



Procurement

300 Turner Street NW
North End Center, Ste 2100
Blacksburg, Virginia 24061
P: (540) 231-6221 F: (540) 231-9628
www.procurement.vt.edu

June 25, 2025

Mellon Investments Corporation
Brian Zukowski
500 Grant St Ste 2626
Pittsburg, PA 15258

Dear Brian,

Subject: Contract Renewal Letter

Virginia Tech Contract #: UCP-TS-002-08
Commodity/Service: Investment Services
Renewal Period: 7/1/25 - 6/30/26
Renewal #: (12) one-year renewal

In accordance with the renewal provision of the original contract, the university would like to renew the contract for an additional term. Please advise concerning your intention by signing in the appropriate space below. A signed copy of this letter should be received in Procurement by ASAP.

If allowed by the contract, price adjustments must be requested at the time of renewal in accordance with the contract documents. Price adjustments are not automatic or retroactive and are only implemented upon request by the vendor at the time of renewal.

In addition, review the attached form which shows your company information as listed in the university's vendor database. If any of this information has changed, make corrections directly on the form, and return with this letter. It is essential this information be accurate for payments to be processed in a timely manner.

Virginia Tech recommends that our vendors utilize the Wells One AP Control Payment System for payment of all invoices and strongly encourages all vendors under contract with the university to participate in this program. If your firm is not enrolled in the program, refer to our website: <http://www.procurement.vt.edu/Vendor/WellsOne.html> or contact me directly for more information.

Sincerely,

Chad Dalton
Systems and Contracts Lead
(540) 231-9129

Mellon Investments Corporation **agrees** to renew the contract under the terms and conditions of the subject contract.

Authorized Signature: C. Algozzini Date: June 25, 2025
Name: Christine Algozzini Title: Director
(please print)

We currently participate in the Wells One Program: No

We would like to participate in the Wells One Program: No

DocuSigned by:
Approved: Reed Nagel
5EF51DA320D049B...
Reed Nagel
Director of Procurement

Date: 6/25/2025

**Procurement**

300 Turner Street NW
 North End Center, Ste 2100
 Blacksburg, Virginia 24061
 P: (540) 231-6221 F: (540) 231-9628
www.procurement.vt.edu

May 20, 2024

Mellon Investments Corporation
 Attn: Stephanie Hill
 500 Grant St., Ste 2626
 Pittsburgh, PA 15258

Dear Ms. Hill:

Subject: Contract Renewal Letter

Virginia Tech Contract #: UCP-TS-002-08
 Commodity/Service: Investment Services
 Renewal Period: July 1, 2024 – June 30, 2025
 Renewal #: (11) one-year renewal

In accordance with the renewal provision of the original contract, the university would like to renew the contract for an additional term. Please advise concerning your intention by signing in the appropriate space below. A signed copy of this letter should be received in Procurement June 15, 2024.

If allowed by the contract, price adjustments must be requested at the time of renewal in accordance with the contract documents. Price adjustments are not automatic or retroactive and are only implemented upon request by the vendor at the time of renewal.

Virginia Tech recommends that our vendors utilize the Wells One AP Control Payment System for payment of all invoices and strongly encourages all vendors under contract with the university to participate in this program. If your firm is not enrolled in the program, refer to our website: <http://www.procurement.vt.edu/Vendor/WellsOne.html> or contact me directly for more information.

Sincerely,

John Spence

John Spence
 Assistant Director, Goods and Services

Telephone: (540) 231-3333

Mellon Investments Corporation **agrees** to renew the contract under the terms and conditions of the subject contract.

Authorized Signature: _____

Date: May 22, 2024

Name: _____

Stephanie Hill

(please print)

Title: Managing Director, Head of Index

We currently participate in the Wells One Program. _____

We would like to participate in the Wells One Program _____

JS/sr

DocuSigned by:

Mary Helmick

Approved: _____

45C0F5F337E04D0...

Director of Procurement
 6/3/2024

Date: _____

**Procurement**

300 Turner Street NW
North End Center, Ste 2100
Blacksburg, Virginia 24061
P: (540) 231-6221 F: (540) 231-9628
www.procurement.vt.edu

June 13, 2023

Mellon Investments Corporation
Attn: Stephanie Pierce
500 Grant St., Ste 2626
Pittsburg, PA 15258

Dear Ms. Pierce:

Subject: Contract Renewal Letter

Virginia Tech Contract #: UCP-TS-002-08
Commodity/Service: Investment Services
Renewal Period: July 1, 2023 – June 30, 2024
Renewal #: (10) one-year renewal

In accordance with the renewal provision of the original contract, the university would like to renew the contract for an additional term. Please advise concerning your intention by signing in the appropriate space below. A signed copy of this letter should be received in Procurement as soon as possible.

If allowed by the contract, price adjustments must be requested at the time of renewal in accordance with the contract documents. Price adjustments are not automatic or retroactive and are only implemented upon request by the vendor at the time of renewal.

Virginia Tech recommends that our vendors utilize the Wells One AP Control Payment System for payment of all invoices and strongly encourages all vendors under contract with the university to participate in this program. If your firm is not enrolled in the program, refer to our website: <http://www.procurement.vt.edu/Vendor/WellsOne.html> or contact me directly for more information.

Sincerely,

John Spence
Senior Buyer

Telephone: (540) 231-3333

Mellon Investments Corporation **agrees** to renew the contract under the terms and conditions of the subject contract.

Authorized Signature:	<div>DocuSigned by: DA84AC12E78348C...</div>	Date: <u>6/13/2023</u>
Name:	<u>Stephanie Hill</u> (please print)	Title: _____

We currently participate in the Wells One Program. _____

We would like to participate in the Wells One Program _____

JS/sr	<div>DocuSigned by: 5943314F5CD3478...</div>	_____
Approved:	<u>Mary Helmick</u> Director of Procurement	_____
Date:	<u>6/14/2023</u>	_____

**Procurement**

300 Turner Street NW
 North End Center, Ste 2100
 Blacksburg, Virginia 24061
 P: (540) 231-6221 F: (540) 231-9628
www.procurement.vt.edu

March 22, 2022

Mellon Investments Corporation
 Stephanie Pierce
 500 Grant St Ste 2626
 Pittsburg, PA 15258

Dear Ms. Pierce:

Subject: Contract Renewal Letter

Virginia Tech Contract #: UCP-TS-002-08
 Commodity/Service: Investment Services
 Renewal Period: July 1, 2022 – June 30, 2023
 Renewal #: 9 one-year renewal

In accordance with the renewal provision of the original contract, the university would like to renew the contract for an additional term. Please advise concerning your intention by signing in the appropriate space below. A signed copy of this letter should be received in Procurement by April 18, 2022.

If allowed by the contract, price adjustments must be requested at the time of renewal in accordance with the contract documents. Price adjustments are not automatic or retroactive and are only implemented upon request by the vendor at the time of renewal.


In addition, review the attached form which shows your company information as listed in the university's vendor database. If any of this information has changed, make corrections directly on the form, and return with this letter. It is essential this information be accurate for payments to be processed in a timely manner.

Virginia Tech recommends that our vendors utilize the Wells One AP Control Payment System for payment of all invoices and strongly encourages all vendors under contract with the university to participate in this program. If your firm is not enrolled in the program, refer to our website: <http://www.procurement.vt.edu/Vendor/WellsOne.html> or contact me directly for more information.

Sincerely,

John Spence
 Buyer Senior/Contracts Office
 Telephone: (540) 231-3333

Mellon Investments Corporation agrees to renew the contract under the terms and conditions of the subject contract.

Authorized Signature: 
 Name: Stephanie M Pierce
 (please print)

Date: 3/30/2022

Title: Chief Executive Officer, Dreyfus, Mel

We currently participate in the Wells One Program. _____

We would like to participate in the Wells One Program _____

PQ/

Approved: 
 Mary W. Helmick
 Director of Procurement

Date: 3/31/2022



Procurement
300 Turner Street NW
North End Center, Ste 2100
Blacksburg, Virginia 24061
P: (540) 231-6221 F: (540) 231-9628
www.procurement.vt.edu

March 16, 2021

Mellon Investments Corporation
Attn: Scott Ullum
500 Grant St., Ste 2626
Pittsburg, PA 15258

Dear Mr. Ullum:

Subject: Contract Renewal Letter

Virginia Tech Contract #: UCP-TS-002-08
Commodity/Service: Investment Services
Renewal Period: July 1, 2021 - June 30, 2022
Renewal #: (8) one-year renewal

In accordance with the renewal provision of the original contract, the university would like to renew the contract for an additional term. Please advise concerning your intention by signing in the appropriate space below. A signed copy of this letter should be received in Procurement as soon as possible.

If allowed by the contract, price adjustments must be requested at the time of renewal in accordance with the contract documents. Price adjustments are not automatic or retroactive and are only implemented upon request by the vendor at the time of renewal.

In addition, review the attached form which shows your company information as listed in the university's vendor database. If any of this information has changed, make corrections directly on the form, and return with this letter. It is essential this information be accurate for payments to be processed in a timely manner.

Virginia Tech recommends that our vendors utilize the Wells One AP Control Payment System for payment of all invoices and strongly encourages all vendors under contract with the university to participate in this program. If your firm is not enrolled in the program, refer to our website: <http://www.procurement.vt.edu/VendorWellsOne.html> or contact me directly for more information.

Sincerely,
John Spence
Senior Buyer

SR for JS

Telephone: (540) 231-3333

Mellon Investments Corporation agrees to renew the contract under the terms and conditions of the subject contract.

Authorized Signature: _____

Date: 3/16/2021

Name: _____

Michael Germano
(please print)

Title: Chief Operating Officer

We currently participate in the Wells One Program. _____

We would like to participate in the Wells One Program _____

JS/sr

Approved: _____

Mary W. Helmick
Mary W. Helmick
Director of Procurement

Date: _____

3/17/21



Procurement

300 Turner Street NW
North End Center, Ste 2100
Blacksburg, Virginia 24061
P: (540) 231-6221 F: (540) 231-9628
www.procurement.vt.edu

June 9, 2020

Mellon Investments Corporation
Attn: Scott Ullum
500 Grant St Ste 2626
Pittsburg, PA 15258

Dear Mr. Ullum:

Subject: Contract Renewal Letter

Virginia Tech Contract #: UCP-TS-002-08
Commodity/Service: Investment Services
Renewal Period: July 1, 2020 - June 30, 2021
Renewal #: (7) one-year renewal

In accordance with the renewal provision of the original contract, the university would like to renew the contract for an additional term. Please advise concerning your intention by signing in the appropriate space below. A signed copy of this letter should be received in Procurement by as soon as possible.

If allowed by the contract, price adjustments must be requested at the time of renewal in accordance with the contract documents. Price adjustments are not automatic or retroactive and are only implemented upon request by the vendor at the time of renewal.

In addition, review the attached form which shows your company information as listed in the university's vendor database. If any of this information has changed, make corrections directly on the form, and return with this letter. It is essential this information be accurate for payments to be processed in a timely manner.

Virginia Tech recommends that our vendors utilize the Wells One AP Control Payment System for payment of all invoices and strongly encourages all vendors under contract with the university to participate in this program. If your firm is not enrolled in the program, refer to our website: <http://www.procurement.vt.edu/Vendor/WellsOne.html> or contact me directly for more information.

Sincerely,
John Spence
Senior Buyer

Telephone: (540) 231-3333

Mellon Investments Corporation **agrees** to renew the contract under the terms and conditions of the subject contract.

Authorized Signature: Date: 6/16/2020

Name Michael Germano Title: Chief Operating Officer
(please print)

We currently participate in the Wells One Program. _____

We would like to participate in the Wells One Program _____

JS/sr

Approved:

Mary W. Helmick
Director of Procurement

Date:

6/17/20

CONTRACT MODIFICATION/RENEWAL AGREEMENT

Date: February 12, 2019

Contract No.: UCP-TS-002-08

Modification No.: Three (3)

Renewal: Six (6)

Issued By: Virginia Polytechnic Institute and State University (Virginia Tech)

Contractor: Mellon Investment Corporation formerly BNY Mellon Asset Management North America

Commodity: Investment Services

This Supplemental Agreement is entered into pursuant to the provisions of the basic contract.

Description of Modification:

1. The contractor shall be changed to reflect the name change to reflect the recent merger of Standish, Mellon Capital and The Boston Company into one asset manager.

Formerly known as:

BNY Mellon Asset Management North America Corporation

500 Grant Street, Suite 2626

Pittsburg, PA 15258

Now known as:

Mellon Investments Corporation

500 Grant Street, Suite 2626

Pittsburg, PA 15258

2. The contract is hereby renewed, the contract will now expire on June 30, 2020.

Except as provided herein, all terms and conditions of Contract Number UCP-TS-002-08, as heretofore changed, remain unchanged and in full force and effect.

Contractor

By:

(Signature)

Adam Toffe, Chief Business
Name and Title Officer

Virginia Tech

By:

Kimberly Dulaney, CPSM, CUPO
Assistant Director and Contracts Manager

CONTRACT MODIFICATION/RENEWAL AGREEMENT

Date: April 3, 2018

Contract No.: TS-002-08

Modification No.: Two (2)

Renewal: Five (5)

Issued By: Virginia Polytechnic Institute and State University (Virginia Tech)

Contractor: BNY Mellon Asset Management North America, formerly Standish Mellon Asset Management Company LLC

Commodity: Investment Services

This Supplemental Agreement is entered into pursuant to the provisions of the basic contract.

Description of Modification:

1. The name of the contractor shall be changed to reflect the recent merger of Standish Mellon Asset Management Company LLC and The Boston Company Asset Management LLC with and into Mellon Capital Management Corporation under the new name "BNY Mellon Asset Management North America Corporation"

Formerly known as:

905347995

Standish Mellon Asset Management Company LLC

PO Box 371784

Pittsburg, PA 15251-7784

Now known as:

906224029

BNY Mellon Asset Management North America Corporation

500 Grant Street, Suite 2626

Pittsburg, PA 15258

2. The contract is hereby renewed. The contract will now expire on June 30, 2019.

Except as provided herein, all terms and conditions of Contract Number TS-002-08, as heretofore changed, remain unchanged and in full force and effect.

Contractor
By:

(Signature)

Name and Title

Virginia Tech
By:

Mary W. Helmick

Director of Procurement

Contractor Information Form

Date	April 3, 2018
Term Contract Number	UCP-TS-002-08
Contract Officer	Kimberly Dulaney
Contractor Full Legal Name	BNY Mellon Asset Management North America Corporation
Contractor OBA Name	BNY Mellon Asset Management North America Corporation
Contractor Billing Name	BNY Mellon Asset Management North America Corporation
Contractor Federal Taxpayer Number	
Purchase Order Address P O Box/Street Address City State Zip Code	BNY Mellon Asset Management North America Corporation 500 Grant Street, Suite 2626 Pittsburg PA 15258
Payment Address P O Box/Street Address City State Zip Code	
Contractor Signatory Contact Name	Scott Ullum
Contractor Signatory Contact Phone	412-234-6979
Contractor Signatory Contact Email	sullum@standish.com
Contractor Sales Person Contact Name	
Contractor Sales Person Contact Phone	
Contractor Sales Person Contact Email	
Contractor Fax Number	412-234-9763
Contractor Web Site	www.bnymellonamna.com
Comments:	

March 3, 2017

Scott Ullum
Standish Mellon Asset Management Company LLC
P O Box 371784
Pittsburgh PA 15251-7784

Dear Mr. Ullum:

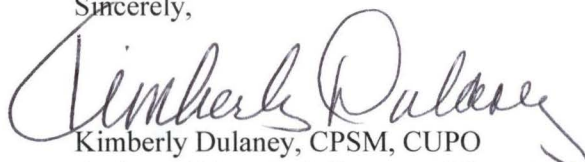
Subject: Virginia Tech Contract # UCP-TS-002-08
Commodity/Service: Investment Services

Thank you for responding to my letter of March 1, 2017 and agreeing to renew the contract. The contract will now expire June 30, 2018.

The attached form shows your company information as listed in the university's vendor database. If any of this information changes, please make corrections directly on the form, and return to me. It is essential that this information be accurate in order for payments to be processed in a timely manner.

We look forward to working with you for an additional year.

Sincerely,



Kimberly Dulaney, CPSM, CUPO
Assistant Director & Contracts Manager
Telephone: (540) 231-8543

KDD/kbl

c: F.M. Pro
John Cusimano

Invent the Future

VENDOR INFORMATION FORM

2/24/2017

TS 002 08

----- for office use -----

Kim Dulaney

Standish Mellon Asset Management Company LLC

FULL LEGAL NAME

(Company Name as it appears with your Federal Taxpayer Number)

FEDERAL TAXPAYER NUMBER

BUSINESS NAME/ DBA NAME/TA NAME

(If different than Full Legal Name)

FEDERAL TAXPAYER NUMBER

(If different than ID# above)

BILLING NAME

(Company name as it appears on your invoice)

FEDERAL TAXPAYER NUMBER

(if different than ID# above)

PURCHASE ORDER ADDRESS:

P O Box 371784

P O BOX ADDRESS 1

PAYMENT ADDRESS:

Same

PAYMENT P O BOX ADDRESS 1

STREET ADDRESS 2

PAYMENT STREET ADDRESS 2

Pittsburgh

CITY

CITY

PA

STATE

15251-7784

ZIP CODE

STATE

ZIP CODE

Scott Ullum

CONTACT PERSON

412-234-6979

PHONE NUMBER

sullum@standish.com

EMAIL

TOLL FREE NUMBER

412-234-9763

FAX NUMBER



Procurement Department (MC 0333)
North End Center, Suite 2100, Virginia Tech
300 Turner Street NW
Blacksburg, Virginia 24061
540/231-6221 Fax: 540/231-9628
www.procurement.vt.edu

March 1, 2017

Scott Ullum
Standish Mellow Asset Management Company LLC
P O Box 371784
Pittsburgh PA 15251-7784

Dear Mr. Ullum:

Subject: Virginia Tech Contract # UCP-TS-002-08
Commodity/Service: Investment Services

This is to inform you that the subject contract expires June 30, 2017. Since the university would like to renew the contract for an additional year, please advise concerning your intention by signing in the appropriate space listed below. A signed copy of this letter should be received in Procurement by March 24, 2017.

In addition, review the attached form, which shows your company information as listed in the university's vendor database. If any of this information has changed, make corrections directly on the form, and return with this letter. It is essential this information be accurate for payments to be processed in a timely manner.

Virginia Tech recommends that our vendors utilize the Wells One AP Control Payment System for payment of all invoices and strongly encourages all vendors under contract with the university to participate in this program. If your firm is not enrolled in the program, refer to our website: <http://www.procurement.vt.edu/Vendor/WellsOne.html> or contact me directly for more information.

Sincerely,

Kimberly Dulaney, CPSM, CUPO
Assistant Director & Contracts Manager
Telephone: (540) 231-8543

Standish Mellow Asset Management Company LLC agrees to renew the contract for an additional year under the terms and conditions of the subject contract.

Authorized Signature: Scott Ullum Date: 03/02/2017
Name: Scott Ullum Title: Vice President
(please print)

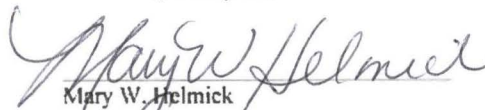
We currently participate in the Wells One Program. We would like to participate in the Wells One Program

Standish Mellow Asset Management Company LLC does not agree to renew the contract for an additional year.

Authorized Signature: _____ Date: _____
Name: _____ Title: _____
(please print)

KDD/kbl

Approved:


Mary W. Helmick
Director of Procurement

Date: 3/3/17

Invent the Future

VENDOR INFORMATION FORM

2/24/2017

TS 002 08

— for office use —

Kim Dulaney

Standish Mellon Asset Management Company LLC

FULL LEGAL NAME

(Company Name as it appears with your Federal Taxpayer Number)

FEDERAL TAXPAYER NUMBER

BUSINESS NAME/ DBA NAME/TA NAME

(If different than Full Legal Name)

FEDERAL TAXPAYER NUMBER

(If different than ID# above)

BILLING NAME

(Company name as it appears on your invoice)

FEDERAL TAXPAYER NUMBER

(If different than ID# above)

PURCHASE ORDER ADDRESS:

P O Box 371784

P O BOX ADDRESS 1

PAYMENT ADDRESS:

Same

PAYMENT P O BOX ADDRESS 1

STREET ADDRESS 2

PAYMENT STREET ADDRESS 2

Pittsburgh

CITY

CITY

PA

STATE

15251-7784

ZIP CODE

STATE

ZIP CODE

Scott Ullum

CONTACT PERSON

412-234-6979

PHONE NUMBER

sullum@standish.com

EMAIL

TOLL FREE NUMBER

412-234-9763

FAX NUMBER

CONTRACT MODIFICATION AGREEMENT

Date: February 23, 2017

Contract No.: TS-002-08

Modification No.: One (1)

Issued By: Virginia Polytechnic Institute and State University (Virginia Tech)

Contractor: Standish Mellon Asset Management Company LLC

Commodity: Investment Services

This Supplemental Agreement is entered into pursuant to the provisions of the basic contract.

Description of Modification:

1. As allowed for in the Code of Virginia 2.2-4343.5, this contract will be renewed upon written agreement of both parties under the terms of the current contract and at a reasonable time (approximately 90 days) prior to the expiration and managed in accordance with the Uniform Management of Institutional Funds Act 55-268.1 and will allow for renewals as negotiated.

Except as provided herein, all terms and conditions of Contract Number TS-002-08, as heretofore changed, remain unchanged and in full force and effect.

Contractor
By: Scott Ullum
Scott Ullum
Vice President

Virginia Tech
By: Mary W. Helmick
Mary W. Helmick
Director of Procurement



March 15, 2016

Scott Ullum
Standish Mellon Asset Management Company LLC
P O Box 371784
Pittsburg PA 15251-7784

Dear Mr. Ullum:

Subject: Virginia Tech Contract #UCP-TS-002-08
Commodity/Service: Investment Services

Thank you for responding to my letter of January 28, 2016 and agreeing to renew the contract. The contract will now expire June 30, 2017.

The attached form shows your company information as listed in the university's vendor database. If any of this information changes, please make corrections directly on the form, and return to me. It is essential that this information be accurate in order for payments to be processed in a timely manner.

We look forward to working with you for an additional year.

Sincerely,

Kimberly Dulaney, CPSM, CUPO
Assistant Director & Contracts Manager
Telephone: (540) 231-8543

KDD/kbl

c: F.M. Pro
John Cusimano

Invent the Future

VENDOR INFORMATION FORM

3/15/2016

TS 002 08

----- for office use -----

Kim Dulaney

Standish Mellon Asset Management Company LLC

FULL LEGAL NAME

(Company Name as it appears with your Federal Taxpayer Number)

FEDERAL TAXPAYER NUMBER

BUSINESS NAME/ DBA NAME/TA NAME

(If different than Full Legal Name)

FEDERAL TAXPAYER NUMBER

(If different than ID# above)

BILLING NAME

(Company name as it appears on your invoice)

FEDERAL TAXPAYER NUMBER

(if different than ID# above)

PURCHASE ORDER ADDRESS:

P O Box 371784

P O BOX ADDRESS 1

PAYMENT ADDRESS:

Same

PAYMENT P O BOX ADDRESS 1

STREET ADDRESS 2

PAYMENT STREET ADDRESS 2

Pittsburgh

CITY

CITY

PA

STATE

15251-7784

ZIP CODE

STATE

ZIP CODE

Scott Ullum

CONTACT PERSON

412-234-6979

PHONE NUMBER

sullum@standish.com

EMAIL

TOLL FREE NUMBER

412-234-9763

FAX NUMBER



Procurement Department (MC 0333)
North End Center, Suite 2100, Virginia Tech
300 Turner Street NW
Blacksburg, Virginia 24061
540/231-6221 Fax 540/231-9628
www.procurement.vt.edu

January 28, 2016

James Kohley
Standish Mellon Asset Management Company LLC
P O Box 371784
Pittsburgh PA 15251-7784

Dear Mr. Kohley:

Subject: Virginia Tech Contract # UCP-TS-002-08
Commodity/Service: Investment Services

This is to inform you that the subject contract expires June 30, 2016. Since the university would like to renew the contract for an additional year, please advise concerning your intention by signing in the appropriate space listed below. A signed copy of this letter should be received in Procurement by February 12, 2016.

In addition, review the attached form, which shows your company information as listed in the university's vendor database. If any of this information has changed, make corrections directly on the form, and return with this letter. It is essential this information be accurate for payments to be processed in a timely manner.

Virginia Tech recommends that our vendors utilize the Wells One AP Control Payment System for payment of all invoices and strongly encourages all vendors under contract with the university to participate in this program. If your firm is not enrolled in the program, refer to our website: <http://www.procurement.vt.edu/Vendor/WellsOne.html> or contact me directly for more information.

Sincerely,

Kimberly Dulaney, CPSM, CUBO
Assistant Director & Contracts Manager
Telephone: (540) 231-8543

Standish Mellon Asset Management Company LLC agrees to renew the contract for an additional year under the terms and conditions of the subject contract.

Authorized Signature:
Name: Scott Ullum Date: 03/08/16
(please print) Title: Vice President

We currently participate in the Wells One Program. We would like to participate in the Wells One Program

Standish Mellon Asset Management Company LLC does not agree to renew the contract for an additional year.

Authorized Signature: _____ Date: _____
Name: _____ Title: _____
(please print)

Approved:
Mary W. Holmick
Director of Procurement

Date: 3/16/16

Invent the Future

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
An equal opportunity, affirmative action institution

Deposit Date: 2/3/2016
Lockbox: 371784
Batch: 90000
Transaction: 1

VENDOR INFORMATION FORM

1/19/2016

TS 002 08

— for office use —

Kim Dulaney

Standish Mellon Asset Management Company LLC

FULL LEGAL NAME

(Company Name as it appears with your Federal Taxpayer Number)

FEDERAL TAXPAYER NUMBER

BUSINESS NAME/ DBA NAME/TA NAME

(If different than Full Legal Name)

FEDERAL TAXPAYER NUMBER

(If different than ID# above)

BILLING NAME

(Company name as it appears on your invoice)

FEDERAL TAXPAYER NUMBER

(If different than ID# above)

PURCHASE ORDER ADDRESS:

P O Box 371784

P O BOX ADDRESS 1

PAYMENT ADDRESS:

Same

PAYMENT P O BOX ADDRESS 1

STREET ADDRESS 2

Pittsburgh

CITY

PAYMENT STREET ADDRESS 2

CITY

PA

STATE

15251-7784

ZIP CODE

STATE

ZIP CODE

~~James Kohley~~

Scott Ullum

CONTACT PERSON

~~412-234-6944~~

412-234-6979

PHONE NUMBER

~~800-374-6969~~

TOLL FREE NUMBER

~~jkohley@standishmellon.com~~
EMAIL

sullum@standish.com

~~N/A~~

412-234-9763

FAX NUMBER

Deposit Date: 2/3/2016

Lockbox: 371784

Batch: 90000

Transaction: 1

March 24, 2015

James Kohley
Standish Mellon Asset Management Company LLC
P O Box 371784
Pittsburg PA 15251-7784

Dear Mr. Kohley:

Subject: Virginia Tech Contract # UCP-TS-002-08
Commodity/Service: Investment Services

Thank you for responding to my letter of February 19, 2015 and agreeing to renew the contract for an additional year. The contract will now expire June 30, 2016.

The attached form shows your company information as listed in the university's vendor database. If any of this information changes, please make corrections directly on the form, and return to me. It is essential that this information be accurate in order for payments to be processed in a timely manner.

We look forward to working with you for an additional year.

Sincerely,



Kimberly Dulaney, CPSM, CUPO
Assistant Director & Contracts Manager
Telephone: (540) 231-8543

KDD/kbl

c: F.M. Pro
John Cusimano

VENDOR INFORMATION FORM

2/24/2015

TS 002 08

----- for office use -----

Kim Dulaney

Standish Mellon Asset Management Company LLC

FULL LEGAL NAME

(Company Name as it appears with your Federal Taxpayer Number)

FEDERAL TAXPAYER NUMBER

BUSINESS NAME/ DBA NAME/TA NAME

(If different than Full Legal Name)

FEDERAL TAXPAYER NUMBER

(If different than ID# above)

BILLING NAME

(Company name as it appears on your invoice)

FEDERAL TAXPAYER NUMBER

(if different than ID# above)

PURCHASE ORDER ADDRESS:

P O Box 371784

P O BOX ADDRESS 1

PAYMENT ADDRESS:

Same

PAYMENT P O BOX ADDRESS 1

STREET ADDRESS 2

PAYMENT STREET ADDRESS 2

Pittsburgh

CITY

CITY

PA

STATE

15251-7784

ZIP CODE

STATE

ZIP CODE

James Kohley

CONTACT PERSON

412-234-0341

PHONE NUMBER

jkohley@standishmellon.com

EMAIL

800-374-6969

TOLL FREE NUMBER

N/A

FAX NUMBER



Procurement Department (MC 0333)
North End Center, Suite 2100, Virginia Tech
300 Turner Street NW
Blacksburg, Virginia 24061
540/231-6221 Fax: 540/231-9628
www.procurement.vt.edu

February 19, 2015

James Kohley
Standish Mellon Asset Management Company LLC
P O Box 371784
Pittsburg PA 15251-7784

Dear Mr. Kohley:

Subject: Virginia Tech Contract # UCP-TS-002-08
Commodity/Service: Investment Services

This is to inform you that the subject contract expires June 30, 2015. Since the university would like to renew the contract for an additional year, please advise concerning your intention by signing in the appropriate space listed below. Please return one signed copy of this letter to me by March 6, 2015.

Please review the attached form, which shows your company information as listed in the university's vendor database. If any of this information has changed, make corrections directly on the form, and return with this letter. It is essential that this information be accurate in order for payments to be processed in a timely manner.

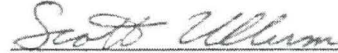
Thank you for your attention to this matter.

Sincerely,


Kimberly Dulancy, CPSM, CUPO
Assistant Director & Contracts Manager
Telephone: (540) 231-8543

Standish Mellon Asset Management Company LLC agrees to renew the contract for an additional year in accordance with the terms and conditions of the subject contract.

Authorized Signature:



Date: 03/23/15

Name:

Scott ULLUM
(please print)

Title: V. P.

Standish Mellon Asset Management Company LLC does not agree to renew the contract for an additional year.

Authorized Signature:

Date: _____

Name:

Title: _____

(please print)

KBB/kbl

c: FMP

Approved:


Mary W. Helmick
Director of Procurement

Date:

3/24/15

invent the Future

VENDOR INFORMATION FORM

1/15/2015

TS 002 08

----- for office use -----

Kim Dulaney

Standish Mellon Asset Management Company LLC

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ZIP CODE

412-234-0341

PHONE NUMBER

800-374-6969

TOLL FREE NUMBER

N/A

FAX NUMBER

May 13, 2014

James Kohley
Standish Mellon Asset Management Company LLC
P O Box 371784
Pittsburgh PA 15251-7784

Dear Mr. Kohley:

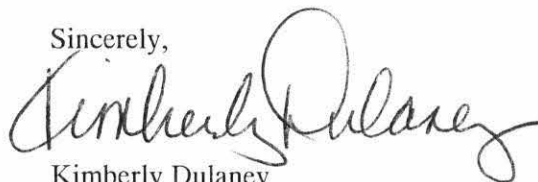
Subject: Virginia Tech Contract # UCP-TS-002-08
Commodity/Service: Investment Services

Thank you for responding to my letter of January 31, 2014 and agreeing to renew the contract for an additional year. The contract will now expire June 30, 2015.

The attached form shows your company information as listed in the university's vendor database. If any of this information changes, please make corrections directly on the form, and return to me. It is essential that this information be accurate in order for payments to be processed in a timely manner.

We look forward to working with you for an additional year.

Sincerely,



Kimberly Dulaney
Assistant Director & Contracts Manager
Telephone: (540) 231-8543

KDD/kbl

c: F.M. Pro
John Cusimano

VENDOR INFORMATION FORM

1/31/2014

TS 002 08

----- for office use -----

Kim Dulaney

Standish Mellon Asset Management Company LLC

FULL LEGAL NAME

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BUSINESS NAME/ DBA NAME/TA NAME

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(If different than ID# above)

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(Company name as it appears on your invoice)

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James Kohley

CONTACT PERSON

412-234-0341

PHONE NUMBER

jkohley@standishmellon.com

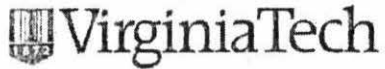
EMAIL

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FAX NUMBER



Procurement Department (MC 0333)
North End Center, Suite 2100, Virginia Tech
300 Turner Street NW
Blacksburg, Virginia 24061
540/231-6221 Fax: 540/231-9628
www.procurement.vt.edu

January 31, 2014

James Kohley
Standish Mellon Asset Management Company LLC
P O Box 371784
Pittsburgh PA 15251-7784

Dear Mr. Kohley:

Subject: Virginia Tech Contract # UCP-TS-002-08
Commodity/Service: Investment Services

This is to inform you that the subject contract expires June 30, 2014. Since the university would like to renew the contract for an additional year, please advise concerning your intention by signing in the appropriate space listed below. Please return one signed copy of this letter to me by February 21, 2014.

Please review the attached form, which shows your company information as listed in the university's vendor database. If any of this information has changed, make corrections directly on the form, and return with this letter. It is essential that this information be accurate in order for payments to be processed in a timely manner.

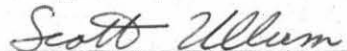
Thank you for your attention to this matter.

Sincerely,


Kimberly Dulaney
Assistant Director & Contracts Manager
Telephone: (540) 231-8543

Standish Mellon Asset Management Company LLC agrees to renew the contract for an additional year in accordance with the terms and conditions of the subject contract.

Authorized Signature:



Date: 05/02/14

Name:

Scott Ullum
(please print)

Title: V.P.

Standish Mellon Asset Management Company LLC does not agree to renew the contract for an additional year.

Authorized Signature:

Date: _____

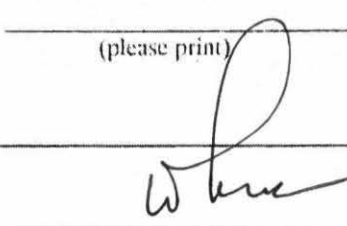
Name:

(please print)

Title: _____

KDD/kbl
c: FMP

Approved:


W. Thomas Kalupek
Director of Procurement

Date:

5/13/14

Invent the Future

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
An equal opportunity, affirmative action institution

VENDOR INFORMATION FORM

1/31/2014

TS 002 08

----- for office use -----

Kim Dulaney

Standish Mellon Asset Management Company LLC

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(Company Name as it appears with your Federal Taxpayer Number)

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BUSINESS NAME/ DBA NAME/TA NAME

(If different than Full Legal Name)

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ZIP CODE

James Kohley

CONTACT PERSON

jkohley@standishmellon.com

EMAIL

PAYMENT ADDRESS:

Same

PAYMENT P O BOX ADDRESS 1

PAYMENT STREET ADDRESS 2

CITY

STATE

ZIP CODE

412-234-0341

PHONE NUMBER

800-374-6969

TOLL FREE NUMBER

N/A

FAX NUMBER

COMMONWEALTH OF VIRGINIA

STANDARD CONTRACT

Contract Number: UCP-TS-002-08

This contract entered into this 31st day of May 2007, by Standish Mellon Asset Management Company LLC, hereinafter called the "Contractor" and Commonwealth of Virginia, Virginia Polytechnic Institute and State University called "Virginia Tech."

WITNESSETH that the Contractor and Virginia Tech, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

SCOPE OF CONTRACT: The Contractor shall provide Investment Services to Virginia Tech as set forth in the Contract Documents.

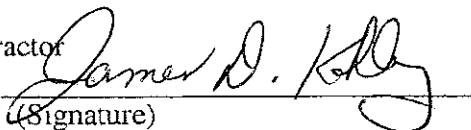
PERIOD OF CONTRACT: From July 1, 2007 through June 30, 2014. Upon completion of the initial contract period, the contract may be renewed by Virginia Tech, upon written agreement of both parties, for three successive one year periods, under the terms of the current contract.

COMPENSATION AND METHOD OF PAYMENT: The Contractor shall be paid by Virginia Tech in accordance with the contract documents.

CONTRACT DOCUMENT: The contract documents shall consist of this signed contract, Request for Proposal (RFP) number 666651 dated February 1, 2007, together with Addendum Number 1 To RFP dated February 14, 2007, the proposal submitted by the Contractor dated February 16, 2007 and Attachment 1, all of which contract documents are incorporated herein.

In WITNESS WHEREOF, the parties have caused this Contract to be duly executed intending to be bound thereby.

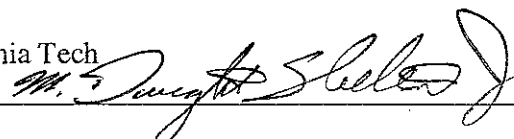
Contractor
By:


(Signature)

Name and Title

JAMES D. KOHLEY
SENIOR VICE PRESIDENT

Virginia Tech
By:



M. Dwight Shelton, Jr.
Vice President for Budget and Finance



Request for Proposal # 666651

for

Investment Services

TS-002-08

February 1, 2007

RFP 666651
GENERAL INFORMATION FORM

QUESTIONS: All inquiries for information regarding this solicitation should be directed to: James E. Dunlap, CPPB, VCO, Phone: (540) 231-8543, e-mail: jdunlap@vt.edu.

DUE DATE: Sealed Proposals will be received until February 21, 2007 at 3:00 PM. Failure to submit proposals to the correct location by the designated date and hour will result in disqualification.

ADDRESS: Proposals should be mailed or hand delivered to: Virginia Polytechnic Institute And State University (Virginia Tech), Purchasing Department (0333), 270 Southgate Center, Blacksburg, Virginia 24061. Reference the Opening Date and Hour, and RFP Number in the lower left corner of the return envelope or package.

In compliance with this Request For Proposal and to all the conditions imposed therein and hereby incorporated by reference, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal and as mutually agreed upon by subsequent negotiation.

TYPE OF BUSINESS: (Please check all applicable classifications)

☐ **Large.**

☐ **Small business** – An independently owned and operated business which, together with affiliates, has 250 or fewer employees or average annual gross receipts of \$10 million or less averaged over the previous three years. Department of Minority Business Enterprise (DMBE) certified women-owned and minority-owned business shall also be considered small business when they have received DMBE small business certification.

☐ **Women-owned business** – A business concern that is at least 51% owned by one or more women who are U. S. citizens or legal resident aliens, or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law, and both the management and daily business operations are controlled by one or more women who are U. S. citizens or legal resident aliens.

☐ **Minority-owned business** – A business concern that is at least 51% owned by one or more minority individuals (see Section 2.2-1401, Code of Virginia) or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

COMPANY INFORMATION/SIGNATURE: In compliance with this Request For Proposal and to all the conditions imposed therein and hereby incorporated by reference, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal and as mutually agreed upon by subsequent negotiation.

FULL LEGAL NAME (PRINT) (Company name as it appears with your Federal Taxpayer Number)		FEDERAL TAXPAYER NUMBER (ID#)	
BUSINESS NAME/DBA NAME/TA NAME (If different than the Full Legal Name)		FEDERAL TAXPAYER NUMBER (If different than ID# above)	
BILLING NAME (Company name as it appears on your invoice)		FEDERAL TAXPAYER NUMBER (If different than ID# above)	
PURCHASE ORDER ADDRESS		PAYMENT ADDRESS	
CONTACT NAME/TITLE (PRINT)		SIGNATURE (IN INK)	DATE
E-MAIL ADDRESS	TELEPHONE NUMBER	TOLL FREE TELEPHONE NUMBER	FAX NUMBER TO RECEIVE E-PROCUREMENT ORDERS

I. PURPOSE:

The purpose of this Request for Proposal (RFP) is to solicit sealed proposals to establish a contract or contracts through competitive negotiations for investment services by Virginia Polytechnic Institute and State University (Virginia Tech), an agency of the Commonwealth of Virginia.

II. CONTRACT PERIOD:

The term of this contract is for seven years, or as negotiated with the option for three, one year renewals.

III. BACKGROUND:

The Office of Investments & Debt Management is responsible for investing cash deemed in excess of daily operational requirements. Currently cash not kept on account at the University's bank is wired to a government agency money market fund. Funds which can be invested over a longer term are currently invested in US Treasuries. As a result of recent legislation, Virginia Tech has been designated a Level III Higher Education Institution, and as such, will now be able to manage funds generated by student tuition and fees and possibly other sources. Thus the University is re-engineering the management of its fixed income resources as a means to adapt to the new state law.

IV. EVA BUSINESS-TO-GOVERNMENT ELECTRONIC PROCUREMENT SYSTEM:

The eVA Internet electronic procurement solution streamlines and automates government purchasing activities within the Commonwealth of Virginia. Virginia Tech, and other state agencies and institutions, have been directed by the Governor to maximize the use of this system in the procurement of goods and services. *We are, therefore, requesting that your firm register as a trading partner within the eVA system.*

There are registration fees and transaction fees involved with the use of eVA. These fees must be considered in the provision of quotes, bids and price proposals offered to Virginia Tech. Failure to register within the eVA system may result in the quote, bid or proposal from your firm being rejected and the award made to another vendor who is registered in the eVA system.

Registration in the eVA system is accomplished on-line. Your firm must provide the necessary information. Please visit the eVA website portal at www.eva.state.va.us and complete the Ariba Commerce Services Network registration. *This process needs to be completed before Virginia Tech can issue your firm a Purchase Order or contract.* If your company conducts business from multiple geographic locations, please register these locations in your initial registration.

For registration and technical assistance, reference the eVA website at: eVAcustomer@care@dgs.virginia.gov, or call 866-289-7367.

V. CONTRACT PARTICIPATION:

It is the intent of this solicitation and resulting contract(s) to allow for cooperative purchasing by the Virginia Association of State College and University Purchasing Professionals (VASCUPP) and other Commonwealth of Virginia public institutions of higher education (to include four-year, two-year and community colleges). Current VASCUPP institutions include: College of William and Mary, University of Virginia, George Mason University, Virginia Military Institute, James Madison University, Old Dominion University, Virginia Tech and its affiliated corporations, Radford University and Virginia Commonwealth University. A list of all other Virginia Public Colleges and Universities is available at <http://www.ExploreVirginiaColleges.com/>. Local governments, school boards, other agencies serving local governments and member colleges/universities of the Atlantic Coast Conference (ACC) may also have access to any contract resulting from this RFP. Current members of the ACC include: Boston College, Clemson University, Duke University, Florida State University, Georgia Institute of Technology, North Carolina State University, University of Maryland, University of Miami, University of North Carolina, University of Virginia, Virginia Tech, and Wake Forest University.

