the Participants by delivering to the Board of Trustees a written instrument signed by at least 10% of the Participants.

Withdrawals. Pursuant to a request for withdrawal of shares from a Participant, in accordance with the procedures set forth in the Declaration of Trust, the Fund shall cause to be delivered to the Custodian a certificate signed on behalf of the Fund specifying the amount to be paid for the shares redeemed. A withdrawal request made by a Participant in the form of a check drawn upon its Fund account with Custodian is deemed to constitute the presentation of a certificate. Participants also may make withdrawals by written, telephonic or facsimile request in accordance with the procedures set forth in this Information Statement.

DECLARATION OF TRUST - continued

Distributions. In addition to distributions made pursuant to withdrawals by Participants, the Trustees may from time to time declare and pay to the Participants in those series or classes, in proportion to their respective ownership of shares, such supplementary distributions as they may determine necessary, out of the earnings, profits or assets in the hands of the Trustees. The declaration and payment of such supplementary distributions and the determinations of earnings, profits, and other funds available for such supplementary distributions or other purposes, shall lie wholly in the discretion of the Trustees and may be made at such time and in such manner as they, in their sole discretion, determine.

The Trustees may also allocate to the Participants in the Liquid Class and MAX Class, in proportion to their respective ownership of shares, additional shares in such manner and on such terms as they may deem proper.

Any or all supplementary distributions will be made among the Participants of record at the time of declaring such distribution or among the Participants of record at such other date as the Trustees shall determine. Subject to the foregoing, a Participant may only receive such supplementary distribution from the investments of the series and/or class in which it participates.

Borrowing. The Fund may not borrow money or incur indebtedness except to facilitate as a temporary measure: (a) withdrawal requests which might otherwise require unscheduled dispositions of Portfolio investments; (b) for a period not to exceed one (1) business day, withdrawal requests pending receipt of collected funds from investments sold on the date of the withdrawal requests or withdrawal requests from Participants who have notified the Fund of their intention to deposit funds in their accounts on the date of the withdrawal request; or (c) for a period not to exceed one (1) business day, the purchase of Permitted Investments pending receipt of collected funds from participants who have notified the Fund of their intention to deposit funds in their accounts on the date of the purchase of the Permitted Investments.

Participant Liability. The Declaration of Trust provides that Participants shall not be subject to any individual liability for the acts or obligations of the Fund and provides that every written undertaking made by the Fund shall contain a provision that such undertaking is not binding upon any of the Participants individually. The Trustees intend to conduct the operations of the Fund, with advice of counsel, in such a way as to avoid ultimate liability of the Participants for liabilities of the Fund.

Responsibility of Trustees, Officers and Agents. No Trustee, officer, employee or agent of the Fund (or other person who might be designated by the Trustees) is individually liable to the Fund, a Participant, an officer, an employee or an agent of the Fund, for any action or failure to act unless it is taken or omitted in bad faith or constitutes willful misfeasance or misconduct, reckless disregard of duty or gross negligence. All third parties shall look solely to the Fund property for the satisfaction of claims arising in connection with the affairs of the Fund.

DECLARATION OF TRUST - continued

Indemnification. Subject to certain conditions and limitations set forth in the Declaration of Trust, the Fund will indemnify each of its Trustees and officers, and employees and any other persons designated by the Trustees to receive such indemnification, against all liabilities and expenses (including, without limitation, amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees) reasonably incurred by him or her in connection with the defense or disposition of any action, suit or other proceeding by the Fund or any other person, whether civil or criminal, in which he or she may be involved or with which he or she may be threatened, while in office or thereafter, by reason of his or her being or having been such a Trustee, officer, employee, agent or otherwise designated person, except as to any matter as to which he or she shall have been adjudicated to have acted in bad faith or with willful misfeasance or misconduct or reckless disregard of his or her duties or gross negligence.

Termination of the Declaration of Trust. The Fund may be terminated by the affirmative vote of a majority of the Participants present in person or by proxy entitled to vote at any meeting of Participants or by an instrument in writing, without a meeting, signed by a majority of the Trustees and consented to by a majority of the Participants entitled to vote. Upon the termination of the Fund and after paying or adequately providing for the payment of all of its liabilities, and upon receipt of such releases, indemnities and refunding agreements as they deem necessary for their protection, the Trustees may distribute the remaining Fund property, in cash or in kind or partly in cash and partly in kind, among the Participants according to their respective proportionate beneficial interests.

Amendment of the Declaration of Trust. The Declaration of Trust may be amended by the affirmative vote of a majority of the Participants present in person or by proxy entitled to vote or by an instrument in writing, without a meeting, signed by a majority of the Trustees and consented to by not less than a majority of the Participants entitled to vote. The Trustees may, from time to time, by a two-thirds vote of the Trustees, and after fifteen (15) days' prior written notice to the Participants, amend the Declaration of Trust without the vote or consent of the Participants, to the extent they deem necessary to conform the Declaration of Trust to the requirements of applicable laws or regulations, or any interpretation thereof by a court or other governmental agency, but the Trustees shall not be liable for failing to do so.

ACCOUNT OPERATIONS AND DIRECTIONS TO PARTICIPANTS

Shareholder Accounts. The Fund does not issue share certificates. Instead, an account is maintained for each shareholder by the Fund's Administrator acting as transfer agent. Each Participant's account will reflect the full and fractional shares of the Fund that it owns. A Participant will be sent confirmations of each transaction in shares and monthly statements showing account balances.

Sub-Account Services. A Participant may open sub-accounts with the Fund for accounting convenience or to meet requirements regarding the segregation of funds. Sub-accounts can be established at any time. A Participant may call 1-877-466-4523 for further information and to request the necessary forms.

To Open an Account.