Participation in this cooperative procurement is strictly voluntary. If authorized by the Contractor(s), the resultant contract(s) may be extended to the entities indicated above to purchase at contract prices in accordance with contract terms. The Contractor shall notify the lead-issuing institution in writing of any such institutions accessing the contract. No modification of this contract or execution of a separate contract is required to participate. The Contractor will provide semi-annual usage reports for all VASCUPP members and other entities accessing the

Contract. Participating entities shall place their own orders directly with the Contractor(s) and shall fully and independently administer their use of the contract(s) to include contractual disputes, invoicing and payments without direct administration from the lead-issuing institution. The lead-issuing institution shall not be held liable for any costs or damages incurred by any other participating entity as a result of any authorization by the Contractor to extend the contract. It is understood and agreed that the lead-issuing institution is not responsible for the acts or omissions of any VASCUPP member, or other entity, and will not be considered in default of the Agreement no matter the circumstances.

Use of this contract(s) does not preclude any participating entity from using other contracts or competitive processes as required by law.

VI. STATEMENT OF NEEDS:

A. Virginia Tech is seeking an investment manager to manage fixed income assets. Applicable capabilities and constraints include the following:

1. Securities will generally have a target duration of three to six months to five years and could range from a low of \$75 million to a high of \$195 million over the fiscal year as based on cash requirements. Additionally bond related system funds, ranging from \$45 million to \$79 million, may be included with above, depending upon further clarification from the state. There could be one or more portfolios involved in addition to a money market vehicle, depending on the solution recommended.
2. Investments must comply with the Code of Virginia Investments of Public Funds Act. See <http://legis.state.va.us/Laws/CodeofVa.htm> and then go to the table of contents. The full code is located at Title 2.2 Administration of Government, Chapter 45, Investment of Public Funds Act (2.2-4500 thru 2.2-4517).
3. Investments must also comply with Virginia Tech's Investment guidelines provided as Attachment A.
4. Daily redemptions must be available up to 5:00PM EST each business day except for standard bank holidays as promulgated by the Federal Reserve. If this is not feasible, then the provider should recommend alternatives such that liquidity can be maintained on each business day.
5. A web based interface is desired which would provide market values of the securities within the portfolio(s), enable the accounting department to reconcile internal accounting systems, allow for purchase/redemptions and provide performance metrics.

B. Description of Services:

The investment manager shall provide at a minimum, the services described below:

1. Possess the ability to receive and to disburse funds by wire.
2. Have the capability to provide balances in response to phone queries or by a web based platform.
3. Provide management of funds whose duration will vary over time due to the operational cash requirements over the fiscal year.
4. Recommend a solution as to whether a commingled fund (or funds) and or a dedicated portfolio (or portfolios) should be implemented. Depending on the recommendation, discuss how the solution would be implemented.
5. Recommend a custodian for the fixed income securities under management. Note, the custodian will be selected in conjunction with a separate process.
6. File any or all reports with the Commonwealth's Auditors of Public Accounts or as otherwise required by state law.
7. Furnish to the Auditors of Public Accounts (APA) and the university such year-end information and statements as requested by Virginia Tech. There should be no cost to either Virginia Tech or the APA. The

information provided must be sufficient for the university to prepare its financial statements and related footnote disclosures and would include at a minimum the following information about each investment: original cost, period end market value, credit rating (if applicable), interest earnings for the fiscal year, accrued interest receivable at year end, investment fees, date of purchase, maturity date, and interest rates.

8. Possess a disaster recovery plan in the event of a systems failure at the investment manager's primary processing site.

VII. PROPOSAL PREPARATION AND SUBMISSION:

A. General Requirements

1. RFP Response: In order to be considered for selection, Offerors must submit a complete response to this RFP. **One original and five copies** of each proposal must be submitted to:

Virginia Tech
Purchasing Department (0333)
270 Southgate Center
Blacksburg, VA 24061

Reference the Opening Date and Hour, and RFP Number in the lower left hand corner of the return envelope or package.

No other distribution of the proposals shall be made by the Offeror.

2. Proposal Preparation

- a. Proposals shall be signed by an authorized representative of the Offeror. All information requested should be submitted. Failure to submit all information requested may result in Virginia Tech requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected by Virginia Tech at its discretion. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- b. Proposals should be prepared simply and economically providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.
- c. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, subletter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and subletter should be repeated at the top of the next page. The proposal should contain a table of contents which cross references the RFP requirements. Information which the offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
- d. Each copy of the proposal should be bound in a single volume where practical. All documentation submitted with the proposal should be bound in that single volume.
- e. Ownership of all data, material and documentation originated and prepared for Virginia Tech pursuant to the RFP shall belong exclusively to Virginia Tech and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act. However, to prevent disclosure, the Offeror must invoke the protections of Section 2.2-4342F of the Code of Virginia, in writing, either before or at the time the data or other materials is submitted. The written request must specifically identify the data or other materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by

some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and may result in rejection of the proposal.

3. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to Virginia Tech. This will provide an opportunity for the Offeror to clarify or elaborate on the proposal but will in no way change the original proposal. Virginia Tech will schedule the time and location of these presentations. Oral presentations are an option of Virginia Tech and may not be conducted. Therefore, proposals should be complete.

B. Specific Requirements

Proposals should be as thorough and detailed as possible so that Virginia Tech may properly evaluate your capabilities to provide the required services. Offerors are required to submit the following information/items as a complete proposal:

1. Performance

- a. If your proposed solution includes Operating Cash, Short-Term Bond, Intermediate Term Bond & Long Term Bond type vehicles, please provide a list of the quarters they experienced negative returns over the last fifteen years as of December 31, 2006.
- b. For the period ending December 31, 2006, provide the Sharpe Ratio on a rolling 3 year basis for each of your proposed products. Please cite the source of this information.
- c. Using the Attachment B. format, provide an electronic excel file which displays 'gross of fee' and 'net of fee' quarterly returns as of December 31, 2006, for the last fifteen years for each product you propose as a solution.
- d. In order to illustrate a full market cycle, provide the mean return and standard deviation of each of the following indices for the thirty year period ending December 31, 2006:

The ML 1-3 year Treasury
Lehman Brothers Intermediate Government Bond Index
Lehman Brothers Long-Term Government Bond Index
Lehman Brothers Government/Credit Index

Also, provide the current duration for each index, as well as a two standard deviation range of returns around its respective mean.

- e. Explain how your performance is calculated in a manner that is Association for Investment Management Research (AIMR) compliant.

2. Fees

- a. Please provide a proposed fee schedule.
- b. Is there a minimum fee?
- c. Are there any fees other than management fees based on a percentage of assets under management?

3. Organization

- a. Provide the following information for your Firm:
Name:
Headquarters address:
Headquarters telephone number:
Legal status (e.g., sole proprietorship, corporation, etc.)
Month, day and year Firm was founded:

Name of parent firm (if any), and

Name of affiliates or subsidiaries (if any) that may be involved in providing the Services.

- b. Provide a brief history of your Firm, including how long it has been in business under its present name, ownership and structure. In this regard, provide responses to these questions:

How many offices do you have and where are they located?

Have there been any changes in the ownership or structure of the Firm over the past five years? If yes, explain.

Has your Firm announced any structural or financial engineering changes being contemplated in the next year (e.g., new products, mergers and acquisitions)? If yes, explain.

- c. Is your Firm a registered investment advisor under the Investment Advisor's Act of 1940? Please attach Part II of your most recent Form ADV.
- d. Describe any other business affiliations (e.g., subsidiaries, joint ventures, "soft dollar" relationships).
- e. During the last six years, has any regulatory or governmental entity conducted an audit or review of or taken any action against your Firm? If so, briefly describe the actions taken by your Firm to correct any deficiencies or problems.
- f. Briefly discuss any material litigation involving the Firm or any of its principals during the last six years, including the nature of the litigation, the parties, the court and the current status.
- g. Delineate all applicable insurance coverage by type and level of coverage (e.g., fidelity bond, errors and omissions, fiduciary liability).
- h. Describe any potential conflicts of interest your Firm may have in the management of this account.
- i. Please outline your disaster recovery plan.

4. Personnel

- a. List the total number of investment professionals involved in fixed income management, categorized by their primary responsibility.
- b. How many fixed income investment professionals were hired within the last 12 months?
- c. How many fixed income investment professionals have left within the last 12 months?
- d. Are portfolios managed by a team or by an individual portfolio manager?
- e. What is the average number of accounts per portfolio manager for this investment strategy?
- f. Provide an organizational chart for the fixed income area, stating the lines of reporting and product responsibilities of individuals.
- g. List the persons that would be dedicated to this portfolio and their role. Provide a brief resume of each professional.
- h. Will the portfolio manager be accessible to the university at all times?
- i. Who will be the primary contact on the account? What is his/her role in managing our assets?

5. Investment Strategy and Research

- a. Briefly describe your investment philosophy for your short duration fixed income product. Discuss how your philosophy has changed since the inception of the product and how you anticipate it will evolve in the future.

- b. Discuss your short duration investment decision-making process.
 - c. Discuss the unique features of the investment approach for your short duration fixed income product, you believe add the most value over time.
 - d. What systems (technical) are relied upon in the decision making process?
 - e. What recommendations would your organization make regarding the investment guidelines provided as Attachment A?
 - f. Discuss the credit selection process; do you have an internal credit research group?
 - g. For the strategy proposed, provide a breakdown of a sample portfolio composition as of year end 2006, and year to date 2007.
 - h. Describe your processes used to ensure that portfolio investment policies/guidelines/restrictions are followed and prohibited activities do not occur (both at time of transaction and on an ongoing basis). Include information on whether these processes are automated or manual.
6. Small Women-owned and Minority- owned Business (SWAM) Utilization
- a. Describe your plan for utilizing small businesses and businesses owned by women and minorities if awarded a contract. Describe your ability to provide statistical reporting on actual SWAM subcontracting when requested. Specify if your business or the business or businesses that you plan to subcontract with are certified by the Department of Minority Business Enterprise.
7. Assets and Accounts
- a. What are your firm's total assets and breakdown by asset type (fixed income, equity, etc.)?
 - b. What are your firm's total assets managed in short-duration strategies.
 - c. Over the last 24 months, how many short duration accounts (#) and assets under management (\$MM) have been gained?
 - d. Over the last 24 months, how many short duration accounts (#) and assets under management (\$MM) have been lost?
 - e. What is the number of accounts and total assets currently managed for Virginia clients invested per the Investment of Public Funds Act of Virginia?
 - f. Please provide a sample monthly account statement. Please describe your procedures to ensure the information provided is updated to meet ever changing reporting requirements of the Governmental Accounting Standards Board, Financial Accounting Standards Board, the AICPA, etc. Please provide the average number of days after month end for your organization to provide such monthly account statements.
 - g. Can the account statement be customized to meet specific reporting needs?
8. Implementation
- a. Describe the amount of time required to begin providing services after contract award.
 - b. What will be required of Virginia Tech to assist in the transition process?
9. The return of the General Information Form and addenda, if any, signed and filled out as required.

VIII. SELECTION CRITERIA AND AWARD:

A. Selection Criteria

Proposals will be evaluated by Virginia Tech using the following:

<u>Criteria</u>	<u>Maximum Point Value</u>
1. Performance	25
2. Fees	25
3. Organization	10
4. Personnel	10
5. Investment Strategy & Research	10
6. SWAM Utilization	10
7. Assets and Accounts	5
8. Implementation	5
Total	100

B. Award

Selection shall be made of two or more offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposal, including price, if so stated in the Request for Proposal. Negotiations shall then be conducted with the offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, Virginia Tech shall select the offeror which, in its opinion, has made the best proposal, and shall award the contract to that offeror. Virginia Tech may cancel this Request for Proposal or reject proposals at any time prior to an award. Should Virginia Tech determine in writing and in its sole discretion that only one offeror has made the best proposal, a contract may be negotiated and awarded to that offeror. The award document will be a contract incorporating by reference all the requirements, terms and conditions of this solicitation and the Contractor's proposal as negotiated. See Attachment C for sample contract form.

Virginia Tech reserves the rights to award more than one contract as a result of this solicitation.

IX. ADDENDUM:

Any ADDENDUM issued for this solicitation may be accessed at <http://www.purch.vt.edu/html.docs/bids.html>. Since a paper copy of the addendum will not be mailed to you, we encourage you to check the web site regularly.

X. CONTRACT ADMINISTRATION:

- A. John Cusimano, University Associate Treasurer, at Virginia Tech or his designee, shall be identified as the Contract Administrator and shall use all powers under the contract to enforce its faithful performance.
- B. The Contract Administrator, or his designee, shall determine the amount, quantity, acceptability, fitness of all aspects of the services and shall decide all other questions in connection with the services. The Contract Administrator, or his designee, shall not have authority to approve changes in the services which alter the concept or which call for an extension of time for this contract. Any modifications made must be authorized by the Virginia Tech Purchasing Department through a written amendment to the contract.

XI. TERMS AND CONDITIONS:

This solicitation and any resulting contract/purchase order shall be governed by the attached terms and conditions (Attachment D).

XII. ATTACHMENTS:

Attachment A - Investment Guidelines
Attachment B – Excel Spreadsheet Format
Attachment C - Standard Contract Form
Attachment D - Terms & Conditions

Attachment A

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

Statement of Policy Governing the Short and Intermediate Term Investment of Local Funds

General Guidelines

The Treasurer of Virginia Polytechnic Institute and State University, or designee(s), shall be authorized to invest university Local Funds in the instruments set forth below. Authorized investments are set forth in the "Investment of Public Funds Act" of the Code of Virginia Sections 2.2-4500 through 2.2-4516. In the event a security is downgraded to a level that ceases to meet Local Fund credit quality standards, the Department of Investments and Debt Management shall promptly reassess the security to determine what action, if any, will be in the best interest of the Local Fund.

Authorized Investments

1. Bonds, notes and other obligations of the United States, and securities unconditionally guaranteed as to the payment of principal and interest by the United States, or any agency thereof, including:

- Government National Mortgage Association
- Federal Home Loan Bank
- Federal Farm Credit Bank
- Federal National Mortgage Association
- Federal Home Loan Mortgage Corporation
- Student Loan Marketing Association

The above securities can be held directly or in the form of repurchase agreements collateralized by such debt securities, and in the form of registered money market or mutual funds provided the portfolio is limited to such evidences of indebtedness.

2. Repurchase agreements collateralized by U. S. Treasury/agency securities. The collateral on overnight or one day repurchase agreements is required to be at least 100% of the value of the repurchase agreement. Longer-term repurchase agreements are required to have collateralization of over 100% and be marked to market on a regular basis. However, market fluctuations could result in the value of the collateral increasing or decreasing between the valuation and published closing prices.
3. Non-negotiable certificates of deposit and time deposits of Virginia banks and savings institutions federally insured to the maximum extent possible and collateralized under the Virginia Security for Public Deposits Act, Sections 2.2-4400 through 2.2-4411 of the Code of Virginia.
4. Negotiable certificates of deposit and negotiable bank deposit notes of domestic banks and domestic offices of foreign banks with a rating of at least A-1 by Standard & Poor's and P-1 by Moody's Investors Service, for maturities of one year or less, and a rating of at least AA by

Standard & Poor's and Aa by Moody's Investors Service for maturities over one year and not exceeding five years.

5. Banker's acceptances with major U. S. banks & domestic offices of international banks rated not lower than A-1 by Standard & Poor's and P-1 by Moody's.
6. Prime quality commercial paper issued by domestic corporations. "Prime quality" shall be as rated by at least two of the following: Standard & Poor's within its rating of A-1, by Moody's Investors Service within its rating of P-1, by Fitch Investor's Services, within its rating of F-1, or by Duff and Phelps within its rating of D-1, or by their corporate successors, provided that at the time of any such investment, the corporation meets the criteria specified in section 2.2-4502 of the code.
7. Corporate Notes having a credit rating no lower than AA by Standard & Poor's and Aa by Moody's Investors Service and having a maturity of no more than five years.
8. Money market and other open ended investment funds provided that they are registered under the Securities Act of the Commonwealth of Virginia or by the Federal Investment Co. Act of 1940, and that the investments by such funds are restricted to investments otherwise permitted by the Commonwealth of Virginia.
9. Fully hedged debt obligations of sovereign governments and companies that are fully guaranteed by sovereign governments, with a rating of at least AAA by Standard & Poor's and a rating of at least Aaa by Moody's Investors Service and have a maturity of no more than five years.
10. Taxable municipal obligations issued by state and local governments, their agencies and instrumentalities. Minimum rating requirements are AA and Aa or better by Standard & Poor's and by Moody's Investors Service or short-term ratings of MIG 1/VMIG 1 and SP-1/A-1 respectively, whichever is applicable, including sub-categories or gradations indicating relative standing. Maturity should not exceed five years.

Approved: August 26, 2002, BOV

Attachment B

Firm: XYZ Capital
Product: Management

Quarter Ending	Gross of Fee Return	Net of Fee Return
----------------	---------------------	-------------------

ATTACHMENT C

**Standard Contract form for reference only
Offerors do not need to fill in this form**

**COMMONWEALTH OF VIRGINIA
STANDARD CONTRACT**

Contract Number: _____

This contract entered into this ____ day of _____, 20____, by _____, hereinafter called the "Contractor" and Commonwealth of Virginia, Virginia Polytechnic Institute and State University called "Virginia Tech".

WITNESSETH that the Contractor and Virginia Tech, in consideration of the mutual covenants, promises and agreements herein contained, agrees as follows:

SCOPE OF CONTRACT: The Contractor shall provide the _____ to Virginia Tech as set forth in the Contract Documents.

PERIOD OF CONTRACT: From _____ through _____.

COMPENSATION AND METHOD OF PAYMENT: The Contractor shall be paid by Virginia Tech in accordance with the contract documents.

CONTRACT DOCUMENT: The contract documents shall consist of this signed contract, Request For Proposal Number _____ dated _____, together with all written modifications thereof and the proposal submitted by the Contractor dated _____ and the Contractor's letter dated _____, all of which contract documents are incorporated herein.

In WITNESS WHEREOF, the parties have caused this Contract to be duly executed intending to be bound thereby.

Contractor: _____ Virginia Tech

By: _____ By: _____

Title: _____

ATTACHMENT D

TERMS AND CONDITIONS

RFP General Terms and Conditions

See http://www.purch.vt.edu/html/docs/terms/gtc_rfp_110106.pdf

Special Terms and Conditions

1. **AUDIT:** The Contractor hereby agrees to retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. Virginia Tech, its authorized agents, and/or the State auditors shall have full access and the right to examine any of said materials during said period.
2. **AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that Virginia Tech shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.
3. **BLANKET FIDELITY BOND:** Contractor shall maintain a blanket fidelity bond obtained from an insurance company licensed to conduct fidelity business in the home state of the contractor and which has earned an A.M. Best Company, Inc. rating of A or better, as reflected in their most current publication, covering all personnel under contract to the Commonwealth of Virginia, with a penalty amount of not less than \$500,000.00, naming Virginia Tech and the Commonwealth of Virginia as co-obligees. Certificate of such protection must be presented to Virginia Tech prior to the start of the service showing name of surety, limit and type of coverage, term of coverage, co-obligee provision and name and address of licensed Virginia insurance agent. The contractor agrees to maintain such bond until one year after the completion of the contract.
4. **CANCELLATION OF CONTRACT:** Virginia Tech reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event the initial contract period is for more than 12 months, the resulting contract may be terminated by either party, without penalty, after the initial 12 months of the contract period upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
5. **CONTRACT DOCUMENTS:** The contract entered into by the parties shall consist of the Request for Proposal including all modifications thereof, the proposal submitted by the Contractor, the written results of negotiations, the Commonwealth Standard Contract Form, all of which shall be referred to collectively as the Contract Documents.
6. **IDENTIFICATION OF PROPOSAL ENVELOPE:** If a special envelope is not furnished, or if return in the special envelope is not possible, the signed proposal should be returned in a separate envelope or package, sealed and addressed as follows:
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
Purchasing Department (0333)
270 Southgate Center
Blacksburg, VA 24061
Reference the opening date and hour, and RFP Number in the lower left corner of the envelope or package.
If a proposal not contained in the special envelope is mailed, the Offeror takes the risk that the envelope, even if marked as described above, may be inadvertently opened and the information compromised which may cause the proposal to be disqualified. No other correspondence or other proposals should be placed in the envelope. Proposals may be hand delivered to the Virginia Tech Purchasing Department.
7. **INDEPENDENT CONTRACTOR:** The contractor shall not be an employee of Virginia Tech, but shall be an independent contractor.
Nothing in this agreement shall be construed as authority for the contractor to make commitments which shall bind Virginia Tech, or to otherwise act on behalf of Virginia Tech, except as Virginia Tech may expressly authorize in writing.
8. **INSURANCE, MONEY AND SECURITIES:** Contractor shall maintain a Broad Form Money and Securities Insurance Policy obtained from an insurance company licensed to conduct crime insurance business in the home state of the contractor and which has earned an A.M. Best Company, Inc. rating of A or better, as reflected in their most current publication, covering all money and property entrusted to the contractor by Virginia Tech, with limits of coverage of not less than \$500,000.00 for Loss Inside the Premises Coverage and not less than \$500,000.00 for Loss Outside the Premises Coverage, naming Virginia Tech and the Commonwealth of Virginia as additional named insured as respects this contract. Certificate of such protection must be presented to the purchasing agency prior to the start of the service showing name of insurance company, limits and type of coverage, term of coverage, additional insured provision and name and address of licensed insurance agent. The contractor agrees to maintain such policy until the completion of the contract and all money and property of Virginia Tech is remitted to Virginia Tech.

9. INSURANCE:

By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the contract, it will have the following insurance coverages at the time the work commences. Additionally, it will maintain these during the entire term of the contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

During the period of the contract, Virginia Tech reserves the right to require the Contractor to furnish certificates of insurance for the coverage required.

INSURANCE COVERAGES AND LIMITS REQUIRED:

A. Worker's Compensation - Statutory requirements and benefits.

B. Employers Liability - \$100,000.00

C. General Liability - \$500,000.00 combined single limit. Virginia Tech and the Commonwealth of Virginia shall be named as an additional insured with respect to goods/services being procured. This coverage is to include Premises/Operations Liability, Products and Completed Operations Coverage, Independent Contractor's Liability, Owner's and Contractor's Protective Liability and Personal Injury Liability.

D. Automobile Liability - \$500,000.00

E. Builders Risk - For all renovation and new construction projects under \$100,000 Virginia Tech will provide All Risk - Builders Risk Insurance. For all renovation contracts, and new construction from \$100,000 up to \$500,000 the contractor will be required to provide All Risk - Builders Risk Insurance in the amount of the contract and name Virginia Tech as additional insured. All insurance verifications of insurance will be through a valid insurance certificate.

The contractor agrees to be responsible for, indemnify, defend and hold harmless Virginia Tech, its officers, agents and employees from the payment of all sums of money by reason of any claim against them arising out of any and all occurrences resulting in bodily or mental injury or property damage that may happen to occur in connection with and during the performance of the contract, including but not limited to claims under the Worker's Compensation Act. The contractor agrees that it will, at all times, after the completion of the work, be responsible for, indemnify, defend and hold harmless Virginia Tech, its officers, agents and employees from all liabilities resulting from bodily or mental injury or property damage directly or indirectly arising out of the performance or nonperformance of the contract.

10. **NOTICES:** Any notices to be given by either party to the other pursuant to any contract resulting from this solicitation shall be in writing, hand delivered or mailed to the address of the respective party at the following address

If to Contractor: Address Shown On RFP Cover Page

Attention: Name Of Person Signing RFP

If to Virginia Tech:

Virginia Polytechnic Institute and State University
Attn: James E. Dunlap
Purchasing Department (0333)
270 Southgate Center
Blacksburg, VA 24061

and

Virginia Polytechnic Institute and State University
Attn: John Cusimano
Office of Investments & Debt Management
902 Prices Fork Road, Suite 4200 (0455)
Blacksburg, VA 24061

11. **SEVERAL LIABILITY:** Virginia Tech will be severally liable to the extent of its purchases made against any contract resulting from this solicitation. Applicable departments, institutions, agencies and/or Public Bodies of the Commonwealth of Virginia will be severally liable to the extent of their purchases made against any contract resulting from this solicitation.

**VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY (VIRGINIA TECH)
PURCHASING DEPARTMENT 0333
270 SOUTHGATE CENTER
BLACKSBURG, VA 24061**

Investment Services

February 14, 2007

Addendum Number one (1) to Virginia Tech Request for Proposal (RFP) Number 666651.

1. Questions have arisen concerning Virginia Tech's RFP for investment services. The questions are listed below followed by Virginia Tech's answers:
 - a. Question: Is it acceptable to address the RFP with 2 strategies?

Virginia Tech Answer: The RFP does not limit the number of strategies that you may offer.
 - b. Question: Is the RFP for the endowment or for the employee pension fund?

Virginia Tech Answer: The RFP is not involved with the endowment or employee pensions.
 - c. Question: Will it be used for a 401k plan?

Virginia Tech Answer: These funds are not 401(k) related. The funds are not related to any employee benefit plan.
 - d. Question: Can a strategy we present use fixed income instruments outside of the indices mentioned in the RFP?

Virginia Tech Answer: Yes
 - e. Question: The RFP states that the target duration is 3 to 6 months to 5 years. Our clarification request is whether we should consider average duration as we present our strategies.

Virginia Tech Answer: Portfolios may not contain assets with maturities greater than five years.
 - f. Question: On page 3, Section IV., it states that any firm that receives a purchase order or contract from Virginia Tech must register as a trading partner with the eVA system. Do we have to do that now as we address the RFP or can it wait until the winners are announced who will be awarded the contract(s)?

Virginia Tech Answer: The eVA registration can wait until a contract award decision is made.
 - g. Question: I do not see in the document any specific performance benchmark against which investment managers will be evaluated. Any insights would be very beneficial.

Virginia Tech Answer: Performance benchmarks have not been determined at this time, but would be based on industry standards applicable to portfolios recommended by the fund managers.
 - h. Question: The RFP talks about cash flows ranging from \$75 to \$195 million, and potentially another \$45 to \$79 million in addition to that. Are there any details available on those dollar amounts? Is there perhaps some predictability as to when the assets levels would be at their highest and lowest?

Virginia Tech Answer: We do not have a track record for the cash flows we expect to experience, once we transition as a level III university. Generally, we would expect the highest level of funds during the fall period as tuition and fees are collected and during the first part of the calendar year due to the same inflows.
 - i. Question: On page 4 of the document duration limits are discussed, and in the investment policy on page 11 maturity is described as a constraint. Can you clarify which takes precedence?

Virginia Tech Answer: Currently we are bound by the specific Virginia Tech investment policy, which is a subset of those securities allowed under the Investment of Public Funds Act.

- j. Question: The investment policy talks about foreign securities needing to be hedged back to U.S. dollars. Is this mandatory?

Virginia Tech Answer: Currently we are bound by the specific Virginia Tech investment policy, which is a subset of those securities allowed under the Investment of Public Funds Act.

- k. Question: Please clarify whether a 15 year track record in the proposed strategy is required.

Virginia Tech Answer: If the manager offers a strategy which has less than a 15 year track record, they may provide inception to date data.

2. All other terms, conditions and descriptions remain the same.
3. The RFP due date and hour remains February 21, 2007, 3 pm..

Virginia Tech

RFP #666651

February 16, 2007

Contact

James Kohley
Senior Business Development Officer
Phone: (412) 234-0341
Fax: (412) 234-9763
jkohley@standishmellon.com

Table of Contents

Executive Summary

Response to Request for Proposal

Exhibits

<u>Name</u>	<u>Exhibit</u>
Gross and Net Quarterly Returns Spreadsheet	1
Active Cash Composite	
1-3 Year Fixed Income Composite	
1-5 Year Fixed Income Composite	
Standish Mellon's Performance Disclosures	2
Active Cash Composite	
1-3 Year Fixed Income Composite	
1-5 Year Fixed Income Composite	
Form ADV, Part II	3
Insurance Policies	4
Sample Monthly Reports	5
Completed General Information Form	6

Under Separate Cover

CD with the Gross and Net Quarterly Returns Spreadsheet

Standish Mellon Asset Management, LLC ("Standish Mellon") is delighted to present this proposal for short duration management to Virginia Polytechnic Institute and State University (Virginia Tech). Since 1933, our firm has been focused on providing solutions for sophisticated investors. With \$161.8 billion in assets managed for over 400 clients, and with 110 investment professionals, Standish Mellon has the depth, breadth, and experience to meet your unique investment objectives, providing superior investment results in a rigorous risk management framework.

Standish Mellon has experience managing portfolios for Virginia clients invested per the Code of Virginia Investments of Public Funds Act. We believe we are uniquely positioned to provide a superior investment solution for Virginia Tech for the following reasons:

1) Investment Philosophy and Process – Standish Mellon pursues a disciplined, transparent, and repeatable approach to implementing our short duration strategies. We align our process to meet our client's objectives, through a process of open and frequent communication.

2) People and Experience – Standish Mellon's short duration management investment and trading process is overseen by an experienced staff of 14 portfolio managers/traders with a combined investment experience averaging more than 14 years per portfolio manager. We manage a complete array of short duration strategies encompasses U.S. and international separate account portfolios, mutual funds, and common trust funds.

3) Risk Management – Our short duration portfolios are invested in a sophisticated trading environment and in a rigorous risk management framework. Each client's portfolio guidelines are hard-coded into the trading system so that non-permissible securities may not be purchased. In addition the investment team uses a proprietary portfolio risk management analytical application to ensure that portfolios are managed consistent with the investment strategy and client overall risk guidelines.

4) Performance – Standish Mellon has delivered consistent, repeatable investment results in our short duration strategies, managing cash flows and maximizing yield consistent with our clients' investment objectives and guidelines.

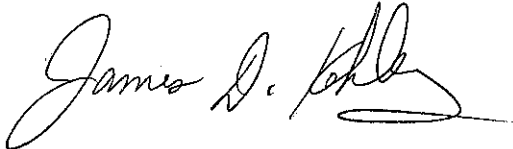
5) Relationship Management and Client Service - We will engage you in a comprehensive, consultative approach to relationship management bringing all the resources of our firm to bear for the benefit of your staff.

6) Custody Solution – Standish Mellon has a real time seamless interface with Mellon Global Securities Services. We also interface with other custodians.

In conclusion, we are grateful for the opportunity to present this proposal for investment management services to Virginia Tech. You have the commitment of our entire organization, from our senior management to the portfolio management and client service teams to provide investment performance that meets your objectives with an industry-leading level of client service.

Should you have any questions or need additional information please do not hesitate to contact me directly.

Sincerely,



James Kohley
Senior Business Development Officer

1. Performance

- a. If your proposed solution includes Operating Cash, Short-Term Bond, Intermediate Term Bond & Long Term Bond type vehicles, please provide a list of the quarters they experienced negative returns over the last fifteen years as of December 31, 2006.

Standish Mellon can provide customized client solutions that incorporate guidelines, benchmarks, risk tolerances, and strategies tailored to specific client return objectives. Initially, we propose three different strategies in three separate accounts for your mandate:

Product Name:	<u>Active Cash</u>	<u>1-3 Year Fixed Income</u>	<u>1-5 Year Fixed Income</u>
Strategy:	Enhanced Cash	Short Duration	Short Duration
Benchmark:	6 month T-Bill index	1-3 year Treasury index	1-5 year Gov't index
Composite start date:	January 1996	April 1994	April 1989
Negative gross return quarters:	2004 Q2	1994 Q2 2002 Q1 2004 Q2 2005 Q1	1992 Q1 1992 Q4 1994 Q1 1994 Q2 1996 Q1 2004 Q2 2005 Q1

- b. For the period ending December 31, 2006, provide the Sharpe Ratio on a rolling 3 year basis for each of your proposed products. Please cite the source of this information.

Standish Mellon utilizes Mellon Analytical Solutions LLC's (formerly known as Russell/Mellon Analytical Services LLC) performance attribution tools to calculate risk statistics. Provided below are the Sharpe Ratios on a rolling 3 year basis for each of our proposed products. The ratios are as of December 31, 2006 and are based on the composite's gross return.

Active Cash	0.56
1-3 Year Fixed Income	-0.32
1-5 Year Fixed Income	-0.14

- c. Using the Attachment B. format, provide an electronic excel file which displays 'gross of fee' and 'net of fee' quarterly returns as of December 31, 2006, for the last fifteen years for each product you propose as a solution.

We have provided the gross and net quarterly composite returns for the three products referenced above. We have included a CD with an Excel spreadsheet with our response as well as included a hard copy of the report as *Exhibit 1*.

Please refer *Exhibit 2* for copies of our GIPS compliant performance placards for these composites.

- d. In order to illustrate a full market cycle, provide the mean return and standard deviation of each of the following indices for the thirty year period ending December 31, 2006:

The ML 1-3 year Treasury
 Lehman Brothers Intermediate Government Bond Index
 Lehman Brothers Long-Term Government Bond Index
 Lehman Brothers Government/Credit Index

Please note, the statistics provided below are based on the thirty year period ending December 31, 2006, except for the ML 1-3 year Treasury which is only on the twenty-nine year period ending December 31, 2006. We provided the annualized average monthly return and the annualized standard deviation.

We have also include statistics on the **ML 1-5 Year Government Index** as it is the benchmark for the 1-5 Year Fixed Income product we are proposing. Its statistics are based on the 27 year, 11 month period ending December 31, 2006.

Benchmark	Mean Return (Annualized)	Standard Deviation (Annualized)
The ML 1-3 year Treasury	7.61	3.07
The ML 1-5 year Government	8.07	3.75
Lehman Brothers Intermediate Government Bond Index	8.02	4.41
Lehman Brothers Long-Term Government Bond Index	9.64	10.40
Lehman Brothers Government/Credit Index	8.52	5.97

Also, provide the current duration for each index, as well as a two standard deviation range of returns around its respective mean.

Benchmark	Duration 12/31/2006	2 Standard Deviation (Annualized)	2 Standard Deviation (Annualized)
The ML 1-3 year Treasury	1.73 yrs	13.74	1.48
The ML 1-5 year Government	2.28 yrs	15.56	0.57
Lehman Brothers Intermediate Government Bond Index	3.27 yrs	16.84	-0.80
Lehman Brothers Long-Term Government Bond Index	10.58 yrs	30.45	-11.17
Lehman Brothers Government/Credit Index	5.07 yrs	20.47	-3.42

- e. Explain how your performance is calculated in a manner that is Association for Investment Management Research (AIMR) compliant.

In accordance with Performance Presentation Standards advocated by AIMR, Standish Mellon Asset Management calculates a time-weighted rate of return that includes both the return from appreciation/depreciation and income and, by definition, are independent of the size and timing of the cash flows into the account.

A linked time weighted rate of return, which is universally accepted as the best measure for the fund's performance, is computed on a monthly basis. Accordingly, the portfolio is valued at the beginning and ending of the measurement period, as well as at the time of any external cash flow. Subperiod returns are computed by measuring the change in portfolio market value divided by the market value of the portfolio at the beginning of the subperiod. Income received during the subperiod is reflected in the ending market value as cash or is reinvested in additional securities. The monthly rate of return is calculated by linking the subperiod returns.

2. Fees

a. Please provide a proposed fee schedule.

Standish Mellon proposes the following fee schedule for the Virginia Tech mandate:

0.12 % on the first \$50 million
0.08 % thereafter

b. Is there a minimum fee?

Yes, there is a minimum annual fee of \$20,000. This would be applied across all assets regardless of how many accounts are established.

c. Are there any fees other than management fees based on a percentage of assets under management?

There are no other fees associated with the investment management of your portfolio(s).

3. Organization

a. Provide the following information for your Firm:

Name:

Standish Mellon Asset Management Company, LLC

Headquarters address:

One Boston Place, Suite 2900
201 Washington Street
Boston, MA 02108

Headquarters telephone number:

617-248-6000

Legal status (e.g., sole proprietorship, corporation, etc.)

Limited Liability Corporation

Month, day and year Firm was founded:

Standish Mellon Asset Management LLC was formed July 31, 2001

Standish, Ayer & Wood (Standish and Company, Inc. at the time of formation) was founded on January 23, 1933

Name of parent firm (if any), and
Mellon Financial Corporation

Name of affiliates or subsidiaries (if any) that may be involved in providing the Services.
None

- b. Provide a brief history of your Firm, including how long it has been in business under its present name, ownership and structure. In this regard, provide responses to these questions:**

Standish Mellon Asset Management's history dates back to 1933 when Standish, Ayer & Wood was founded to meet the needs of sophisticated investors worldwide. Based in Boston, MA, Standish, Ayer & Wood grew into a leading institutional manager, offering both domestic and international strategies to a global clientele. On July 31, 2001, Standish, Ayer & Wood became a wholly owned subsidiary of Mellon Financial Corporation and was renamed Standish Mellon Asset Management. Effective July 1, 2003, Standish Mellon Asset Management aligned the fixed income capabilities of Mellon Bond Associates (Pittsburgh, PA) and Certus Asset Advisors (San Francisco, CA), both of which were wholly owned subsidiaries of Mellon Financial Corporation.

How many offices do you have and where are they located?

Standish Mellon has three primary offices that are responsible for portfolio management, research, relationship management, client reporting, security trading, compliance, marketing, sales, performance measurement and accounting. Our offices are located in Pittsburgh, Pennsylvania, Boston, Massachusetts and San Francisco, California.

Have there been any changes in the ownership or structure of the Firm over the past five years? If yes, explain.

On July 29, 2004, Mellon Financial Corporation acquired the remaining 70% interest that it did not previously own in Pareto Partners (Pareto will remain an autonomous London-based fixed income manager specializing in currency overlay strategies). As a result of the transaction, Pareto's Global Fixed Income team transitioned to Standish Mellon Asset Management effective October 1, 2004.

Has your Firm announced any structural or financial engineering changes being contemplated in the next year (e.g., new products, mergers and acquisitions)? If yes, explain.

On December 4, 2006, an announcement was released detailing an agreement to merge The Bank of New York Company and Mellon Financial Corporation, creating a new global market leader in securities servicing and asset management. The transaction is, subject to regulatory and shareholder approval, expected to close by the third quarter of 2007. The new company will be called The Bank of New York Mellon Corporation and will be headquartered in New York. This action will be a true merger, with senior managers from both organizations heading business and support functions. Board members from both companies will sit on the new board of directors. Bob Kelley, Mellon Financial Corporation's current Chairman, President and CEO, will be CEO of the new organization; and following an 18 month period will also become Chairman of the new organization.

In addition, The Bank of New York's asset management subsidiaries will be accepted into Mellon Financial's current multi-boutique business model. The new business will be named BNY Mellon Asset Management and Ron O'Hanley, currently a Mellon Vice Chairman and sector head for Mellon Asset Management, will be responsible for the combined BNY Mellon asset management business, reporting to Bob Kelly.

c. Is your Firm a registered investment advisor under the Investment Advisor's Act of 1940? Please attach Part II of your most recent Form ADV.

Yes, Standish Mellon is a registered investment advisor with the Securities and Exchange Commission (SEC) under the Investment Advisers Act of 1940. Please see *Exhibit 3* for a copy of our Form ADV, Part II.

d. Describe any other business affiliations (e.g., subsidiaries, joint ventures, "soft dollar" relationships).

Standish Mellon does not engage in any soft dollar arrangements.

Standish Mellon provides investment management services for two wholly owned subsidiaries: Standish Ventures LLC and Coefficient Global LLC. Standish Mellon is not affiliated with any other organizations. However, Standish Mellon is one of 12 investment management subsidiaries of Mellon Financial Corporation. Each investment manager is an autonomous entity within the Mellon organization that offers investment strategies tailored to the unique requirements of investors throughout the world. Standish Mellon is proud to be associated with these distinguished managers, and pleased to offer their capabilities as a complement to our own.

Mellon Asset Management

The Boston Company Asset Management, LLC

The Dreyfus Corporation

EACM Advisors LLC

Franklin Portfolio Associates, LLC

Hamon US Investment Advisors Limited *

Mellon Capital Management Corporation

Mellon Equity Associates LLP

Newton Capital Management Limited

Pareto Investment Management Limited

Standish Mellon Asset Management Company, LLC

Walter Scott & Partners Limited

WestLB Mellon Asset Management Limited**

* Hamon Investment Group: Mellon holds a 19.9% interest in Hamon Investment Group.

** WestLB Mellon Asset Management is a joint venture between Mellon Financial Corporation and WestLB AG.

- e. During the last six years, has any regulatory or governmental entity conducted an audit or review of or taken any action against your Firm? If so, briefly describe the actions taken by your Firm to correct any deficiencies or problems.

The SEC conducted a routine examination of Standish Mellon Asset Management Company LLC's books and records in May of 2005. There were no material findings.

- f. Briefly discuss any material litigation involving the Firm or any of its principals during the last six years, including the nature of the litigation, the parties, the court and the current status.

There has been no litigation involving Standish Mellon or any of its principals during the last six years.

- g. Delineate all applicable insurance coverage by type and level of coverage (e.g., fidelity bond, errors and omissions, fiduciary liability).

Mellon Financial Corporation and its majority owned subsidiaries are covered by the insurance policies detailed in *Exhibit 4*. The purpose of this exhibit is to highlight the provisions of our insurance coverage. Specific coverage is determined by the terms of the policies themselves. The exhibit shows the current coverages/limits and are subject to change in the future.

- h. Describe any potential conflicts of interest your Firm may have in the management of this account.

To the best of our knowledge, we do not foresee any potential conflicts of interest in the management of the Virginia Tech account.

- i. Please outline your disaster recovery plan.

Standish Mellon has a plan and arrangements in place for an alternative worksite should our facilities become inoperative.

Overview

We ensure business continuity at Standish Mellon Asset Management through the use of redundant network capability, daily backup of business and system critical information, off premise storage of system recovery files and maintenance of a business resumption plan at an alternative Mellon location. The Standish Mellon Recovery Plan is a 24-hour recovery plan and consists of the following components:

- Utilization of strategic configuration management to enable the recovery of key hardware components
- Nightly backup of systems on tape which is shipped off-site daily for safekeeping
- Contingency planning procedures for each Standish Mellon business unit
- Alternative site arrangements with Mellon to relocate the firm's computing environment and essential personnel
- Periodic review of the plan including the simulation of key recovery scenarios

Sites

Standish Mellon utilizes three locations for its business operations: Boston, MA; Pittsburgh, PA; and San Francisco, CA. Personnel and processing equipment reside at each location. Standish Mellon also utilizes space at the Mellon Regional Computing Centers for its processing equipment. All facilities have sound infrastructure and support systems along with state of the art monitoring systems. All facilities have multiple electrical and telecommunications feeds. Security and building personnel are on site 24 hours a day / seven days a week at all locations. Standish Mellon has diversified its computing capabilities between multiple locations in order to minimize building outage exposure and improve business recovery capabilities.

Testing

Standish Mellon Asset Management performs recovery tests once a year. During a recovery test, all facets of the recovery strategy are exercised and all required business components are recorded and tested.

Business Unit Recovery plans are in place to outline each unit's recovery requirements, critical business functions, key personnel, as well as, any manual contingency capabilities that exist. These plans are created and documented with business continuity planning software. A recovery test was successfully performed at each Standish Mellon location in 2006.

4. Personnel

Please note, we have responded to this section on behalf of our Short Duration group only and not from an entire firm level perspective.

- a. List the total number of investment professionals involved in fixed income management, categorized by their primary responsibility.

	Short Duration As of 12/31/2006
Portfolio Managers	14
Dedicated Short Duration Research Analysts*	2
Bond Strategists	2
Traders	16
Client Service	3
Marketing	9

* The short duration investment team leverages the additional resources of 34 other analysts and traders firmwide.

- b. How many fixed income investment professionals were hired within the last 12 months?

During the past 12 months, ending December 31, 2006, we have hired two new short duration fixed income investment professionals.

- c. How many fixed income investment professionals have left within the last 12 months?

During the past 12 months, ending December 31, 2006, three short duration fixed income investment professionals have left the firm.

d. Are portfolios managed by a team or by an individual portfolio manager?

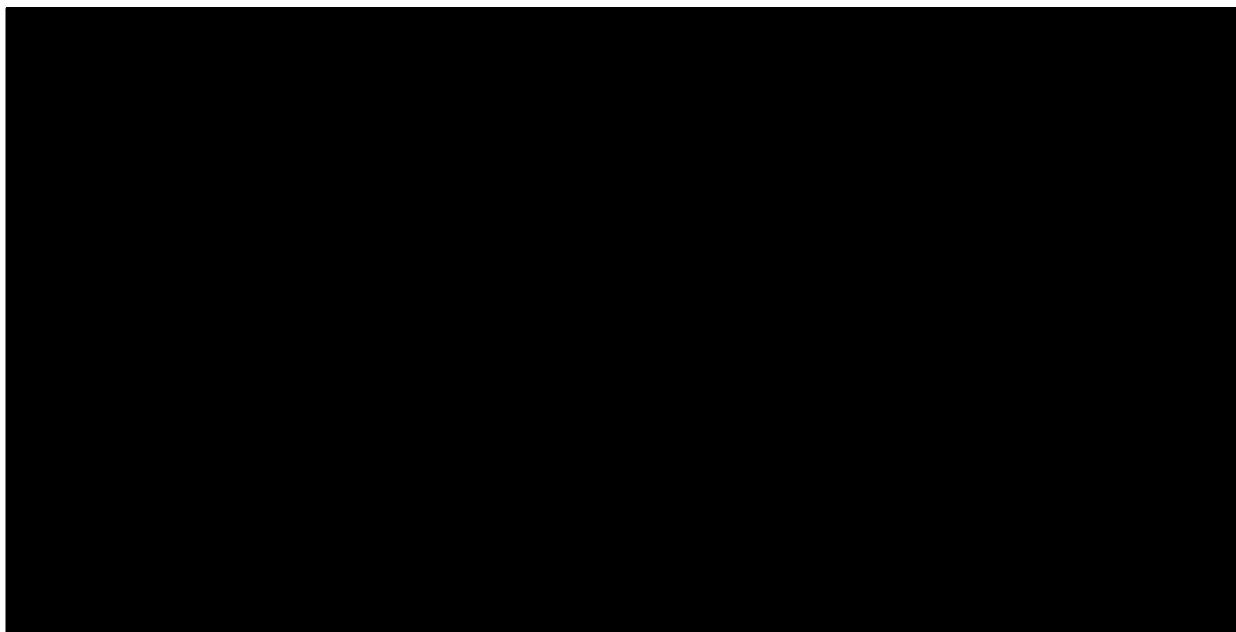
To ensure responsive service to our clients, Standish Mellon employs a primary and a secondary portfolio manager for each client relationship. Each portfolio manager has a strong working knowledge of assigned accounts and they work exclusively on those accounts. In the event that the primary portfolio manager is not available, the secondary manager serves as backup and, with a working knowledge of the account, can be immediately responsive. The majority of the portfolio manager's time is spent managing your assets as your account will be assigned a dedicated client service officer.

e. What is the average number of accounts per portfolio manager for this investment strategy?

For our short duration strategies, most of our portfolio managers handle 15-20 portfolios depending on the investment style, and complexity each of account.

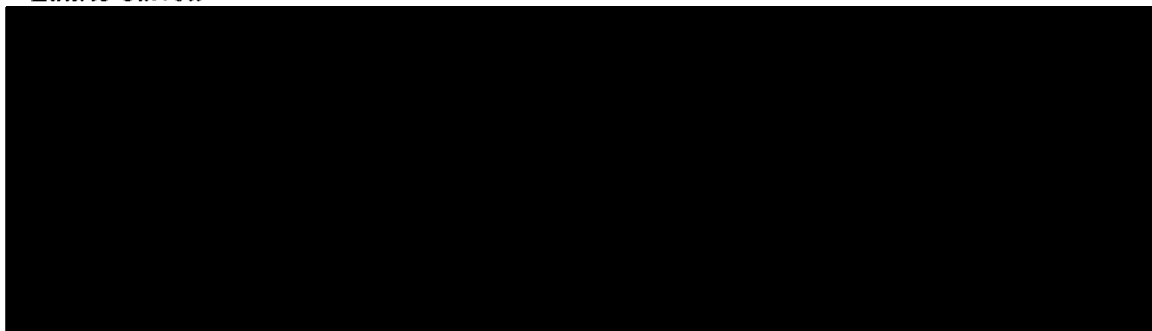
f. Provide an organizational chart for the fixed income area, stating the lines of reporting and product responsibilities of individuals.

Standish Mellon's Short Duration Investment Management Group

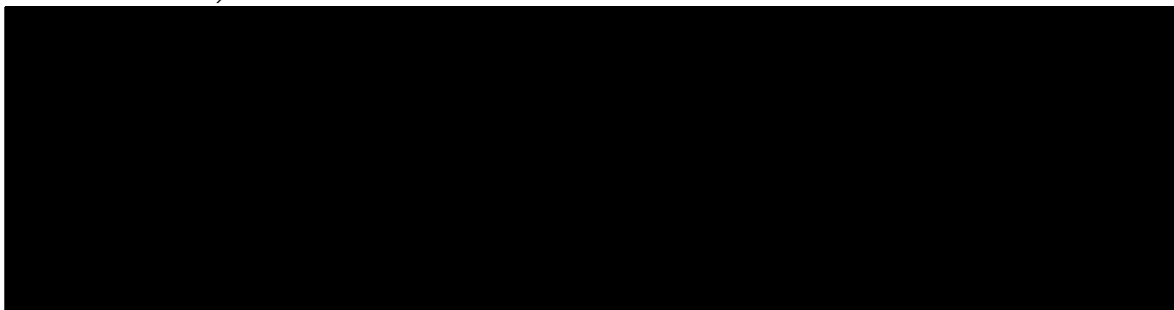


- g. List the persons that would be dedicated to this portfolio and their role. Provide a brief resume of each professional.

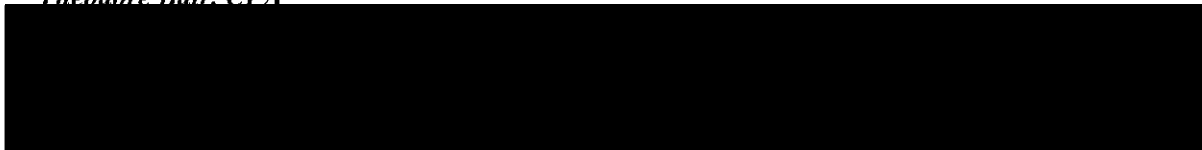
Laurie Carroll



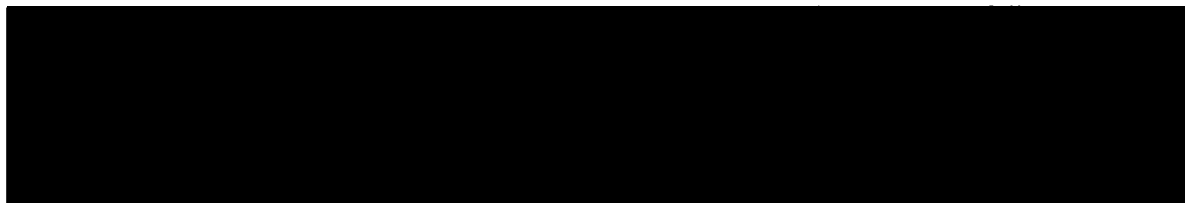
Johnson Moore, CFA



Theodore Bair, CFA



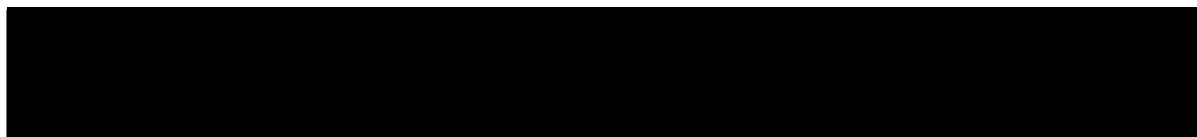
Nancy Banker



- h. Will the portfolio manager be accessible to the university at all times?

Yes, our clients have daily access to all of our investment professionals via phone, fax, and email.

- i. Who will be the primary contact on the account? What is his/her role in managing our assets?






5. Investment Strategy and Research

- a. Briefly describe your investment philosophy for your short duration fixed income product. Discuss how your philosophy has changed since the inception of the product and how you anticipate it will evolve in the future.

Standish Mellon's Short Duration group provides investment services to clients with a wide range of liquidity, risk and performance objectives. Our philosophy is to provide customized solutions to best meet each of our client's objectives while using the combined resources of a major asset manager. Accordingly our strategies range from conservative short-term money market and STIF portfolios managed on a yield basis to total return based strategies taking advantage of a broad range fixed income securities and derivatives. Our guiding principal within this framework is to focus on what our clients have asked for and to meet these objectives in a consistent, controlled manner.

Though our philosophy has remained consistent over time, our focus of customizing solutions means that our business has evolved as our clients and the markets have evolved. Over the last few years, we have observed greater use of structured securities, such as asset backed securities, and derivatives, such as futures and swaps. In addition, we have seen a general trend within the market towards 1, 3 and 6 month LIBOR based indices.

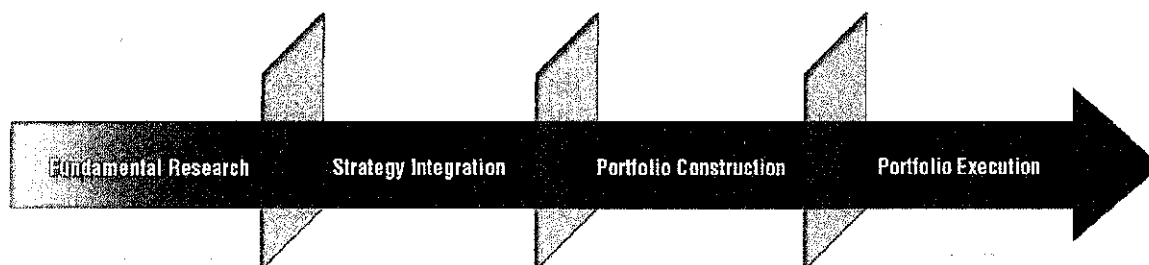
- b. Discuss your short duration investment decision-making process.



Our Short Duration team makes decisions on a consensual basis and all team members are encouraged to contribute to the process. This team meets weekly strategy meetings during which they discuss the fundamental and technical aspects of the markets (e.g., economic data, market performance, investor sentiment, liquidity, and new issuance). These meetings also provide a forum to discuss general developments in interest rate movements, credit spreads, portfolio holdings and potential opportunities. Throughout the week, we review credit rating actions and comments published by our internal analysts during the week. Individual analysts also attend these meetings on a rotating basis to discuss the sectors that they cover and individual securities within those sectors. Then they make decisions concerning the major risks of the portfolio including sector allocation, credit exposure, portfolio duration and yield curve positioning. We rely on the combination of our fundamental outlook supported by quantitative analysis to drive this process. Best ideas initiate from a number of individuals including analysts, traders, and portfolio managers.

Our portfolio construction process begins with a thorough and detailed understanding of each client's specific investment objectives, risk tolerance, and benchmark. We then proceed with a clear investment process comprised of the following four (4) steps:

The team strives to achieve your goals by integrating your investment objectives with our time-tested short duration discipline.



Fundamental Research

- Produce macroeconomic, market and sector outlook
- In-depth fundamental security analysis
- Industry outlook

Strategy Integration

- Evaluate opportunity set
- Develop broad short duration strategy
- Generate model portfolio

Portfolio Construction

- Optimal portfolio structure based on unique client objectives
- Risk management

Portfolio Execution

- Adherence to client guidelines
- Best trading strategy
- Consistent strategies implementation

c. Discuss the unique features of the investment approach for your short duration fixed income product, you believe add the most value over time.

As discussed above, our investment approach focuses on providing customized solutions to best meet each of our client's objectives while using the combined resources of a major asset manager. The focus on customization provides our clients comfort that their portfolios are being managed to their own specific guidelines and objectives. In addition, we take full advantage of the strong research and trading capabilities of the combined firm.

The Standish Mellon Short Duration group has a deep team of 14 portfolio managers which is supported by 36 analysts and traders firm wide. Our team process draws on our diverse experience, which focuses on uncovering value and market inefficiencies. Finally, we have a transparent, disciplined and repeatable process with defined active exposures and investment themes.

d. What systems (technical) are relied upon in the decision making process?

In addition to specialized systems for structured finance and for credit analysis, Standish Mellon utilizes the following systems for managing short duration accounts:

- MBASISSM - for portfolio performance, accounting and reporting (Proprietary)
- Charles River Development - trade order management and compliance
- TradeWeb and MarketAxess - buy/sell orders
- Port Index - provides index/portfolio information and variance from index (Proprietary)
- Port Sim - a portfolio simulation tool which allows for changing yield curves and credit spreads through time (Proprietary)
- Intex and Bloomberg
- Lehman's Point System and the Citigroup's Yieldbook system
- Money market curve breakeven analysis (Proprietary)

e. What recommendations would your organization make regarding the investment guidelines provided as Attachment A?

While we can manage your portfolio(s) within the Code of Virginia Investments of Public Fund Act, we recommend allowing AAA rated asset-backed securities. We also recommend allowing single A rated securities considering Standish Mellon's robust credit research capabilities as detailed below. We suggest drafting separate investment guidelines for each portfolio/account managed.

f. Discuss the credit selection process; do you have an internal credit research group?

We view investment research as an internal responsibility and an integral part of how we add value. As such, we generate over 90% of our research via internal resources. Standish Mellon relies heavily on a combination of proprietary fundamental and quantitative research in the following key areas for our short duration portfolios:

Credit Research

Our analysts use a variety of proprietary sector models to identify and understand the macroeconomic, monetary, and capital market variables that drive overall corporate yield spreads. We combine our quantitative research with qualitative economic and political analysis to make sector allocation decisions, which is followed by our security selection process.

In analyzing a specific company and its fixed income securities, we carefully assess the credit characteristics of each issuer. We thoroughly analyze key variables as they relate to the firm and conduct a comprehensive historical analysis of company operations and financials. We focus on important leading indicators and measures of profitability, including management quality, free cash flow, financial flexibility, market share, revenue growth and margin trends. To assess the future direction of credit quality, we build our own pro-forma financials based on input/data received from the company, rating agency contacts and other sources.

Our analysts use a variety of tools to research and evaluate securities, including an internally developed Fixed Income Research Database that all of our investment professionals can access. This data warehouse is a storage mechanism that allows our credit analysts to enter comments and provide credit rating outlooks on specific issuers that they compare to the major ratings

agencies (e.g., Moody's and S&P). In addition, our database allows our analysts to monitor historical trends over time.

As a result, our proprietary database helps with:

- Idea generation
- Relative value analysis
- Risk management at the credit analyst level
- The ability to track and monitor their "portfolio" of credits
- New credit ideas and proposes swap ideas within specific sectors

Our security selection discipline focuses on credit quality trends and valuation. We attempt to own stable-to-improving credits at fair-to-cheap spreads. After we conduct fundamental, relative analysis and review quantitative risk measures, our credit analysts then assign internal credit ratings for each name that they cover:

- 1 = high likelihood of an upgrade in 12 months
- 2 = moderate likelihood of an upgrade in 12 months
- 3 = stable
- 4 = moderate likelihood of a downgrade in 12 months
- 5 = high likelihood of a downgrade in 12 months

The goal of our research effort is to anticipate credit quality trends and generate ideas that our portfolio managers can use to produce well-diversified portfolios that are consistent with our clients' business needs and investment objectives.

Liquid Products

Standish Mellon has dedicated liquid products analysts and traders who rely heavily on a solid quantitative foundation to research Treasuries, agencies and mortgage backed securities. We have comprehensive coverage in the complete range of MBS related securities for our investment portfolios from plain vanilla pass-throughs to more complex structured MBS. Using a variety of quantitative tools, including proprietary MBS sector models, our analysts make sector and security-specific recommendations. Our modeling, combined with our scenario-based approach, gives us the capability to efficiently evaluate the large universe of mortgage securities for the most attractive relative value.

Structured Securities

Standish Mellon has investment professionals dedicated to researching commercial mortgages and asset-backed securities. Using a combination of fundamental and quantitative research, our structured financial analysts identify structured securities with stable-to-improving credit characteristics and well-structured pools that produce favorable cash flow profiles.

Our analysts look carefully at the specific asset pool and the relevant factors that would affect their cash flows. In selecting bonds, we analyze issuer quality and underwriting standards, the servicer's loss mitigation platform, asset characteristics versus comparable transactions, asset diversification, and credit enhancement and other structural features. We also look at the historical performance of comparable pools across issuers and within the issuer in question. Looking at the past performance of similar deals in conjunction with the security level analysis provides valuable information used in forming our projections with respect to prepayment speeds, delinquencies, defaults and losses. Our goal is to find bonds secured by assets whose

performance is expected to improve over time and potentially achieve a ratings upgrade in the case of subordinated bonds. We also look for bonds whose expected prepayment profile provides us with cash flow characteristics that are favorable given our entry price point (premium or discount).

- g. For the strategy proposed, provide a breakdown of a sample portfolio composition as of year end 2006, and year to date 2007.

Active Cash	12/31/2006	01/31/2007
Characteristics		
Average quality	AA-	AA-
Average duration	0.49 years	0.49 years
Average maturity	0.47 years	0.46 years
Yield to maturity	5.45%	5.42%
Sector breakdown (%)		
Treasury/Agency	0.1	0.1
Credit	8.9	6.1
Floating rate notes	24.5	23.3
Asset-backed	15.2	13.0
Floating rate asset-backed	7.5	6.3
Commercial paper	6.6	14.0
Certificate of deposit	2.5	2.2
Repurchase agreements	34.7	35.0
	100.0	100.0
Quality breakdown (%)		
AAA & higher	24.3	21.3
AA	3.1	2.4
A	14.7	15.0
BBB	14.1	12.5
P1	43.8	46.6
P2	0.0	2.2
	100.0	100.0
Maturity distribution (%)		
0-3 months	77.4	81.0
3-6	10.5	7.8
6-12	10.4	9.9
12-24	1.4	1.1
24+	0.3	0.2
	100.0	100.0

- g. For the strategy proposed, provide a breakdown of a sample portfolio composition as of year end 2006, and year to date 2007. (continued)

1-3 Year Fixed Income	12/31/2006	01/31/2007
Characteristics		
Average quality	AA+	AA+
Average duration	1.74 years	1.67 years
Average maturity	3.30 years	3.20 years
Yield to maturity	5.23%	5.34%
Sector breakdown (%)		
Treasury	12.9	9.1
Agency	25.2	25.0
Mortgage pass thru	1.0	2.5
Commercial mortgage	1.6	1.9
Credit	28.8	26.5
Floating rate notes	2.2	2.2
Asset-backed	28.1	28.3
Cash & equivalents	0.2	4.5
	100.0	100.0
Quality breakdown (%)		
AAA & higher	68.8	65.8
AA	7.3	7.2
A	16.2	15.7
BBB	7.5	6.7
P1	0.2	4.5
	100.0	100.0
Duration distribution (%)		
0-1 years	19.5	19.2
1-2	49.1	49.2
2-3	23.2	23.8
>3	8.2	7.8
	100.0	100.0

- g. For the strategy proposed, provide a breakdown of a sample portfolio composition as of year end 2006, and year to date 2007. (continued)

1-5 Year Fixed Income	12/31/2006	01/31/2007
Characteristics		
Average quality	AA+	AA+
Average duration	2.42 years	2.36 years
Average maturity	4.27 years	4.16 years
Yield to maturity	5.28%	5.41%
Sector breakdown (%)		
Treasury	4.4	0.1
Agency	18.5	18.7
Mortgage pass thru	1.4	3.3
Commercial mortgage	3.4	3.4
Credit	36.7	36.5
Asset-backed	32.0	32.4
Floating rate notes	0.0	3.1
Cash & equivalents	3.6	2.5
	100.0	100.0
Quality breakdown (%)		
AAA & higher	59.7	58.2
AA	8.1	8.3
A	18.6	20.3
BBB	10.0	10.7
P1	3.6	2.5
	100.0	100.0
Duration distribution (%)		
0-1 years	18.5	15.8
1-2	30.3	33.5
2-3	24.2	27.5
3-4	22.6	19.2
>4	4.4	4.0
	100.0	100.0

- h. Describe your processes used to ensure that portfolio investment policies/guidelines/restrictions are followed and prohibited activities do not occur (both at time of transaction and on an ongoing basis). Include information on whether these processes are automated or manual.**

Our compliance and trade order management system, Charles River Development (CRD), allows us to manage each portfolio against its own structural benchmark and account/prospectus guidelines as defined by the client in the aforementioned negotiation process. The guidelines are incorporated into CRD by the Compliance team to ensure compliance with the directives. This screening process employs both pre-trade and post-trade compliance measurements to ensure compliance with the guidelines. Potential violations are trapped by the pre-trade compliance system of CRD, thereby preventing further processing until the deficiency is corrected and appropriately reviewed.

Pre-trade routines permit the encoding of the appropriate guidelines identified as part of the business acceptance process and in ongoing account reviews. Such guidelines include, but are not limited to issuer and broker restrictions, issuer and sector concentration limitations, quality restrictions, maximum size limitations, maturity restrictions, etc. Post-trade processes include daily review of accounts against their guidelines.

Back-end processes include daily/weekly/monthly reconciliations, a review of all trades by three senior officers, annual review of account holdings for suitability, semi-annual certification of client guideline compliance, and quarterly review of all assets.

Additionally, Standish Mellon management and compliance receives various reports designed to identify occurrences of non-compliance and monitor compliance with laws, regulations and guidelines. Among these reports are: a review and approval of all transactions, a review of account holdings and compliance with guidelines, monthly sampling of accounts for guideline compliance, quarterly review of assets for applicability, notification of overdrafts, monthly reconciliation of holdings and on-line guidelines preventing the execution of non-complying transaction, daily review of short-term trades, on-line volume of business by broker/dealer and by trader, and detailed data and system security reports.

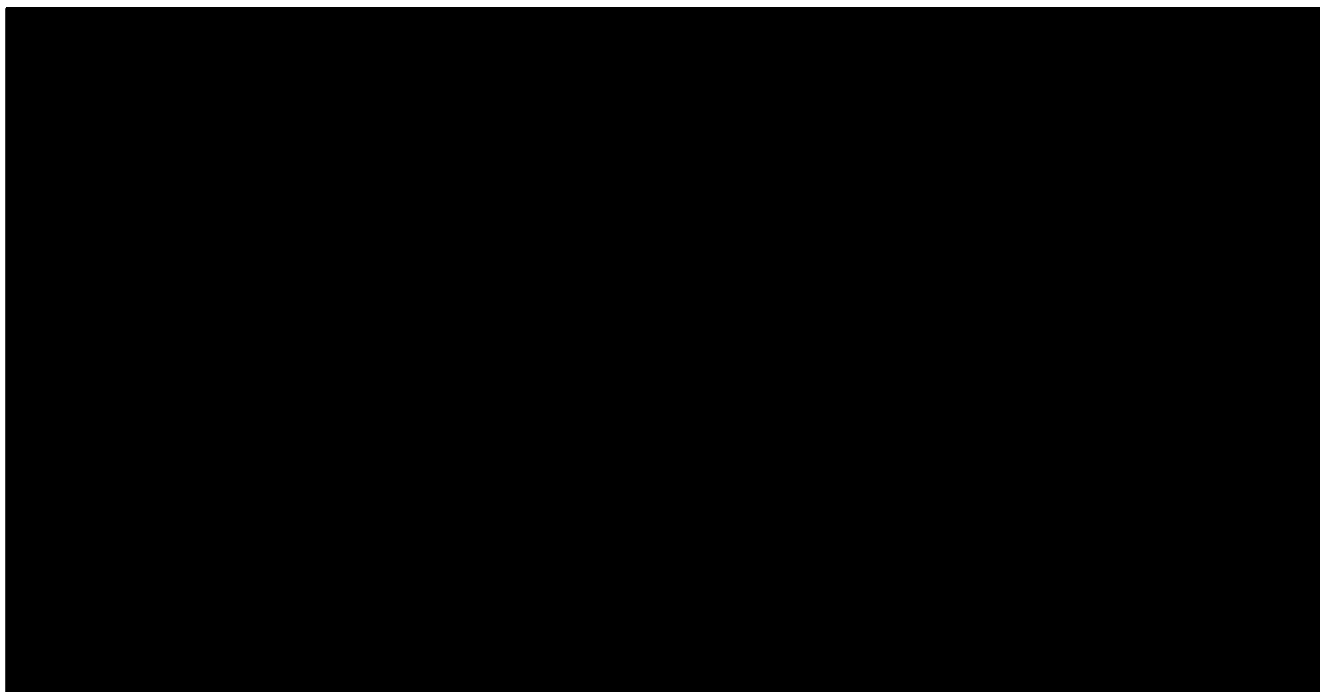
6. Small Women-owned and Minority-owned Business (SWAM) Utilization

- a. Describe your plan for utilizing small businesses and businesses owned by women and minorities if awarded a contract. Describe your ability to provide statistical reporting on actual SWAM subcontracting when requested. Specify if your business or the business or businesses that you plan to subcontract with are certified by the Department of Minority Business Enterprise.**

Standish Mellon does not outsource any of our investment management functions.

7. Assets and Accounts

- a. What are your firm's total assets and breakdown by asset type (fixed income, equity, etc.)?



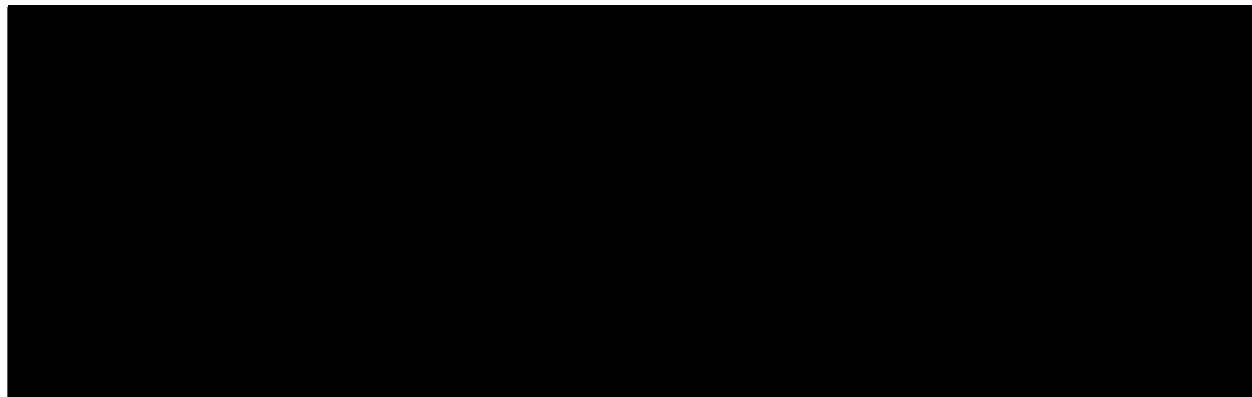
- b. What are your firm's total assets managed in short-duration strategies.



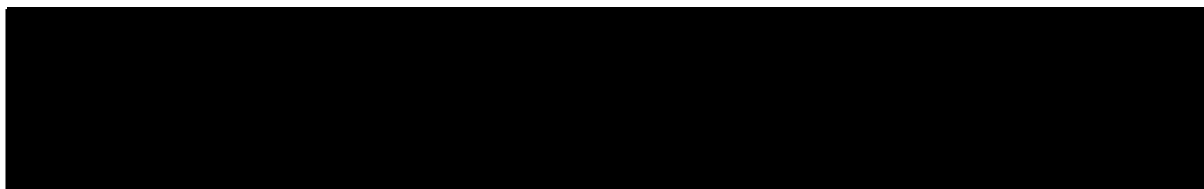
- c. Over the last 24 months, how many short duration accounts (#) and assets under management (\$MM) have been gained?



- d. Over the last 24 months, how many short duration accounts (#) and assets under management (\$MM) have been lost?



- e. What is the number of accounts and total assets currently managed for Virginia clients invested per the Investment of Public Funds Act of Virginia?



Standish Mellon, as an outside manager, is not bound by the Investment of Public Fund Act of Virginia for some of these portfolios. As such, they have been customized to meet the exact needs of the various entities.

- f. Please provide a sample monthly account statement. Please describe your procedures to ensure the information provided is updated to meet ever changing reporting requirements of the Governmental Accounting Standards Board, Financial Accounting Standards Board, the AICPA, etc. Please provide the average number of days after month end for your organization to provide such monthly account statements.

Using MBASISSM, our proprietary portfolio management system, we generate comprehensive monthly client reports and deliver these either via email or hard copies. These reports, which our accounting staff reconciles, include a list of security holdings and portfolio performance. We also provide our clients' consultants with any additional information they request on a regular basis. Our reports are available 10 business days after month end. Additionally, we provide our clients with the ability to access their portfolio information on-line. Currently, clients may access their holdings and performance directly from our website (www.standishmellon.com) using a secure password.

Please refer to *Exhibit 5* for a copy of our sample monthly reports.

- g. Can the account statement be customized to meet specific reporting needs?

Given that our entire computer system has been developed in-house, we have the ability to customize account statements to meet each client's specific needs.

8. Implementation

- a. Describe the amount of time required to begin providing services after contract award.

Once the Investment Management Agreement (IMA) and investment guideline negotiations are complete, it should take three business days to establish an account with your custodian and to setup your account on our portfolio management system.

Cash will be transferred to your account by your custodian, or directly by you. Once the cash has posted to your account Standish Mellon, as your investment manager would invest the cash according to your investment guidelines.

Should you require assets to be transferred in-kind, it may take a few days longer for us to ensure all your holdings are setup on our trading platform.

b. What will be required of Virginia Tech to assist in the transition process?

Virginia Tech, and/or your legal counsel, will need to finalize the IMA and the investment guidelines for each account. You will also need to provide us with a point person at your custodian.

9. The return of the General Information Form and addenda, if any, signed and filled out as required.

Please refer to *Exhibit 6* for the completed and signed General Information Form.

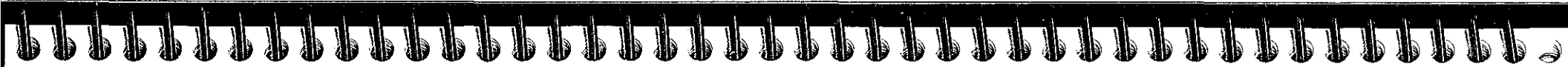


Standish Mellon Asset Management Company
Composite Performance

	Active Cash		1-3 Year Fixed Income		1-5 Year Fixed Income	
	Gross	Net	Gross	Net	Gross	Net
1992 Q1	---	---	---	---	-0.58	-0.61
1992 Q2	---	---	---	---	3.52	3.49
1992 Q3	---	---	---	---	4.02	3.98
1992 Q4	---	---	---	---	-0.48	-0.51
1993 Q1	---	---	---	---	3.53	3.50
1993 Q2	---	---	---	---	1.60	1.57
1993 Q3	---	---	---	---	1.78	1.75
1993 Q4	---	---	---	---	0.32	0.28
1994 Q1	---	---	---	---	-0.98	-1.01
1994 Q2	---	---	-0.31	-0.34	-0.20	-0.23
1994 Q3	---	---	0.94	0.90	0.88	0.85
1994 Q4	---	---	0.28	0.25	0.03	0.00
1995 Q1	---	---	3.06	3.02	3.59	3.55
1995 Q2	---	---	3.24	3.20	4.09	4.06
1995 Q3	---	---	1.26	1.22	1.56	1.52
1995 Q4	---	---	2.74	2.70	3.21	3.18
1996 Q1	1.22	1.15	0.17	0.13	-0.29	-0.32
1996 Q2	1.45	1.39	0.95	0.91	0.67	0.64
1996 Q3	1.50	1.44	1.52	1.48	1.64	1.60
1996 Q4	1.51	1.45	1.84	1.80	2.09	2.06
1997 Q1	1.32	1.25	0.67	0.63	0.36	0.33
1997 Q2	1.60	1.54	2.24	2.20	2.51	2.48
1997 Q3	1.57	1.50	1.98	1.95	2.26	2.23
1997 Q4	1.49	1.42	1.65	1.62	1.83	1.80
1998 Q1	1.48	1.42	1.57	1.54	1.56	1.53
1998 Q2	1.51	1.45	1.57	1.53	1.71	1.68
1998 Q3	1.63	1.56	3.04	3.00	3.64	3.61
1998 Q4	1.31	1.25	0.76	0.73	0.54	0.51
1999 Q1	1.43	1.37	0.70	0.66	0.35	0.32
1999 Q2	1.11	1.05	0.63	0.59	0.14	0.10
1999 Q3	1.28	1.22	1.19	1.16	1.18	1.14
1999 Q4	1.53	1.46	0.71	0.67	0.42	0.39
2000 Q1	1.58	1.52	1.29	1.26	1.29	1.26
2000 Q2	1.65	1.59	1.37	1.33	1.24	1.20
2000 Q3	1.93	1.87	2.33	2.30	2.73	2.70
2000 Q4	1.92	1.86	3.01	2.97	3.58	3.55
2001 Q1	2.05	1.99	2.87	2.83	3.28	3.25
2001 Q2	1.40	1.34	1.17	1.14	1.02	0.99
2001 Q3	1.57	1.50	3.16	3.13	4.34	4.31
2001 Q4	0.85	0.78	0.80	0.77	0.31	0.29
2002 Q1	0.34	0.28	-0.04	-0.08	0.13	0.11
2002 Q2	0.92	0.86	2.39	2.36	2.88	2.85
2002 Q3	0.85	0.79	2.22	2.18	3.34	3.32
2002 Q4	0.54	0.48	1.04	1.01	1.05	1.02
2003 Q1	0.53	0.47	0.86	0.83	0.94	0.92
2003 Q2	0.44	0.37	1.14	1.11	1.36	1.33
2003 Q3	0.37	0.31	0.27	0.23	0.25	0.22
2003 Q4	0.33	0.30	0.28	0.23	0.00	-0.02
2004 Q1	0.52	0.48	1.01	0.95	1.68	1.62
2004 Q2	-0.02	-0.06	-0.94	-0.98	-1.56	-1.62
2004 Q3	0.54	0.50	1.04	0.99	1.56	1.49
2004 Q4	0.44	0.40	0.12	0.07	0.26	0.20
2005 Q1	0.46	0.42	-0.12	-0.16	-0.43	-0.49
2005 Q2	0.88	0.84	1.17	1.14	1.61	1.55

Standish Mellon Asset Management Company
Composite Performance

	Active Cash		1-3 Year Fixed Income		1-5 Year Fixed Income	
	Gross	Net	Gross	Net	Gross	Net
2005 Q3	0.86	0.82	0.31	0.29	0.10	0.04
2005 Q4	0.96	0.91	0.64	0.62	0.51	0.45
2006 Q1	1.10	1.06	0.64	0.62	0.39	0.33
2006 Q2	1.20	1.16	0.79	0.76	0.62	0.56
2006 Q3	1.45	1.41	2.06	2.03	2.46	2.40
2006 Q4	1.34	1.30	1.13	1.11	1.05	0.99



Performance Disclosure

Active Cash Fixed Income Composite December 31, 2006

Annualized Performance

	4Q 2006	1 Year	3 Years	5 Years	10 Years
Size-weighted Gross	1.34	5.19	3.28	2.84	4.49
Size-weighted Net	1.30	5.02	3.11	2.64	4.26
Mellon STIF	1.37	5.20	3.34	2.64	4.10
ML 6 Month T-Bill	1.26	4.81	3.04	2.52	4.00

See disclosures on next page

Performance Disclosure

Active Cash Fixed Income Composite Ending December 31, 2006

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997 ¹
Size-weighted Gross	5.19	3.19	1.49	1.68	2.68	5.99	7.27	5.46	6.07	6.10
Size-weighted Net	5.02	3.02	1.32	1.46	2.43	5.73	7.00	5.20	5.80	5.84
Mellon STIF	5.20	3.38	1.47	1.28	1.93	4.39	6.69	5.36	5.71	5.77
ML 6 Month T-Bill	4.81	3.10	1.22	1.29	2.21	5.21	6.51	4.64	5.58	5.57
Number of Portfolios ²	17	13	10	6	6	—	—	—	5	5
Composite Assets (\$mm)	5,354	4,484	2,596	2,836	2,385	2,097	2,826	1,652	1,758	321
Firm Assets (\$mm) ⁴	161,772	142,845	214,834 ⁵	200,732 ⁵	79,895	60,532	57,747	50,602	49,179	47,262
Composite Dispersion ³	0.10	0.02	0.12	0.00	0.10	0.03	0.03	0.04	0.16	0.10

¹Composite Started on January 01, 1996; ²Composite Contained 4 or fewer Portfolios; ³Internal Asset Weighted Standard Deviation; ⁴Please note that from September 2003 to June 2005, Standish Mellon provided non-discretionary investment management advisory services for approximately \$100 billion in securities lending collateral.

The Active Cash Composite measures the total return of all fee paying, discretionary, fixed income portfolios that adhere to the following guidelines: portfolios that have a minimum market value of \$5 million, invest in securities that shall not exceed a 3 year duration at the time of purchase, and has an average duration targeted at 0.5 years and shall not exceed 1 year. This composite was created 10/1/2001. Although not part of the composite strategy, the use of futures, options, forwards and other derivatives is permitted in some portfolios. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. No portfolio with the same objectives, preferences, or constraints has been excluded because it has not been under management for the required time. The firm maintains a complete list and description of composites, which is available upon request.

The firm is defined as Standish Mellon Asset Management Company LLC, a registered investment advisor and wholly owned subsidiary of Mellon Financial Corporation. The Firm also includes assets managed by Standish Mellon personnel acting as dual officers of The Dreyfus Corporation, Mellon Bank, NA, and Mellon Trust of New England, which are other Mellon Financial Corporation subsidiaries.

⁴Effective July 1, 2003, Standish Mellon Asset Management, Mellon Bond Associates, and Certus Asset Advisors, all wholly owned subsidiaries of Mellon Financial Corporation, combined to form Standish Mellon Asset Management Company LLC. Effective October 1, 2004, Mellon Financial Corporation acquired Pareto Partners. As part of the transition, Standish Mellon Asset Management acquired the global fixed income asset management business of Pareto Partners. No material change in personnel responsible for the investment management process has occurred in either transaction.

On 7/31/2001, Standish Ayer & Wood was purchased by Mellon Financial Corporation and renamed Standish Mellon Asset Management (SMAM). Effective 10/1/2001, all members of The Boston Company Asset Management (TBCAM) fixed income team (12 members) merged with the SMAM fixed income team. All money market, active cash, and short term accounts managed by TBCAM transferred to SMAM as a result. Former TBCAM investment professionals assumed the responsibility for the management of all money market, active cash, and short term portfolios as of that date.

The composite is viewed against the Merrill Lynch 6 Month US Treasury Bill Index and the Mellon STIF. The STIF contains short-term investment instruments with maturity generally of no more than 13 months, and an average maximum maturity of 90 days. Instruments generally must be issued or guaranteed by the U.S. government, federal agencies or sponsored corporations and be rated at least A3/A- at time of purchase. The ML 182 Day T-bill is comprised of a single issue of original outstanding 2-year Treasury Note that matures closest to 6 months from the rebalancing date (month-end date). At the end of the month, the issue is sold and rolled into a newly selected issue.

The standard investment advisory fee schedule for portfolios in the composite until 9/30/2001 was as follows: 0.18% on all assets. Thereafter, the standard fee is as follows: if a portfolio is less than \$100 million, 0.25% on the first \$50 million and 0.15% on the next \$50 million. For portfolios with assets over \$100 million, 0.15% on all assets. Standish Mellon's standard fees are shown in Part II of its Form ADV. Through December 31, 2003 net results reflected the average annual weighted management fee for the composite. The average weighted management fee is computed by applying the composite's standard fee schedule to the average account size of the stated composite for the date specified, converting the resulting dollar amount to basis points and rounding to four places. Certain clients could pay a higher or lower fee which would result in different net returns. Beginning January 1, 2004, net results reflect the above-mentioned fee schedule, actual results may vary for each individual portfolio.

Standish Mellon Asset Management has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). The CFA Institute has not been involved with the preparation or review of this report. Gross performance figures are time-weighted rates of return, which include the deduction of transaction costs. Both gross and net performance returns include the reinvestment of dividends and other distributions. The performance of the composite is expressed in U.S. dollars. Past performance is not an indication of future performance. Additional information regarding policies and procedures for calculating and reporting returns is available upon request.