To open an account, please call the Administrator at 1-888-467-3523 or contact:

Minnesota School District Liquid Asset Fund Plus
c/o PFM Asset Management LLC
P.O. Box 11760
Harrisburg, PA 17108-11760

Upon approval of a new account application, an account number will be provided to the Participant within twenty-four hours.

Shares of the Fund may be purchased on any business day through the Administrator. A business day is any day that the Custodian and Federal Reserve Bank of New York is open.

The Fund reserves the right to reject any investment and to limit the size of a Participant's account.

How to Invest: Liquid Class & MAX Class

Participants may invest in the Liquid Class and MAX Class using EON, by telephone or by mail. Once an account has been opened, shares may be purchased by same day wire, next day transfer, direct deposit or check as follows:

Same Day Wire. Investments in the Liquid Class and MAX Class may be made by having the Participant arrange for its bank to wire funds to U.S. Bank N.A. A Federal Reserve wire is preferred since it permits the investment of funds immediately upon receipt.

ACCOUNT OPERATIONS AND DIRECTIONS TO PARTICIPANTS - continued

Participants making investments by wire must follow *both* of the following steps:

Step 1. Instruct their bank to wire funds (Federal Reserve wire, if possible) to:

Liquid Class

U.S. Bank N.A.
ABA #0910-0002-2
Credit MSDLAF+
Account #1602-3343-7807

Further credit: Entity name and Fund Account # (optional)

MAX Class

U.S. Bank N.A.
ABA #0910-0002-2
Credit MSDLAF+
Account #1602-3454-2720

Further credit: Entity name and Fund Account # (optional)

Step 2. Initiate a transaction on EON or call the Fund (1-888-467-3523) and give the following information:

Name of Participant's Account and Account Number
Name of Portfolio
Amount being wired
Name of bank sending wire

Important: Participants must initiate an EON transaction or call the Fund before 2:00 p.m. Eastern Time on a Business Day, and a wire convertible to Federal Funds on a same-day basis must be received that day by the Fund if the investment is to begin earning income that day. Shares will be issued when Federal Funds are actually received.

The Fund does not charge a fee for receipt of these wires. However, a Participant's bank may charge for wiring funds. Please consider using Next Day Transfer, described below, to avoid wire charges. If the Fund does not receive a wire on the date it was to be transmitted, the Fund will pass any overdraft fee that is imposed by the Custodian onto the purchaser.

Next Day Transfer. Next Day Transfer utilizes the Federal Reserve Bank's Automated Clearing House (ACH) which allows for the next day movement of funds. A Participant may initiate an EON transaction or call the Program prior to 2:00 p.m. Eastern Time and give instructions for the movement of funds from its financial institution to the appropriate account. Funds will transfer via ACH overnight and begin earning interest the next Business Day. Please contact the Administrator at **1-888-467-3523** for appropriate forms and further details.

ACCOUNT OPERATIONS AND DIRECTIONS TO PARTICIPANTS - continued

Internal Transfer of Funds. The Participant may move funds from one Liquid Class account to another account. Requests for transfer which are received by telephone or by using EON prior to 2:00 p.m. Eastern Time are required to provide same day credit of funds. Transfers requested after 2:00 p.m. Eastern Time will be credited the next Business Day.

Purchase by Check. Shares may also be purchased by check. Shares will be issued when the check is credited to an account in the form of Federal Funds. Normally this occurs on the Business Day following receipt of a check by the Custodian. Checks to purchase share should be endorsed as follows:

For deposit only
MSDLAF
Further credit: (Entity name & Account number)

If you have deposit tickets reflecting your entity name and all or part of your Fund account number, or generic Fund deposit tickets sent to you by the Fund, you may either bring your deposit to a US Bank branch or mail your deposit to:

U.S. Bank N.A.
Bank by Mail
PO Box 1950
St. Paul, MN 55101-0950

You should notify the Fund by calling the Administrator at **1-888-467-3523** to report your check purchase, especially if you are using a generic deposit slip, for proper credit. Checks deposited by the Fund will take one or more business days to be converted into Federal Funds.

How to Redeem: *Liquid Class and MAX Class*

Participants may redeem all or any portion of their shares of their Liquid Class account at any time. Shares will be redeemed at the net asset value per share next determined after receipt of a request for withdrawal. Shares may be redeemed in any of the following ways:

Same Day Wire. Participants may initiate an online transaction through EON or call the Administrator on any Business Day at **1-888-467-3523**, to request a withdrawal.

Online Withdrawal Requests Via EON.

Shares may be redeemed by a Participant via EON. This method of withdrawal is available to Participants who complete and submit an "EON Internet Service Authorization Form." These forms can be obtained by visiting www.MSDLAF.org and clicking on "Open an Account" and "Forms" or by calling the Fund's Administrator at 1-888-467-3523.

ACCOUNT OPERATIONS AND DIRECTIONS TO PARTICIPANTS - continued

If the call or EON transaction is received before 2:00 p.m. Eastern Time on a Business Day, the Administrator will wire the amount that same day to the bank account specified on the Participant's Account Registration Form. Requests received after 2:00 p.m. Eastern Time will be processed on the following Business Day. The Fund does not charge for a same day wire greater than \$1,000, but a Participant's depository may. Changes to withdrawal instructions must be received in writing by the Administrator in proper form.

Check Withdrawal Privilege. You may make arrangements to redeem shares by check by filling out a checkwriting authorization form and signing the Custodian's signature card. Checks may be written in any dollar amount not exceeding the balance of your account and may be made payable to any person. Checks will be honored only if they are properly signed by a person authorized on the signature card. Withdrawal checks will not be honored if there is an insufficient share balance to pay the check or if the check requires the withdrawal of shares recently purchased by a check that has not cleared. Although the Fund provides checkwriting privileges, there is a charge for withdrawal checks that cannot be honored due to insufficient funds or other valid reasons. Checkwriting privileges may be modified or terminated at any time. Information regarding additional cash management services, including a description of services and fees, can be provided by the Administrator upon request.