Performance Disclosure

1-3 Fixed Income Composite December 31, 2006

Annualized Performance

	4Q 2006	1 Year	3 Years	5 Years	10 Years
Size-weighted Gross	1.13	4.69	2.63	3.23	4.94
Size-weighted Net	1.11	4.59	2.49	3.09	4.80
ML 1-3 Year Treasury	0.91	3.96	2.17	2.82	4.69

See disclosures on next page

Performance Disclosure

1-3 Fixed Income Composite Ending December 31, 2006

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997 ¹
Size-weighted Gross	4.69	2.01	1.23	2.57	5.71	8.23	8.23	3.26	7.11	6.70
Size-weighted Net	4.59	1.90	1.02	2.42	5.57	8.09	8.09	3.12	6.97	6.54
ML 1-3 Year Treasury	3.69	1.67	0.91	1.90	5.76	8.30	8.00	3.06	7.00	6.66
Number of Portfolios ⁴	10	10	6	6	—	—	—	—	7	8
Composite Assets (\$mm)	1,402	1,361	378	173	23	35	37	47	101	86
Firm Assets (\$mm) ⁵	161,772	142,845	214,834 ³	200,732 ³	79,895	60,532	57,747	50,602	49,179	47,262
Composite Dispersion ²	0.08	0.05	0.01	0.00	0.38	0.35	0.13	0.06	0.07	0.17

¹Composite Started on April 1, 1994; ²Internal Asset Weighted Standard Deviation; ³Please note that from September 2003 to June 2005, Standish Mellon provided non-discretionary investment management advisory services for approximately \$100 billion in securities lending collateral. ⁴Composite Contained 4 or fewer Portfolios;

The 1-3 Fixed Income composite is comprised of portfolios whose objective is to outperform the Merrill Lynch 1-3 Year Treasury by investing in securities that emphasize principal protection, diversification and liquidity through a low risk short-term strategy. While Standish's objective is to outperform the stated benchmark, it does not imply that this strategy shall share, or attempt to share, the same or similar characteristics of the benchmark or attempt to track the benchmark. Portfolios that fall below a market value of \$5 million are excluded from the composite. This composite was created April 1, 1994. Leverage or derivatives are not used in the management of this composite. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. No portfolio with the same objectives, preferences, or constraints has been excluded because it has not been under management for the required time. The firm maintains a complete list and description of composites, which is available upon request.

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⁵Effective July 1, 2003, Standish Mellon Asset Management, Mellon Bond Associates, and Certus Asset Advisors, all wholly owned subsidiaries of Mellon Financial Corporation, combined to form Standish Mellon Asset Management Company LLC. Effective October 1, 2004, Mellon Financial Corporation acquired Pareto Partners. As part of the transition, Standish Mellon Asset Management acquired the global fixed income asset management business of Pareto Partners. No material change in personnel responsible for the investment management process has occurred in either transaction.

Non-fee-paying portfolios are not included in this composite.

The benchmark for this composite is the Merrill Lynch 1-3 Year Treasury Index. The index is a sub-index of the Merrill Lynch Treasury Master Index, which includes issues in the form of publicly placed, coupon-bearing US Treasury debt. Issues must carry a term to maturity of at least one year.

The standard 1-3 fixed income management fee is: if a portfolio is less than \$100 million, 0.25% on the first \$50 million and 0.20% on the next \$50 million. For portfolios with assets over \$100 million, 0.20 of 1% on all assets. Standish Mellon's standard fees are shown in Part II of its Form ADV. Net results reflect the deduction of the average annual weighted management fee. Through December 31, 2003 net results reflected the average annual weighted management fee for the composite. The average weighted management fee is computed by applying the composite's standard fee schedule to the average account size of the stated composite for the date specified, converting the resulting dollar amount to basis points and rounding to four places. Certain clients could pay a higher or lower fee which would result in different net returns. Beginning January 1, 2004, net results reflect the above-mentioned fee schedule, actual results may vary for each individual portfolio.

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Performance Disclosure

1-5 High Quality Fixed Income Composite December 31, 2006

Annualized Performance

	4Q 2006	1 Year	3 Years	5 Years	10 Years
Size-weighted Gross	1.05	4.59	2.76	3.67	5.32
Size-weighted Net	0.99	4.33	2.51	3.47	5.16
ML 1-5 Year Gov't	0.94	4.04	2.31	3.30	5.06

See disclosures on next page

Performance Disclosure

1-5 High Quality Fixed Income Composite Ending December 31, 2006

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997 ¹
Size-weighted Gross	4.59	1.79	1.92	2.57	7.58	9.20	9.11	2.10	7.64	7.13
Size-weighted Net	4.33	1.54	1.67	2.46	7.46	9.09	8.97	1.97	7.50	6.99
ML 1-5 Year Gov't	4.04	1.45	1.45	2.15	7.54	8.53	9.00	2.11	7.67	7.11
Number of Portfolios ⁴	—	—	—	5	—	—	—	6	7	8
Composite Assets (\$mm)	117	83	67	159	91	389	143	170	171	463
Firm Assets (\$mm) ⁵	161,772	142,845	214,834 ³	200,732 ³	79,895	60,532	57,747	50,602	49,179	47,262
Composite Dispersion ²	0.04	0.03	0.11	0.52	0.00	0.02	0.01	0.05	0.12	0.06

¹Composite Started on April 1, 1998; ²Internal Asset Weighted Standard Deviation; ³Please note that from September 2003 to June 2005, Standish Mellon provided non-discretionary investment management advisory services for approximately \$100 billion in securities lending collateral; ⁴Composite Contained 4 or fewer Portfolios;

The 1-5 High Quality Fixed Income composite is comprised of portfolios whose objective is to outperform the Merrill Lynch 1-5 Year Government by investing in securities that emphasize principal protection, diversification and liquidity through a low risk short-term strategy. While Standish's objective is to outperform the stated benchmark, it does not imply that this strategy shall share, or attempt to share, the same or similar characteristics of the benchmark or attempt to track the benchmark. Portfolios that fall below a market value of \$15 million are excluded from the composite. This composite was created April 1, 1989. Leverage or derivatives are not used in the management of this composite. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. No portfolio with the same objectives, preferences, or constraints has been excluded because it has not been under management for the required time. The firm maintains a complete list and description of composites, which is available upon request.

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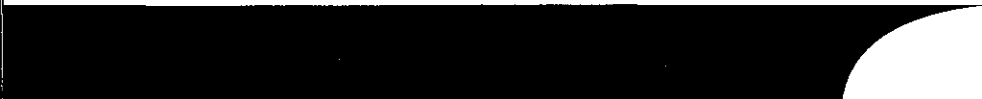
⁵Effective July 1, 2003, Standish Mellon Asset Management, Mellon Bond Associates, and Certus Asset Advisors, all wholly owned subsidiaries of Mellon Financial Corporation, combined to form Standish Mellon Asset Management Company LLC. Effective October 1, 2004, Mellon Financial Corporation acquired Pareto Partners. As part of the transition, Standish Mellon Asset Management acquired the global fixed income asset management business of Pareto Partners. No material change in personnel responsible for the investment management process has occurred in either transaction.

Non-fee-paying portfolios are not included in this composite.

The benchmark for this composite is the Merrill Lynch 1-5 Year Government Index. The Merrill Lynch 1-5 Year Government Index consists of Government issues having final maturity of between one and five years.

The standard 1-5 fixed income management fee is: if a portfolio is less than \$100 million, 0.25% on the first \$50 million and 0.20% on the next \$50 million. For portfolios with assets over \$100 million, 0.20% on all assets. Standish Mellon's standard fees are shown in Part II of its Form ADV. Net results reflect the deduction of the average annual weighted management fee. Through December 31, 2003 net results reflected the average annual weighted management fee for the composite. The average weighted management fee is computed by applying the composite's standard fee schedule to the average account size of the stated composite for the date specified, converting the resulting dollar amount to basis points and rounding to four places. Certain clients could pay a higher or lower fee which would result in different net returns. Beginning January 1, 2004, net results reflect the above-mentioned fee schedule, actual results may vary for each individual portfolio.

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Standish Mellon Asset
Management Company LLC

Form ADV
Part II

Amended as of

October 31, 2006



FORM ADV**Uniform Application for Investment Adviser Registration****Part II - Page 1****OMB APPROVAL**

OMB Number: 3235-0049
Expires: February 28, 2001
Estimated average burden
hours per response9.01

Name of Investment Adviser:

Standish Mellon Asset Management Company LLC

Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code	Telephone number
One Boston Place, Suite 024-0344	Boston	MA	02108-4408	617-248-6000	

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any governmental authority.**

Table of Contents

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	Continuation Sheet	Schedule F
	Balance Sheet, if required	Schedule G

(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

ACN/Form ADV © 1996-1999: Advisor Consultant Network, Inc.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Definitions for Part II

Related person - Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or under common control with the applicant, including any non-clerical, non-ministerial employee.

Investment Supervisory Services - Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client's personal and family obligations.

1. A. Advisory Services and Fees. (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service.
(See instructions below.)

Applicant:

<input checked="" type="checkbox"/>	(1)	Provides investment supervisory services	97 %
<input checked="" type="checkbox"/>	(2)	Manages investment advisory accounts not involving investment supervisory services	2.8 %
<input checked="" type="checkbox"/>	(3)	Furnishes investment advice through consultations not included in either service described above02 %
<input type="checkbox"/>	(4)	Issues periodicals about securities by subscription	%
<input type="checkbox"/>	(5)	Issues special reports about securities not included in any service described above	%
<input type="checkbox"/>	(6)	Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities	%
<input type="checkbox"/>	(7)	On more than an occasional basis, furnishes advice to clients on matters not involving securities	%
<input type="checkbox"/>	(8)	Provides a timing service	%
<input type="checkbox"/>	(9)	Furnishes advice about securities in any manner not described above	%

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term?

Yes ☐ No ☒

C. Applicant offers investment advisory services for: (check all that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input checked="" type="checkbox"/> (3) Fixed Fees (not including subscription fees) | <input checked="" type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of Clients - Applicant generally provides investment advice to: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations |
| <input checked="" type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input checked="" type="checkbox"/> C. Investment Companies | <input checked="" type="checkbox"/> G. Other (describe on Schedule F) |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity Securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input type="checkbox"/> (1) exchange-listed securities | |
| <input type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> I. Options contracts on: |
| <input type="checkbox"/> (3) foreign issuers | <input checked="" type="checkbox"/> (1) securities |
| | <input checked="" type="checkbox"/> (2) commodities |
| <input checked="" type="checkbox"/> B. Warrants | |
| <input checked="" type="checkbox"/> C. Corporate debt securities | <input type="checkbox"/> J. Futures contracts on: |
| (other than commercial paper) | <input checked="" type="checkbox"/> (1) tangibles |
| | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> (1) real estate |
| <input checked="" type="checkbox"/> F. Municipal securities | <input type="checkbox"/> (2) oil and gas interests |
| | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input type="checkbox"/> G. Investment company securities: | <input checked="" type="checkbox"/> L. Other (explain on Schedule F) |
| <input type="checkbox"/> (1) variable life insurance | |
| <input type="checkbox"/> (2) variable annuities | |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|---|
| (1) <input type="checkbox"/> Charting | (4) <input type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input checked="" type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options,
uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (4) <input checked="" type="checkbox"/> Short sales | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?

Yes ☒ No ☐

(If yes, describe these standards on Schedule F.)

6. Education and Business Background

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the

- name
- formal education after high school
- year of birth
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice
- ☒ B. Applicant sells products or services other than investment advice to clients
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input checked="" type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input checked="" type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading advisor or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input checked="" type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

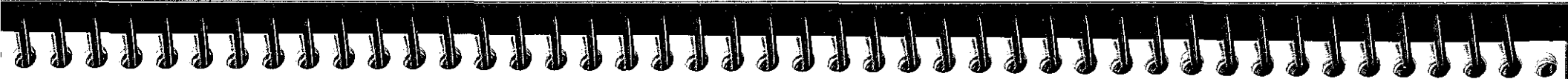
(For each checked in box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?

Yes ☒ No ☐

(If yes describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).



MELLON FINANCIAL CORPORATION AND MAJORITY OWNED SUBSIDIARIES
SUMMARY OF MAJOR INSURANCE POLICIES
NOVEMBER 1, 2006 - NOVEMBER 1, 2007

INSURANCE DESCRIPTION (Coverage subject to policy terms & conditions)	RETENTION OR DEDUCTIBLE	LIMIT	UNDERWRITER
GLOBAL FINANCIAL COVERAGES			
Financial Institution Bond Covers losses through employee dishonesty, loss of money and securities on premises/transit, forgery or alteration of commercial paper/securities	\$15,000,000 each and every loss	\$300,000,000 any one claim/loss and in the aggregate	AIG and other underwriters
Computer Crime Insurance Covers losses involving third party computer fraud	\$15,000,000 each and every loss	Included above	
Bankers' Professional Liability (Errors & Omissions) Covers losses for errors and omissions arising out of professional services	\$25,000,000 each and every loss	Included above	
Internet Media/Security Liability Covers losses for media/personal injury involving content of material posted to internet and failure of computer security	\$2,500,000 each and every loss	Included above with \$40,000,000 sublimit	
Internet Privacy Liability Covers losses from disclosure of personally identifiable and confidential corporate information			
Excess Securities Covers all risk of physical loss or damage to negotiable and non-negotiable securities and documents of value while in transit or on premises	Excess of above bond limit	\$300,000,000 each loss	XL and Lloyds
UNITED STATES COVERAGES			
Liability Covers legal liability for bodily injury or property damage arising from business operations and automobiles	\$2,000,000 general liability \$500,000 automobile each and every loss	\$10,000,000 annual aggregate (additional limits upon request)	Zurich and other underwriters
Property Covers repair or replacement of physical damage to property owned, occupied or used by Mellon	\$1,000,000 each and every loss	\$800,000,000	AIG and other underwriters
Workers' Compensation Covers accidents and occupational diseases arising out of and during the course of employment	\$1,000,000 each and every loss	Statutory	Zurich

Note: These are current coverages/limits and are subject to change in the future.

11/1/2006



ONE MELLON BANK CENTER, SUITE 5400
PITTSBURGH, PENNSYLVANIA 15258-0001

Client

FOR THE ACCOUNT OF Sample Client
STATEMENT PERIOD Active Cash
ACCOUNT NUMBERS December 31, 2006
 [REDACTED]

Contacts

ACCOUNT MANAGER Nancy Banker
TELEPHONE [REDACTED]
E-MAIL nbanker@standishmellon.com
VISIT OUR WEBSITE www.standishmellon.com

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PORTFOLIO DETAILS 3

Sample Client — Active Cash

December 31, 2006

Account Information

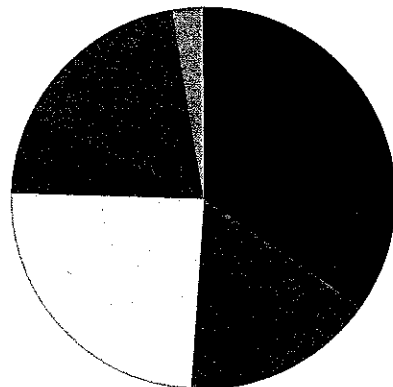
Account Number	ABC123
Market Value	\$1,309,723,509
Average Option-Adjusted Futures Duration (To Reset)	0.49 Years
Average Years to Maturity	0.47 Years
Average Coupon	5.31%
Average Option-Adjusted Yield-to-Maturity (Market Weight)	5.45%
Average Current Yield	5.32%

Rates of Return

Period	Sample Client Active Cash	Custom Benchmark ¹
Month	0.38%	0.46%
Last 3 Months	1.30	1.37
Year-to-Date	5.13	5.12
Last 1 Year	5.13	5.12
Last 3 Years (Annualized)	3.23	3.18
Last 5 Years (Annualized)	2.83	2.60
Since Inception* (Annualized)	2.82	2.62

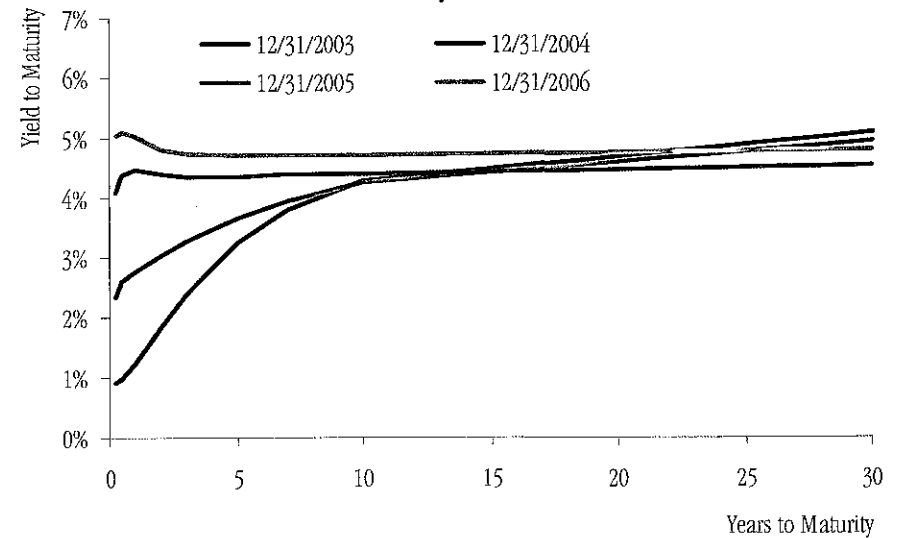
*Inception: 10/01 ¹Custom benchmark consists of: Inception through 6/30/03 = Merrill Lynch 182-Day Treasury Bills (Actual Pricing); 7/1/03 through Present = 3-Month LIBOR (Source: Bloomberg)

Sector Distribution

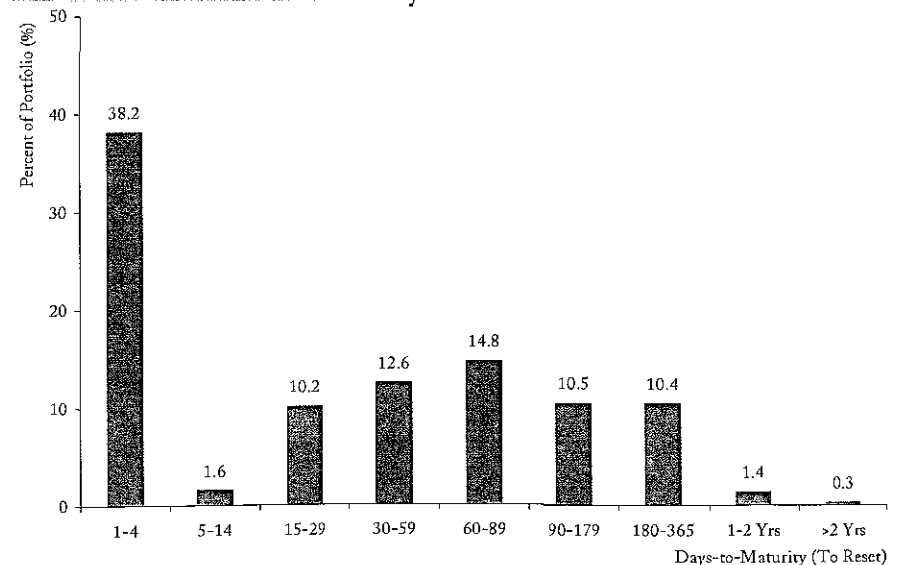


■ REPURCHASE AGREEMENT	34.8%
■ ASSET BACKED-FLOATING	7.4%
■ CORPORATE BONDS	8.8%
■ FLOATER	24.5%
■ COMMERCIAL PAPER-DISCOUNT	6.6%
■ TREASURY BONDS	0.1%
■ ASSET BACKED-FIXED	15.2%
■ COMMINGLED FUND	0.1%
■ CERTIFICATE OF DEPOSIT	2.5%

U. S. Treasury Yield Curves



Maturity Distribution



STANDISH MELLON

PORTFOLIO DETAILS

Portfolio Name: _____
 Portfolio ID: _____
 Closing Portfolio Date: 12/31/2006

Par Value	Cusip	Issuer	Coupon	Maturity	Type	Sec	Moody's Rating	S&P Rating	Fitch Rating	Dur OA Reset	YTW OA Reset	Percent Market	Market Price	Accrued Income	Principal	Market Value
Type: CERTIFICATE OF DEPOSIT																
15,950,000.00	DB CDI	DEUTSCHE BANK AG NEW YORK	5.030	02/14/2007	CDI	FB	P-1	A-1+		0.122	4.881	1.27	100.000	715,370.78	15,950,000.00	16,665,370.78
7,000,000.00	SEB CDI	SKANDINAVISKA ENSKILDA BA	5.202	03/30/2007	CDI	FB	P-1	A-1		0.244	5.072	0.56	100.000	279,200.83	7,000,000.00	7,279,200.83
8,250,000.00	NDB1 CDI	NORDEUTSCHE LANDESBANK N	5.250	04/10/2007	CDI	FB	P-1	A-1		0.275	5.124	0.65	100.000	320,031.24	8,250,000.00	8,570,031.24
31,200,000.00			5.127	0.19 yrs						0.190	4.988	2.48	100.000	1,314,602.85	31,200,000.00	32,514,602.85
Type: CORPORATE BONDS																
21,585,000.00	939322AG	WASHINGTON MUT CO	5.625	01/15/2007	COR	F	A3	A-		0.040	5.350	1.69	100.005	559,860.94	21,586,079.25	22,145,940.19
5,900,000.00	001388AA	AIG SUNAMERICA GL	5.100	01/17/2007	COR	I	Aa2	AA+		0.040	5.543	0.46	99.981	137,076.67	5,898,879.00	6,035,955.67
5,000,000.00	222371NW	COUNTRYWIDE HOME MTN #TRO	2.875	02/15/2007	COR	F	A3	A		0.120	5.349	0.38	99.693	54,305.56	4,984,650.00	5,038,955.56
16,010,000.00	370334AR	GENL MLS INC	5.125	02/15/2007	COR	I	Baa1	BBB+		0.120	5.514	1.25	99.940	309,971.39	16,000,394.00	16,310,365.39
6,600,000.00	63866EAB	NATIONWIDE LIFE G	5.350	02/15/2007	COR	F	Aa3	AA-		0.120	5.405	0.51	100.014	133,393.33	6,600,924.00	6,734,317.33
3,400,000.00	24422EPN	DEERE JOHN CAP CORP MEDIU	3.875	03/07/2007	COR	I	A3	A		0.180	5.449	0.26	99.702	41,720.83	3,389,868.00	3,431,588.83
5,000,000.00	02635PRK	AMERICAN GEN FIN	5.750	03/15/2007	COR	F	A1	A+		0.200	5.387	0.39	100.055	84,652.78	5,002,750.00	5,087,402.78
10,000,000.00	90390MAP	USA ED INC MEDIUM TERM NT	5.625	04/10/2007	COR	F	A2	A		0.270	5.387	0.77	100.126	126,562.50	10,012,600.00	10,139,162.50
16,000,000.00	53580AHE	LINKS FINANCE LLC 5	5.360	05/02/2007	COR	F	AAA	AAA		0.322	5.589	1.26	99.875	581,262.22	15,980,000.00	16,561,262.22
8,155,000.00	14040HAG	CAPITAL ONE FINL CORP	4.738	05/15/2007	COR		A3	BBB+		0.362	5.011	0.63	99.831	47,224.70	8,141,218.05	8,188,442.75
5,000,000.00	23002RBR	CULLINAN FINANCE COR	5.350	05/15/2007	COR		Aaa	NR		0.371	5.378	0.38	99.984	42,354.17	4,999,200.00	5,041,554.17
5,000,000.00	24422EPH	DEERE JOHN CAP MTN # TR 0	3.625	05/25/2007	COR	I	A3	A		0.390	8.034	0.38	98.280	30,208.33	4,914,000.00	4,944,208.33
3,845,000.00	46625HAP	J P MORGAN CHASE	5.250	05/30/2007	COR	F	Aa3	A+		0.400	5.397	0.29	99.931	17,382.60	3,842,346.95	3,859,729.55
2,500,000.00	02003MAG	ALLSTATE LIFE GBL MTN #TR	3.850	01/25/2008	COR	F	Aa2	AA		1.020	5.320	0.19	98.492	41,708.33	2,462,300.00	2,504,008.33
4,092,797.03	34527RLN	FORD CR AUTO OWNER TR 20	5.040	09/15/2008	COR	AB	Aaa	AAA		0.300	5.256	0.31	99.914	9,167.87	4,089,277.22	4,098,445.09
10,000,000.00	17305BCA	CITIBANK CR CARD TR 04 A1	2.550	01/20/2009	COR	AB	Aaa	AAA		0.060	4.944	0.77	99.850	114,041.67	9,985,000.00	10,099,041.67
3,139,309.09	92975UAI	WACHOVIA AUTO OWNER 04-B	2.910	04/20/2009	COR	AB	Aaa	AAA		0.311	6.029	0.24	98.910	2,791.37	3,105,090.62	3,107,881.99
1,762,762.58	449182BB	HYUNDAI AUTO RECV 04-A CL	2.970	05/15/2009	COR	AB	Aaa	AAA		0.373	5.990	0.13	98.946	2,326.85	1,744,183.06	1,746,509.91
1,229,210.51	161443AB	CHASE AUTO OWNER TR2005-A	3.870	06/15/2009	COR	AB	Aaa	AAA		0.670	5.477	0.09	98.984	2,114.24	1,216,721.73	1,218,835.97
12,350,000.00	34528AAB	FORD CR AUTO OWNER TR 200	5.420	07/15/2009	COR	AB	Aaa	AAA		0.780	5.442	0.95	100.065	29,749.78	12,358,027.50	12,387,777.28
353,377.25	41283ABR	HARLEY-DAVIDSON MOTORCYCL	3.280	07/15/2009	COR	AB	Aaa	AAA		0.173	6.708	0.03	99.798	515.15	352,663.43	353,178.58
2,660,869.48	161581CZ	CHASE MANHATTAN AUTO 03-B	2.570	02/16/2010	COR	AB	Aaa	AAA		0.360	5.271	0.20	98.975	3,039.30	2,633,595.57	2,636,634.87

STANDISH MELLON

PORTFOLIO DETAILS

Portfolio Name: _____
 Portfolio ID: _____
 Closing Portfolio Date: 12/31/2006

Par Value	Cusip	Issuer	Coupon	Maturity	Type	Sec	Moodys Rating	S&P Rating	Fitch Rating	Dur OA Reset	YTW OA Reset	Percent Market	Market Price	Accrued Income	Principal	Market Value
9,500,000.00	25466KEW	*MAT*DISCOVER CARD MASTER	5.380	04/16/2010	COR	AB	Aaa	AAA		0.039	5.377	0.73	100.060	24,135.28	9,505,700.00	9,529,835.28
10,000,000.00	55264TBL	*MAT*MBNA CR CARD TR 02 1	5.480	05/17/2010	COR	AB	Aaa	AAA		0.042	5.472	0.77	100.141	25,877.78	10,014,100.00	10,039,977.78
1,196,700.28	41283AAS	HARLEY DAVIDSON TR 02 2 C	3.090	06/15/2010	COR	AB	Aaa	AAA		0.023	4.545	0.09	99.356	1,643.47	1,188,993.53	1,190,637.00
2,831,063.52	41283AAV	HARLEY DAVIDSON 2003 1 CL	2.630	11/15/2010	COR	AB	Aaa	AAA		0.054	4.801	0.21	98.651	3,309.20	2,792,872.47	2,796,181.67
3,910,000.00	92975UAK	WACHOVIA AUTO OWNER TR 04	3.440	03/21/2011	COR	AB	Aaa	AAA		1.156	5.692	0.29	97.764	4,109.84	3,822,572.40	3,826,682.24
5,000,000.00	161443AC	CHASE AUTO OWNER TR2005-A	3.980	04/15/2011	COR	AB	Aaa	AAA		1.610	5.232	0.37	98.032	8,844.44	4,901,600.00	4,910,444.44
8,899,286.60	36292RAM	GS AUTO LN TR 04-1 A4	2.650	05/16/2011	COR	AB	Aaa	AAA		0.558	6.121	0.67	99.005	10,481.38	8,810,738.70	8,821,220.08
8,425,000.00	71419TAD	*MAT*PERMA 6 2A	5.464	12/10/2011	COR	AF	Aaa	AAA		0.117	5.464	0.65	100.015	28,134.17	8,426,263.75	8,454,397.92
5,250,000.00	71419WAD	*MAT*PERMANENT FINANCING	5.423	06/10/2014	COR		Aaa	AAA		0.194	5.421	0.40	100.036	16,608.34	5,251,890.00	5,268,498.34
8,166,506.86	31395JUS	FHR 2888 CA	4.000	12/15/2015	COR	AB	B+	AAA		0.349	3.647	0.62	99.357	27,221.69	8,113,996.22	8,141,217.91
240,541.34	31392ACG	FNR 2001-62 VF	6.000	07/25/2019	COR	AB	B+	AAA		0.085	5.494	0.02	99.674	1,202.71	239,757.18	240,959.89
6,756,320.62	23242MAA	*MAT*CWHEQ, Inc.	5.460	06/25/2021	COR	AB	Aaa	AAA		0.067	5.460	0.52	100.009	7,167.33	6,756,928.69	6,764,096.02
4,612,051.62	31394BHS	FEDERAL NATL MTG ASSN GTD	5.000	01/25/2023	COR	AB	B+	AAA		0.724	3.716	0.35	99.400	19,216.88	4,584,379.31	4,603,596.19
3,308,207.21	38373MRE	Ginnie Mae	4.388	05/16/2023	COR	AB	B+	AAA		2.100	5.272	0.25	98.401	12,097.01	3,255,308.98	3,267,405.99
3,792,695.53	76113ABY	*MAT*RASC Series 2006-EMX	5.410	09/25/2025	COR		Aaa	AAA		0.058	5.478	0.29	100.014	3,989.70	3,793,226.51	3,797,216.21
4,884,728.18	31394CGX	FEDERAL NATL MTG ASSN GTD	5.000	03/25/2027	COR	AB	B+	AAA		1.608	5.478	0.37	99.297	20,353.03	4,850,388.54	4,870,741.57
2,758,239.05	38374HVA	GNR 2004-62 PA	4.500	06/20/2028	COR	AB	B+	AAA		1.545	5.434	0.21	98.618	10,343.40	2,720,120.19	2,730,463.59
671,855.85	939336DN	WASHINGTON MUT MTG 02 AR1	4.380	12/25/2032	COR	F	Aaa	AAA		0.600	5.719	0.05	98.924	2,452.27	664,626.68	667,078.95
3,027,256.13	437084FM	*MAT*CRREDIT SUISSE FIRST	5.740	01/25/2035	COR	AF	Aaa	AAA		0.078	5.715	0.23	100.443	3,373.71	3,040,666.87	3,044,040.58
919,828.75	61744CNP	*MAT*Morgan Stanley ABS C	5.530	02/25/2035	COR	AF	Aaa	AAA		0.067	5.529	0.07	100.013	706.48	919,948.33	920,654.81
6,955,000.00	17307GUN	*MAT*Citigroup Mortgage L	5.500	07/25/2035	COR	AB	Aaa	AAA		0.067	5.499	0.53	100.018	6,369.62	6,956,251.90	6,962,621.52
3,727,229.42	805564RZ	*MAT*SAXON ASSET	5.510	09/25/2035	COR	AF	Aaa	AAA		0.067	5.509	0.28	100.013	3,419.73	3,727,713.96	3,731,133.69
10,000,000.00	76112BJ8	*MAT*Residential Asset Mo	5.580	11/25/2035	COR		Aaa	AAA		0.067	5.570	0.77	100.188	10,841.67	10,018,800.00	10,029,641.67
5,995,355.72	68383NDL	OPMAC 2005-5	5.470	12/25/2035	COR	AB	Aaa	AAA		0.343	5.898	0.46	99.477	27,328.83	5,964,000.01	5,991,328.84
5,200,000.00	84751PPS	*MAT*SP UNDERWRITING & RE	5.570	12/25/2035	COR	AF	Aaa	AAA		0.067	5.547	0.40	100.411	4,823.00	5,221,372.00	5,226,195.00
4,681,525.99	35729PPV	*MAT*PRSMONT HOME LN TR20	5.410	02/25/2036	COR		Aaa	AAA		0.078	5.479	0.36	100.002	4,913.00	4,681,619.62	4,686,532.62
2,965,486.66	17307G4F	CMLTI 06-WF1 A-2A	5.701	03/01/2036	COR		Aaa	AAA		0.470	5.491	0.23	99.715	14,088.53	2,957,035.02	2,971,123.55
3,767,672.90	004375EU	*MAT*Accredited Mortgage	5.380	04/25/2036	COR		Aaa	AAA		0.003	5.379	0.29	100.011	3,941.40	3,768,087.34	3,772,028.74
2,572,757.93	35729PNY	*MAT*Financial Asset Secu	5.410	04/25/2036	COR		Aaa	AAA		0.067	5.410	0.20	100.007	2,702.11	2,572,938.02	2,575,640.13
11,689,658.65	17309NAA	CRMSI 2006-1 A1	5.956	07/25/2036	COR	AB	Aaa	AAA		0.806	5.888	0.90	99.974	58,019.67	11,686,619.34	11,744,639.01

STANDISH MELLON

PORTFOLIO DETAILS

Portfolio Name: _____

Portfolio ID: _____

Closing Portfolio Date: 12/31/2006

Par Value	Cusip	Issuer	Coupon	Maturity	Type	Sec	Moodys Rating	S&P Rating	Fitch Rating	Dur OA Reset	YTW OA Reset	Percent Market	Market Price	Accrued Income	Principal	Market Value
8,737,797.96	46628SAA	JPMAC 2006-W	5.600	07/25/2036	COR	AB	Aaa	AAA		0.692	5.801	0.67	100.048	8,155.28	8,741,992.10	8,750,147.38
8,694,870.33	46628VAA	JPALT 2006-S3 A1A	5.630	08/25/2036	COR	CM	Aaa	AAA		0.900	6.000	0.66	99.948	8,158.69	8,690,349.00	8,698,507.69
10,159,699.22	759676AD	RENAISSANCE HOME EQU	5.999	08/25/2036	COR	AB	Aaa	AAA		0.535	5.679	0.78	99.785	50,790.03	10,137,855.87	10,188,645.90
2,169,000.00	86361EAJ	*MAT+SASC 2006-WF3 M4 FLT	5.720	09/25/2036	COR	AF	A1	A+		0.067	5.720	0.17	100.001	2,410.60	2,169,021.69	2,171,432.29
8,742,901.28	466284AN	J.P. Morgan Alternative L	5.550	10/25/2036	COR		Aaa	AAA		0.940	5.610	0.67	99.779	8,087.18	8,723,579.47	8,731,666.65
8,450,376.73	12628KAA	CSAB 2006-3 A1A	6.000	11/25/2036	COR	AB	Aaa	AAA		0.850	5.610	0.65	99.810	42,251.88	8,434,321.01	8,476,572.89
6,374,980.77	43709JAA	HEMT 064 A1 Sr Seq FixHOM	5.671	11/25/2036	COR		Aaa	AAA		0.693	5.783	0.49	100.098	6,025.42	6,381,228.25	6,387,253.67
9,999,879.29	466286AQ	JPALT 2006-A7 2A2 CM	5.400	11/25/2036	COR			AAA		0.940	5.700	0.76	99.906	8,999.89	9,990,479.40	9,999,479.29
9,745,130.70	466302AA	JPALT 2006-S4 A1A	5.440	11/25/2036	COR	AB	AAA	AAA		0.900	5.420	0.74	99.659	8,835.59	9,711,899.80	9,720,735.39
7,964,761.96	05951UAC	BAPC 2006-8T2 A2 CMO	5.791	12/25/2036	COR	AB	Aaa	AAA		0.950	5.600	0.61	99.817	38,435.29	7,950,186.45	7,988,621.74
9,799,310.21	12628LAA	Credit Suisse First Bosto	5.868	12/25/2036	COR		Aaa	AAA		0.900	5.600	0.75	99.461	47,918.63	9,746,491.93	9,794,410.56
8,362,940.91	43709PAB	HEMT 2006-5 A1	5.500	01/25/2037	COR	AB	Aaa	AAA		0.870	5.420	0.64	99.983	7,666.03	8,361,519.21	8,369,185.24
10,548,665.69	84751PLL	*MAT*Merrill Lynch Mortga	5.380	02/25/2037	COR		Aaa	AAA		0.003	5.379	0.81	100.012	11,035.08	10,549,931.53	10,560,966.61
411,038,609.80			5.119	14.44 yrs						0.443	5.486	31.54	99.774	2,987,915.84	410,097,139.65	413,085,055.49

Type: COMMERCIAL PAPER - DISCOUNT

10,000,000.00	VERSA42D	VERSAILLES CDS LLC	5.260	02/13/2007	CPD	AB	P-1	A-1		0.119	5.367	0.76	99.372	0.00	9,937,172.22	9,937,172.22
16,000,000.00	AIG7 42D	CURZON FUNDING LLC	5.230	03/20/2007	CPD	AB	P-1	A-1+		0.217	5.363	1.21	98.867	0.00	15,818,693.34	15,818,693.34
10,000,000.00	NRTHS42D	NORTH SEA FUNDING LLC	5.180	03/26/2007	CPD	AB	P-1	A-1+		0.233	5.316	0.75	98.791	0.00	9,879,133.34	9,879,133.34
10,000,000.00	AMST 42D	AMSTEL FUNDING CORPORATIO	5.215	04/17/2007	CPD	AB	P-1	A-1+		0.294	5.370	0.75	98.464	0.00	9,846,447.22	9,846,447.22
15,000,000.00	SANP CPD	SANPAOLO IMI SPA, NEW YOR	5.180	04/27/2007	CPD	FB	P-1	NR		0.322	5.341	1.13	98.331	0.00	14,749,633.33	14,749,633.33
12,000,000.00	BAC CPD	BANK OF AMERICA CORP	5.180	05/01/2007	CPD	DB	P-1	A-1+		0.333	5.344	0.90	98.273	0.00	11,792,800.00	11,792,800.00
15,000,000.00	DEPFA42D	DEPFA BANK PLC	5.185	05/01/2007	CPD	FB	P-1	A-1+		0.333	5.349	1.13	98.272	0.00	14,740,750.00	14,740,750.00
88,000,000.00			5.203	0.27 yrs						0.270	5.350	6.62	98.598	0.00	86,764,629.45	86,764,629.45

Type: TEMP INVESTMENTS

106,471.01	CSH01000	TEMP INVESTMENT	5.289	01/02/2007	CSH	CE	P-1	A-1+		0.000	5.289	0.01	100.000	0.00	106,471.01	106,471.01
106,471.01			5.289	0.00 yrs						0.000	5.289	0.01	100.000	0.00	106,471.01	106,471.01

Type: FLOATER

4,625,000.00	DCNA FLT	DAIMLERCHRYSLER NORTH AME	5.600	03/07/2007	FLT	AU	Baa1	BBB		0.181	5.571	0.35	100.015	17,986.11	4,625,693.75	4,643,679.86
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STANDISH MELLON