Withdrawal By Mail. A Participant may write to the Administrator requesting a withdrawal. The letter should be on the Participant's letterhead and signed by the person(s) who is (are) authorized on the Account Registration Form. Shares will be redeemed at the net asset value next determined, after receipt of the letter. A check for the withdrawn proceeds will be mailed to the address on the Account Registration Form. Written requests for withdrawal should be sent to the Administrator's address.

Withdrawal of All Funds in Account. If at any time a Participant wishes to withdraw all of the funds in an account, the proceeds will be sent to the Participant by a Same Day Wire, Next Day Transfer, or Withdrawal by Mail according to the Participant's instructions. At month end, any accrued interest will be mailed to the Participant.

Accounts will remain open for future deposits and investments, unless otherwise instructed.

How to Invest: MSDLAF+Term

Shares in MSDLAF+ Term may be purchased by Same Day Wire or by requesting a transfer from a Liquid Class account.

ACCOUNT OPERATIONS AND DIRECTIONS TO PARTICIPANTS - continued

Step 1. Execution.

To place an order, inform the MSDLAF+ Term account representative that the terms are acceptable and provide the account representative with the following information:

Name of Participant's Account
Participant's Account Number
Method of Settlement (Wire or Transfer from a Liquid Portfolio account)
Name of bank sending wire
Amount being wired

Each investment by a Participant in MSDLAF+ Term Series will be given its own projected yield based on the timing of its participation in the series, and it is expected that the projected yields will not be the same for all Participant investments in a series.

MSDLAF+ Term requires a minimum investment of \$100,000 and a minimum term of 60 days.

Step 2. Settlement.

On settlement date, funds in the amount to be invested may be sent to the Custodian via Same Day Wire or payment from the Participant's Liquid Class account.

It is the responsibility of the Participant to insure that immediately available funds are received by the Fund on settlement date.

Same Day Wire. Investments in MSDLAF+ Term may be made by having the Participant arrange for its bank to wire funds to the Custodian. A Federal Reserve wire is preferred since it permits the investment of funds immediately upon receipt.

ACCOUNT OPERATIONS AND DIRECTIONS TO PARTICIPANTS - continued

Participants making investments by wire must:

Instruct their bank to wire funds (Federal Reserve wire, if possible) to:

MSDLAF+ Term

U.S. Bank N.A.

ABA #091000022

Credit MSDLAF+

Account # 104775090384

Further credit: Entity name and Fund Account # (optional)

Important: Participants must call the Fund before 12:00 p.m. Eastern Time on a Business Day, and a wire convertible to Federal Funds on a same-day basis must be received that day by the Fund if the investment is to begin earning income that day.

The Fund does not charge a fee for receipt of these wires. However, a Participant's bank may charge for wiring funds. If the Fund does not receive a wire on the date it was to be transmitted, the Fund will pass any overdraft fee that is imposed by the Liquid Service Provider onto the purchaser.

Internal Transfer of Funds. The Participant may move funds from one Liquid Class account to a MSDLAF+ Term account. Requests for transfer which are received by telephone prior to 12:00 p.m. Eastern Time provide same day credit of funds. Transfers requested after 12:00 p.m. Eastern Time will be credited the next Business Day.

How to Redeem: MSDLAF+ Term

Termination: Each series will terminate on the last business day of June or December.

On the Termination Date, the Fund will wire funds representing the withdrawal value of the Participant's shares, including dividends, to the Participant's pre-authorized bank account or transfer the funds to a pre-authorized Liquid Class account. The Participant may also designate a second pre-authorized bank account. In the absence of instructions from the Participant, these funds will be transferred to a previously designated Liquid Class account of the Participant.

Planned Early Withdrawal. At the time an order for shares is placed, Participants may submit a request for withdrawal on a Planned Early Withdrawal Date prior to the Termination Date for the series without the imposition of a penalty.

Premature Withdrawal. A Participant may withdraw funds pursuant to a Premature Withdrawal request prior to the Termination Date for the series or prior to the Participant's Planned Early Withdrawal Date, as the case may be, by redeeming a minimum of 100,000 shares and multiples thereof. Notice of Premature Withdrawal must be given seven (7) days prior to redeeming shares in MSDLAF+ Term. Participants can place a withdrawal order by calling a MSDLAF+ Term account representative at **1-888-467-3523**.

ACCOUNT OPERATIONS AND DIRECTIONS TO PARTICIPANTS - continued

On the date of a Planned Early Withdrawal or a Premature Withdrawal, the Fund will wire funds representing the value of the Participant's shares and dividends to the Participant's pre-authorized bank account, or funds will be credited to the Participant's Liquid Class account. In the absence of instructions from the Participant, these funds will be credited to a previously designated Liquid Class account of the Participant.

Withdrawal Value of Premature Withdrawal. The withdrawal value per share for shares redeemed on a Premature Withdrawal Date is equal to the original purchase price for such share, plus dividends thereon, less such share's allocation of any losses incurred by the series, less a Premature Withdrawal penalty if any. The Premature Withdrawal penalty will be calculated by the Trust's Adviser and will be equal to (i) all penalty charges, losses and other costs (including, without limitation, interest paid on funds borrowed to pay the withdrawal) associated with amending, terminating, selling or otherwise affecting any of the investments in the series in order to pay the Premature Withdrawal and (ii) an amount sufficient to maintain the projected yield on the remaining shares to the stated Termination Date for the series or to the Planned Early Withdrawal Date, as the case may be, less any losses affecting projected yield attributable to such shares. Thus, a Premature Withdrawal of shares may result in a penalty which could reduce the return and the principal value of the investment in amounts not ascertainable at the time shares of MSDLAF+ Term are issued. The withdrawal value per share could be lower than the purchase price of the share, and the return could be lower than the projected yield quoted at the time of issuance of the share.