PORTFOLIO DETAILS

Portfolio Name: _____
 Portfolio ID: _____
 Closing Portfolio Date: 12/31/2006

Par Value	Cusip	Issuer	Coupon	Maturity	Type	Sec	Moody's Rating	S&P Rating	Fitch Rating	Dur OA Reset	YTW OA Reset	Percent Market	Market Price	Accrued Income	Principal	Market Value
4,500,000.00	GNW FLT	*MAT*GENWORTH FINANCIAL I	5.510	06/15/2007	FLT	IN	A2	A		0.203	5.326	0.34	100.109	11,708.75	4,504,905.00	4,516,613.75
4,500,000.00	APPW FLT	*MAT*APPALACHIAN POWER CO	5.694	06/29/2007	FLT	U	Baa2	BBB		0.242	5.542	0.34	100.109	2,135.16	4,504,905.00	4,507,040.16
2,875,000.00	APPW FLT	*MAT*APPALACHIAN POWER CO	5.694	06/29/2007	FLT	U	Baa2	BBB		0.242	5.542	0.22	100.109	1,364.13	2,878,133.75	2,879,497.88
6,672,000.00	FDX FLT	*MAT*FEDEX CORP	5.455	08/08/2007	FLT	TK	Baa2	BBB		0.106	5.273	0.51	100.125	54,596.74	6,680,340.00	6,734,936.74
5,700,000.00	CFC FLT	*MAT*COUNTRYWIDE FINANCIA	5.618	05/05/2008	FLT	IF	A3	A		0.097	5.475	0.44	100.218	48,924.55	5,712,426.00	5,761,350.55
8,700,000.00	BJS FLT	*MAT*BJ SERVICES CO	5.539	06/01/2008	FLT	MS	Baa1	BBB+		0.164	5.566	0.67	100.031	41,499.19	8,702,697.00	8,744,196.19
15,000,000.00	D FLT	*MAT*DOMINION RESOURCES I	5.554	11/14/2008	FLT	U	Baa2	BBB		0.122	5.581	1.15	100.015	111,087.00	15,002,250.00	15,113,337.00
10,000,000.00	CFC FLT	*MAT*COUNTRYWIDE FINANCIA	5.501	01/05/2009	FLT	IF	A3	A		0.261	5.574	0.77	99.984	21,391.34	9,998,400.00	10,019,791.34
10,313,000.00	DISCBFLT	*MAT*DISCOVER BANK	5.524	02/10/2009	FLT	DB	A3	BBB		0.117	5.235	0.79	100.109	82,294.83	10,324,241.17	10,406,536.00
4,250,000.00	DISCBFLT	*MAT*DISCOVER BANK	5.526	02/10/2009	FLT	DB	A3	BBB		0.117	5.235	0.33	100.109	33,934.11	4,254,632.50	4,288,566.61
6,300,000.00	SOGA FLT	*MAT*GEORGIA POWER COMPAN	5.553	02/17/2009	FLT	U	A2	A		0.136	5.421	0.49	100.328	43,730.90	6,320,664.00	6,364,394.90
6,700,000.00	SOV FLT	*MAT*SOVEREIGN BANCORP	5.649	03/01/2009	FLT	DB	Baa1	BBB		0.164	5.580	0.52	100.234	32,593.78	6,715,678.00	6,748,271.78
14,000,000.00	DCNA FLT	*MAT*DAIMLERCHRYSLER NORT	5.783	03/13/2009	FLT	AU	Baa1	BBB		0.194	5.798	1.07	100.093	42,730.90	14,013,020.00	14,055,750.90
5,000,000.00	BDN FLT	*MAT*BRANDYWINE OPERATING	5.822	04/01/2009	FLT	RT	Baa3	BBB-		0.003	5.817	0.39	100.000	73,578.93	5,000,000.00	5,073,578.93
11,025,000.00	CIT FLT	*MAT*CIT GROUP INC	5.460	06/08/2009	FLT	IF	A2	A		0.183	5.473	0.85	100.093	40,131.00	11,035,253.25	11,075,384.25
2,650,000.00	TELEFFLT	*MAT*TELEFONICA EMISIONES	5.665	06/19/2009	FLT	TC	Baa1	BBB+		0.217	5.675	0.20	100.125	5,004.08	2,653,312.50	2,658,316.58
7,000,000.00	TELEFFLT	*MAT*TELEFONICA EMISIONES	5.665	06/19/2009	FLT	TC	Baa1	BBB+		0.217	5.675	0.54	100.125	13,218.33	7,008,750.00	7,021,968.33
4,000,000.00	CAVALFLT	*MAT*BANCAJA US DEBT SAU	5.520	07/10/2009	FLT	FB	A1	A+		0.025	5.499	0.31	100.062	50,906.67	4,002,480.00	4,053,386.67
5,250,000.00	CAVALFLT	*MAT*BANCAJA US DEBT SAU	5.520	07/10/2009	FLT	FB	A1	A+		0.025	5.499	0.41	100.062	66,815.00	5,253,255.00	5,320,070.00
13,470,000.00	COF FLT	*MAT*CAPITAL ONE FINANCIA	5.633	09/10/2009	FLT	IF	A3	BBB+		0.194	5.500	1.04	100.453	44,262.32	13,531,019.10	13,575,281.42
7,490,000.00	APC FLT	*MAT*ANADARKO PETROLEUM C	5.760	09/15/2009	FLT	GO	Baa2	BBB-		0.203	5.652	0.58	100.406	20,372.80	7,520,409.40	7,540,782.20
5,000,000.00	CAH FLT	*MAT*CARDINAL HEALTH INC	5.642	10/02/2009	FLT	MM	Baa2	BBB		0.003	5.623	0.39	100.046	68,953.26	5,002,300.00	5,071,253.26
2,850,000.00	JPM FLT	*MAT*JPMORGAN CHASE & CO	5.560	10/02/2009	FLT	DB	Aa3	A+		0.008	5.388	0.22	100.421	39,174.83	2,861,998.50	2,901,173.33
4,300,000.00	LBH FLT	*MAT*LEHMAN BROTHERS HOLD	5.624	11/10/2009	FLT	DL	A1	A+		0.117	5.219	0.33	100.421	34,933.90	4,318,103.00	4,353,036.90
11,000,000.00	TWX FLT	*MAT*TIME WARNER INC	5.606	11/13/2009	FLT	BC	Baa2	BBB+		0.119	5.616	0.85	100.062	83,938.02	11,006,820.00	11,090,758.02
4,500,000.00	NISCBFLT	*MAT*NISOURCE FINANCE COR	5.940	11/23/2009	FLT	U	Baa3	BBB		0.147	5.972	0.35	100.031	28,957.50	4,501,395.00	4,530,352.50
10,215,000.00	MER FLT	*MAT*MERRILL LYNCH & CO	5.595	02/05/2010	FLT	DL	Aa3	AA-		0.108	5.200	0.79	100.359	87,359.12	10,251,671.85	10,339,030.97
9,450,000.00	NCC FLT	*MAT*NATIONAL CITY CORP	5.531	06/16/2010	FLT	DB	A1	A		0.206	5.492	0.73	100.296	23,244.07	9,477,972.00	9,501,216.07
15,000,000.00	GS FLT	*MAT*GOLDMAN SACHS GROUP	5.662	06/28/2010	FLT	DL	Aa3	AA-		0.239	5.535	1.15	100.593	9,437.50	15,088,950.00	15,098,387.50
10,000,000.00	COMBKFLT	*MAT*COMERICA BANK	5.410	06/30/2010	FLT	DB	A1	A+		0.003	5.479	0.76	100.015	1,502.78	10,001,500.00	10,003,002.78

STANDISH MELLON

PORTFOLIO DETAILS

Portfolio Name: _____

Portfolio ID: _____

Closing Portfolio Date: 12/31/2006

Par Value	Cusip	Issuer	Coupon	Maturity	Type	Sec	Moodys Rating	S&P Rating	Fitch Rating	Dur	YTW	Percent	Market Price	Accrued Income	Principal	Market Value
10,000,000.00	SLM FLT	*MAT*SLM CORPORATION	5.537	07/26/2010	FLT	IF	A2	A		0.067	5.551	0.77	100.015	104,585.51	10,001,500.00	10,106,085.51
6,500,000.00	AXP FLT	*MAT*AMERICAN EXPRESS CRE	5.530	12/02/2010	FLT	IF	Aa3	A+		0.003	5.506	0.50	100.250	27,957.22	6,516,250.00	6,544,207.22
12,200,000.00	MSDWDFLT	*MAT*MORGAN STANLEY	5.624	01/18/2011	FLT	DL	Aa3	A+		0.047	5.543	0.95	100.312	142,952.99	12,238,064.00	12,381,016.99
12,050,000.00	BEAR FLT	*MAT*BEAR STEARNS CO INC	5.606	01/31/2011	FLT	DL	A1	A+		0.083	5.536	0.93	100.312	116,332.81	12,087,596.00	12,203,928.81
25,450,000.00	HRP FLT	*MAT*HRPT PROPERTIES TRUS	5.961	03/16/2011	FLT	RT	Baa2	BBB		0.206	6.018	1.95	100.031	67,462.87	25,457,889.50	25,525,352.37
10,000,000.00	JPM FLT	*MAT*JPMORGAN CHASE & CO	5.485	05/16/2011	FLT	DB	Aa3	A+		0.128	5.500	0.77	100.078	70,086.11	10,007,800.00	10,077,886.11
750,000.00	SLM FLT	*MAT*SLM CORPORATION	5.607	10/25/2011	FLT	IF	A2	A		0.067	5.610	0.06	100.078	7,242.22	750,585.00	757,827.22
9,000,000.00	AGC1 FLT	*MAT*AMERICAN GENERAL FIN	5.610	12/15/2011	FLT	F	A1	A+		0.203	5.718	0.69	100.140	18,232.50	9,012,600.00	9,030,832.50
318,285,000.00			5.623	2.82 yrs						0.142	5.568	24.48	100.170	1,792,619.83	318,825,460.27	320,618,080.10

Type: COMMINGLED FUND

385.00	EDDEC07	EURODOLLAR FUTURES	0.000		FND					0.000	0.000	0.00	0.000	-19,250.00	0.00	-19,250.00
385.00	EDJUN07	EURODOLLAR FUTURES	0.000		FND					0.000	0.000	0.00	0.000	-9,625.00	0.00	-9,625.00
385.00	EDMAR07	EURODOLLAR FUTURES	0.000		FND					0.000	0.000	0.00	0.000	0.00	0.00	0.00
385.00	EDSEP07	EURODOLLAR FUTURES	0.000		FND					0.000	0.000	0.00	0.000	-19,250.00	0.00	-19,250.00
1,540.00			0.000	0.00 yrs						0.000	0.000	0.00	100.027	-48,125.00	0.00	-48,125.00

Type: MONEY MARKET MUTUAL FUND

1,000,000.00	63859B10	NATIONSPUNDS CASH RESERVE	1.540	01/02/2007	MFD	MF				0.000	0.000	0.08	1.000	1,325.93	1,000,000.00	1,001,325.93
1,000,000.00			1.540	0.00 yrs						0.000	0.000	0.08	100.000	1,325.93	1,000,000.00	1,001,325.93

Type: REPURCHASE AGREEMENT

40,000,000.00	BARP3REP	BANC OF AMERICA SECURITIE	5.300	01/02/2007	REP	RP	P-1	A-1+		0.003	5.371	3.06	100.000	17,666.67	40,000,000.00	40,017,666.67
40,000,000.00	BNRP3REP	BNP SECURITIES INC REPO	5.310	01/02/2007	REP	RP	P-1	A-1+		0.003	5.381	3.06	100.000	17,700.00	40,000,000.00	40,017,700.00
40,000,000.00	BSRP3REP	BEAR STEARNS & CO REPO	5.330	01/02/2007	REP	RP	P-1	A-1		0.003	5.402	3.06	100.000	17,766.67	40,000,000.00	40,017,766.67
40,000,000.00	BZRP3REP	BARCLAYS CAPITAL REPO	5.320	01/02/2007	REP	RP	P-1	A-1+		0.003	5.391	3.06	100.000	17,733.33	40,000,000.00	40,017,733.33
40,000,000.00	DBRP3REP	DEUTSCHE BANK SEC INC REP	5.320	01/02/2007	REP	RP	P-1	A-1+		0.003	5.391	3.06	100.000	17,733.33	40,000,000.00	40,017,733.33
40,000,000.00	FBRP3REP	CREDIT SUISSE SECURITIES	5.320	01/02/2007	REP	RP	P-1	A-1		0.003	5.391	3.06	100.000	17,733.33	40,000,000.00	40,017,733.33
20,000,000.00	GSRP3REP	GOLDMAN SACHS & CO REPO	5.340	01/02/2007	REP	RP	P-1	A-1		0.003	5.412	1.53	100.000	8,900.00	20,000,000.00	20,008,900.00

STANDISH MELLON

PORTFOLIO DETAILS

Portfolio Name: _____
 Portfolio ID: _____
 Closing Portfolio Date: 12/31/2006

Par Value	Cusip	Issuer	Coupon	Maturity	Type	Sec	Moodys Rating	S&P Rating	Fitch Rating	Dur OA Reset	YTW OA Reset	Percent Market	Market Price	Accrued Income	Principal	Market Value
20,000,000.00	LBRP3REP	LEHMAN BROTHERS REPO	5.300	01/02/2007	REP	RP	P-1	A-1		0.003	5.371	1.53	100.000	8,833.33	20,000,000.00	20,008,833.33
114,524,302.00	MERP3REP	MERRILL LYNCH GOV SEC REP	5.300	01/02/2007	REP	RP	P-1	A-1		0.003	5.371	8.75	100.000	50,581.57	114,524,302.00	114,574,883.57
40,000,000.00	MSRP3REP	MORGAN STANLEY REPO	5.300	01/02/2007	REP	RP	P-1	A-1		0.003	5.371	3.06	100.000	17,666.67	40,000,000.00	40,017,666.67
20,000,000.00	SARP3REP	CITIGROUP GLOBAL MARKETS	5.320	01/02/2007	REP	RP	P-1	A-1+		0.003	5.391	1.53	100.000	8,866.67	20,000,000.00	20,008,866.67
454,524,302.00			5.311	0.00 yrs						0.003	5.383	34.72	100.000	201,181.57	454,524,302.00	454,725,483.57
Type: TREASURY BONDS																
950,000.00	912828DQ	US T-NOTE	3.750	03/31/2007	TSY	GT	Aaa	AAA		0.240	5.060	0.07	99.672	9,101.99	946,884.00	955,985.99
950,000.00			3.750	0.24 yrs						0.240	5.060	0.07	99.672	9,101.99	946,884.00	955,985.99

ACCOUNT SUMMARY

1,305,105,922.81	5.311	5.27 yrs	0.198	5.445	100.00	99.877	6,258,623.01	1,303,464,886.38	1,309,723,509.39
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STANDISH MELLON

PORTFOLIO SUMMARY

Portfolio Name: _____
 Portfolio ID: _____
 Closing Portfolio Date: 12/31/2006

	<u>Portfolio</u>
	<u>To Reset</u>
Yield (YTW) (Market Weight)	5.577
Yield (YTW) (Duration Weight)	5.552
Average Current Yield	5.317
Average Total Duration	0.385
Average Bond Duration	0.385
Average Maturity	0.467
Average Coupon	5.311
Average Price (Lehman)	99.881
Average Rating (Long Term)	AA-
Average Rating (Short Term)	P-1
Average Option Adjusted Duration	0.198
Average Option Adjusted Convexity	-0.010
Average Option Adjusted Y-T-M (MW)	5.445
Average Option Adjusted Y-T-M (DW)	5.517
Futures Duration Contribution	0.294
Average OA Futures Duration	0.492
Principal	1,303,464,886.38
Accrued	6,258,623.01
Market Value	1,309,723,509.39
Par Value	1,305,104,382.81
Number of Issues	132

STANDISH MELLON

STATISTICAL DISTRIBUTION

Portfolio Name: _____
 Portfolio ID: _____
 Closing Portfolio Date: 12/31/2006

*** Credit Sector Detail ***

Sector Exposure	TSY	AGCY	MBS	CRED	ABS	CMBS	GLOB	MMKT	CASH	OTHR	IND	FIN	TEL	ELEC	UTIL	NCRP
Account	0.07	0.00	0.00	7.90	14.52	0.66	0.00	0.00	75.84	1.01	2.35	5.55	0.00	0.00	0.00	0.00
Benchmark	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sector Duration	TSY	AGCY	MBS	CRED	ABS	CMBS	GLOB	MMKT	CASH	OTHR	IND	FIN	TEL	ELEC	UTIL	NCRP
Account	0.24	0.00	0.00	0.20	0.76	0.90	0.00	0.00	0.89	0.37	0.15	0.22	0.00	0.00	0.00	0.00
Benchmark	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sector Dollar Duration	TSY	AGCY	MBS	CRED	ABS	CMBS	GLOB	MMKT	CASH	OTHR	IND	FIN	TEL	ELEC	UTIL	NCRP
Account	0.00	0.00	0.00	0.02	0.11	0.01	0.00	0.00	0.68	0.00	0.00	0.01	0.00	0.00	0.00	0.00
Benchmark	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maturity Exposure (Years)	0-1	1-2	2-3	3-4	4-5	5-7	7-10	10-15	15-20	>20	Average					
Account	89.23	4.83	3.02	2.16	0.00	0.00	0.00	0.00	0.76	0.00	0.467					
Index	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000					
Opt Adj Duration Exposure	0-1	1-2	2-3	3-4	4-6	6-8	8-10	10-12	>12	Average						
Account (OA)	75.32	4.76	10.67	8.51	0.75	0.00	0.00	0.00	0.00	0.198						
Index (OA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000						
Quality Exposure	AAAA	AAA	AA	A	BAA	ELSE	P1	P2	P3							
Account	0.00	24.24	3.11	14.64	14.10	0.07	43.83	0.00	0.00							
Index	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00							
Quality Duration	AAAA	AAA	AA	A	BAA	ELSE	P1	P2	P3							
Account	0.00	0.55	2.02	2.14	1.98	0.00	0.05	0.00	0.00							
Index	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00							
Quality Dollar Duration	AAAA	AAA	AA	A	BAA	ELSE	P1	P2	P3							
Account	0.00	0.13	0.06	0.31	0.28	0.00	0.02	0.00	0.00							
Index	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00							

STANDISH MELLON

ISSUER DISTRIBUTION

Portfolio Name: _____
 Portfolio ID: _____
 Closing Portfolio Date: 12/31/2006

AIG SUNAMERICA GL						0.46%
Amount:	5,900,000.00	Rate:	5.100	Maturity:	01/17/2007	0.46%
*MAT*Accredited Mortgage Loan						0.29%
Amount:	3,767,672.90	Rate:	5.380	Maturity:	04/25/2036	0.29%
ALLSTATE LIFE GBL MTN #TR00007						0.19%
Amount:	2,500,000.00	Rate:	3.850	Maturity:	01/25/2008	0.19%
AMERICAN GEN FIN						0.39%
Amount:	5,000,000.00	Rate:	5.750	Maturity:	03/15/2007	0.39%
BAFC 2006-8T2 A2 CMO						0.61%
Amount:	7,964,761.96	Rate:	5.790	Maturity:	12/25/2036	0.61%
Credit Suisse First Boston						1.40%
Amount:	8,450,376.73	Rate:	6.000	Maturity:	11/25/2036	0.65%
Amount:	9,799,310.21	Rate:	5.868	Maturity:	12/25/2036	0.75%
CAPITAL ONE FINL CORP						0.63%
Amount:	8,155,000.00	Rate:	4.738	Maturity:	05/15/2007	0.63%
CHASE AUTO OWNER TR2005-A A						0.47%
Amount:	1,229,210.51	Rate:	3.870	Maturity:	06/15/2009	0.09%
Amount:	5,000,000.00	Rate:	3.980	Maturity:	04/15/2011	0.37%
CHASE MANHATTAN AUTO 03-B A-4						0.20%
Amount:	2,660,869.48	Rate:	2.570	Maturity:	02/16/2010	0.20%
CITIBANK CR CARD TR 04 A1 NT						0.77%
Amount:	10,000,000.00	Rate:	2.550	Maturity:	01/20/2009	0.77%
CMLTI 06-WF1 A-2A						0.76%
Amount:	6,955,000.00	Rate:	5.500	Maturity:	07/25/2035	0.53%
Amount:	2,965,486.66	Rate:	5.701	Maturity:	03/01/2036	0.23%
CRMSI 2006-1 A1						0.90%
Amount:	11,689,658.65	Rate:	5.956	Maturity:	07/25/2036	0.90%
COUNTRYWIDE HOME MTN #TR00304						0.38%
Amount:	5,000,000.00	Rate:	2.875	Maturity:	02/15/2007	0.38%

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CULLINAN FINANCE COR						0.38%
Amount:	5,000,000.00	Rate:	5.350	Maturity:	05/15/2007	0.38%
*MAT*CWHEQ, Inc.						0.52%
Amount:	6,756,320.62	Rate:	5.460	Maturity:	06/25/2021	0.52%
DEERE JOHN CAP MTN # TR 00320						0.64%
Amount:	3,400,000.00	Rate:	3.875	Maturity:	03/07/2007	0.26%
Amount:	5,000,000.00	Rate:	3.625	Maturity:	05/25/2007	0.38%
*MAT*DISCOVER CARD MASTER TR 0						0.73%
Amount:	9,500,000.00	Rate:	5.380	Maturity:	04/16/2010	0.73%
FNR 2001-62 VF						0.02%
Amount:	240,541.34	Rate:	6.000	Maturity:	07/25/2019	0.02%
FEDERAL NATL MTG ASSN GTDRE						0.72%
Amount:	4,612,051.62	Rate:	5.000	Maturity:	01/25/2023	0.35%
Amount:	4,884,728.18	Rate:	5.000	Maturity:	03/25/2027	0.37%
FHR 2888 CA						0.62%
Amount:	8,166,506.86	Rate:	4.000	Maturity:	12/15/2015	0.62%
FORD CR AUTO OWNER TR 2006						0.31%
Amount:	4,092,797.03	Rate:	5.040	Maturity:	09/15/2008	0.31%
FORD CR AUTO OWNER TR 2006-						0.95%
Amount:	12,350,000.00	Rate:	5.420	Maturity:	07/15/2009	0.95%
*MAT*Financial Asset Securitie						0.55%
Amount:	4,681,525.99	Rate:	5.410	Maturity:	02/25/2036	0.36%
Amount:	2,572,757.93	Rate:	5.410	Maturity:	04/25/2036	0.20%
GS AUTO LN TR 04-1 A4						0.67%
Amount:	8,899,286.60	Rate:	2.650	Maturity:	05/16/2011	0.67%
GENL MLS INC						1.25%
Amount:	16,010,000.00	Rate:	5.125	Maturity:	02/15/2007	1.25%
Ginnie Mae						0.25%
Amount:	3,308,207.21	Rate:	4.388	Maturity:	05/16/2023	0.25%

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GNR 2004-62 PA						0.21%
Amount:	2,758,239.05	Rate:	4.500	Maturity:	06/20/2028	0.21%
HARLEY DAVIDSON 2003 1 CL A 2						0.33%
Amount:	353,377.25	Rate:	3.280	Maturity:	07/15/2009	0.03%
Amount:	1,196,700.28	Rate:	3.090	Maturity:	06/15/2010	0.09%
Amount:	2,831,063.52	Rate:	2.630	Maturity:	11/15/2010	0.21%
*MAT*CREDIT SUISSE FIRST BOSTO						0.23%
Amount:	3,027,256.13	Rate:	5.740	Maturity:	01/25/2035	0.23%
HEMT 2006-5 A1						1.13%
Amount:	6,374,980.77	Rate:	5.671	Maturity:	11/25/2036	0.49%
Amount:	8,362,940.91	Rate:	5.500	Maturity:	01/25/2037	0.64%
HYUNDAI AUTO RECV 04-A CL A-3						0.13%
Amount:	1,762,762.58	Rate:	2.970	Maturity:	05/15/2009	0.13%
J P MORGAN CHASE						0.29%
Amount:	3,845,000.00	Rate:	5.250	Maturity:	05/30/2007	0.29%
JPALT 2006-A7 2A2 CM						2.76%
Amount:	8,737,797.96	Rate:	5.600	Maturity:	07/25/2036	0.67%
Amount:	8,694,870.33	Rate:	5.630	Maturity:	08/25/2036	0.66%
Amount:	8,742,901.28	Rate:	5.550	Maturity:	10/25/2036	0.67%
Amount:	9,999,879.29	Rate:	5.400	Maturity:	11/25/2036	0.76%
JPALT 2006-S4 A1A						0.74%
Amount:	9,745,130.70	Rate:	5.440	Maturity:	11/25/2036	0.74%
LINKS FINANCE LLC 5						1.26%
Amount:	16,000,000.00	Rate:	5.360	Maturity:	05/02/2007	1.26%
*MAT*MBNA CR CARD TR 02 13 CL						0.77%
Amount:	10,000,000.00	Rate:	5.480	Maturity:	05/17/2010	0.77%
*MAT*Morgan Stanley ABS Capita						0.07%
Amount:	919,828.75	Rate:	5.530	Maturity:	02/25/2035	0.07%
NATIONSFUNDS CASH RESERVE						0.08%
Amount:	1,000,000.00	Rate:	1.539	Maturity:	01/02/2007	0.08%

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NATIONWIDE LIFE G						0.51%
Amount:	6,600,000.00	Rate:	5.350	Maturity:	02/15/2007	0.51%
OPMAC 2005-5						0.46%
Amount:	5,995,355.72	Rate:	5.470	Maturity:	12/25/2035	0.46%
*MAT*PERMANENT FINANCING						1.05%
Amount:	8,425,000.00	Rate:	5.464	Maturity:	12/10/2011	0.65%
Amount:	5,250,000.00	Rate:	5.423	Maturity:	06/10/2014	0.40%
RENAISSANCE HOME EQU						0.78%
Amount:	10,159,699.22	Rate:	5.999	Maturity:	08/25/2036	0.78%
*MAT*Residential Asset Mortgag						0.77%
Amount:	10,000,000.00	Rate:	5.580	Maturity:	11/25/2035	0.77%
*MAT*RASC Series 2006-EMX3 Tru						0.29%
Amount:	3,792,695.53	Rate:	5.410	Maturity:	09/25/2025	0.29%
*MAT*SAXON ASSET						0.28%
Amount:	3,727,229.42	Rate:	5.510	Maturity:	09/25/2035	0.28%
*MAT*Merrill Lynch Mortgage In						1.21%
Amount:	5,200,000.00	Rate:	5.570	Maturity:	12/25/2035	0.40%
Amount:	10,548,665.69	Rate:	5.380	Maturity:	02/25/2037	0.81%
*MAT*SASC 2006-WF3 M4 FLT						0.17%
Amount:	2,169,000.00	Rate:	5.720	Maturity:	09/25/2036	0.17%
USA ED INC MEDIUM TERM NTS						0.77%
Amount:	10,000,000.00	Rate:	5.625	Maturity:	04/10/2007	0.77%
US T-NOTE						0.07%
Amount:	950,000.00	Rate:	3.750	Maturity:	03/31/2007	0.07%
WACHOVIA AUTO OWNER TR 04-B						0.53%
Amount:	3,139,309.09	Rate:	2.910	Maturity:	04/20/2009	0.24%
Amount:	3,910,000.00	Rate:	3.440	Maturity:	03/21/2011	0.29%
WASHINGTON MUT CO						1.69%
Amount:	21,585,000.00	Rate:	5.625	Maturity:	01/15/2007	1.69%

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WASHINGTON MUT MTG 02 AR15 A5						0.05%
Amount:	671,855.85	Rate:	4.380	Maturity:	12/25/2032	0.05%
AMERICAN GENERAL FINANCE CORP						0.69%
FLT Amount:	9,000,000.00	Rate:	5.610	Maturity:	12/15/2011	0.69%
CURZON FUNDING LLC						1.21%
42D Amount:	16,000,000.00	Rate:	5.230	Maturity:	03/20/2007	1.21%
AMSTEL FUNDING CORPORATION						0.75%
42D Amount:	10,000,000.00	Rate:	5.215	Maturity:	04/17/2007	0.75%
ANADARKO PETROLEUM CORP						0.58%
FLT Amount:	7,490,000.00	Rate:	5.760	Maturity:	09/15/2009	0.58%
APPALACHIAN POWER CO						0.56%
FLT Amount:	2,875,000.00	Rate:	5.693	Maturity:	06/29/2007	0.22%
FLT Amount:	4,500,000.00	Rate:	5.693	Maturity:	06/29/2007	0.34%
AMERICAN EXPRESS CREDIT CORP						0.50%
FLT Amount:	6,500,000.00	Rate:	5.530	Maturity:	12/02/2010	0.50%
BANK OF AMERICA CORP						0.90%
CPD Amount:	12,000,000.00	Rate:	5.180	Maturity:	05/01/2007	0.90%
BANC OF AMERICA SECURITIES REPO						3.06%
REP Amount:	40,000,000.00	Rate:	5.300	Maturity:	01/02/2007	3.06%
BRANDYWINE OPERATING PTN						0.39%
FLT Amount:	5,000,000.00	Rate:	5.821	Maturity:	04/01/2009	0.39%
BEAR STEARNS CO INC						0.93%
FLT Amount:	12,050,000.00	Rate:	5.605	Maturity:	01/31/2011	0.93%
BJ SERVICES CO						0.67%
FLT Amount:	8,700,000.00	Rate:	5.539	Maturity:	06/01/2008	0.67%
BNP SECURITIES INC REPO						3.06%
REP Amount:	40,000,000.00	Rate:	5.310	Maturity:	01/02/2007	3.06%
BEAR STEARNS & CO REPO						3.06%
REP Amount:	40,000,000.00	Rate:	5.330	Maturity:	01/02/2007	3.06%

Standish Mellon Asset Management Company LLC
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BARCLAYS CAPITAL REPO							3.06%
REP	Amount:	40,000,000.00	Rate:	5.320	Maturity:	01/02/2007	3.06%
CARDINAL HEALTH INC							0.39%
FLT	Amount:	5,000,000.00	Rate:	5.641	Maturity:	10/02/2009	0.39%
BANCAJA US DEBT SAU							0.72%
FLT	Amount:	4,000,000.00	Rate:	5.520	Maturity:	07/10/2009	0.31%
FLT	Amount:	5,250,000.00	Rate:	5.520	Maturity:	07/10/2009	0.41%
COUNTRYWIDE FINANCIAL CORP							1.20%
FLT	Amount:	5,700,000.00	Rate:	5.618	Maturity:	05/05/2008	0.44%
FLT	Amount:	10,000,000.00	Rate:	5.500	Maturity:	01/05/2009	0.77%
CIT GROUP INC							0.85%
FLT	Amount:	11,025,000.00	Rate:	5.460	Maturity:	06/08/2009	0.85%
CAPITAL ONE FINANCIAL							1.04%
FLT	Amount:	13,470,000.00	Rate:	5.633	Maturity:	09/10/2009	1.04%
COMERICA BANK							0.76%
FLT	Amount:	10,000,000.00	Rate:	5.410	Maturity:	06/30/2010	0.76%
DOMINION RESOURCES INC							1.15%
FLT	Amount:	15,000,000.00	Rate:	5.554	Maturity:	11/14/2008	1.15%
DEUTSCHE BANK AG NEW YORK BRANCH							1.27%
CDI	Amount:	15,950,000.00	Rate:	5.030	Maturity:	02/14/2007	1.27%
DEUTSCHE BANK SEC INC REPO							3.06%
REP	Amount:	40,000,000.00	Rate:	5.320	Maturity:	01/02/2007	3.06%
DAIMLERCHRYSLER NORTH AMERICA HOLDING CORP							1.43%
FLT	Amount:	4,625,000.00	Rate:	5.600	Maturity:	03/07/2007	0.35%
FLT	Amount:	14,000,000.00	Rate:	5.783	Maturity:	03/13/2009	1.07%
DEPFA BANK PLC							1.13%
42D	Amount:	15,000,000.00	Rate:	5.185	Maturity:	05/01/2007	1.13%
DISCOVER BANK							1.12%
FLT	Amount:	4,250,000.00	Rate:	5.526	Maturity:	02/10/2009	0.33%
FLT	Amount:	10,313,000.00	Rate:	5.524	Maturity:	02/10/2009	0.79%

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EURODOLLAR FUTURES							0.00%
Amount:	385.00	Rate:	0.000	Maturity:			0.00%
EURODOLLAR FUTURES							0.00%
Amount:	385.00	Rate:	0.000	Maturity:			0.00%
EURODOLLAR FUTURES							0.00%
Amount:	385.00	Rate:	0.000	Maturity:			0.00%
EURODOLLAR FUTURES							0.00%
Amount:	385.00	Rate:	0.000	Maturity:			0.00%
CREDIT SUISSE SECURITIES (USA) LLC							3.06%
REP Amount:	40,000,000.00	Rate:	5.320	Maturity:	01/02/2007		3.06%
FEDEX CORP							0.51%
FLT Amount:	6,672,000.00	Rate:	5.455	Maturity:	08/08/2007		0.51%
GENWORTH FINANCIAL INC							0.34%
FLT Amount:	4,500,000.00	Rate:	5.510	Maturity:	06/15/2007		0.34%
GOLDMAN SACHS GROUP INC							1.15%
FLT Amount:	15,000,000.00	Rate:	5.662	Maturity:	06/28/2010		1.15%
GOLDMAN SACHS & CO REPO							1.53%
REP Amount:	20,000,000.00	Rate:	5.340	Maturity:	01/02/2007		1.53%
HRPT PROPERTIES TRUST							1.95%
FLT Amount:	25,450,000.00	Rate:	5.960	Maturity:	03/16/2011		1.95%
JPMORGAN CHASE & CO							0.99%
FLT Amount:	2,850,000.00	Rate:	5.560	Maturity:	10/02/2009		0.22%
FLT Amount:	10,000,000.00	Rate:	5.485	Maturity:	05/16/2011		0.77%
LEHMAN BROTHERS HOLDINGS							0.33%
FLT Amount:	4,300,000.00	Rate:	5.624	Maturity:	11/10/2009		0.33%
LEHMAN BROTHERS REPO							1.53%
REP Amount:	20,000,000.00	Rate:	5.300	Maturity:	01/02/2007		1.53%
MERRILL LYNCH & CO							0.79%
FLT Amount:	10,215,000.00	Rate:	5.595	Maturity:	02/05/2010		0.79%

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MERRILL LYNCH GOV SEC REPO							8.75%
REP	Amount:	114,524,302.00	Rate:	5.300	Maturity:	01/02/2007	8.75%
MORGAN STANLEY							0.95%
FLT	Amount:	12,200,000.00	Rate:	5.624	Maturity:	01/18/2011	0.95%
MORGAN STANLEY REPO							3.06%
REP	Amount:	40,000,000.00	Rate:	5.300	Maturity:	01/02/2007	3.06%
NATIONAL CITY CORP							0.73%
FLT	Amount:	9,450,000.00	Rate:	5.530	Maturity:	06/16/2010	0.73%
NORDDEUTSCHE LANDESBANK NY							0.65%
CDI	Amount:	8,250,000.00	Rate:	5.250	Maturity:	04/10/2007	0.65%
NISOURCE FINANCE CORP							0.35%
FLT	Amount:	4,500,000.00	Rate:	5.940	Maturity:	11/23/2009	0.35%
NORTH SEA FUNDING LLC							0.75%
42D	Amount:	10,000,000.00	Rate:	5.180	Maturity:	03/26/2007	0.75%
SANPAOLO IMI SPA, NEW YORK BRANCH (OLD)							1.13%
CPD	Amount:	15,000,000.00	Rate:	5.180	Maturity:	04/27/2007	1.13%
CITIGROUP GLOBAL MARKETS INC. REPO (SALI BOOK)							1.53%
REP	Amount:	20,000,000.00	Rate:	5.320	Maturity:	01/02/2007	1.53%
SKANDINAVISKA ENSKILDA BANKEN AB (SEB)							0.56%
CDI	Amount:	7,000,000.00	Rate:	5.202	Maturity:	03/30/2007	0.56%
SLM CORPORATION							0.83%
FLT	Amount:	10,000,000.00	Rate:	5.536	Maturity:	07/26/2010	0.77%
FLT	Amount:	750,000.00	Rate:	5.606	Maturity:	10/25/2011	0.06%
GEORGIA POWER COMPANY							0.49%
FLT	Amount:	6,300,000.00	Rate:	5.553	Maturity:	02/17/2009	0.49%
SOVEREIGN BANCORP							0.52%
FLT	Amount:	6,700,000.00	Rate:	5.649	Maturity:	03/01/2009	0.52%
TELEFONICA EMISIONES SAU							0.74%
FLT	Amount:	7,000,000.00	Rate:	5.665	Maturity:	06/19/2009	0.54%

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FLT	Amount:	2,650,000.00	Rate:	5.665	Maturity:	06/19/2009	0.20%
TIME WARNER INC							
FLT	Amount:	11,000,000.00	Rate:	5.606	Maturity:	11/13/2009	0.85%
VERSAILLES CDS LLC							
42D	Amount:	10,000,000.00	Rate:	5.260	Maturity:	02/13/2007	0.76%
CASH							
	Amount:	106,471.01	Rate:	5.289	Maturity:	01/02/2007	0.01%

STANDISH MELLON

SECTOR / TYPE REVIEW

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SECTORS	TYPES												
	COR	ABF	ABS	BND	FND	TSY	FLT	42D	CPD	REP	CSH	CDI	TOT
INDUSTRIAL	2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.3
N/A	0.0	3.1	2.9	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.0
FINANCE	5.5	0.0	0.1	0.0	0.0	0.0	0.7	0.0	0.0	0.0	0.0	0.0	6.2
ASSET-BACKED	0.0	2.5	11.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14.2
AF	0.0	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.8
COMMERCIAL MORTGAGE	0.0	0.0	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7
MONEY FUND	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
US TREASURY	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1
COMMERCIAL PAPER CONDUIT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.5	0.0	0.0	0.0	0.0	3.5
OIL & GAS	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0.0	0.6
UTILITY -ALL	0.0	0.0	0.0	0.0	0.0	0.0	2.5	0.0	0.0	0.0	0.0	0.0	2.5
INDEPENDENT FINANCE	0.0	0.0	0.0	0.0	0.0	0.0	4.4	0.0	0.0	0.0	0.0	0.0	4.4
DOMESTIC BANK	0.0	0.0	0.0	0.0	0.0	0.0	4.1	0.0	0.9	0.0	0.0	0.0	5.0
REPURCHASE AGREEMENTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	34.7	0.0	0.0	34.7
RT	0.0	0.0	0.0	0.0	0.0	0.0	2.3	0.0	0.0	0.0	0.0	0.0	2.3
DEALER/BROKER	0.0	0.0	0.0	0.0	0.0	0.0	4.2	0.0	0.0	0.0	0.0	0.0	4.2
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.0	0.0	0.0	0.7
MEDICAL AND MEDICAL EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.4
FOREIGN BANK	0.0	0.0	0.0	0.0	0.0	0.0	0.7	1.1	1.1	0.0	0.0	2.5	5.4
CASH EQUIVALENTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
AUTOMOTIVE	0.0	0.0	0.0	0.0	0.0	0.0	1.4	0.0	0.0	0.0	0.0	0.0	1.4
TRUCKERS AND TRANSPORTATION	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.5
INSURANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.3
TELECOMMUNICATIONS	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.0	0.0	0.0	0.7
BROADCASTING AND PUBLISHING	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.0	0.0	0.0	0.0	0.0	0.8
TOTAL	7.8	7.4	15.2	1.0	0.1	0.1	24.5	4.6	2.0	34.7	0.0	2.5	100.0

STANDISH MELLON

MATURITY REVIEW

Portfolio Name: _____
 Portfolio ID: _____
 Closing Portfolio Date: 12/31/2006

Maturity Schedule

Type	Overnite	2-4	5-14	15-29	30-59	60-89	90-119	120-179	180-239	240-270	271-365	1yr-2yr	> 2yr	Total
4-2 PAPER-DISCOUNT	0.00	0.00	0.00	0.00	0.76	1.96	0.75	1.13	0.00	0.00	0.00	0.00	0.00	4.60
ASSET-BACKED FIXED SECURITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.31	14.92	15.23
ASSET-BACKED FLOATER SECURITIE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.45	7.45
CERTIFICATE OF DEPOSIT	0.00	0.00	0.00	0.00	1.27	0.56	0.65	0.00	0.00	0.00	0.00	0.00	0.00	2.48
COMMERCIAL PAPER - DISCOUNT	0.00	0.00	0.00	0.00	0.00	0.00	1.13	0.90	0.00	0.00	0.00	0.00	0.00	2.03
COMMINGLED FUND	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.07
CORPORATE BONDS	0.00	0.00	0.00	2.15	2.14	0.65	0.77	1.94	0.00	0.00	0.00	0.19	0.00	7.85
FLOATER	0.00	0.00	0.00	0.00	0.00	0.35	0.00	0.34	1.08	0.00	0.00	2.26	20.44	24.48
OTHER BONDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.01	0.00	0.00	0.00	0.00	0.00	1.01
REPURCHASE AGREEMENT	34.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	34.72
TEMP INVESTMENTS	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01
TREASURY BONDS	0.00	0.00	0.00	0.00	0.00	0.00	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.07
TOTAL	34.80	0.00	0.00	2.15	4.18	3.52	3.38	5.32	1.08	0.00	0.00	2.77	42.81	100.00

Rate Reset Schedule

Rate Types	Overnite	2-4	5-14	15-29	30-59	60-89	90-119	120-179	180-239	240-270	271-365	1yr-2yr	> 2yr	Total
ASSET_BACKED - FIXED	0.00	0.00	0.09	0.98	0.02	0.03	0.55	1.64	1.50	1.60	7.32	1.25	0.25	15.23
COMMERCIAL MORTGAGE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FIXED RATE - (NON ABS)	34.80	0.00	0.00	2.15	4.18	3.17	3.38	4.97	0.00	0.00	0.00	0.19	0.00	52.84
FLOATING RATE	3.13	0.22	0.72	7.08	8.38	11.64	0.77	0.00	0.00	0.00	0.00	0.00	0.00	31.93
TOTAL	37.93	0.22	0.81	10.22	12.57	14.83	4.69	6.61	1.50	1.60	7.32	1.44	0.25	100.00

STANDISH MELLON

FLOATING RATE SUMMARY REVIEW

Portfolio Name: _____
 Portfolio ID: _____
 Closing Portfolio Date: 12/31/2006

Par Value	Cusip	Issuer	Maturity	Rating		Tran		Floating Rate Details		Rate Schedule			Reset Data		Percent
				S&P	Moody	Number	Factor	Index Rate	Spread	Beg Date	End Date	Date Reset	Rate Reset	Portfolio	
9,500,000	25466KEW	/DCMT 2004-1 A	(25466KEW) 04/16/2010			1739755	1.00	1 MO LIBOR BBA	+ 3.000	12/15/2006	01/14/2007	12/15/2006	5.38000000	0.728	
10,000,000	55264TBL	/MBNA CREDIT CAR	(55264TBL) 05/17/2010			1953338	1.00	1 MO LIBOR BBA	+ 13.000	12/15/2006	01/15/2007	12/15/2006	5.48000000	0.767	
10,000,000	COMBKFLT	/COMERICA BANK C	(20034DHM) 06/30/2010	A1	A+	2209112	1.00	1 MO LIBOR BBA	+ 9.000	11/30/2006	01/01/2007	11/30/2006	5.41000000	0.764	
6,500,000	AXP FLT	/AMERICAN EXPRES	(0258M0BX) 12/02/2010	Aa3	A+	2008094	1.00	1 MO LIBOR BBA	+ 18.000	12/04/2006	01/01/2007	12/04/2006	5.53000000	0.500	
3,027,256	437084FM	/HEAT 2004-7 A3	(437084FM) 01/25/2035			2045370	1.00	1 MO LIBOR BBA	39.000	12/27/2006	01/28/2007	12/27/2006	5.74000000	0.232	
919,829	61744CNP	/MORGAN STANLEY	(61744CNP) 02/25/2035			1846180	1.00	1 MO LIBOR BBA	+ 18.000	12/27/2006	01/24/2007	12/27/2006	5.53000000	0.070	
6,955,000	17307GUN	/CMLTI 2005-OPT4	(17307GUN) 07/25/2035			1944079	1.00	1 MO LIBOR BBA	+ 15.000	12/27/2006	01/24/2007	12/27/2006	5.50000000	0.532	
3,727,229	805564RZ	/SAXON ASSET SEC	(805564RZ) 09/25/2035			1888819	1.00	1 MO LIBOR BBA	+ 16.000	12/27/2006	01/24/2007	12/27/2006	5.51000000	0.285	
10,000,000	76112BJ8	/RAMP 2005-BFC6	(76112BJ8) 11/25/2035			2226755	1.00	1 MO LIBOR BBA	23.000	12/26/2006	01/24/2007	12/26/2006	5.58000000	0.766	
5,200,000	84751PFS	/SURF 2005-BC2 A	(84751PFS) 12/25/2035			1884610	1.00	1 MO LIBOR BBA	+ 22.000	12/27/2006	01/24/2007	12/27/2006	5.57000000	0.399	
4,681,526	35729PPV	/FHLT2006-2 2A1	(35729PPV) 02/25/2036			2090017	1.00	1 MO LIBOR BBA	6.000	12/28/2006	01/28/2007	12/28/2006	5.41000000	0.358	
3,767,673	004375EU	/ACCR 2006-1 A1	(004375EU) 04/25/2036			2078651	1.00	1 MO LIBOR BBA	6.000	11/30/2006	01/01/2007	11/30/2006	5.38000000	0.288	
2,572,758	35729PNY	/FHLT 2006-1 2-A	(35729PNY) 04/25/2036			2092480	1.00	1 MO LIBOR BBA	+ 6.000	12/27/2006	01/24/2007	12/27/2006	5.41000000	0.197	
3,792,696	76113ABY	/RASC 2006-EMX3	(76113ABY) 04/25/2036			2091743	1.00	1 MO LIBOR BBA	6.000	12/22/2006	01/21/2007	12/22/2006	5.41000000	0.290	
6,756,321	23242MAA	/CWL 2006-S3 A1	(23242MAA) 07/25/2036			2134056	1.00	1 MO LIBOR BBA	11.000	12/26/2006	01/24/2007	12/26/2006	5.46000000	0.516	
2,169,000	86361EAJ	/SASC 2006-WF3 M	(86361EAJ) 09/25/2036			2196308	1.00	1 MO LIBOR BBA	37.000	12/26/2006	01/24/2007	12/26/2006	5.72000000	0.166	
10,548,666	84751PLL	/SURF 2006-BC2 A	(84751PLL) 02/25/2037			2080762	1.00	1 MO LIBOR BBA	6.000	11/30/2006	01/01/2007	11/30/2006	5.38000000	0.806	
4,625,000	DCNA FLT	/DAIMLERCHRYSLER	(233835AX) 03/07/2007	Baa1	BBB	1834318	1.00	3 MO LIBOR BBA	25.000	12/07/2006	03/06/2007	12/07/2006	5.60000000	0.355	
4,500,000	GNW FLT	/GENWORTH FINANC	(37247DAC) 06/15/2007	A2	A	1682895	1.00	3 MO LIBOR BBA	+ 15.000	12/15/2006	03/14/2007	12/15/2006	5.51000000	0.345	
4,500,000	APPW FLT	/APPALACHIAN POW	(037735CA) 06/29/2007	Baa2	BBB	1735094	1.00	3 MO LIBOR BBA	+ 33.000	12/29/2006	03/28/2007	12/29/2006	5.69375000	0.344	
2,875,000	APPW FLT	/APPALACHIAN POW	(037735CA) 06/29/2007	Baa2	BBB	1721038	1.00	3 MO LIBOR BBA	+ 33.000	12/29/2006	03/28/2007	12/29/2006	5.69375000	0.220	
6,672,000	FDX FLT	/FEDEX CORPORATI	(31428XAN) 08/08/2007	Baa2	BBB	2165519	1.00	3 MO LIBOR BBA	8.000	11/08/2006	02/07/2007	11/08/2006	5.45531000	0.514	
5,700,000	CFC FLT	/COUNTRYWIDE FIN	(22238HAC) 05/05/2008	A3	A	1874083	1.00	3 MO LIBOR BBA	+ 25.000	11/06/2006	02/04/2007	11/06/2006	5.61813000	0.440	
8,700,000	BJ5 FLT	/BJ SERVICES	(055482AG) 06/01/2008	Baa1	BBB+	2126752	1.00	3 MO LIBOR BBA	+ 17.000	12/01/2006	02/28/2007	12/01/2006	5.53938000	0.668	
15,000,000	D FLT	/DOMINION RESOUR	(25746UBA) 11/14/2008	Baa2	BBB	2226764	1.00	3 MO LIBOR BBA	18.000	11/14/2006	02/13/2007	11/14/2006	5.55435000	1.154	
10,000,000	CFC FLT	/COUNTRYWIDE FIN	(22238HEL) 01/05/2009	A3	A	2253545	1.00	3 MO LIBOR BBA	+ 14.000	12/18/2006	04/04/2007	12/18/2006	5.50063000	0.765	
4,250,000	DISCBFLT	/DISCOVER BANK 5	(2546X0AA) 02/10/2009	A3	BBB	2246508	1.00	3 MO LIBOR BBA	15.000	11/13/2006	02/11/2007	11/13/2006	5.52625000	0.327	
10,313,000	DISCBFLT	/DISCOVER BANK 5	(2546X0AA) 02/10/2009	A3	BBB	2225870	1.00	3 MO LIBOR BBA	15.000	11/10/2006	02/11/2007	11/10/2006	5.52442000	0.795	
6,300,000	SOGA FLT	/GEORGIA POWER C	(373334FX) 02/17/2009	A2	A	1566412	1.00	3 MO LIBOR BBA	+ 18.000	11/17/2006	02/18/2007	11/17/2006	5.55313000	0.486	
6,700,000	SOV FLT	/SOVEREIGN BANCO	(845905AR) 03/01/2009	Baa1	BBB	1947978	1.00	3 MO LIBOR BBA	+ 28.000	12/01/2006	02/28/2007	12/01/2006	5.64938000	0.515	
14,000,000	DCNA FLT	/DAIMLERCHRYSLER	(233835BB) 03/13/2009	Baa1	BBB	2072405	1.00	3 MO LIBOR BBA	43.000	12/11/2006	03/11/2007	12/11/2006	5.78313000	1.073	
5,000,000	BDN FLT	/BRANDYWINE REAL	(105340AD) 04/01/2009	Baa3	BBB-	2080857	1.00	3 MO LIBOR BBA	+ 45.000	10/02/2006	01/01/2007	10/02/2006	5.82163000	0.387	

Standish Mellon Asset Management Company LLC

A Mellon Financial CompanySM

STANDISH MELLON

FLOATING RATE SUMMARY REVIEW

Portfolio Name: _____
 Portfolio ID: _____
 Closing Portfolio Date: 12/31/2006

Par Value	Cusip	Issuer	Maturity	Rating		Tran		Floating Rate Details		Rate Schedule		Reset Data		Percent
				S&P	Moody	Number	Factor	Index Rate	Spread	Beg Date	End Date	Date Reset	Rate Reset	
11,025,000	CIT FLT /CIT GROUP INC 5	(125577AW)	06/08/2009	A2	A	2126768	1.00	3 MO LIBOR BBA	11.000	12/08/2006	03/07/2007	12/08/2006	5.46000000	0.846
7,000,000	TELEFFLT /TELEFONICA EMIS	(87938WAD)	06/19/2009	Baa1	BBB+	2154489	1.00	3 MO LIBOR BBA	30.000	12/20/2006	03/19/2007	12/20/2006	5.66500000	0.536
2,650,000	TELEFFLT /TELEFONICA EMIS	(87938WAD)	06/19/2009	Baa1	BBB+	2209073	1.00	3 MO LIBOR BBA	30.000	12/20/2006	03/19/2007	12/20/2006	5.66500000	0.203
4,000,000	CAVALFLT /BANCAJA US DEBT	(05950JAB)	07/10/2009	A1	A+	2215802	1.00	3 MO LIBOR BBA	15.000	10/10/2006	01/09/2007	10/10/2006	5.52000000	0.309
5,250,000	CAVALFLT /BANCAJA US DEBT	(05950JAB)	07/10/2009	A1	A+	2142333	1.00	3 MO LIBOR BBA	15.000	10/10/2006	01/09/2007	10/10/2006	5.52000000	0.406
13,470,000	COF FLT /CAPITAL ONE FIN	(14040HAP)	09/10/2009	A3	BBB+	2184755	1.00	3 MO LIBOR BBA	28.000	12/11/2006	03/11/2007	12/11/2006	5.63313000	1.036
7,490,000	APC FLT /ANADARKO PETROL	(032511AW)	09/15/2009	Baa3	BBB-	2191293	1.00	3 MO LIBOR BBA	40.000	12/15/2006	03/14/2007	12/15/2006	5.76000000	0.576
5,000,000	CAH FLT /CARDINAL HEALTH	(14149YAJ)	10/02/2009	Baa2	BBB	2201061	1.00	3 MO LIBOR BBA	27.000	10/02/2006	01/01/2007	10/02/2006	5.64163000	0.387
2,850,000	JPM FLT /JP MORGAN CHASE	(46625HBY)	10/02/2009	Aa3	A+	2006883	1.00	3 MO LIBOR BBA	+ 19.000	10/04/2006	01/03/2007	10/04/2006	5.56000000	0.222
4,300,000	LBH FLT /LEHMAN BROTHERS	(52517PXU)	11/10/2009	A1	A+	1848540	1.00	3 MO LIBOR BBA	25.000	11/10/2006	02/11/2007	11/10/2006	5.62442000	0.332
11,000,000	TWX FLT /TIME WARNER INC	(887317AA)	11/13/2009	Baa2	BBB+	2251771	1.00	3 MO LIBOR BBA	23.000	11/13/2006	02/12/2007	11/13/2006	5.60625000	0.847
4,500,000	NISCEFLT /NISOURCE FINANC	(65473QAP)	11/23/2009	Baa3	BBB	1754275	1.00	3 MO LIBOR BBA	+ 57.000	11/23/2006	02/22/2007	11/23/2006	5.94000000	0.346
10,215,000	MER FLT /MERRILL LYNCH &	(59018YVA)	02/05/2010	Aa3	AA-	2074882	1.00	3 MO LIBOR BBA	22.000	11/09/2006	02/08/2007	11/09/2006	5.59535000	0.789
9,450,000	NCC FLT /NATIONAL CITY C	(635405AR)	06/16/2010	A1	A	2233426	1.00	3 MO LIBOR BBA	+ 17.000	12/18/2006	03/15/2007	12/18/2006	5.53063000	0.725
15,000,000	GS FLT /GOLDMAN SACHS G	(38143UBD)	06/28/2010	Aa3	AA-	2251656	1.00	3 MO LIBOR BBA	30.000	12/28/2006	03/27/2007	12/28/2006	5.66250000	1.153
10,000,000	SLM FLT /SLM CORP 5.6603	(78442FEC)	07/26/2010	A2	A	2149610	1.00	3 MO LIBOR BBA	16.000	10/25/2006	01/24/2007	10/25/2006	5.53688000	0.772
12,200,000	MSDWDFLT /MORGAN STANLEY	(617446YT)	01/18/2011	Aa3	A+	2179810	1.00	3 MO LIBOR BBA	25.000	10/18/2006	01/17/2007	10/18/2006	5.62438000	0.945
12,050,000	BEAR FLT /BEAR STEARNS CO	(073902KG)	01/31/2011	A1	A+	2070764	1.00	3 MO LIBOR BBA	+ 23.000	10/31/2006	01/30/2007	10/31/2006	5.60565000	0.932
25,450,000	HRP FLT /HRPT PROPERTIES	(40426WAT)	03/16/2011	Baa2	BBB	2076472	1.00	3 MO LIBOR BBA	60.000	12/18/2006	03/15/2007	12/18/2006	5.96063000	1.949
10,000,000	JPM FLT /JP MORGAN CHASE	(46625HGH)	05/16/2011	Aa3	A+	2208183	1.00	3 MO LIBOR BBA	11.000	11/16/2006	02/15/2007	11/16/2006	5.48500000	0.769
750,000	SLM FLT /SLM CORP	(78442FEE)	10/25/2011	A2	A	2254712	1.00	3 MO LIBOR BBA	23.000	10/25/2006	01/24/2007	10/25/2006	5.60688000	0.058
8,425,000	71419TAD /PERMA 6 2A	(71419TAD)	12/10/2011			1750725	1.00	3 MO LIBOR BBA	+ 9.000	11/10/2006	02/11/2007	11/10/2006	5.46442000	0.646
9,000,000	AGC1 FLT /AMERICAN GENERA	(02635PTH)	12/15/2011	A1	A+	2256889	1.00	3 MO LIBOR BBA	25.000	12/15/2006	03/14/2007	12/15/2006	5.61000000	0.690
5,250,000	71419WAD /PERMANENT FINAN	(71419WAD)	06/10/2014			1898980	1.00	3 MO LIBOR BBA	+ 7.000	12/11/2006	03/11/2007	12/11/2006	5.42313000	0.402



RFP 666651
GENERAL INFORMATION FORM

QUESTIONS: All inquiries for information regarding this solicitation should be directed to: James E. Dunlap, CPPB, VCO, Phone: (540) 231-8543, e-mail: jdunlap@vt.edu.

DUE DATE: Sealed Proposals will be received until February 21, 2007 at 3:00 PM. Failure to submit proposals to the correct location by the designated date and hour will result in disqualification.

ADDRESS: Proposals should be mailed or hand delivered to: Virginia Polytechnic Institute And State University (Virginia Tech), Purchasing Department (0333), 270 Southgate Center, Blacksburg, Virginia 24061. Reference the Opening Date and Hour, and RFP Number in the lower left corner of the return envelope or package.

In compliance with this Request For Proposal and to all the conditions imposed therein and hereby incorporated by reference, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal and as mutually agreed upon by subsequent negotiation.

TYPE OF BUSINESS: (Please check all applicable classifications)



☒ **Large.**

Small business – An independently owned and operated business which, together with affiliates, has 250 or fewer employees or average annual gross receipts of \$10 million or less averaged over the previous three years. Department of Minority Business Enterprise (DMBE) certified women-owned and minority-owned business shall also be considered small business when they have received DMBE small business certification.

Women-owned business – A business concern that is at least 51% owned by one or more women who are U. S. citizens or legal resident aliens, or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law, and both the management and daily business operations are controlled by one or more women who are U. S. citizens or legal resident aliens.

Minority-owned business – A business concern that is at least 51% owned by one or more minority individuals (see Section 2.2-1401, Code of Virginia) or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

COMPANY INFORMATION/SIGNATURE: In compliance with this Request For Proposal and to all the conditions imposed therein and hereby incorporated by reference, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal and as mutually agreed upon by subsequent negotiation.

FULL LEGAL NAME (PRINT) (Company name as it appears with your Federal Taxpayer Number)		FEDERAL TAXPAYER NUMBER (ID#) 	
Standish Mellon Asset Management Company LLC			
BUSINESS NAME/DBA NAME/TA NAME (If different than the Full Legal Name)		FEDERAL TAXPAYER NUMBER (If different than ID# above)	
BILLING NAME (Company name as it appears on your invoice)		FEDERAL TAXPAYER NUMBER (If different than ID# above)	
Standish Mellon Asset Management Company LLC			
PURCHASE ORDER ADDRESS		PAYMENT ADDRESS	
N/A		P.O. Box 371784 Pittsburgh, PA 15251-7784	
CONTACT NAME/TITLE (PRINT)		SIGNATURE (IN INK)	DATE
James Kohley			02/16/2007
E-MAIL ADDRESS	TELEPHONE NUMBER	TOLL FREE TELEPHONE NUMBER	FAX NUMBER TO RECEIVE E-PROCUREMENT ORDERS
jkohley@standishmellon.com	(412) 234-0341	1-800-374-6969	N/A



April 12, 2007

STANDISH  Mellon
A Mellon Financial Company



April 12, 2007

Agenda

1. Standish Mellon Overview
2. Virginia Tech Recommendation
3. Investment Team and Process
4. Client Service and Summary
5. Appendix

Presented by:
James Kohley, CFA
Johnson Moore, CFA





Standish Mellon Overview

Standish Mellon Overview

A fixed income focused firm

History dating back to 1933

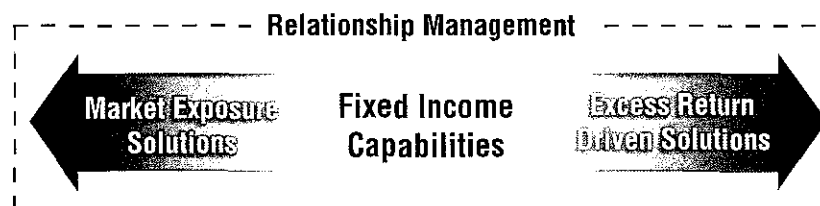
\$161.8 billion in assets

110 investment professionals
15 years average experience

With a complete fixed
income product line

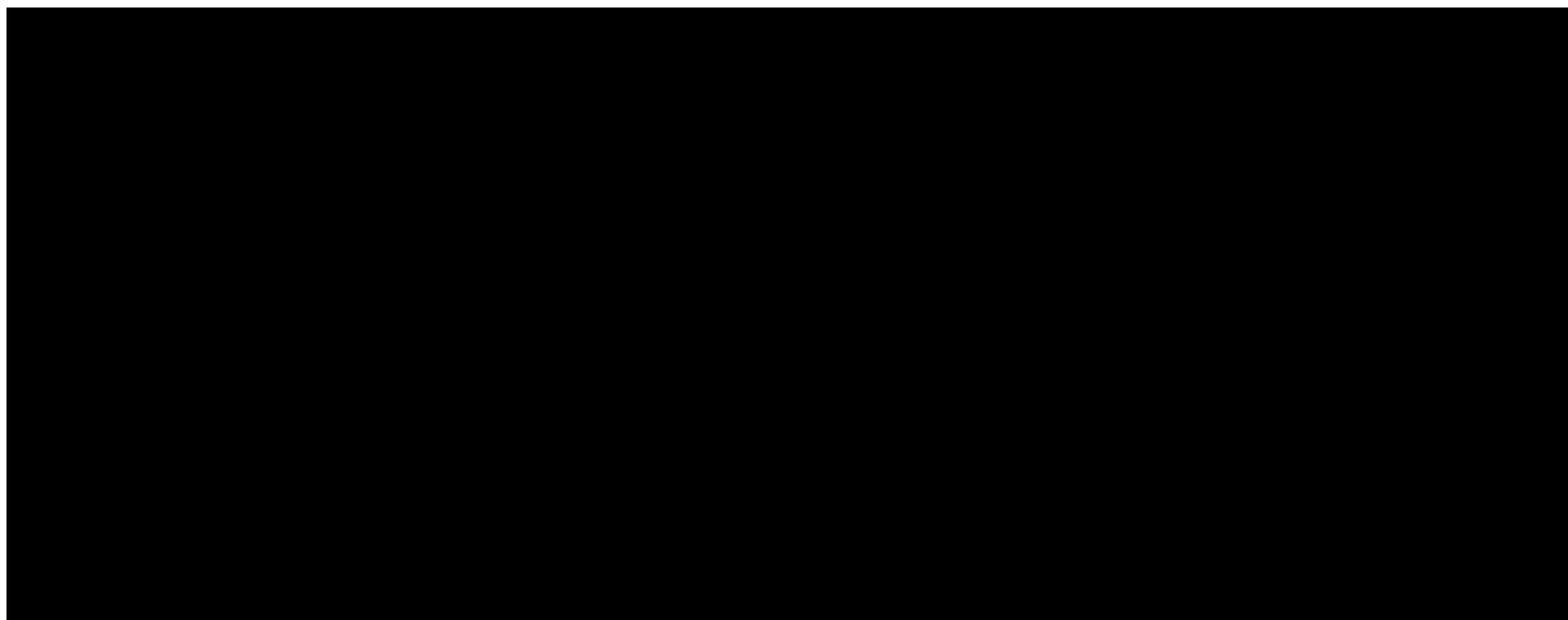
Transparent, disciplined and repeatable investment processes

Providing customized
client solutions



As of December 31, 2006. The Firm also includes assets managed by Standish Mellon personnel acting as dual officers of The Dreyfus Corporation, Mellon Bank, NA, and Mellon Trust of New England, which are other Mellon Financial Corporation subsidiaries.

Management Leadership



Broad Fixed Income Capabilities

December 31, 2006

Stable Value Strategies	Short Duration Strategies	Beta Strategies	Tax-Sensitive Strategies	Sector/Structured Strategies	Active Core Strategies	Core Plus Strategies
\$14.1 B	\$88.0 B	\$12.5 B	\$13.1 B	\$4.8 B	\$17.5 B	\$11.8 B
Stable Value Yield Enhanced	STIF Active Cash LIBOR Plus Ultra Short Super STIF 1-3 Year	Beta Management <i>Cash Drag</i> <i>Policy Implementation</i> <i>Portable Alpha</i> <i>LDI</i> Bond Indexing <i>Lehman</i> <i>Citigroup</i> <i>JP Morgan</i> <i>IBxxx</i>	Short Term Tax-Sensitive Intermediate Tax-Sensitive Long Term Tax-Sensitive Yield Curve Arbitrage	Asset-backed Mortgage-backed Collateralized Debt Obligation (CDO) Structured Finance TIPS/Government	1-5 Year Intermediate High Grade Core Long Duration	US Core Plus US Select Credit Euro Select Credit Global Fixed Income Global Credit High Yield Emerging Market Debt <i>External Currency</i> <i>Local Currency</i> Absolute Return/ Hedge Funds
<div> <div>←</div> <div>Insurance Strategies \$17.6 B</div> <div>→</div> </div>						

Total Assets Under Management: \$161.8 Billion

As of December 31, 2006. The Firm also includes assets managed by Standish Mellon personnel acting as dual officers of The Dreyfus Corporation, Mellon Bank, NA, and Mellon Trust of New England, which are other Mellon Financial Corporation subsidiaries.

Powerful Resources to Deliver Added Value

December 31, 2006

110 investment professionals, with an average of 15 years experience

35	Portfolio Managers
32	Global Credit and Investment Analysts
2	Bond Strategists
6	Absolute Return
6	Insurance Management
21	Trading
8	Relationship Management





Virginia Tech Recommendation

Recommended Strategy

Tier 1

Daily Operating Cash

- Maximize yield and daily liquidity

STIF Plus

Sample Portfolio Characteristics

Yield-to-Maturity	5.33%
Average Coupon	5.36%
Effective Duration	0.07 Years
Average Maturity	1.80 Years

Tier 2

1-3

Tier 3

Intermediate

Tier 4

Aggregate

- Balance risk and return

Intermediate (1-10 Years)

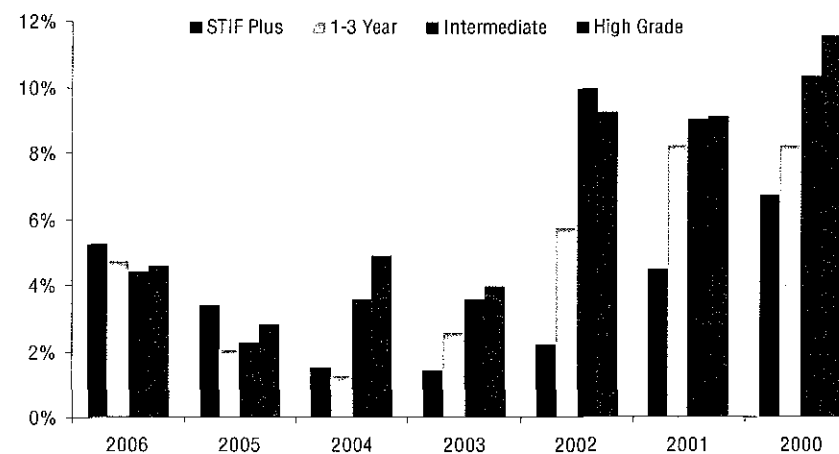
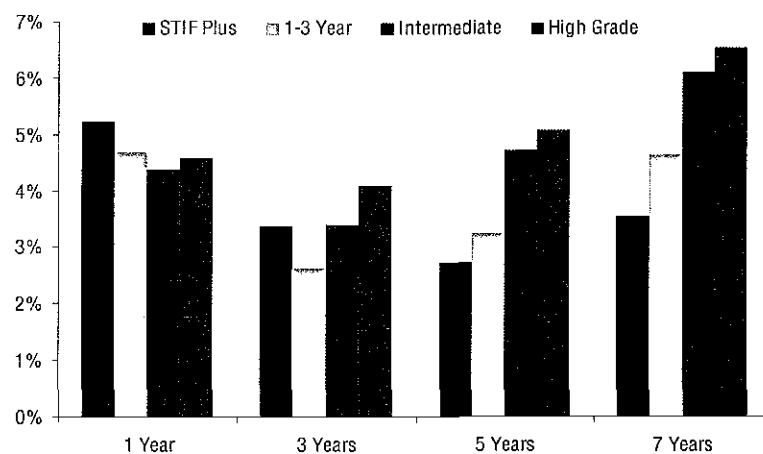
Sample Portfolio Characteristics

Yield-to-Maturity	4.96%
Average Coupon	5.10%
Effective Duration	3.50 Years
Average Maturity	5.79 Years

Source: Standish Mellon

Investment Performance

December 31, 2006



	STIF Plus	1-3 Year	Intermediate	High Grade
Best Performing Quarter	1.71%	3.16%	4.86%	4.73%
Worst Performing Quarter	0.29%	-0.94%	-2.47%	-2.58%

Source: Standish Mellon

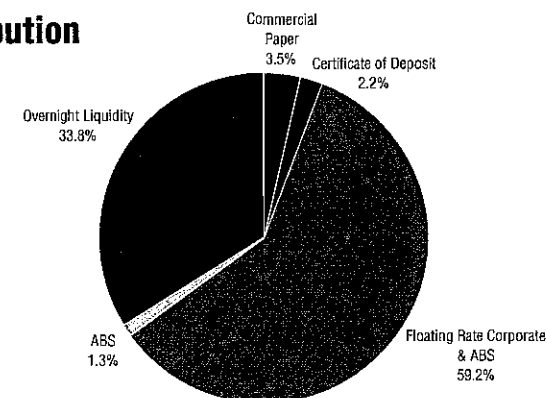
STIF Plus Composite Representative Portfolio

March 31, 2007

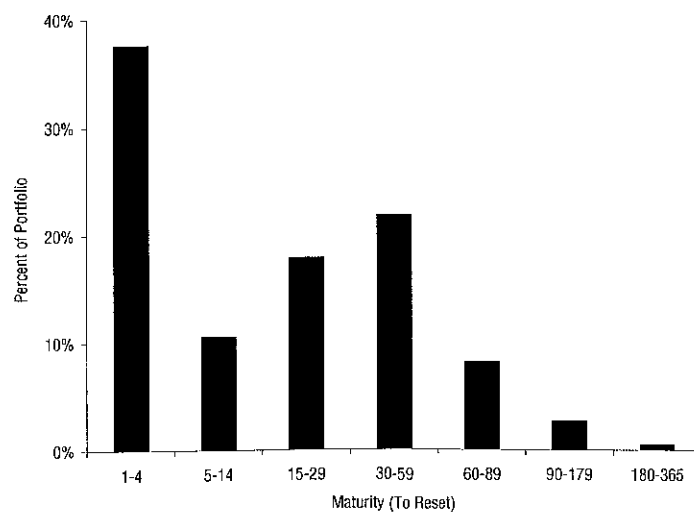
Portfolio Characteristics

Yield (YTW) (Market Weight) (To Reset)	5.33%
Average Coupon	5.36%
Effective Duration (To Reset)	0.07 Years
Average Maturity	1.80 Years

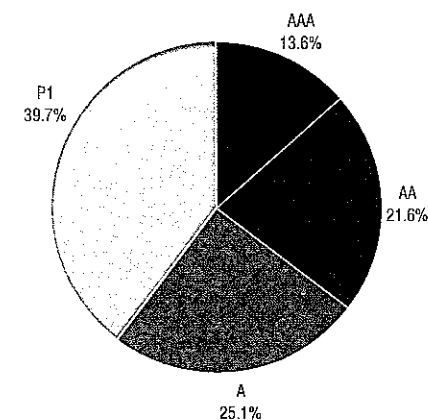
Sector Distribution



Maturity Distribution



Quality Distribution

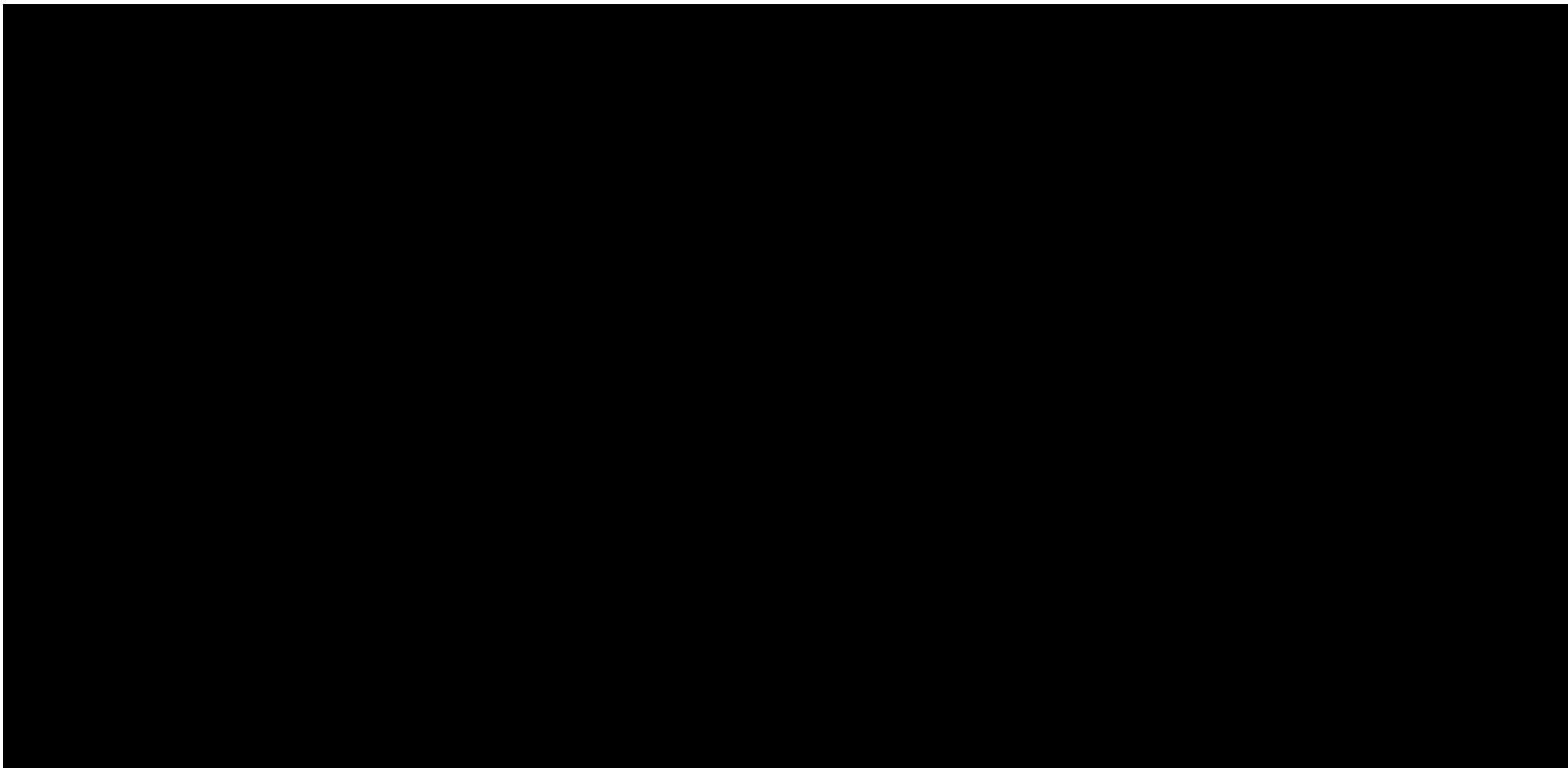






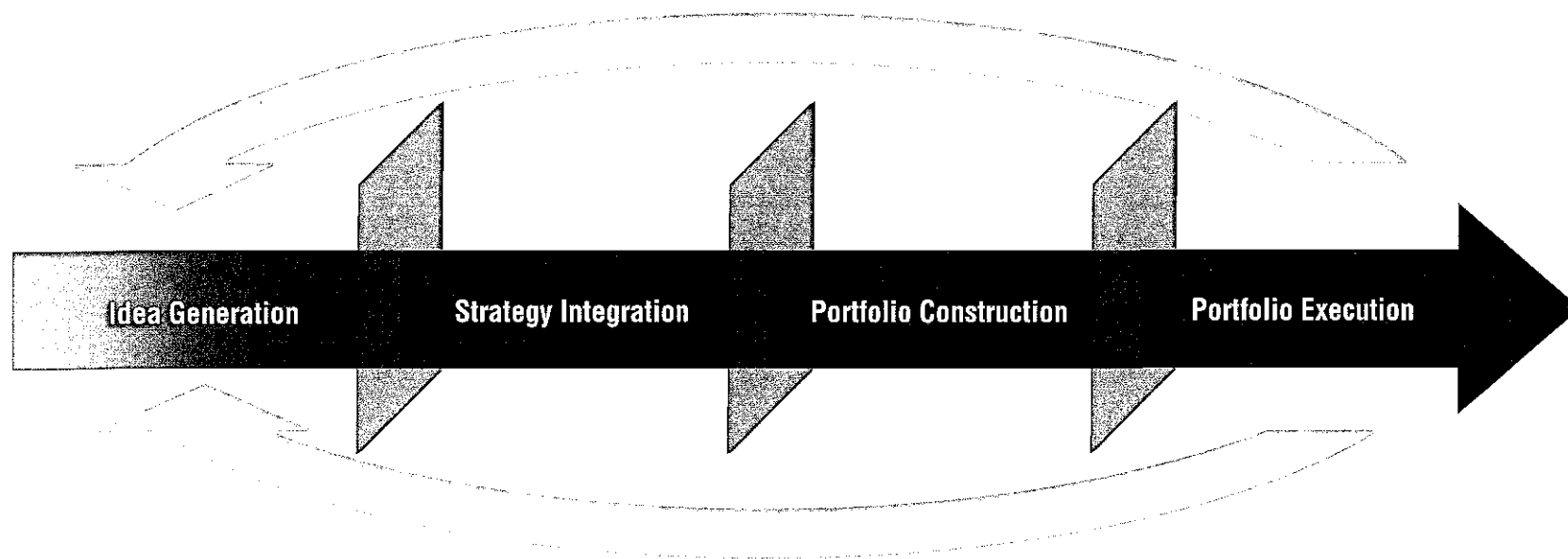
Investment Team and Process

Team-based Decision Making Structure



Investment Process

The team strives to achieve your goals by integrating your investment objectives with our time-tested investment management discipline.



Fundamental Research

- Produce macroeconomic, market and sector outlook
- In-depth fundamental security analysis
- Industry outlook

Strategy Integration

- Evaluate opportunity set
- Develop broad short duration strategy
- Generate model portfolio

Portfolio Construction

- Optimal portfolio structure based on unique client objectives
- Risk management

Portfolio Execution

- Adherence to client guidelines
- Best trading strategy
- Consistent strategies implementation

Credit Research Philosophy

- Proprietary fundamental research
 - Consistent and disciplined
- Emphasis on stable to improving credit momentum
 - Accountability through independent rating and trend system
- Orientation to a disciplined value approach
 - Concentration on less efficient market segments
- Avoid asymmetric risk
 - Capitalize on deteriorating credit momentum through swap market
- Credit sector strategist
 - Construction of model portfolios

Credit Research Methodology

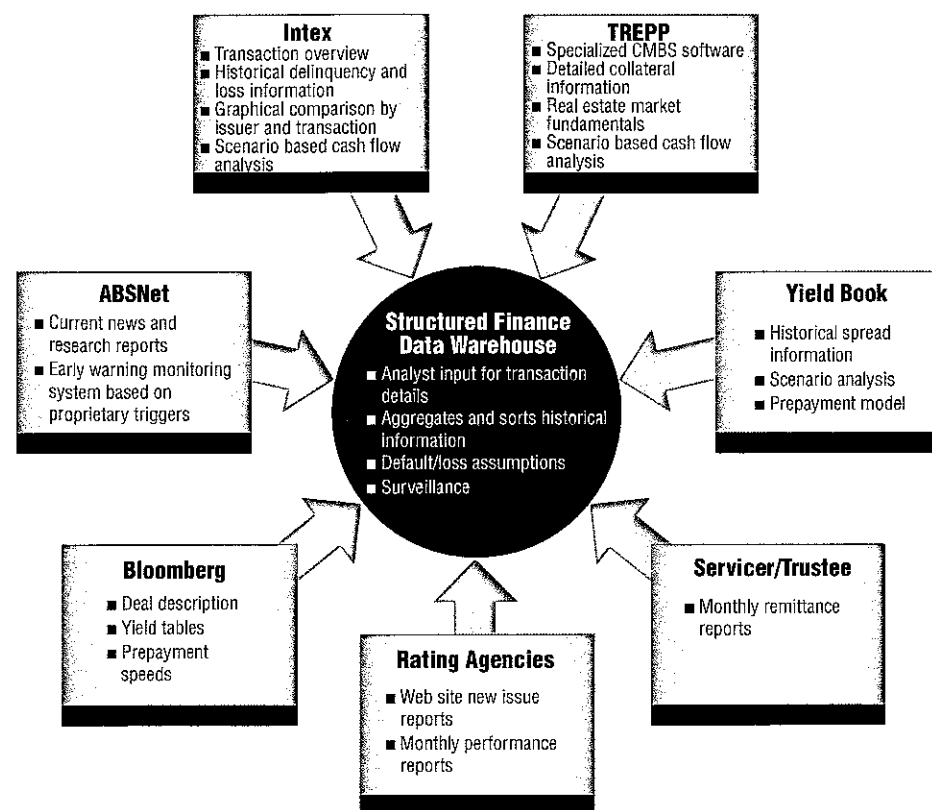
Identify and Emphasize Stable to Improving Credits

- Proprietary credit momentum ratings and shadow credit ratings are substantial elements of analyst responsibilities
- Analyst evaluation:
 - Ability to identify and communicate credit trends
 - Determination of relative value
- Portfolio managers and credit sector strategists emphasize 3s, 2s and 1s; de-emphasize or buy credit protection on the 4s and 5s

1= high likelihood of upgrade in 12 months
2= likelihood of upgrade in 12 months
3= no ratings change expected in 12 months
4= likelihood of downgrade in 12 months
5= high likelihood of downgrade in 12 months

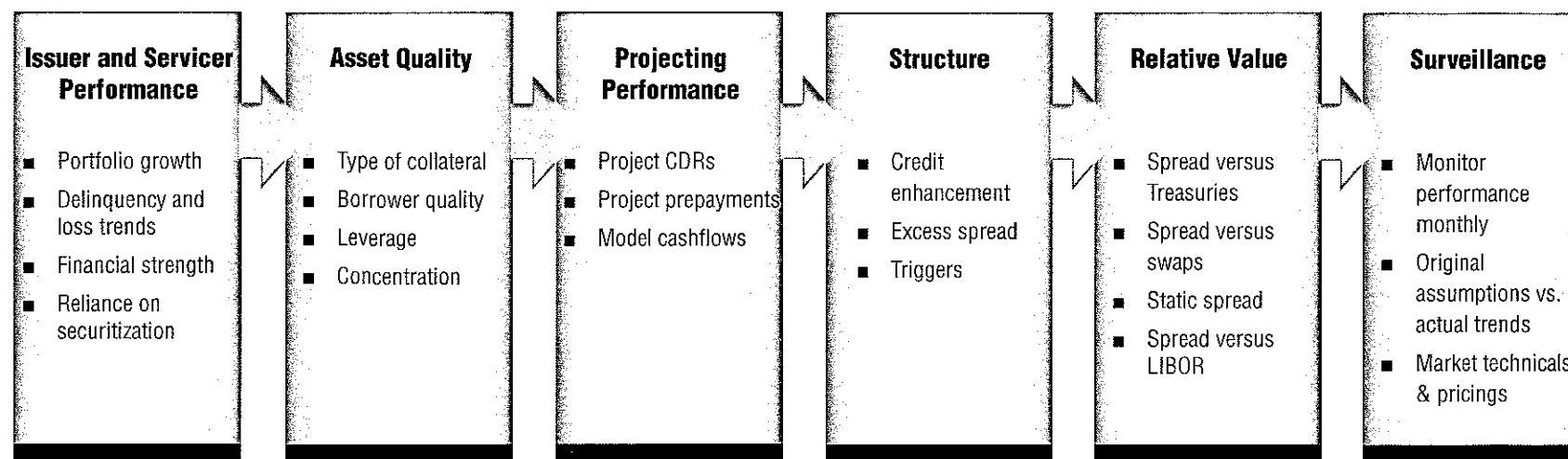
Structured Asset-Backed Securities

Analysis platform integrates a variety of innovative tools into our research process



Our application of these tools via the data warehouse gives us our proprietary

Structured Asset-Backed Security Selection



Identify residential, commercial mortgage and asset backed securities with stable to improving credit characteristics and cash flow stability

Portfolio Risk Report

December 31, 2006

Representative Intermediate Fixed Income Portfolio vs. Lehman Brothers Intermediate Govt/Credit Index

Index Breakdown									
Dur Bucket	Treasury	TIPS	Agency	MBS	CMBS	ABS	IG	Muni	Total
Dur < 1	0.20		2.31				0.50		3.01
Dur 1-2	13.58		6.86				5.38		25.82
Dur 2-3	7.89		4.18				5.06		17.12
Dur 3-4	6.14		3.17				7.60		16.92
Dur 4-5	3.14		1.44				5.78		10.35
Dur 5-7	7.09		2.10				9.52		18.71
Dur 7-10	3.52		1.49				3.05		8.05
Dur 10+									0.00
Total (%)	41.55	0.00	21.56	0.00	0.00	0.00	36.89	0.00	100.00
Total (CTD)	1.44	0.00	0.62	0.00	0.00	0.00	1.54	0.00	3.60

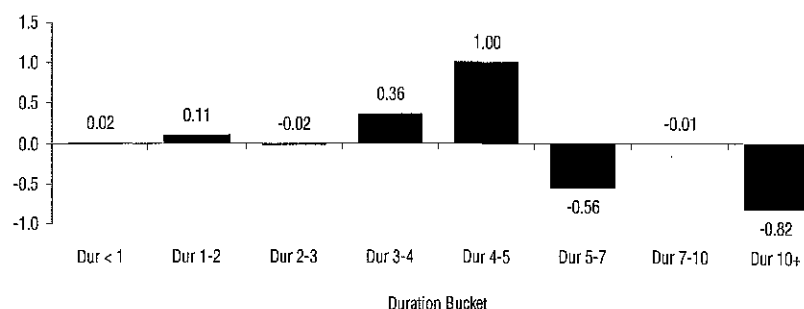
Portfolio Breakdown														
Dur Bucket	Treasury	TIPS	Agency	MBS	CMBS	ABS	IG	HY	Splits	EM	Int'l	Muni	Total	
Dur < 1							1.31	0.43	0.37		0.50	0.19	2.81	
Dur 1-2					0.26	2.20	4.25	0.19	0.39	0.60			7.88	
Dur 2-3				0.67	10.33	1.21	0.19	3.15		0.21	0.74		16.50	
Dur 3-4	10.69	1.94	0.27	7.28	0.71	0.54	3.48	0.54		0.14		0.65	26.23	
Dur 4-5	27.38				0.13	1.95	2.77	0.41	0.25	0.52		0.16	33.56	
Dur 5-7		1.82	0.09		0.49	0.72	4.15	0.47	0.67	1.10			9.50	
Dur 7-10	0.63						0.59					0.87	2.10	
Dur 10+							1.29	0.14					1.43	
Total (%)	38.70	3.76	1.03	17.61	2.79	5.60	19.67	3.06	1.94	3.47	0.50	1.87	100.00	
Total (CTD)	1.62	0.18	0.10	0.52	0.15	0.21	0.85	0.08	0.07	0.11	0.00	0.11	3.68	