Withdrawal Value on Termination Date. The withdrawal value per share on the Termination Date of a series will be equal to the original purchase price for such share, plus dividends thereon, less such share's allocation of any losses incurred by the series (other than losses resulting from Premature Withdrawal of shares of a series).

Withdrawal Value on Planned Early Withdrawal Date. The withdrawal value per share for shares being redeemed on a Planned Early Withdrawal Date is equal to the original purchase price for such shares plus dividends thereon, less such share's allocation of any losses incurred by the series (other than losses resulting from Premature Withdrawal of shares of the series.).

Allocation of Losses. Any losses incurred by a series (other than losses resulting from Premature Withdrawal of shares of the series) shall be allocated among all shares of the series outstanding at the time such loss is incurred. Such a loss may result from a default on an investment or from a sale of an investment. If such a loss occurs, the withdrawal value per share could be lower than that on which the projected yield was quoted at the time of issuance of the share.

Withdrawal Notice: By Telephone or by Mail. Participants may call the Administrator on any Business Day at **1-888-467-3523** to redeem their shares, or may send a withdrawal notice by mail to the Fund's address. The date for determining the seven (7) day minimum notification for a Premature Withdrawal shall be the date on which the notice is received by the Administrator.

ADDITIONAL FUND PROGRAMS

Overview. From time to time the Adviser may, at the request or with the approval of the Board of Trustees, make other services or programs available to Participants of the Fund. Participants are advised that these additional services and programs are separate from the investment programs encompassed by the Fund, and the Board of Trustees of the Fund takes no responsibility for such services or programs. The parties offering such programs are solely responsible for them, and questions regarding any such service or program should be directed to the party offering it. The interests held under any Additional Program are in the name of the respective Participants and are not part of the assets of any series of the Fund.

Individualized portfolios (“Individual Portfolios”) are designed to offer Participants a comprehensive solution to their investment needs and enable them to invest in fixed rate and longer-term investments in a manner that is coordinated by the Adviser with their investment in the Fund. Individual Portfolios may be appropriate for certain operating funds and reserves or for bond proceeds. They are created pursuant to a separate agreement between a Participant and the Fund’s Adviser. The Custodian will hold assets in an Individual Portfolio in a separate account in the Participant’s name.

Current Individual Portfolio arrangements are:

Fixed Term Investment Program. The Fixed Term Investment Program allows Participants to individually invest in fixed income investments permitted under Minnesota law. The Adviser will offer investment advice on a non-discretionary basis and assist Participants in the purchase of these investments for an advisory fee, based upon factors such as the amount and complexity of the transaction.

Included in the instruments permitted under Minnesota Law, Participants may purchase certificates of deposit (“CDs”) through the Fixed Term Investment Program. Participants select from among CDs of varying maturities issued by a variety of financial institutions.

In order to simplify recordkeeping requirements for Participants in the Fixed Term Investment Program, all CD principal and interest is credited when received by the Custodian for the Fund to a Participant’s Fund account at maturity. Because interest is credited in the manner described above, a Participant who purchases a CD will not have use of the interest earned on the CD, including the opportunity for reinvestment of interest earned, until maturity.

Generally, CDs available through the Fixed Term Investment Program are issued by Minnesota institutions whose deposits are insured by the Federal Deposit Insurance Corporation (“FDIC”) within limits prescribed by law. For each depositor that otherwise qualifies, interest and principal are fully insured, up to the \$100,000 insurance limit. In order to maintain FDIC insurance coverage of both principal and interest on CDs purchased through the Fixed Income Investment Program, CDs may only be purchased in denominations of less than \$100,000 so that the total value of the CD and all interest thereon will not exceed \$100,000. For purposes of providing advice on CDs, the Adviser will assume, unless the Participant informs the Adviser to the contrary, that the Participant is entitled to \$100,000 of FDIC insurance on each CD purchased through the Program.

ADDITIONAL FUND PROGRAMS - continued

Separate Account Management (SAM). In the SAM program, the Adviser works closely with each Participant to create a comprehensive investment strategy and individualized portfolio for operating funds and reserves of the Participant. Each SAM account is created by the Adviser following a review of budget and cash flow projections and schedules. Participants may determine whether they want to actively participate in the management of their SAM account or whether they would like to grant discretion to the Adviser for the management of the SAM account. Clients participating in the SAM program receive a cash flow review, investment policy review and assistance in determining acceptable benchmarks, in addition to other cash management services (during the term of the investment advisory agreement). SAM is designed to apply to all or a substantial portion of a Participant's budget on an annual basis.

Bond Account Management (BAM). In the BAM program, the Adviser works closely with the Participant to create a comprehensive investment strategy and portfolio for the bond proceeds of the Participant while focusing on the project's disbursement needs. In addition, the Adviser offers arbitrage rebate services, investment policy review and development, cash flow modeling, and Liquid services.

Additional Program Compensation.

The fees for the Additional Programs are negotiated directly by the Adviser with the Fund Participant and determined after a review of various factors. The Adviser has agreed with the Fund that investment advisory, administrative and marketing fees for the SAM and BAM programs shall not exceed 12 basis points (0.12%) of the original principal amount under management in each respective program, subject to a minimum fee of \$15,000 for all SAM accounts. The Adviser has further agreed that investment advisory, administrative and marketing fees for the Fixed Term Investment Program shall not exceed 25 basis points (0.25%) of the principal amount under management.

OTHER INFORMATION

The Fund is a joint powers entity in the form of a common law trust that was organized on November 29, 1984. It is authorized to issue an unlimited number of shares that may be used to represent the proportionate allocation of shares of beneficial interest among Participants. Shares are fully paid and non-assessable, and have no preemptive or conversion rights.

Investors in the Fund are entitled to vote on the election of Trustees, amendments to the Fund's Declaration of Trust and reorganization of the Fund. Each investor is entitled to one vote, without regard to the number of Fund shares held on the record date.