Quality Breakdown							
Market Value %				CTD			
Qty Bucket	Index	Port	Diff	Index	Port	Diff	
Treas/Agency*	63.11	32.17	-30.94	2.06	1.58	-0.48	
AAA/AA	12.77	22.06	9.29	0.48	0.38	-0.11	
A	13.42	8.22	-5.20	0.57	0.64	0.07	
BBB	10.70	29.69	18.99	0.48	0.85	0.36	
BB		4.83			0.17	0.17	
B		3.03			0.06	0.06	
CCC/NR							
Total	100.00	100.00		3.60	3.68		

Difference Between Portfolio and Index														
Dur Bucket	Treasury	TIPS	Agency	MBS	CMBS	ABS	IG	HY	Splits	EM	Int'l	Muni	Total	
Dur < 1	-0.20		-2.31				-0.50	1.31	0.43	0.37	0.50	0.19	-0.21	
Dur 1-2	-13.58		-6.86		0.26	2.20	-1.14	0.19	0.39	0.60			-17.95	
Dur 2-3	-7.89		-3.50	10.33	1.21	0.19	-1.91	0.00	0.21	0.74			-0.62	
Dur 3-4	4.55	1.94	-2.91	7.28	0.71	0.54	-4.13	0.54		0.14		0.65	9.31	
Dur 4-5	24.24		-1.44		0.13	1.95	-3.01	0.41	0.25	0.52		0.16	23.20	
Dur 5-7	-7.09	1.82	-2.01		0.49	0.72	-5.36	0.47	0.67	1.10			-9.21	
Dur 7-10	-2.88		-1.49				-2.46					0.87	-5.96	
Dur 10+	0.00		0.00				1.29	0.14					1.43	
Total (%)	-2.85	3.76	-20.53	17.61	2.79	5.60	-17.22	3.06	1.94	3.47	0.50	1.87	0.00	
Total (CTD)	0.18	0.18	-0.53	0.52	0.15	0.21	-0.68	0.08	0.07	0.11	0.00	0.11	0.08	

*Treas/Agency bucket includes MBS for the Index

Yield Curve Exposure vs. the Index



Source: Standish Mellon, Lehman Brothers



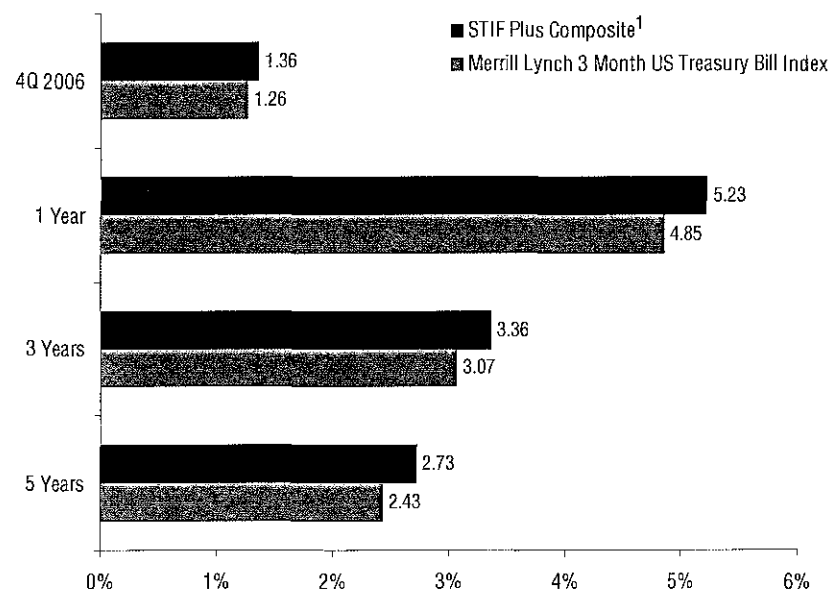


Client Service and Summary

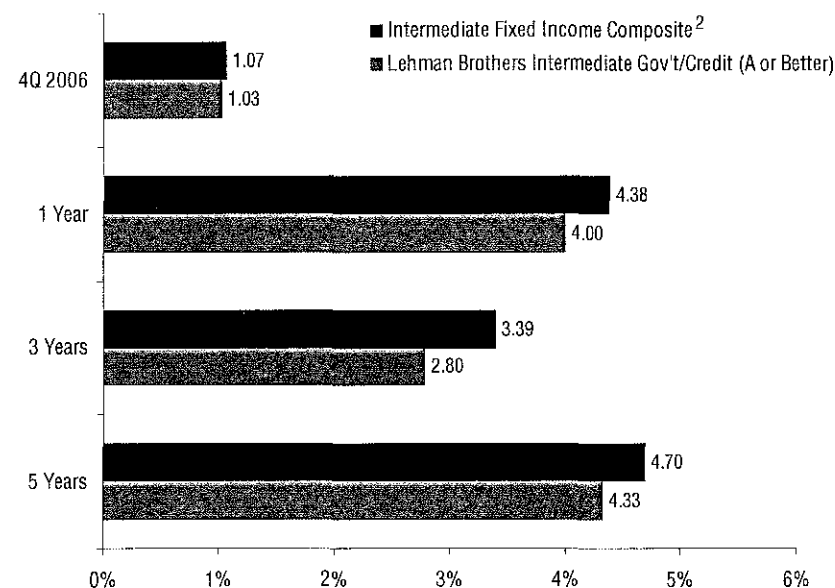
Key Advantages to Virginia Tech:

- Seamless interface between investment manager and custodian
- Disciplined, well defined process that has produced consistent and repeatable performance
- Experienced investment team
- Client service team dedicated to excellence

Tier 1 – Daily Operating Cash – STIF Plus Composite Performance December 31, 2006



Tier 2-4 – Core Balances – Intermediate (1-10 Year) Composite Performance December 31, 2006



¹Composite performance is shown gross of fees. Past performance is no indication of future results. This material is accompanied by the Standish Mellon STIF Plus composite which contains a complete description of GIPS® compliance at the end of this presentation.

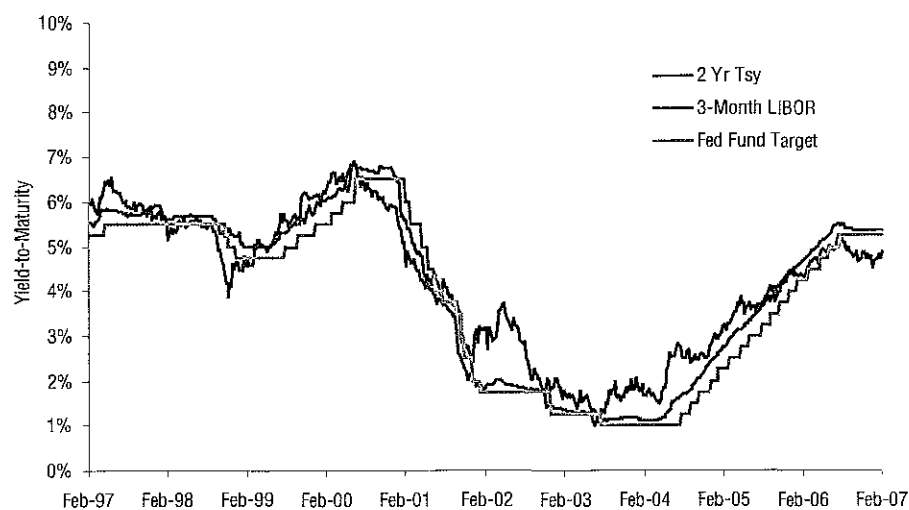
²Composite performance is shown gross of fees. Past performance is no indication of future results. This material is accompanied by the Standish Mellon Intermediate Fixed Income composite which contains a complete description of GIPS® compliance at the end of this presentation.



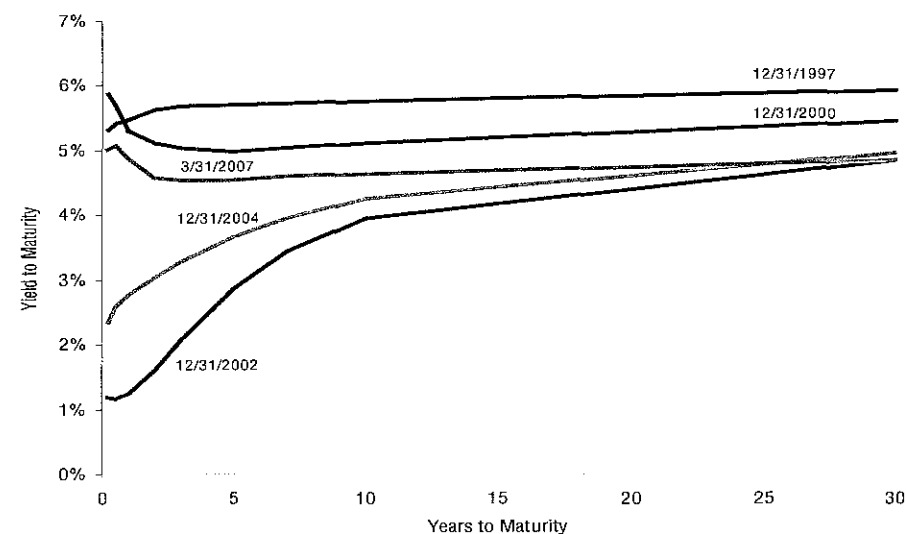


Appendix

Historical Short-Term Rates For the period February 1997 to February 2007



Historical Treasury Yield Curves (0-30 Years) February 28, 2007



Source: Bloomberg

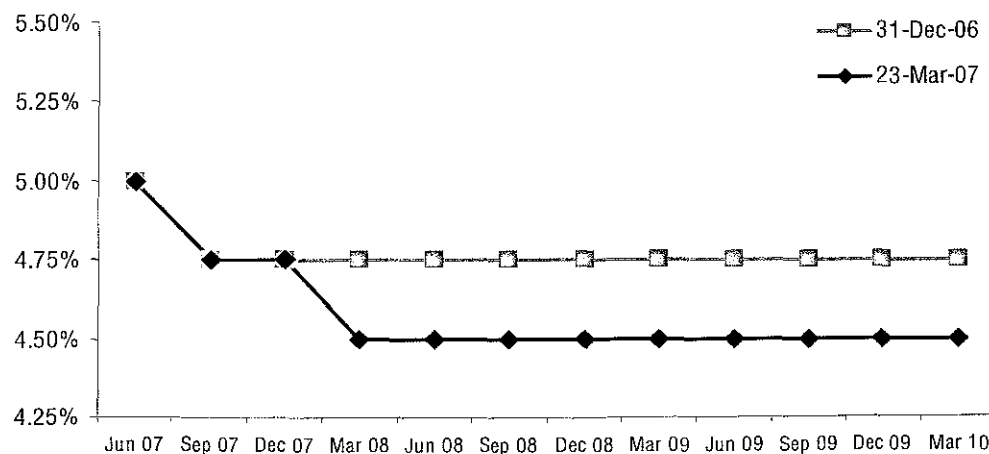
Fed Watch

March 23, 2007

2006 FOMC Schedule of Meetings		
Date	Rate	Risk Assessment
Start	4.25	Balanced
Jan 31	4.50	Balanced
Mar 28	4.75	Balanced
May 10	5.00	Inflation Risk
Jun 29	5.25	Inflation Risk
Aug 08	5.25	Inflation Risk
Sep 20	5.25	Inflation Risk
Oct 24	5.25	Inflation Risk
Dec 12	5.25	Inflation Risk

2007 FOMC Schedule of Meetings		
Date	Rate	Risk Assessment
Start	5.25	Inflation Risk
Jan 31	5.25	Inflation Risk
Mar 21	5.25	Inflation Risk
May 9		
Jun 28		
Aug 07		
Sep 18		
Oct 31		
Dec 11		

Implied Fed Funds Target



Source: Standish Mellon, Bloomberg

Fixed Income Guideline Checklist

CORE FIXED INCOME GUIDELINE CHECKLIST

Account Name:

Account Number:

Relationship Manager:

Date:

Type of Investment	Eligible	Prohibited	Comments	Date
Quality Rating:	Aa/AA	X		
	Aa/A	X		
	A/A	X		
	A/BBB	X		
	Baa/BBB	X		
	Baa/BB	X		
	BB	X		
	Ba/B	X		
	B	X		
	B/CCC	X		
	CCC/CCC	X		
	Not Rated	X		
	% Maximum			
	Min. Quality Rating			
	Avg. Quality			
	Split Rated			
Other Credit:	Convertible Issues			
	Preferred Issues	X	X	
	Tax Exempt Issues	X		
	Surplus Note		X	
	Private Placement		X	
Securitized:	Mtge-Related	X		
	Asset-Backed	X		
	CMOs	X		
	CDOs		X	
	IOs and/or POs		X	
Trade Finance:		X		

AGENCY:
Any NRSRO
(Nationally Recognized
Statistical Rating Organization)
S&P ☒
Moody's ☒
Duff & Phelps ☒
Fitch ☒
NAIC
(Insurance Accounts)

**DOWNGRADES TO
BELOW MINIMUM
QUALITY:**

OK to hold ☐
Sell within 90 days ☐
Sell within 180 days ☐

STANDISH Mellon
A Mellon Financial Company

CORE FIXED INCOME GUIDELINE CHECKLIST

Account Name:

Account Number:

Type of Investment	Eligible	Prohibited	Comments	Date
Foreign-Related: Nondollar	X		20% maximum; must be fully hedged to the US Dollar	4/05
Emerging Market	X			
Other	X			
Derivatives:				
Futures	X			
Options	X			
Swaps	X			
Short-term Securities:				
Repurchase Agreements				
Issuer Restrictions				
Maturity Restrictions:	Portfolio			
	Issuer			
Loss Restrictions				
Other Restrictions				
Duration Restrictions:	Portfolio	+/- 0.75 years vs. Index		
	Issuer	None		
Benchmark Index			Lehman Aggregate Index	
Qualified Institutional Buyer				
ERISA				
<p>NOTES: Use of futures includes but is not limited to anticipatory long hedges and short hedges on domestic and international exchanges. Please specify restrictions, if any.</p> <p>Use of options includes buying/selling puts and buying/selling calls and related strategies on exchange traded and over-the-counter instruments. Please specify restrictions, if any.</p> <p>Use of Swaps will include interest rate swaps, credit default swaps and Total Return Swaps.</p>				

Please sign to verify guidelines:

Signature

Date

STANDISH Mellon
A Mellon Financial Company

Performance Attribution

December 31, 2006

Representative Intermediate Fixed Income Portfolio vs. Lehman Brothers Intermediate Govt/Credit Index

	2004					2005					2006				
	Q1	Q2	Q3	Q4	2004	Q1	Q2	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006
Total UST/Agency	0.06	(0.08)	0.02	0.05	0.05	0.04	(0.04)	0.11	(0.03)	0.07	0.06	(0.04)	0.00	0.02	0.04
Total MBS	0.14	0.10	(0.03)	(0.10)	0.11	(0.15)	0.08	0.00	(0.03)	(0.10)	(0.07)	0.02	0.04	(0.14)	(0.16)
Total Invest. Grade Corp	0.03	0.06	0.01	0.07	0.16	(0.05)	(0.05)	0.02	0.02	(0.05)	0.04	0.08	0.03	(0.05)	0.11
Total High Yield Corp	(0.01)	0.05	0.02	0.07	0.15	0.00	0.04	0.12	0.00	0.16	0.12	0.16	0.02	0.03	0.34
Total CMBS/ABS	0.06	0.00	0.03	(0.06)	0.03	0.03	0.10	0.06	0.11	0.30	0.04	0.05	(0.01)	(0.02)	0.06
Total Non-Dollar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.02)	0.03	0.00	0.01
Total Emerging Markets	0.01	0.05	0.13	0.05	0.25	(0.01)	0.04	0.11	0.00	0.13	0.06	0.02	(0.06)	(0.02)	0.00
Total Municipal	0.00	(0.02)	0.04	0.05	0.07	0.10	0.03	0.10	0.00	0.24	0.03	0.01	0.01	0.02	0.06
Total Interest Rates	0.02	(0.05)	0.09	(0.01)	0.04	0.17	(0.35)	0.06	(0.08)	(0.19)	0.08	(0.28)	(0.01)	0.02	(0.19)
Total Attribution	0.32	0.10	0.31	0.12	0.87	0.12	(0.14)	0.58	(0.02)	0.56	0.35	0.00	0.05	(0.13)	0.28

	2004					2005					2006				
	Q1	Q2	Q3	Q4	2004	Q1	Q2	Q3	Q4	2005	Q1	Q2	Q3	Q4	YTD
Total Sector	(0.03)	0.16	0.03	(0.01)	0.18	(0.02)	0.07	0.14	(0.01)	0.18	0.29	0.08	0.05	0.13	0.57
Total Security	0.33	(0.01)	0.19	0.14	0.65	(0.03)	0.14	0.38	0.07	0.57	(0.01)	0.20	0.01	(0.28)	(0.09)
Total Interest Rates	0.02	(0.05)	0.09	(0.01)	0.04	0.17	(0.35)	0.06	(0.08)	(0.19)	0.08	(0.28)	(0.01)	0.02	(0.19)
Total Attribution	0.32	0.10	0.31	0.12	0.87	0.12	(0.14)	0.58	(0.02)	0.56	0.35	(0.00)	0.05	(0.13)	0.28

Source: Standish Mellon, Lehman Brothers

Short-Term Fixed Income (STIF) Composite

December 31, 2006

Annualized Performance

	4Q 2006	1 Year	3 Years	5 Years	10 Years
Size-weighted Gross	1.36	5.17	3.30	2.61	4.08
Size-weighted Net	1.33	5.06	3.20	2.51	3.97
CG 3 Month T-Bill	1.25	4.76	2.99	2.35	3.67

See disclosures on next page

Short-Term Fixed Income (STIF) Composite

Ending December 31, 2006

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997 ¹
Size-weighted Gross	5.17	3.34	1.42	1.23	1.91	4.36	6.64	5.33	5.72	5.76
Size-weighted Net	5.06	3.23	1.32	1.13	1.81	4.26	6.53	5.22	5.62	5.66
CG 3 Month T-Bill	4.76	3.00	1.24	1.07	1.70	4.09	5.96	4.74	5.05	5.24
Number of Portfolios	31	22	22	23	21	22	27	20	18	19
Composite Assets (\$mm)	37,984	27,619	28,022	39,070	32,797	28,914	25,714	22,114	23,701	22,360
Firm Assets (\$mm) ⁴	161,772	142,845	214,834 ³	200,732 ³	79,895	60,532	57,747	50,602	49,179	47,262
Composite Dispersion ²	0.06	0.06	0.05	0.06	0.07	0.08	0.05	0.10	0.04	0.02

¹Composite Started on January 1, 1988; ²Internal Asset Weighted Standard Deviation; ³Please note that from September 2003 to June 2005, Standish Mellon provided non-discretionary investment management advisory services for approximately \$100 billion in securities lending collateral.

The STIF composite is comprised of portfolios whose objective is to outperform the 90-Day Treasury Bill Index by investing in securities that emphasize principal protection, diversification and liquidity through a low risk short-term strategy. While Standish's objective is to outperform the stated benchmark, it does not imply that this strategy shall share, or attempt to share, the same or similar characteristics of the benchmark or attempt to track the benchmark. Portfolios that fall below a market value of \$15 million are excluded from the composite. This composite was created January 1, 1988. Leverage or derivatives are not used in the management of this composite. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. No portfolio with the same objectives, preferences, or constraints has been excluded because it has not been under management for the required time. The firm maintains a complete list and description of composites, which is available upon request.

The firm is defined as Standish Mellon Asset Management Company LLC, a registered investment advisor and wholly owned subsidiary of Mellon Financial Corporation. The Firm also includes assets managed by Standish Mellon personnel acting as dual officers of The Dreyfus Corporation, Mellon Bank, NA, and Mellon Trust of New England, which are other Mellon Financial Corporation subsidiaries.

⁴Effective July 1, 2003, Standish Mellon Asset Management, Mellon Bond Associates, and Certus Asset Advisors, all wholly owned subsidiaries of Mellon Financial Corporation, combined to form Standish Mellon Asset Management Company LLC. Effective October 1, 2004, Mellon Financial Corporation acquired Pareto Partners. As part of the transition, Standish Mellon Asset Management acquired the global fixed income asset management business of Pareto Partners. No material change in personnel responsible for the investment management process has occurred in either transaction.

Non-fee-paying portfolios are not included in this composite.

The benchmark for this composite is the 90-Day Treasury Bill Index. The benchmark is derived from auctioned-average prices of the 90 Day TBill as calculated by Citigroup.

The standard STIF management fee is: 0.15% on the first \$25 million; 0.10% on the next \$75 million; and, negotiable thereafter. Standish Mellon's standard fees are shown in Part II of its Form ADV. Net results reflect the deduction of the average annual weighted management fee. Through December 31, 2003 net results reflected the average annual weighted management fee for the composite. The average weighted management fee is computed by applying the composite's standard fee schedule to the average account size of the stated composite for the date specified, converting the resulting dollar amount to basis points and rounding to four places. Certain clients could pay a higher or lower fee which would result in different net returns. Beginning January 1, 2004, net results reflect the above-mentioned fee schedule, actual results may vary for each individual portfolio.

Standish Mellon Asset Management has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). The CFA Institute has not been involved with the preparation or review of this report. Gross performance figures are time-weighted rates of return, which include the deduction of transaction costs. Both gross and net performance returns include the reinvestment of dividends and other distributions. The performance of the composite is expressed in U.S. dollars. Past performance is not an indication of future performance. Additional information regarding policies and procedures for calculating and reporting returns is available upon request.

STIF Plus Composite

December 31, 2006

Annualized Performance

	4Q 2006	1 Year	3 Years	5 Years	Since Inception
Size-weighted Gross	1.36	5.23	3.36	2.73	3.55
Size-weighted Net	1.33	5.10	3.25	2.62	3.44
LIBOR 1 Month	1.37	5.20	3.30	2.60	3.42

Composite Started on January 1, 2000 See disclosures on next page

STIF Plus Composite

Ending December 31, 2006

	2006	2005	2004	2003	2002	2001	2000 ¹
Size-weighted Gross	5.23	3.38	1.51	1.41	2.18	4.50	6.73
Size-weighted Net	5.10	3.26	1.41	1.31	2.08	4.40	6.63
LIBOR 1 Month	5.20	3.31	1.43	1.25	1.85	4.39	6.63
Number of Portfolios ²	12	12	8	6	6	—	—
Composite Assets (\$mm)	4,576	2,652	1,259	1,230	1,160	981	773
Firm Assets (\$mm) ⁵	161,772	142,845	214,834 ³	200,732 ³	79,895	60,532	57,747
Composite Dispersion ⁴	0.04	0.03	0.02	0.08	0.08	0.00	0.00

¹Composite Started on January 1, 2000; ²Composite Contained 4 or fewer Portfolios; ³Please note that from September 2003 to June 2005, Standish Mellon provided non-discretionary investment management advisory services for approximately \$100 billion in securities lending collateral; ⁴Internal Asset Weighted Standard Deviation;

The STIF Plus composite is comprised of portfolios whose objective is to outperform the LIBOR 1-Month Constant Maturity index by investing in securities that emphasize principal protection, diversification and liquidity through a low risk short-term strategy. While Standish's objective is to outperform the stated benchmark, it does not imply that this strategy shall share, or attempt to share, the same or similar characteristics of the benchmark or attempt to track the benchmark. Portfolios that fall below a market value of \$15 million are excluded from the composite. This composite was created on January 1, 2000. Leverage or derivatives are not used in the management of this composite. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. No portfolio with the same objectives, preferences, or constraints has been excluded because it has not been under management for the required time. The firm maintains a complete list and description of composites, which is available upon request.

The firm is defined as Standish Mellon Asset Management Company LLC, a registered investment advisor and wholly owned subsidiary of Mellon Financial Corporation. The Firm also includes assets managed by Standish Mellon personnel acting as dual officers of The Dreyfus Corporation, Mellon Bank, NA, and Mellon Trust of New England, which are other Mellon Financial Corporation subsidiaries.

⁵Effective July 1, 2003, Standish Mellon Asset Management, Mellon Bond Associates, and Certus Asset Advisors, all wholly owned subsidiaries of Mellon Financial Corporation, combined to form Standish Mellon Asset Management Company LLC. Effective October 1, 2004, Mellon Financial Corporation acquired Pareto Partners. As part of the transition, Standish Mellon Asset Management acquired the global fixed income asset management business of Pareto Partners. No material change in personnel responsible for the investment management process has occurred in either transaction.

Non-fee-paying portfolios are not included in this composite.

The benchmark for this composite is the LIBOR 1-Month Constant Maturity Index. The London Inter Bank Offering Rate (LIBOR) is an average of the interest rate on dollar-denominated deposits, also known as Eurodollars, traded between banks in London. Performance for the index is based on the assumed purchase of a synthetic instrument having 1 month to maturity and with a coupon equal to the closing rate for a 1-month LIBOR. The index will always seek to have constant maturity equal to exactly 1 month. The benchmark was changed from the LIBOR 3-Month Constant Maturity index in December 2006 to more accurately reflect the investment strategy.

The standard Super STIF management fee is: if a portfolio is less than \$50 million, 0.20% on the first \$25 million; 0.15% on the next \$25 million. For portfolios with assets over \$50 million 0.10 and negotiable thereafter. Standish Mellon's standard fees are shown in Part II of its Form ADV. Net results reflect the deduction of the average annual weighted management fee. Through December 31, 2003 net results reflected the average annual weighted management fee for the composite. The average weighted management fee is computed by applying the composite's standard fee schedule to the average account size of the stated composite for the date specified, converting the resulting dollar amount to basis points and rounding to four places. Certain clients could pay a higher or lower fee which would result in different net returns. Beginning January 1, 2004, net results reflect the above-mentioned fee schedule, actual results may vary for each individual portfolio.

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1-3 Fixed Income Composite

December 31, 2006

Annualized Performance

	4Q 2006	1 Year	3 Years	5 Years	10 Years
Size-weighted Gross	1.13	4.69	2.63	3.23	4.94
Size-weighted Net	1.11	4.59	2.49	3.09	4.80
ML 1-3 Year Treasury	0.91	3.96	2.17	2.82	4.69

See disclosures on next page

1-3 Fixed Income Composite

Ending December 31, 2006

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997 ¹
Size-weighted Gross	4.69	2.01	1.23	2.57	5.71	8.23	8.23	3.26	7.11	6.70
Size-weighted Net	4.59	1.90	1.02	2.42	5.57	8.09	8.09	3.12	6.97	6.54
ML 1-3 Year Treasury	3.69	1.67	0.91	1.90	5.76	8.30	8.00	3.06	7.00	6.66
Number of Portfolios ⁴	10	10	6	6	—	—	—	—	7	8
Composite Assets (\$mm)	1,402	1,361	378	173	23	35	37	47	101	86
Firm Assets (\$mm) ⁵	161,772	142,845	214,834 ³	200,732 ³	79,895	60,532	57,747	50,602	49,179	47,262
Composite Dispersion ²	0.08	0.05	0.01	0.00	0.38	0.35	0.13	0.06	0.07	0.17

¹Composite Started on April 1, 1994; ²Internal Asset Weighted Standard Deviation; ³Please note that from September 2003 to June 2005, Standish Mellon provided non-discretionary investment management advisory services for approximately \$100 billion in securities lending collateral; ⁴Composite Contained 4 or fewer Portfolios;

The 1-3 Fixed Income composite is comprised of portfolios whose objective is to outperform the Merrill Lynch 1-3 Year Treasury by investing in securities that emphasize principal protection, diversification and liquidity through a low risk short-term strategy. While Standish's objective is to outperform the stated benchmark, it does not imply that this strategy shall share, or attempt to share, the same or similar characteristics of the benchmark or attempt to track the benchmark. Portfolios that fall below a market value of \$5 million are excluded from the composite. This composite was created April 1, 1994. Leverage or derivatives are not used in the management of this composite. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. No portfolio with the same objectives, preferences, or constraints has been excluded because it has not been under management for the required time. The firm maintains a complete list and description of composites, which is available upon request.

The firm is defined as Standish Mellon Asset Management Company LLC, a registered investment advisor and wholly owned subsidiary of Mellon Financial Corporation. The Firm also includes assets managed by Standish Mellon personnel acting as dual officers of The Dreyfus Corporation, Mellon Bank, NA, and Mellon Trust of New England, which are other Mellon Financial Corporation subsidiaries.

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Non-fee-paying portfolios are not included in this composite.

The benchmark for this composite is the Merrill Lynch 1-3 Year Treasury Index. The index is a sub-index of the Merrill Lynch Treasury Master Index, which includes issues in the form of publicly placed, coupon-bearing US Treasury debt. Issues must carry a term to maturity of at least one year.

The standard 1-3 fixed income management fee is: if a portfolio is less than \$100 million, 0.25% on the first \$50 million and 0.20% on the next \$50 million. For portfolios with assets over \$100 million, 0.20 of 1% on all assets. Standish Mellon's standard fees are shown in Part II of its Form ADV. Net results reflect the deduction of the average annual weighted management fee. Through December 31, 2003 net results reflected the average annual weighted management fee for the composite. The average weighted management fee is computed by applying the composite's standard fee schedule to the average account size of the stated composite for the date specified, converting the resulting dollar amount to basis points and rounding to four places. Certain clients could pay a higher or lower fee which would result in different net returns. Beginning January 1, 2004, net results reflect the above-mentioned fee schedule, actual results may vary for each individual portfolio.

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1-5 Year Fixed Income Composite

December 31, 2006

Annualized Performance

	4Q 2006	1 Year	3 Years	5 Years	10 Years
Size-weighted Gross	1.28	5.03	3.14	4.20	5.61
Size-weighted Net	1.25	4.92	3.02	4.02	5.38
ML 1-5 Year Gov't/Corp	1.01	4.24	2.48	3.71	5.32

See disclosures on next page

1-5 Year Fixed Income Composite

Ending December 31, 2006

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997 ¹
Size-weighted Gross	5.03	2.21	2.21	3.43	8.21	9.10	9.39	2.93	6.78	7.10
Size-weighted Net	4.92	2.11	2.05	3.18	7.95	8.83	9.12	2.67	6.51	6.84
ML 1-5 Year Gov't/Corp	4.24	1.44	1.77	3.30	7.91	8.98	8.88	2.19	7.68	7.16
Number of Portfolios ⁴	—	5	—	—	5	5	7	6	11	8
Composite Assets (\$mm)	376	543	271	247	232	239	446	251	506	413
Firm Assets (\$mm) ⁵	161,772	142,845	214,834 ³	200,732 ³	39,560	46,780	43,529	44,734	46,218	39,304
Composite Dispersion ²	0.22	0.04	0.01	0.04	0.09	0.15	0.28	0.17	0.23	0.15

¹Composite Started on January 01, 1990; ²Internal Asset Weighted Standard Deviation; ³Please note that from September 2003 to June 2005, Standish Mellon provided non-discretionary investment management advisory services for approximately \$100 billion in securities lending collateral. ⁴Composite Contained 4 or fewer Portfolios

The 1-5 Fixed Income composite measures the total return of all fee paying, discretionary, fixed income portfolios that adhere to the following guidelines: as of the first quarter of 1997, portfolios that have a minimum market value of \$5 million, allow securities with duration between 1 and 5 years, and are targeted to remain in a range of 80% to 120% of the Merrill Lynch 1-5 Year Gov't/Corp Index. This composite was created 7/1/1992. As of 1/1/2002, the name of the composite changed from The Controlled Maturity 1-5 Year Composite to the name above, however no other material changes took place. Although not part of the composite strategy, the use of futures, options, forwards and other derivatives is permitted in some portfolios. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. No portfolio with the same objectives, preferences, or constraints has been excluded because it has not been under management for the required time. The firm maintains a complete list and description of composites, which is available upon request.

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Non-fee-paying portfolios are not included in this composite.

The composite is viewed against the Merrill Lynch 1-5 Year Gov't/Corp Index. The Merrill Lynch 1-5 Year Gov't/Corp Index consists of Government and Corporate issues having final maturity of between one and five years.

The standard 1-5 fixed income management fee is: if a portfolio is less than \$100 million, 0.25% on the first \$50 million and 0.20% on the next \$50 million. For portfolios with assets between \$100-\$300 million, 0.20% on all assets. Standish Mellon's standard fees are shown in Part II of its Form ADV. Performance results are presented both before and after the deduction of management fees. Through December 31, 2003, net results reflected the highest fees possible for the composite (0.25%). Beginning January 1, 2004, net results reflect the above-mentioned fee schedule, actual results may vary for each individual portfolio.

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Intermediate Fixed Income Composite

Ending December 31, 2006

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997 ¹
Size-weighted Gross	4.38	2.25	3.55	3.56	9.94	9.01	10.33	0.17	8.51	8.12
Size-weighted Net	4.12	2.00	3.29	3.43	9.81	8.86	10.19	0.04	8.36	7.96
LB Int Govt/Credit	4.08	1.58	3.04	4.31	9.84	8.96	10.12	0.39	8.44	7.87
Number of Portfolios	14	12	14	21	24	28	31	32	33	27
Composite Assets (\$mm)	915	871	858	1,619	1,645	2,084	2,764	3,390	2,627	1,901
Firm Assets (\$mm) ⁴	161,772	142,845	214,834 ³	200,732 ³	79,895	60,532	57,747	50,602	49,179	47,262
Composite Dispersion ²	0.07	0.12	0.04	0.21	0.46	0.43	0.31	0.14	0.15	0.19

¹Composite started on August 1, 1987; ²Internal Asset Weighted Standard Deviation; ³Please note that from September 2003 to June 2005, Standish Mellon provided non-discretionary investment management advisory services for approximately \$100 billion in securities lending collateral.

The Intermediate Fixed Income composite is comprised of portfolios whose objective is to outperform the Lehman Brothers Intermediate Government/Credit by investing in securities that emphasize principal protection, diversification and liquidity through a low risk medium-term strategy. While Standish's objective is to outperform the stated benchmark, it does not imply that this strategy shall share, or attempt to share, the same or similar characteristics of the benchmark or attempt to track the benchmark. Portfolios that fall below a market value of \$5 million are excluded from the composite. This composite was created January 1, 1988. Leverage or derivatives are not used in the management of this composite. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. No portfolio with the same objectives, preferences, or constraints has been excluded because it has not been under management for the required time. The firm maintains a complete list and description of composites, which is available upon request.

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Non-fee-paying portfolios are not included in this composite.

The benchmark for this composite is the Lehman Brothers Intermediate Government/Credit Index. The index is composed of all bonds covered by the Lehman Brothers Government/Corporate Bond Index with maturities between one and 9.99 years. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. Indexes are rebalanced monthly by market capitalization.

The standard core plus management fee is: 0.40% of assets on the first \$10mm, 0.25% of assets on the next \$90mm, 0.20% of assets on the next \$100mm, 0.18% of assets on the next \$100mm, and 0.15% of assets over \$300mm. Standish Mellon's standard fees are shown in Part II of its Form ADV. Net results reflect the deduction of the average annual weighted management fee. Through December 31, 2003 net results reflected the average annual weighted management fee for the composite. The average weighted management fee is computed by applying the composite's standard fee schedule to the average account size of the stated composite for the date specified, converting the resulting dollar amount to basis points and rounding to four places. Certain clients could pay a higher or lower fee which would result in different net returns. Beginning January 1, 2004, net results reflect the above-mentioned fee actual results may vary for each individual portfolio.

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Notes: Effective January 1, 2002 the pricing source for this composite has been changed from Merrill Lynch to Lehman Brothers. Therefore, all prices prior to January 1, 2002 will be priced by Merrill Lynch, while all prices from January 1, 2002 and forward will be priced by Lehman Brothers.

High Grade Core Fixed Income Composite

December 31, 2006

Annualized Performance

	4Q 2006	1 Year	3 Years	5 Years	Since Inception
Size-weighted Gross	1.37	4.59	4.08	5.06	5.70
Size-weighted Net	1.31	4.33	3.82	4.74	5.34
LB Aggregate	1.24	4.33	3.70	5.06	5.52

Composite started on January 1, 1999. See disclosures on next page

High Grade Core Fixed Income Composite

Ending December 31, 2006

	2006	2005	2004	2003	2002	2001	2000	1999 ¹
Size-weighted Gross	4.59	2.80	4.87	3.96	9.21	9.08	11.58	0.03
Size-weighted Net	4.33	2.55	4.59	3.54	8.78	8.65	11.14	-0.37
LB Aggregate	4.33	2.43	4.34	4.10	10.25	8.44	11.63	-0.82
Number of Portfolios ²	7	9	—	5	6	7	8	8
Composite Assets (\$mm)	851	1,003	270	307	428	380	835	683
Firm Assets (\$mm) ⁵	161,772	142,845	214,834 ⁴	200,732 ⁴	39,560	46,780	43,529	44,734
Composite Dispersion ³	0.08	0.09	0.07	0.10	0.29	0.32	0.10	0.08

¹Composite Started on January 1, 1999; ²Composite Contained 4 or fewer Portfolios; ³Internal Asset Weighted Standard Deviation; ⁴Please note that from September 2003 to June 2005, Standish Mellon provided non-discretionary investment management advisory services for approximately \$100 billion in securities lending collateral.

The High Grade Core Fixed Income composite measures the total return of all fee-paying, discretionary, fixed income portfolios that adhere to the following guidelines: portfolios with a minimum market value of \$25 million that allow 20% BBB exposure, BBB-/Ba3 split ratings, no non-dollar securities, and no below investment grade securities. As of 1/1/1999, a new management team within the company assumed advisory responsibilities for accounts in this composite, but the objectives of the composite have not materially changed. Therefore, the performance history begins with the record of the new management team on 1/1/1999. This composite was first created 6/23/1999, when the historical performance record was recalculated in order to include portfolios that had been excluded earlier. The name of the composite was changed from High Quality Domestic Investment Grade to its present name on 12/31/2000, though no material change occurred to investment strategy or objectives. Although not part of the composite strategy, the use of futures, options, forwards and other derivatives is permitted in some portfolios. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. No portfolio with the same objectives, preferences, or constraints has been excluded because it has not been under management for the required time. The firm maintains a complete list and description of composites, which is available upon request.

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Non-fee-paying portfolios are not included in this composite.

This composite is viewed against the Lehman Brothers Aggregate Index. The Lehman Aggregate Index is composed of securities from Lehman Brothers Government/Credit Bond Index, Mortgage-Backed Securities Index, Asset-Backed Securities Index, and the Commercial Mortgage-Backed Securities Index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. Indexes are rebalanced monthly by market capitalization.

The standard high grade management fee is: 0.40% of assets on the first \$10mm, 0.25% of assets on the next \$90mm, 0.20% of assets on the next \$100mm, 0.18% of assets on the next \$100mm, and 0.15% of assets over \$300mm. Standish Mellon's standard fees are shown in Part II of its Form ADV. Performance results are presented both before and after the deduction of management fees. Through December 31, 2003, net results reflected the highest fees possible for the composite (0.40%). Beginning January 1, 2004, net results reflect the above-mentioned fee schedule, actual results may vary for each individual portfolio.

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Biographies

Theodore Bair, Jr., CFA

Ted is a Senior Portfolio Manager for Short Duration Strategies, responsible for portfolio management in our short duration, enhanced short duration and futures overlay strategies. He joined the company in 1995. Ted has an M.B.A. from the University of Pittsburgh and a B.A. from Westminster College.

Jeanette Barone

Jeanette is a Portfolio Manager for Short Duration Strategies, responsible for managing and trading short duration and enhanced short duration portfolios. She joined the company in 1995 as a performance analyst. Jeanette has a M.B.A. from the University of Pittsburgh and a B.S./B.A. from Ohio State University.

Stephan Bonte

Stephan is a Portfolio Manager for Short Duration Strategies, responsible for managing and trading short duration portfolios. He joined the firm in 2004 from Ansys, Inc., an engineering simulation software company, where he developed and implemented software testing systems. Stephan has an M.B.A. from Carnegie Mellon University and B.S. in Physics and M.S. in Optical Engineering from the French Institute of Optics.

David Bowser, CFA

David is Director of High Yield and Investment Grade Credit. Since joining the company in 2000, David has been the portfolio manager for investment grade strategies, including our U.S. Select Credit strategy, and a co-portfolio manager for a number of custom strategies that utilize both investment grade and high yield credit. In addition to those duties, he is the sector strategist for investment grade credit and a member of the credit committee responsible for review of all corporate holdings in our portfolios. David's previous experience includes seven years as an investment grade and high yield credit analyst at Loomis, Sayles & Company, L.P. He has an M.B.A. from Boston University and a B.A. from Rollins College.

Laurie Carroll

Laurie is the Managing Director of Short Duration, Beta and Stable Value Strategies, overseeing the development of and strategy for all beta and short duration portfolios for Standish Mellon. Laurie also oversees the management of our Pittsburgh and San Francisco offices. She joined the company in 1986 as a portfolio manager for active core and short duration strategies. Most recently she served as head of portfolio management at Mellon Bond Associates. Laurie has been a participant in the fixed income market since 1981 when she was an assistant vice president for Money Market Instruments at AIM Advisors, Inc. Laurie has an M.B.A. from the University of Pittsburgh and a B.A. from Seton Hill University. She is a member of the Board of Trustees and the Alumni Corporation Board of Seton Hill University.

Biographies

Sara Cummins

Sara is a Portfolio Manager for Short Duration Strategies, responsible for managing short duration, enhanced short duration, and futures overlay portfolios. She joined the company in 1999 and was a client service officer in the trust department for three years at Mellon Bank. Sara has an M.B.A. from Duquesne University and B.A. from the University of Pittsburgh.