Each potential Participant is given a copy of the Declaration of Trust before it becomes a Participant.

SERVICE PROVIDER INFORMATION

INVESTMENT ADVISER

PFM Asset Management LLC
45 South Seventh Street, Suite 2800
Minneapolis, MN 55402

ADMINISTRATOR

PFM Asset Management LLC
One Keystone Plaza, Suite 300
Harrisburg, Pennsylvania 17101

CUSTODIAN

U.S. Bank National Association
800 Nicollet Mall
Minneapolis, MN 55402

LEGAL COUNSEL

Knutson, Flynn & Deans
1155 Centre Point Drive, Suite 10
Mendota Heights, MN 55120

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
300 Madison Avenue
New York, New York 10017

APPENDIXA: CERTIFICATE OF DESIGNATION

MINNESOTA SCHOOL DISTRICT LIQUID ASSET FUND PLUS ("MSDLAF+" or the "Fund")

Certificate of Designation

MSDLAF+ Portfolio Series Liquid Class & MAX Class

The Trustees of the Minnesota School District Liquid Asset Fund Plus (the "Fund") by action taken by them on October 23, 2006 pursuant to the authority vested in them by the Participants of the Fund in accordance with the Declaration of Trust of the Fund do hereby adopt this revised Certificate of Designation authorizing and establishing a Series of the Fund with multiple Classes.

The terms of such series (the "Series") and its classes (the "Classes") shall be as follows:

1. Nomenclature. The Series shall be known and referred to as the "MSDLAF Portfolio." The Classes of this Series shall be known and referred to as the "Liquid Class" and the "MAX Class."

2. Date of Establishment. The Series and its Classes shall be established as of 9:00 A.M., Central Time, on Wednesday, November 1, 2006.

3. Duration. The duration of the Series and Classes shall be indefinite. The Trustees of the Fund may, at any time, designate a date for the termination of the Series and/or the Classes.

4. Participants. The Participant or Participants that may participate in the Series and its Classes are all Participants of the Fund.

5. Investments. The nature of the investments in which funds of the Portfolio Participant or Participants placed in the Fund with respect to the Portfolio may be invested is Permitted Investments as such term is defined in the Declaration of Trust of the Fund and in the Information Statement. The one (1) year limitation specified in Section 4.2(ii) of the Declaration of Trust of the Fund is waived for the MSDLAF+ Portfolio. The MSDLAF+ Portfolio may contain investments with a maturity no greater than 397 days. Any class of investments which exceeds said limitation must be approved by resolution of the Trustees of the Fund.

6. Trustees and Custodians. The Trustees of the Fund designated as the Trustees assigned to the MSDLAF+ Portfolio and its Classes are all Trustees of the Fund. Therefore, all Trustees (including without limitation any successor Trustees) are hereby appointed as the official custodians (within the meaning of Section 564.8 of Title 12 of the Code of Federal Regulations or an applicable successor provision) of the assets of the Participants placed in the Fund with respect to the MSDLAF+ Portfolio and its Classes.

7. Average Weighted Maturity. In accordance with Section 4.2(iii) of the Declaration of Trust of the Fund, the average dollar weighted maturity of the Portfolio is intended to be no greater than that number of days designated from time to time for the Series by the Trustees of the Fund, notice of which shall be provided to the Participants by means of the Fund's Information Statement or otherwise. The initial average dollar weighted maturity of the MSDLAF+ Portfolio shall be no greater than ninety (90) days.

8. Net Asset Value. The net asset value per share of the MSDLAF+ Portfolio and its Classes for the purpose of calculating the price at which shares are issued and redeemed is determined by the Administrator as of the close of business of each Minnesota banking day or at such other time or times as set forth in the Fund's Information Statement, as amended from time to time, in the agreements with the Custodian, Adviser and Administrator or as the Trustees by resolution may determine. Such determination is made by subtracting from the value of the assets of the MSDLAF+ Portfolio the amount of its liabilities and dividing the remainder by the number of outstanding shares of each Class.

In making these computations, the Administrator values the MSDLAF+ Portfolio's investments by using the amortized cost method. The amortized cost method of valuation involves valuing an investment instrument at its cost at the time of purchase and thereafter assuming a constant amortization to maturity of any discount or premium, regardless of the impact of fluctuating interest rates on the market value of the instrument. While this method provides certainty in valuation, it may result in periods during which value, as determined by amortized cost, is higher or lower than the price the MSDLAF+ Portfolio would receive if it sold the instrument. During such periods, the yield to Participants may differ somewhat from that which would be obtained if the MSDLAF+ Portfolio used the market value method for valuing all its portfolio investments. For example, if the use of amortized cost resulted in a lower (higher) aggregate portfolio value on a particular day, a prospective Participant of the MSDLAF+ Portfolio would be able to obtain a somewhat higher (lower) yield than would result if the MSDLAF+ Portfolio used the market value method, and existing Participants would receive less (more) investment income. The purpose of this method of calculation is to attempt to maintain a constant net asset value per share of one dollar (\$1.00).

These procedures are designed and intended (taking into account market conditions and the Fund's investment objectives) to stabilize net asset value per share as computed for the purpose of investment and withdrawal at one dollar (\$1.00) per share. The procedures include valuation of the MSDLAF+ Portfolio by the Administrator and the Custodian using the market value method and a periodic review by the Trustees, in such manner as they deem appropriate and at such intervals as are reasonable in light of current market conditions, of the relationship between net asset value per share based upon the amortized cost value of the MSDLAF+ Portfolio's investments and the net asset value per share based upon available indications of market value with respect to such portfolio investments. In the event that there is a difference of more than 0.5% between the amortized cost value and the market value, it is anticipated that the Trustees will take such steps as they consider appropriate (such as shortening the average portfolio maturity or realizing gains or losses) to minimize any material dilution or other unfair results which might arise from differences between the two methods of valuation.

With respect to the MSDLAF+ Portfolio, the Trustees intend to maintain a dollar weighted average portfolio maturity (which will not be more than ninety (90) days) appropriate to the objective of maintaining a stable net asset value of one dollar (\$1.00) per share. Should the disposition of a MSDLAF+ Portfolio investment result in a dollar weighted average portfolio maturity of more than ninety (90) days, the Trustees intend to invest available cash in such a manner as to reduce such average MSDLAF+ Portfolio maturity to ninety (90) days or less as soon as reasonably practicable.

9. Other Terms. In recognition of the indefinite duration of the MSDLAF+ Portfolio and its Classes, the Trustees hereby state their intention that the provisions of Section 6.1(b)(xvi) of the Declaration of Trust of the Fund be liberally construed.

(a) Withdrawal Restrictions. Investments in the MSDLAF+ Portfolio's MAX Class must be held for at least fourteen (14) calendar days, with the exception of direct investments of funds distributed by the State of Minnesota. In addition, notices of withdrawal from the MAX Class must be received by the Fund's Administrator not less than one (1) Minnesota banking day prior to the requested withdrawal date.

No investment made in the MAX Class may be withdrawn by the Participant making it during the first fourteen (14) calendar days after it is made without the incurrence of a penalty for such premature withdrawal. In the event that a participant withdraws a deposit in such initial fourteen (14) calendar day period, it will be subject to a penalty equal to the loss of seven (7) days interest on the amount so withdrawn. Such seven (7) day interest penalty shall be calculated on the basis of the dividend rates in effect for the MAX Class for the seven (7) day period immediately preceding the withdrawal date. Accordingly, the penalty will be equal to the dividend that would have been paid during the seven (7) days preceding the withdrawal date on the amount prematurely withdrawn. Such penalty will be payable even if the amount withdrawn has not been invested in the MAX Class for the full seven (7) day period preceding the withdrawal.

Notices of withdrawal from the MAX Class are to be received by the Fund's Administrator not less than one (1) Minnesota banking day prior to the requested withdrawal date. For the purposes of calculating whether the notice requirement has been met, a notice will have been deemed to have been received on a particular Minnesota banking day if it is received by the fund's Administrator no later than 4:00 P.M. eastern standard time (eastern daylight time) on such day. In the event that a Participant withdraws an investment from the MAX Class without giving the required one (1) Minnesota banking day notice, it will be subject to a penalty equal to the loss of seven (7) days interest on the amount so withdrawn calculated in the same manner as is set forth above with respect to the penalty applicable to premature withdrawals.

In the event that a Participant withdraws an investment from the MAX Class without complying with the fourteen (14) day deposit requirement and without complying with the one (1) day notice requirement, only a single penalty will be assessed.

If a penalty relating to premature withdrawal or a failure to comply with the withdrawal notice requirement is assessed and sufficient interest has not been earned with respect to the deposit so that such penalty can be paid by reducing the interest that would otherwise have been paid to the Participant, the principal amount of the withdrawal paid to the Participant will be reduced to the extent necessary to cover the penalty.

In the event that a penalty is assessed for premature withdrawal or a failure to comply with the withdrawal notice requirement during the first fourteen (14) days following the initiation of actual operation of the MAX Class, such penalty will be calculated by using (i) the federal funds rate plus 0.25% for any day on which the MAX Class was not in actual operation and (ii) the dividend rate for the MAX Class for any day on which the MAX Class was in actual operation. The MAX Class will be deemed to have begun actual operation on the first day on which a Participant places assets in it.

In determining whether an amount is eligible for withdrawal from a particular account of a participant established within the MAX Class, the first-in/first-out method will be used. In determining whether the fourteen (14) day deposit requirement has been met if a Participant has more than one account in the MAX Class, only the dates on which deposits were made in the particular account to which a withdrawal request relates are taken into consideration.

(b) Notwithstanding section (a), state or federal aid payments made directly into the MAX Class by wire or through the lock box program shall not be subject to the fourteen (14) calendar day minimum deposit period specified therein or the seven (7) day interest penalty for premature withdrawals specified therein. The one (1) day notice of withdrawal requirement and penalty shall, however, continue to apply. Except as provided in this paragraph (b), the provisions of paragraph (a) shall continue to apply to such deposits.

(c) Expense Allocation. Expenses are allocated between the MSDLAF+ Class, its Classes and any other Series of the Fund either (a) on a pro-rata basis, (b) on the basis of actual cost to a Series or Class, or (c) as otherwise provided for in the Investment Advisory and Administration Agreement.

(d) Custodian. In accordance with Article XI of the Declaration of Trust of the Fund, the initial Custodian for the MSDLAF+ Portfolio shall be U.S. Bank, N.A.

10. Declaration of Trust. To the extent not specifically set forth in this Certificate of Designation, the terms of the MSDLAF+ Portfolio and the rights of the Participants shall be governed by the Declaration of Trust of the Fund of which this Certificate of Designation is deemed to be an integral part.

11. Definitions. Terms and phrases not otherwise defined in this Certificate of Designation shall have the definitions given to them in the Declaration of Trust.

IN WITNESS WHEREOF, the Trustees of the Fund have caused this Certificate of Designation to be executed by the undersigned officers of the Fund, such officers having been thereunto duly authorized.

MINNESOTA SCHOOL DISTRICT LIQUID ASSET FUND PLUS

By: _____
Chair

By: _____
Secretary

Dated: _____

Dated: _____

APPENDIX B: CERTIFICATE OF DESIGNATION

MINNESOTA SCHOOL DISTRICT
LIQUID ASSET FUND PLUS

Certificate of Designation

MSDLAF+ TERM Series _____

The Trustees of the Minnesota School District Liquid Asset Fund Plus (the "Fund") by action taken by them on _____, _____ pursuant to the authority vested in them by the Participants of the Fund in accordance with the Declaration of Trust of the Fund do hereby adopt this Certificate of Designation authorizing and establishing a MSDLAF+ TERM Series of the Fund.

The terms of such Series (the "Series") shall be as follows:

1. Nomenclature. This Series shall be known and referred to as a MSDLAF+ TERM Series _____.
2. Date of Establishment. This Series shall be established as of 3:00 P.M. Minnesota time on _____, _____ (the "Settlement Date").
3. Duration. The duration of this Series shall be approximately _____ (_____) days and it shall mature on the last business day of (December/June), _____ at 12:00 Noon Minnesota time.
4. Series Participants. This Series shall only be open to Participants of the Fund (the "Series Participants"). The respective pro rata beneficial interests of the Series Participants who purchase shares in this Series shall be maintained by book-entry by PFM Asset Management LLC, as administrator for the Series.
5. Investments.
 - (a) This Series must be invested in Permitted Investments, as that term is defined in the Declaration of Trust of the Fund, that comply with the criteria heretofore established by the Trustees.
 - (b) The one year limitation set forth in Section 4.2(ii) of the Declaration of Trust of the Bond is waived for this Series and Permitted Investments may not be purchased for this Series which have a maturity date greater than 397 days from the date of the Series' purchase thereof; provided, however, that obligations underlying a repurchase agreement may have a final maturity of more than 397 days.
6. Trustees and Official Custodians. The initial Trustees assigned to this Series shall be all of the Trustees of the Fund from time to time incumbent as Trustees. Such designated Trustees (including, without limitation, any Trustees designated as successors to the assigned Trustees identified above) are hereby appointed by each of the Series Participants as the official custodians (within the meaning of Section 564.8 of Title 12 of the Code of Federal Regulations) of the assets of the Series Participants placed in the Fund with respect to this Series.

7. Average Weighted Maturity. In accordance with Section 4.2(ii) of the Declaration of Trust of the Fund, the average dollar weighted maturity of this Series shall be no greater than three hundred sixty-five (365) days, or three hundred sixty-six (366) days in a leap year.

8. Net Asset Value. The method of determining the net asset value of this Series is by the addition of (i) principal contributions by the Series Participants and (ii) those net earnings, profits and proceeds allocable in accordance with the Declaration of Trust to this Series and the Series Participants with respect to this Series, less expenses and any losses incurred by this Series during its term.

9. Custodian. In accordance with Article XI of the Declaration of Trust of the Fund, the initial Custodian for all MSDLAF+ Term Series shall be U.S. Bank, N.A.

10. Withdrawals and Deposits.

(i) Unless otherwise requested by a Series Participant, monies shall be transferred from this Series to a Series Participant's account in the MSDLAF+ Portfolio's Liquid Class (the "Liquid Class") at 12:00 Noon Minnesota time on the date of termination set forth in Section 3 hereof (the "Termination Date").

(ii) At the time a deposit is made in this Series, a Participant may submit a request for withdrawal on a "Planned Early Withdrawal Date" prior to the Termination Date without the imposition of a penalty.

(iii) At 12:00 Noon Minnesota time on the Termination Date, any assets remaining (after the deduction of any applicable liabilities) in this Series shall be transferred from this Series to the Series Participants' accounts in the Liquid Class of the Fund.

(iv) A Series Participant may request the transfer of monies from this Series to the Series Participant's account in the Liquid Class of the Fund on dates other than the Termination Date or Planned Early Withdrawal Date (such a request being hereinafter referred to as a "Premature Withdrawal").

(v) Notices of Premature Withdrawals from this Series are to be received by the Fund's Administrator in writing not less than seven (7) days prior to the requested date of the Premature Withdrawal. Notice must be received on a Series Business Day. Notice may be given in writing, by telephone or by fax. For the purpose of determining whether this notice requirement has been met, a notice will have been deemed to have been received on a particular Series Business Day if it is received by the Administrator no later than 12:00 Noon Minnesota time on such day.

(vi) A Series Participant may withdraw funds pursuant to a Notice of Premature Withdrawal prior to the Termination Date or Planned Early Withdrawal Date, as the case may be, by withdrawing a minimum of \$100,000 and multiples thereof (a "Premature Withdrawal"). A Premature Withdrawal may result in a Participant losing some or all of its investment income and possibly some of the principal amount deposited in this Series.

(vii) The value on the date of a Premature Withdrawal of the amount withdrawn is equal to the original amount deposited by the Participant in this Series, plus investment earnings thereon, less such amount's allocation of any losses incurred by the Series, less a Premature Withdrawal penalty, if any. The Premature Withdrawal Penalty will be calculated by the Administrator for the Series and will be equal to (i) all penalty charges, losses and other costs (including, without limitation, interest paid on funds borrowed to pay the Premature Withdrawal) associated with amending, terminating, selling or otherwise affecting any of the investments in the Series to pay the Premature Withdrawal and (ii) an amount sufficient to maintain the projected yield on the remaining deposits in the Series to the Termination Date or to the Planned Early Withdrawal Date, as the case may be, less any losses affecting projected yields attributable to such deposited amounts. Thus, a Premature Withdrawal may result in a penalty which could reduce the return and the principal value of the amounts deposited and the investments thereon in amounts not ascertainable at the date of deposit. The principal value of the amount prematurely withdrawn could be lower than the principal amount deposited, and the return could be lower than the projected yield at the time of deposit.

(viii) The value on the Termination Date of the amount deposited in this Series by a Participant will be equal to the principal amount of the deposit, plus investment earnings thereon at the projected yield, less such amount's allocation of any expenses or losses incurred by the Series during its term (other than losses resulting from Premature Withdrawals).

(ix) The value on a Planned Early Withdrawal Date of the amount deposited in this Series subject to Planned Early Withdrawal on a specified date by a Participant will be equal to the principal amount of the deposit subject to Planned Early Withdrawal, plus investment earnings thereon at the projected yield, less such amount's allocation of any expense or losses incurred by the Series to that date (other than losses resulting from Premature Withdrawals).

(x) Any losses incurred by a Series (other than losses resulting from Premature Withdrawals) will be allocated among all amounts outstanding at the time such loss is incurred. Such a loss may result from a default on an investment or from the sale of an investment. If a loss occurs, the amount available at the time of withdrawal could be lower than the amount that would have been available based on the projected yield that was quoted at the time of the initial deposit.

(xi) The Trustees assigned to this Series may suspend the right of withdrawal or may postpone the date of payment if the Federal Reserve Bank in Minneapolis is closed other than for customary weekend or holiday closings or, if in the opinion of the Trustees assigned to this Series, an emergency exists so that disposal of the Series' assets or determination of its net asset value is not reasonably practicable.

(xii) This Series will process investments and withdrawals until 12:00 Noon Minnesota Time only on the days the Federal Reserve Banks in Minneapolis and Philadelphia are open for business ("Series Business Days"). This Series may also be closed on any Friday preceding, or Monday following, a weekend which includes a national holiday.

(xiii) Investment securities may be distributed to the Participants in this Series in place of cash whenever the Trustees assigned to the Series determine that such distributions would be in the best interest of the Series Participants.

11. Other Terms.

(i) All investments in the Series must be for a minimum of 60 days and a maximum of one year.

(ii) The Series shall have a minimum investment amount of \$100,000 per participant.

(iii) The Series pays PFM Asset Management LLC (“PFM”) a monthly fee for investment advisory, administration and marketing services at the annual rate of up to 0.25% of average daily net assets, at its discretion, PFM may waive some or all of its fees for the Series, and such waiver may be discontinued at anytime. In addition to the aforementioned fees, the Series is responsible to pay its own associated expenses such as insurance costs, the fees of the Custodian under the Custodian Agreement, auditing, rating agency, trustee expenses and legal fees.

12. Declaration of Trust. To the extent not specifically set forth in this Certificate of Designation, the terms of this Series and the rights of the Series Participants shall be governed by the Declaration of Trust of the Fund of which this Certificate of Designation is deemed to be an integral part.

13. Definitions. Terms and phrases not otherwise defined in this Certificate of Designation shall have the definitions given to them in the Declaration of Trust.

IN WITNESS WHEREOF, the Trustees of the Fund have caused this Certificate of Designation to be executed by the undersigned officer of the Fund, such officer having been thereunto duly authorized.

THE TRUSTEES OF THE MINNESOTA
SCHOOL DISTRICT LIQUID ASSET FUND PLUS

By: _____
Its: Secretary

APPENDIX C: Criteria for Certificate of Deposit Investment Program (April 27, 1994)

(As applicable to Individual Portfolios)

I. THRIFT INSTITUTION CRITERIA AT TIME OF PURCHASE

- A) A thrift must be "well capitalized" or adequately capitalized," as defined by the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA).

An institution which is deemed to be "well capitalized" need not obtain a waiver from the FDIC. However, if a "well capitalized" institution is subject to "prompt corrective action directives," or other pertinent regulatory restrictions, as defined by the FDICIA, then it must provide the Administrator with a letter stating it can accept, renew or rollover brokered deposits.

An institution deemed to be "adequately capitalized" must provide the Administrator with a letter stating it has received a "waiver" from the FDIC permitting that institution to accept, renew or rollover brokered deposits.

- B) The thrift must have on file with the Investment Adviser and the Administrator current financial statements, updated quarterly.
- C) The thrift must have a positive net capital ratio.

We define the net capital ratio for a thrift as Tier 1 (or Core) capital plus supplemental capital plus specific loan loss reserves less eighty percent of non-performing assets; this combined total is divided by total assets. This is a key focal point of our analytical approach which has proven to be an early warning system for us.

Non-performing assets are: past due mortgage and construction loans over 90 days, real estate property held in foreclosure, and non-interest-accruing loans. While a thrift could be protected by valuable property, market values change and some appraisals could be faulty or fraudulent. A portion of non-performing assets will usually become serious problems.

- D) Total assets must exceed \$50 million.
- E) Total investments placed by Cadre (now PFM) in any one thrift for all investment programs shall not exceed 10% of the thrift's assets.

- F) The thrift's deposits must be federally insured and collateralized.

II. COMMERCIAL BANK CRITERIA AT TIME OF PURCHASE

- A) A bank must be "well capitalized" or "adequately capitalized," as defined by the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA).

An institution deemed to be "well capitalized" need not obtain a waiver from the FDIC. However, if a "well capitalized" institution is subject to "prompt corrective action directives," or other pertinent regulatory restrictions, as defined by the FDICIA, then it must provide the Administrator with a letter stating it can accept, renew or rollover brokered deposits.

An institution deemed to be "adequately capitalized" must provide the administrator with a letter stating it has received a "waiver" from the FDIC permitting that institution to accept, renew or rollover brokered deposits.

- B) The bank must have on file with the Administrator and Adviser current financial statements, updated quarterly.
- C) The bank must have a positive net capital ratio.

For commercial banks, we define the net capital ratio as Tier 1 capital plus loan loss reserves less total non-performing assets as a percent of total assets. This is a key focal point in our analytical approach which has proven to be an effective early warning indicator.

Total non-performing assets are loans which are generally over 90 days past due in payments plus loans on non-accrual status plus any repossessed assets ("other real estate owned"). A portion of non-performing assets may be written off as losses, reducing income and possibly capital.

- D) Total assets must exceed \$50 million.
- E) Total investments placed by Cadre (now PFM) in any one bank for all investment programs shall not exceed 10% of the bank's assets.
- F) The bank's deposits must be federally insured and collateralized.