Thomas Fahey

Tom is a Portfolio Manager for Global Bond Strategies, focusing on global economic analysis and relative value between the developed bond markets, currencies and sectors. Tom joined the Global Bond Strategies group at Standish Mellon in 1999 and has held positions of increasing responsibility. He joined the firm from the Bank Credit Analyst Research Group in Montreal where he was an Associate Editor for both ForexCast, which is the firm's foreign exchange strategy service, and The International Bank Credit Analyst. Tom has a M.A. from Concordia University and a B.A. from St. Francis Xavier University.

Tracy Gregory

Tracy is a Portfolio Manager for Short Duration Strategies, responsible for managing and trading short duration portfolios. She joined the company in 1999 and her prior experience includes working in finance for the corporate trust and corporate banking departments of Mellon Bank and in the accounting and finance areas of Westinghouse. Tracy has an M.B.A. from Duquesne University and a B.S. from Robert Morris University.

Dawn Guffey

Dawn is a Senior Portfolio Manager for Active Core Strategies, responsible for managing and trading short-term, long-term, and customized portfolios, as well as developing tools for strategy implementation and portfolio management. She joined the company in 1993 from Mellon Bank where she served as a portfolio manager in the securities lending area. Her career began with Mellon Bank in 1984 as a trader in Mellon's capital markets division. Dawn has a B.S. from Carnegie-Mellon University.

John Hosa, Jr., CFA

John is a Portfolio Manager for Short Duration Strategies, responsible for managing and trading domestic and global short duration, enhanced duration and intermediate portfolios. He joined the company in 1997 and his duties have included the analysis of investment performance, credit analysis for actively-managed portfolios, and economic analysis for strategy meetings. John has an M.B.A. and a B.S. from Pennsylvania State University.

Biographies

Mark Klein

Mark is a Portfolio Manager for Short Duration Strategies, responsible for managing short duration Sterling and Euro portfolios. Previously Mark was a member of the International Fixed Income team, where he was responsible for pan European country analysis, portfolio monitoring and trading. Based in London, he has covered Global Fixed Income since 1994 and has experience in equity, cash and derivatives. He joined Standish Mellon in 2005 from Pareto Partners where he was assisting in the management and trading of both active and Indexed Global Fixed Income. Prior to Pareto Mark has worked from County NatWest Investment Management where he was Assistant Portfolio manager for Global products for 5 years.

Todd Kniola

Todd is a Senior Quantitative Analyst for Short Duration Strategies. He is responsible for specifying quantitative investment strategies, measuring and monitoring risk exposures, and developing new products. Todd joined Standish Mellon in 2003 from the Robotics Institute at Carnegie Mellon University where he was a senior research programmer. Prior to his time at Carnegie Mellon, Todd spent seven years in information technology sales and consulting, most recently managing the Cincinnati e-Business practice for INRANGE global services. Todd has an M.B.A. from Carnegie Mellon University and a B.S. from Wright State University. He is a candidate in the CFA program.

David Leduc, CFA

David is the Director of Global Fixed Income and Portfolio Manager for our Global Credit strategies. In addition, he is the credit strategist for non-U.S. and global portfolios and researches the European corporate markets. David joined the firm in 1995 as a portfolio manager and analyst for U.S. Domestic Fixed Income, moving from structured finance to global strategies in 1999. Prior to joining Standish Mellon, David spent seven years as an Investment Officer at State Street Bank & Trust Company. David has an M.B.A. from Boston University and a B.S. from the University of Rhode Island.

Patricia Loughran

Patricia is a Senior Portfolio Manager for Short Duration Strategies, responsible for managing and trading securities lending cash collateral reinvestment accounts, short duration and enhanced short duration portfolios. She joined the company in 1995 and her previous experience includes working in Mellon Bank's Global Securities Lending group as a portfolio manager and at PNC Bank in their Asset and Liability Management Department, issuing their short duration debt. Patricia has a B.S. from Allegheny College.

Biographies

Johnson Moore, CFA

Johnson is the Associate Director for Short Duration and Beta Management Strategies. He joined the company in 2000 and before that served as Mellon Financial's Corporate Market Risk Manager. He has also served as Mellon's Global Securities Lending Chief Investment Officer, overseeing a \$35 billion investment process. Johnson joined Mellon in 1991 as the Senior Bank Investment Portfolio Manager, overseeing Mellon Bank's securities and derivatives portfolio. He has been a participant in the fixed income markets since 1981 and in his career prior to Mellon has served as a bank portfolio manager, asset/liability manager, securities trader, and mortgage-backed and derivatives specialist. Johnson has a B.A. from the University of Virginia.

Stephen Murphy

Stephen is a Portfolio Manager for Short Duration Strategies, responsible for managing and trading short duration portfolios. He joined the company in 1998 and as a performance measurement analyst. He also worked in Mellon Bank's global securities lending group as a securities lending specialist. Stephen has an M.B.A. from the University of Pittsburgh and a B.A. from Westminster College. He is a candidate in the CFA program.

Gregory Neville

Greg is a Portfolio Manager for Short Duration Strategies, responsible for portfolio management in our short duration, enhanced short duration and futures overlay strategies. Prior to assuming these responsibilities, Greg was part of the performance measurement group at Mellon Bond. He joined the company in 1997. Greg has a B.S. from Robert Morris University.

George Noyes, CFA

George is a Senior Portfolio Manager for Active Core Strategies, and is responsible for a number of institutional fixed income client relationships. He has been an important contributor in shaping our fixed income efforts over the years. George was president and CEO of Standish, Ayer & Wood—one of Standish Mellon's predecessor firms. He joined the company in 1970. George has an M.B.A. from Babson College and a B.A. from the University of Vermont. He serves as Governor of the CFA Institute and Trustee Emeritus of The Research Foundation of CFA Institute.

Christopher Pellegrino, CFA

Chris is a Senior Portfolio Manager for Active Core Strategies, responsible for the management of the high grade core strategy. In addition, Chris develops valuation and analytical models used in the investment process. Previously, he managed high quality intermediate and short duration portfolios. He joined the company in 1988. Chris has an M.B.A. from the University of Pittsburgh and a B.A. from the University of Michigan.

Biographies

Catherine Powers, CFA

Cathy is Managing Director of Core Strategies, responsible for high grade core and core plus fixed income strategies. Previously, Cathy was the Director of Structured Finance and Liquid Products research where she coordinated strategy in the mortgage-related areas including residential and commercial mortgages and asset-backed securities. She joined the company in 1988 from First Boston Corporation where she worked in fixed income sales. Cathy has a B.A. from the College of the Holy Cross.

Jay Sommariva

Jay is a Portfolio Manager for Short Duration Strategies, responsible for managing and trading short duration portfolios. He joined the company in 2005 from Northern Trust Global Investments where he was the portfolio manager for both the U.S. Government mutual funds and the Securities Lending portfolios. Prior to that, he was the senior portfolio manager on Mellon's Global Securities Lending investment team. Jay has an M.B.A. from Duquesne University and a B.S. from Indiana University of Pennsylvania.

Kent Wosepka, CFA

Kent is the Managing Director of Absolute Return and Core Plus Strategies. In addition, Kent oversees our global fixed income, high yield and investment grade credit strategies. Kent joined the firm in 1998 as an emerging markets debt analyst. He transitioned into portfolio management in 1999, initially serving as a global high yield portfolio manager and, in 2001, assuming responsibility for core plus strategies. Prior to joining Standish Mellon, Kent analyzed emerging market bonds for Rowe Price-Fleming International, Inc. in London and, before that, spent five years with Jeffrey Slocum & Associates. Kent has an M.B.A. from the Graduate School of Business at the University of Chicago and a B.A. from Williams College. Kent is a term member of the Council on Foreign Relations and a member of the Fixed Income Management Society of Boston.

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1. Virginia Tech Question: For which Tier(s) can your firm provide investment management services for the university?

Contractor Answer: Standish Mellon can provide investment management services for all four tiers. Standish Mellon has one of the deepest, most thorough fixed income product line-ups in the industry. As a result of the depth of our product offerings, emphasis on proprietary research and dedication to providing tailored investment solutions, Standish Mellon is positioned as one of the industry's premier fixed income investment managers. Please refer to the table below which breaks down our assets under management by investment strategy as of December 31, 2006.

Stable Value Strategies	Short Duration Strategies	Beta Strategies	Tax-Sensitive Strategies	Sector/Structured Strategies	Active Core Strategies	Core Plus Strategies
\$14.1 B	\$98.0 B	\$12.5 B	\$13.4 B	\$4.3 B	\$17.5 B	\$11.8 B
Stable Value Yield Enhanced	STIF Active Cash LIBOR Plus Ultra Short Super STIF 1-3 Year	Beta Management Cash Drdg Policy Implementation Parabolic Alpha LDI Bond Indexing Lehman Citigroup JP Morgan Barclays	Short Term Tax Sensitive Intermediate Tax Sensitive Long Term Tax Sensitive Yield Curve Arbitrage	Asset backed Mortgage backed Collateralized Debt Obligation (CDO) Structured Finance TIPS Government	1-5 Year Intermediate High Grade Core Long Duration	US Core Plus US Select Credit Euro Select Credit Global Fixed Income Global Credit High Yield Emerging Market Debt External Currency Local Currency Absolute Return/ Hedge Funds
Insurance Strategies						
\$17.6 B						

A combination of the following strategies could be utilized for your mandate. Standish Mellon also has the ability to manage customized portfolios versus blended benchmark.

STIF	Intermediate (1-10 Year)
STIF Plus (vs. 91 Day T-Bill)	High Grade Core
1-3 Year	Government/Credit
1-5 Year	

2. Virginia Tech Question: Are these co-mingled (pooled) or separate accounts? If co-mingled, please provide the portfolio holdings as of 12/31/06, as well as any applicable management fees, 12b-1 fees or other expenses and/or shareholder fees.

Contractor Answer: Standish Mellon proposes managing your assets in a separately managed account(s).

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Attachment 1 Negotiations

3. **Virginia Tech Question:** Please provide annualized performance history for 1, 3, 5, and 10 year periods ending 12/31/06 (both gross and net of fees) on the Tiers your company can provide investment management services for. Compare each period against the benchmark noted on the university cash flow chart, as well as the benchmark you would normally use for this investment vehicle. Also, please include the standard deviation of each 1, 3, 5 and 10 year period.

Contractor Answer: Provided below please find our composite performance for our STIF, STIF Plus, 1-3 Year, 1-5 Year, Intermediate and High Grade strategies as of December 31, 2006.

		1 Year		3 Years		5 Years		10 Years		Since Inception*	
		Return	SD	Return	SD	Return	SD	Return	SD	Return	SD
Composite Gross Return	STIF	5.17	0.12	3.30	0.45	2.61	0.43	4.08	0.54		
Composite Net Return	STIF	5.06	0.12	3.20	0.45	2.51	0.43	3.97	0.54		
Composite Benchmark	CG 3 Month T-Bill	4.76	0.11	2.99	0.42	2.35	0.40	3.67	0.50		
VTech Benchmark	CG 3 Month T-Bill	4.76	0.11	2.99	0.42	2.35	0.40	3.67	0.50		
Composite Gross Return	STIF Plus	5.23	0.10	3.36	0.44	2.73	0.41	n/a	n/a	3.55	0.54
Composite Net Return	STIF Plus	5.10	0.10	3.25	0.44	2.62	0.41	n/a	n/a	3.44	0.54
Composite Benchmark	ML LIBOR 1 Month CM	5.20	0.13	3.30	0.45	2.60	0.43	n/a	n/a	3.42	0.56
VTech Benchmark	CG 3 Month T-Bill	4.76	0.11	2.99	0.42	2.35	0.40	n/a	n/a	3.10	0.51
Composite Gross Return	1-3 Year	4.69	0.76	2.63	1.13	3.23	1.38	4.94	1.48		
Composite Net Return	1-3 Year	4.59	0.76	2.49	1.13	3.09	1.39	4.80	1.48		
Composite Benchmark	ML Treasury 1-3 Year	3.96	0.80	2.17	1.21	2.82	1.45	4.69	1.52		
VTech Benchmark	ML Corp/Govt 1-3 Year	4.25	0.81	2.40	1.25	3.20	1.44	4.95	1.51		
Composite Gross Return	1-5 Year	5.03	1.21	3.14	1.76	4.20	2.21	5.61	2.04		
Composite Net Return	1-5 Year	4.92	1.21	3.02	1.76	4.02	2.21	5.38	2.04		
Composite Benchmark	ML Corp/Govt 1-5 Year	4.24	1.19	2.48	1.84	3.71	2.21	5.32	2.15		
Composite Gross Return	Intermediate	4.38	1.87	3.39	2.66	4.70	3.42	5.93	3.18		
Composite Net Return	Intermediate	4.12	1.87	3.13	2.66	4.49	3.43	5.75	3.18		
Composite Benchmark	LB Intern. Govt/Credit	4.08	1.90	2.90	2.75	4.53	3.40	5.81	3.11		
VTech Benchmark	LB Intern. Govt/Credit	4.08	1.90	2.90	2.75	4.53	3.40	5.81	3.11		
Composite Gross Return	High Grade Core	4.59	2.55	4.08	3.18	5.06	3.80	n/a	n/a	5.70	3.64
Composite Net Return	High Grade Core	4.33	2.55	3.82	3.18	4.74	3.79	n/a	n/a	5.34	3.64
Composite Benchmark	LB Aggregate	4.33	2.59	3.70	3.21	5.06	3.79	n/a	n/a	5.52	3.63
VTech Benchmark	LB Aggregate	4.33	2.59	3.70	3.21	5.06	3.79	n/a	n/a	5.52	3.63

* The inception date for our STIF Plus composite is 1/1/2000. This column reflects the 7 year annualized return. The inception date for our High Grade Core composite is 1/1/1999. This column reflects the 8 year annualized return.

Please refer *Exhibit 1* for copies of our GIPS compliant performance placards for these composites.

4. **Virginia Tech Question:** What is the source of your research and analysis on the economy, interest rates and individual securities? What percentage of your research is generated in-house versus obtained from the street?

Contractor Answer: We view investment research as an internal responsibility and an integral part of how we add value. As such, we generate over 90% of our research via internal resources. Standish Mellon relies heavily on a combination of proprietary fundamental and quantitative research in the following key areas for our portfolios:

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Credit Research

Our 13 analysts/traders use a variety of proprietary sector models to identify and understand the macroeconomic, monetary, and capital market variables that drive overall corporate yield spreads. We combine our quantitative research with qualitative economic and political analysis to make sector allocation decisions, which is followed by our security selection process.

In analyzing a specific company and its fixed income securities, we carefully assess the credit characteristics of each issuer. We thoroughly analyze key variables as they relate to the firm and conduct a comprehensive historical analysis of company operations and financials. We focus on important leading indicators and measures of profitability, including management quality, free cash flow, financial flexibility, market share, revenue growth and margin trends. To assess the future direction of credit quality, we build our own pro-forma financials based on input/data received from the company, rating agency contacts and other sources.

Our analysts use a variety of tools to research and evaluate securities, including an internally developed Fixed Income Research Database that all of our investment professionals can access. This data warehouse is a storage mechanism that allows our credit analysts to enter comments and provide credit rating outlooks on specific issuers that they compare to the major ratings agencies (e.g., Moody's and S&P). In addition, our database allows our analysts to monitor historical trends over time.

As a result, our proprietary database helps with:

- Idea generation
- Relative value analysis
- Risk management at the credit analyst level
- The ability to track and monitor their "portfolio" of credits
- New credit ideas and proposes swap ideas within specific sectors

Our security selection discipline focuses on credit quality trends and valuation. We attempt to own stable-to-improving credits at fair-to-cheap spreads. After we conduct fundamental, relative analysis and review quantitative risk measures, our credit analysts then assign internal credit ratings for each name that they cover:

- 1 = high likelihood of an upgrade in 12 months
- 2 = moderate likelihood of an upgrade in 12 months
- 3 = stable
- 4 = moderate likelihood of a downgrade in 12 months
- 5 = high likelihood of a downgrade in 12 months

The goal of our research effort is to anticipate credit quality trends and generate ideas that our portfolio managers can use to produce well-diversified portfolios that are consistent with our clients' business needs and investment objectives.

Liquid Products

Standish Mellon has dedicated liquid products analysts and traders who rely heavily on a solid quantitative foundation to research Treasuries, agencies and mortgage backed securities. We have comprehensive coverage in the complete range of MBS related securities for our investment portfolios from plain vanilla pass-throughs to more complex structured MBS. Using a variety of quantitative tools, including proprietary MBS sector models, our analysts make sector and security-

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specific recommendations. Our modeling, combined with our scenario-based approach, gives us the capability to efficiently evaluate the large universe of mortgage securities for the most attractive relative value.

Structured Securities

Standish Mellon has investment professionals dedicated to researching commercial mortgages and asset-backed securities. Using a combination of fundamental and quantitative research, our structured financial analysts identify structured securities with stable-to-improving credit characteristics and well-structured pools that produce favorable cash flow profiles.

Our analysts look carefully at the specific asset pool and the relevant factors that would affect their cash flows. In selecting bonds, we analyze issuer quality and underwriting standards, the servicer's loss mitigation platform, asset characteristics versus comparable transactions, asset diversification, and credit enhancement and other structural features. We also look at the historical performance of comparable pools across issuers and within the issuer in question. Looking at the past performance of similar deals in conjunction with the security level analysis provides valuable information used in forming our projections with respect to prepayment speeds, delinquencies, defaults and losses. Our goal is to find bonds secured by assets whose performance is expected to improve over time and potentially achieve a ratings upgrade in the case of subordinated bonds. We also look for bonds whose expected prepayment profile provides us with cash flow characteristics that are favorable given our entry price point (premium or discount).

- 5. Virginia Tech Question: Please provide your recommended structure for the university including percentages allocated to each Tier. Should any adjustments be considered given the current inverted yield curve?**

Contractor Answer: We would recommend that the daily liquidity be invested in our STIF Plus strategy, which can provide daily liquidity and can invest inflows up to 5:00PM EST (withdrawals would be limited to approximately 2:00PM EST due to market availability). Flexibility for late day investment flows will depend on your custodian's ability to handle late day wires. In addition, volatile late day cashflows may require broad diversification language within your investment guidelines for overnight investments.

Due to the market conditions and to provide investment efficiency we suggest that you collapse Tier 2 through 4 into an Intermediate strategy, which covers the 1 to 10 year maturity spectrum. This strategy has an approximate duration of 3.6 years. As the yield curve changes and the cashflow history becomes longer and better defined, you could choose to stay with an Intermediate strategy or migrate to an alternate strategy such as a 1-5 year strategy.

We would not recommend a Lehman Aggregate based strategy due to its much longer duration, at 4.5 years, and due to its heavy exposure to the mortgage sector.

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6. **Virginia Tech Question:** Assuming your recommended strategy for our Tier 1 funds is a dedicated portfolio, what would be the notification requirement to provide same day redemptions or additions? If the notification requirement is prior to 5:00PM EST, is this due to your portfolio constraints or that of the custodian? Please explain. Based on your experience, if your dedicated portfolio will not allow redemptions or additions up to 5:00PM, what would you recommend as a general vehicle that could?

Contractor Answer: We have worked with other clients to meet late cashflows. Please refer to our response to the question above, which addresses the notification requirement to provide same day redemptions or additions.

7. **Virginia Tech Question:** Will your firm assist the university in drafting a new investment policy to include allowable investments under the Investment of Public Funds Act?

Contractor Answer: Yes. Standish Mellon will assist the University in drafting a new investment policy to include allowable investments under the Investment of Public Funds Act. Once this investment policy is agreed upon, the guidelines are incorporated into our compliance and trade order management system, Charles River Development (CRD) by the Compliance team to ensure compliance with the directives. This screening process employs both pre-trade and post-trade compliance measurements to ensure compliance with the guidelines. Potential violations are trapped by the pre-trade compliance system of CRD, thereby preventing further processing until the deficiency is corrected and appropriately reviewed.

8. **Virginia Tech Question:** Please provide the turnover ratio for the portfolio(s) under consideration.

Contractor Answer: In short duration strategies portfolio turnover can be very high since it is primarily dominated by maturities. In addition, a client's liquidity needs can affect the turnover rate by requiring us to sell a security that we might not have sold otherwise. It is difficult to provide an exact turnover rate without knowing the cash needs of the portfolio. Assuming we buy 3 month securities it would turnover 4 times a year. If it holds a lot in overnight securities, it could turn over 100 times a year.

The average turnover rate for an Intermediate (1-10 Year) portfolio is 86%.

9. **Virginia Tech Question:** With the Mellon Financial merger with Bank of New York, whose investment and record keeping platforms will be used within the new BNY Mellon Asset Management, the Bank of New York's or Mellon Asset Management?

Contractor Answer: The Bank of New York's asset management subsidiaries will be accepted into Mellon Financial's current multi-boutique business model. The new business will be named BNY Mellon Asset Management and Ron O'Hanley, currently a Mellon Vice Chairman and sector head for Mellon Asset Management, will be responsible for the combined BNY Mellon asset management business, reporting to Bob Kelly.

Mellon and The Bank of New York will continue to maintain separate organizations until closing of the proposed merger and will continue to compete as independent entities. Decisions concerning Mellon's and The Bank of New York's respective businesses will be made independently of each other.

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- 10. Virginia Tech Question: Is there an opportunity for you to subcontract a portion of the services described in your proposal to a minority or women owned business? Please elaborate.**

Contractor Answer: No, there is not an opportunity to subcontract a portion of the services described in our proposal to a minority or women owned business as Standish Mellon does not outsource any of our investment management functions.

- 11. Virginia Tech Question: Please provide your best fee schedule for all services offered.**

Contractor Answer: Standish Mellon proposes the following fee schedule for the Virginia Tech mandate:

Tier 1 – Daily Operating Cash
0.12 % on the first \$50 million
0.08 % thereafter

Tier 2 through Tier 4 – Longer Term Strategy
0.20 % on all assets

There is a minimum annual fee of \$20,000. This would be applied across all assets regardless of how many accounts are established.

- 12. Virginia Tech Question: Are your fees inclusive of all applicable eVA system transaction fees?**

Contractor Answer: Yes, our fees are inclusive of all applicable eVA system transaction fees.

- 13. Virginia Tech Question: Please submit a copy of your investment management agreement.**

Contractor Answer: Please see Schedule I.

SCHEDULE 1

Virginia Tech
201 Church Street, Suite A (0455)
Blacksburg, VA. 24061

Non-ERISA Investment Management Agreement

Standish Mellon Asset Management Company LLC ("Standish Mellon") understands that Virginia Polytechnic Institute and State University ("Virginia Tech" or the "Client") wishes to appoint Standish Mellon as the investment manager of the Virginia Tech Investment Portfolio (the "Portfolio") pursuant to the terms of the Standard Contract between the parties dated May 31, 2007 (the "Standard Contract"), and this agreement (the "Agreement").

Appointment as Investment Manager. The Client represents and warrants that Standish Mellon has been duly appointed as investment manager with complete discretion to manage the Portfolio, subject to applicable laws and the objectives and restrictions referred to in Section 2. Standish Mellon represents and warrants that it is registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940 (the "Advisers Act") and hereby accepts such appointment and acknowledges that its specific responsibilities hereunder are limited to those of an investment manager, as specified in this Agreement. "Furthermore, Standish Mellon agrees to maintain such registration in full force and effect during the contract period, and, that as soon as it knows or has reason to know that such registration may terminate, it shall notify the Client promptly."

1.

2. Investment Objectives and Restrictions.

- a) Standish Mellon is granted complete discretion in the investment and reinvestment of the assets in the Portfolio ("Assets") with full power and authority to make such purchases and sales, or to direct the custodian to make such purchases and sales of securities or other property, or interests or part-interests therein, as it may be deemed appropriate, subject to the investment guidelines attached hereto as Exhibit "A" (the "Investment Guidelines"). The Client agrees to give Standish Mellon prompt written notice of any amendment of such Investment Guidelines and such amendment shall not be effective as to Standish Mellon until Standish Mellon has received such notice. Standish

Mellon shall have a reasonable period of time after notice to implement any such amendment.

- b) Client agrees that, due to the nature of the assets composing the initial Portfolio and the time required to fully invest the assets in accordance with this Agreement and the Investment Guidelines, Standish Mellon shall not be considered to be in breach of any Investment Guideline relating to percentage limitations, minimum and maximum restrictions, diversification requirements, duration guidelines and/or average quality ratings for the period consisting of the 10 business days immediately following the execution of this Agreement and the funding of the Portfolio as long as the actual investments are in compliance with the Investment of Public Funds Act of the Code of Virginia. Further, there shall be a period of 10 business days after the Portfolio is funded and Standish Mellon begins management of the Portfolio assets during which period (a) Standish Mellon shall not be expected to obtain full market exposure to any benchmark indicated in the Investment Guidelines, and (b) the performance of the Portfolio shall not be included in any calculation of performance used for the purpose of compliance with any Investment Guideline or for the determination of any earned performance-related fees. Notwithstanding the foregoing, during such periods, Standish Mellon shall still comply with any prohibitions or restrictions on the purchase of a particular type of security or asset class.
 - c) Except to the extent prohibited or limited by the Investment Guidelines, Standish Mellon is authorized and empowered to include derivatives in the Portfolio. Derivatives may include, among other things, credit default swaps, total return swaps, options, futures and other similar derivatives which will typically be related solely to investments or indexes of investments that would be held directly in the Portfolio. Derivatives may be used to exploit market inefficiencies, replicate traditional securities with better risk and reward profiles and for interest rate and other hedging purposes relating to particular investments or overall management of the Portfolio. In using derivatives, Standish Mellon takes into account, among other things, structural, operational and counterparty risks, as well as the characteristics of the underlying investment or index and is authorized to deposit any property as collateral with any agent, all on such terms and conditions as Standish Mellon shall determine to be appropriate.
3. Diversification of Assets. The Client recognizes that the Assets may not constitute all of the assets of the Client and, therefore, Standish Mellon is not responsible for diversifying all of the investments of the Client. The Client agrees that the only responsibility which Standish Mellon shall have with respect to diversification shall be to diversify the Assets held within the Portfolio within the purposes for which Standish Mellon was appointed, as described in the Investment Guidelines, so as to minimize the risk of large losses in the Portfolio without regard to, or consideration of, any other assets which may be held by the custodian for the Client .

4. Trade Finance. Except to the extent prohibited or limited by the Investment Guidelines, Standish Mellon may from time to time use techniques that it currently calls "trade financing" to seek incremental enhancement of returns for the Portfolio. Trade financing techniques include, among other things, the use of portfolio of fixed income instruments to provide principal and income to fund total return swaps, treasury futures and mortgage TBAs and similar over-the-counter contracts. The purpose of trade financing is generally to exploit opportunities between spot and forward rates while using short-term instruments as a means of internally backing the relevant investment strategies position. In using trade financing techniques, Standish Mellon takes into account, among other things, structural, operational and counterparty risks. While certain trade financing techniques have attributes that are similar to leveraging techniques, Standish Mellon does not believe that its use of such techniques constitutes leverage of the Portfolio in relation to the applicable Investment Guidelines.
5. Brokerage Procedures and Allocation of Trades.
 - a) Standish Mellon will have complete discretion, subject to its policy of seeking best execution, to place orders for securities transactions with brokers and dealers selected by it.
 - b) On occasions when Standish Mellon deems the purchase or sale of a security to be in the best interest of the Portfolio as well as other clients, Standish Mellon, to the extent permitted by applicable laws and regulations, may aggregate the securities to be sold or purchased for the Portfolio and such other clients in order to obtain the best execution and lower brokerage commissions, if any. In such event, allocation of the prices and amounts of the securities so purchased or sold, as well as the expenses incurred in the transaction, will be made by Standish Mellon in a fair and equitable manner and consistent with its fiduciary obligations to the Portfolio and to such clients.
 - c) The Client understands that from time to time securities to be sold on behalf of another of Standish Mellon's clients may be suitable for purchase on behalf of the Portfolio, and vice versa. In such instances, if Standish Mellon determines in good faith that the transaction is in the best interest of each client, the Client agrees that Standish Mellon may arrange for the securities to be transferred between the Portfolio and such other Standish Mellon client account at the then independently determined fair market value (a "cross trade") provided neither Standish Mellon nor any broker-dealer affiliated with Standish Mellon shall receive a commission directly or indirectly in connection with such cross trade.
6. Nonexclusive Engagement.
 - a) The Client understands that nothing in this Agreement will in any way limit or restrict Standish Mellon or any of its officers, directors, or employees from buying, selling, or trading in any securities (including securities purchased or sold

for the Portfolio) for its own or their own accounts or for the accounts of other clients, consistently with applicable law and fiduciary duties.

- b) The Client acknowledges that variations may arise in the allocation of investment opportunities between the Portfolio and other accounts which Standish Mellon manages. Although Standish Mellon will allocate such opportunities in a manner which it believes to be fair and equitable over time, there can be no assurance that a particular investment opportunity which comes to the attention of Standish Mellon will be allocated in any particular manner. Other accounts managed by Standish Mellon may have different investment objectives, policies, or considerations than the Portfolio, therefore decisions as to purchases and sales for each account are made separately and independently in accordance with the investment objectives and purposes of each account.

- 7. Custodianship. Standish Mellon shall have no responsibility for custody of the Assets of the Portfolio. The Assets of the Portfolio are on deposit with a custodian selected by the Client (the "Custodian"). Standish Mellon is hereby authorized to give instructions to the Custodian with respect to the consummation of transactions on behalf of the Client in the Portfolio, and the Custodian is hereby authorized to act in response to instructions given by Standish Mellon. The Custodian and not Standish Mellon is responsible for the collection of income, dividends, and other distributions, and for other functions incidental to the role of Custodian.

The Client hereby represents and warrants to Standish Mellon that the Custodian is a bank as defined in Section 202(a)(2) of the Investment Advisers Act of 1940, its assets are maintained by the Custodian in a separate account under its name, and it receives account statements from the Custodian at least quarterly that identify the amount of funds and each security in the Portfolio at the end of the period and set forth all transactions in the Portfolio during that period.

The Client shall cause the Custodian to provide to Standish Mellon within 21 days of the end of each calendar month information concerning the Assets comprising, and transactions occurring in, the Portfolio sufficient to enable Standish Mellon to perform a reconciliation of its Portfolio records with those of the Custodian. This information shall include, but not necessarily be limited to, the following with respect to each Asset held in the Portfolio on the last calendar day of the preceding month: (a) the name of the issuer; (b) a complete description of the security or other instrument; (c) the number of shares or units, or the face amount held; (d) the CUSIP or similar security identification number, if any, utilized in the relevant trading market; (e) the currency in which the asset is denominated; and (f) the Custodian's valuation in the denomination currency, each as of the last calendar day of the preceding month. Such information shall also include a description of all transactions occurring in the Portfolio during such month, specifying, in addition to the information set forth in (a) through (e) above, the trade and settlement dates of the transaction, the broker used or counterparty involved, the commission or stated

spread if any paid, and the exchange or other market on which each transaction occurred. The Client shall cause Custodian to cooperate with Standish Mellon in performing reconciliations of Standish Mellon's and Custodian's records.

8. Client Statements; Valuation of Assets. Standish Mellon agrees to make and submit periodic reviews of investments in the Portfolio to the Client. The dates and format of such reviews shall be mutually agreed upon by the Client and Standish Mellon. It is understood and agreed that Standish Mellon, in the maintenance of its records for the Portfolio, does not assume responsibility for the accuracy of any information furnished by the Client, the Custodian or any other person, firm or corporation.

In computing the value of any Asset of the Portfolio for the purposes of this Agreement, such values shall be determined by Standish Mellon in accordance with methods consistently followed and uniformly applied by it.

9. Authorized Parties. The Client may appoint or designate such persons or committees to act on its behalf concerning this Agreement and its operation as it deems appropriate. The Client shall furnish to Standish Mellon a written list of the names, signatures, and extent of authority of all persons so approved and authorized to act on behalf of the Client and until written notice of changes are received by Standish Mellon in accordance with this Agreement, Standish Mellon may conclusively rely upon the authority of such persons to act notwithstanding anything to the contrary contained in this Agreement. Standish Mellon shall have no obligation or duty to ascertain or determine whether such special appointment, designation or grant of power is in compliance with the Client's articles of incorporation, by-laws, governing documents or the applicable state or federal laws governing the Client.
10. Proxies. The Client will instruct the Custodian as to the voting of proxies for securities in the Portfolio, if any.
11. Corporate Action; Legal Claims. The Client agrees that Standish Mellon shall not be responsible for, and shall incur no liability, in connection with the handling of any legal proceedings, including class actions and bankruptcies (each, a "Legal Action"), with respect to securities purchased or held in the Portfolio. Client's Custodian shall have the responsibility for forwarding to you any related notices and communications sent by the issuers or other third parties and for processing any and all consents and supporting documentation required in connection with the Portfolio's participation in any such Legal Action. To the extent it has notice of a Legal Action, Standish Mellon shall provide reasonable cooperation and assistance to Client's Custodian in its preparation and execution of any Legal Action filings on behalf of the Portfolio. Further, the Client agrees that Standish Mellon has no duty to institute, prosecute, defend, settle or otherwise dispose of any claim relating to securities purchase or held in the Portfolio.
12. List of Assets; Additions; Withdrawals. The Client represents that it has full title to all of the Portfolio's Assets and that none of the Assets are subject to ERISA.

The Client represents and warrants to Standish Mellon that, prior to the assumption of Standish Mellon's responsibility for the management of the Portfolio, Client will deliver to Standish Mellon, or cause to be delivered to it, a listing of the securities and other Assets of the Portfolio, including in the case of non-cash assets a description of all material features thereof (the "Asset List"). Such Asset List shall be true, correct and complete as of the date Standish Mellon assumes responsibility for the Portfolio. Standish Mellon will have no responsibility or liability for any losses or damages arising from omissions from the Asset List, or errors or misstatements appearing on the Asset List.

The Client will notify Standish Mellon of the intention to add/withdraw assets to/from the Portfolio in such manner as will be agreed upon by the Client and Standish Mellon. Standish Mellon will not be responsible at any time for additions to the Portfolio until notification of such additions has been received by Standish Mellon and Standish Mellon has had a reasonable period of time to invest such assets in accordance with the Investment Guidelines. Further, to the extent that the Client directs Standish Mellon to liquidate certain assets held in the Portfolio, Standish Mellon shall have no liability for any acts or omissions made by it in reliance upon and consistent with such direction, including but not limited to any liability for any breach of any Investment Guideline that results from the implementation of such direction from the Client.

13. Appraisal, Fees. Standish Mellon will furnish the Client with an appraisal of the Portfolio as of the end of each calendar quarter and its fee will be based upon this appraisal. The current fee is as set forth on Exhibit "B" attached hereto. The fee shall be prorated to reflect any partial quarter in which this Agreement is in effect. If the Client authorizes the Custodian (or any other third party acting on behalf of the Client), to make payment, from the Client's funds, of the fee due to Standish Mellon directly upon receipt of fee invoice from Standish Mellon, then: (a) The Client shall receive an informational copy of the fee invoice sent to the Custodian (or such other third party); (b) The Client shall cause the Custodian (or such other third party) to notify the Client quarterly as to the fees paid to Standish Mellon; and (c) The Client represents that any such Custodian is a qualified custodian. The fee will be paid within 30 days after receipt of the invoice. The fee may be amended from time to time upon written agreement of the parties.
14. Mellon Institutional Funds Investment Trust and Mellon Institutional Funds Master Portfolio (the "Funds"). The Client hereby authorizes Standish Mellon to invest and reinvest assets of the Portfolio in, among other investments, shares of beneficial interest of series of the Funds, which are open-end registered investment companies as long as the underlying investments are in compliance with the Investment of Public Funds Act of the Code of Virginia. The Client understands that Standish Mellon or its affiliate serves as adviser to the Funds and receives investment advisory fees from the Funds. Those assets invested in the Mellon Institutional Funds Investment Trust and Mellon Institutional Funds Master Portfolio will be excluded from the fee

schedule outlined in Section 12 of the Agreement. It is further acknowledged that the Client has received and reviewed the current prospectus of the Funds and understands the advisory and other fees and expenses paid by the Funds. The Client agrees to be bound by the terms of the prospectus and agrees that a Fund's investment policies and restrictions will supersede, with respect to assets of the Portfolio invested in such Fund, any investment guidelines, policies or restrictions otherwise imposed on Standish Mellon's management of the Portfolio.

15. Standard of Care and Liability. Standish Mellon will not be liable to the Client for: a) any loss that the Portfolio may suffer by reason of any investment decision made or other action taken or omitted in good faith by Standish Mellon; . Standish Mellon may be held liable to the extent such liability arises as a result of gross negligence, willful malfeasance, bad faith violation of applicable law or reckless disregard of its duties and obligations hereunder.

b) any loss arising from Standish Mellon's adherence to the Client's instructions; or c) any act or failure to act by the Custodian, any trustee, any broker or dealer to which Standish Mellon directs transactions for the Portfolio, or by any other third party. The federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing in this Agreement will waive or limit any rights that the Client may have under those laws. Nothing in this Agreement shall be construed to protect Standish Mellon against any liability to the Client by reason of a breach of its fiduciary duties under the Advisers Act, or violation of applicable law
16. Force Majeure. Notwithstanding anything in this Agreement to the contrary, Standish Mellon shall not be responsible or liable for its failure to perform under this Agreement or for any losses to the Portfolio resulting from any event beyond the reasonable control of Standish Mellon, or its agents, including but not limited to nationalization, strikes, expropriation, devaluation, seizure, or similar action by any governmental authority, de facto or de jure, or enactment, promulgation, imposition or enforcement by any such governmental authority of currency restrictions, exchange controls, levies or other charges affecting the Portfolio's property; or the breakdown, failure or malfunction of any utilities or telecommunications systems; or any order or regulation of any banking or securities industry, including changes in market rules and conditions affecting the execution or settlement of transactions; or acts of war, terrorism, insurrection or revolution; or acts of God or any other similar event. This Section shall survive the termination of this Agreement.
17. Maintenance of Records. Standish Mellon will maintain all books and records with respect to the Portfolio's securities transactions required by the Advisers Act (other than those records being maintained by the Custodian appointed by the Client with respect to the Portfolio) and preserve such records for the periods prescribed therefor by Rule 204-2 of the Advisers Act.

18. Representations and Warranties.

- a. Each party may rely upon the representations, warranties, and acknowledgments made by the other hereunder until receipt of contrary written notice.
- b. Each party hereby represents that it is duly authorized and empowered to execute, deliver and perform this Agreement, that such action does not conflict with or violate any provision of law, rule or regulation, contract or other instrument to which it is a party or to which any of its property is subject, and that this Agreement is a valid and binding obligation enforceable against it in accordance with its terms.

19. Amendments. This Agreement may be amended only by a written instrument executed by the Client and Standish Mellon.

20. Effectiveness and Termination. This Agreement shall become effective on July 1, 2007, and shall continue until June 30, 2014, unless renewed in accordance with the provisions of the Standard Contract. Any earlier termination will not affect the rights or obligations of the parties under this Agreement arising prior to such termination, including transactions initiated prior to such termination. Upon the termination of the Agreement, Standish Mellon shall be under no obligation whatsoever to recommend any action with regard to, or liquidate, the securities or other investments in the Portfolio. Standish Mellon retains the right, however, to complete any transactions open as of the termination date and to retain amounts in the Portfolio sufficient to effect such completion. Upon termination, it shall be the Client's exclusive responsibility to issue instructions in writing to Standish Mellon regarding any Assets held in the Portfolio. Client shall also have the right to terminate this Agreement, without penalty, upon notice to Standish Mellon within five (5) business days of the effective date of this Agreement.

21. Assignment. No assignment of this Agreement shall be made by Standish Mellon without the consent of the Client. For purposes of this Agreement, the term "assignment" shall have the meaning given it by Section 202(a)(1) of the Advisers Act.

22. Notices. All notices and other written communications specified herein shall be deemed duly given if transmitted by regular U.S. mail, postage prepaid, by overnight delivery, registered mail, private courier, or by facsimile and delivered to the respective party at the address appearing below and to the Custodian at the address designated by it, or at such other address as shall be specified in each case, in a notice duly given.

If to Standish Mellon:

If to Virginia Tech:

NANCY BANKER
ONE Mellon Financial
Suite 5400
Pittsburgh, PA 15258
FAX: 412-234-9090
Phone: 412-234-3013

902 Prices Fork Road, Suite 4200 (0455)
Blacksburg, VA 24061
Fax: (540) 231-7751

23. Governing Law. This Agreement and all performance hereunder shall be governed by the laws of the Commonwealth of Virginia, provided that nothing herein shall be construed in any manner inconsistent with the Advisers Act or any rule, regulation or order promulgated thereunder.
24. Entire Agreement. The Standard Contract and this Agreement constitute the entire agreement of the parties with respect to the management of the Assets and the Portfolio.
25. Severability. Any term or provision of this Agreement which is held to be invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms or provisions of this Agreement or affecting the validity or enforceability of any terms or provisions of this Agreement in any other jurisdiction.
26. Form ADV. The Client hereby acknowledges that it has received from Standish Mellon a copy of Part II of Standish Mellon's Form ADV, as required under Rule 204-3 of the Investment Advisers Act of 1940, at least forty-eight (48) hours prior to entering into this Agreement. The Client agrees that any subsequent deliveries of Standish Mellon's Form ADV or any amendments thereto may be sent to the Client via email delivery at the following email address: Cusi@VT.EDU.
27. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
28. Headings. Headings in this Agreement are for reference only and shall not limit or otherwise affect the meaning of any provision hereof.
29. Representative Client List in Marketing Materials. The Client authorizes and consents to the disclosure of the Client's identity as a client of Standish Mellon in any representative client list prepared by Standish Mellon for use in its marketing materials. Further, the Client and Standish Mellon agree that disclosure of any performance information regarding the Client's account will be limited to inclusion in a composite of performance information in which Client's name is not disclosed.

This Agreement is hereby approved and accepted effective this 18 day of June, 2007

STANDISH MELLON ASSET MANAGEMENT COMPANY LLC

By: James D. Kohley

Print Name: JAMES D. Kohley

Title: SENIOR vice President

VIRGINIA TECH

By: M. Dwight Shelton, Jr.

Print Name: M. Dwight Shelton, Jr.

Title: Vice President for Budget and Financial Management

Exhibit A

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

Statement of Policy Governing the Short and Intermediate

Term Investment of Local Funds

General Guidelines

The Treasurer of Virginia Polytechnic Institute and State University, or designee(s), shall be authorized to invest university Local Funds in the instruments set forth below. Authorized investments are set forth in the "Investment of Public Funds Act" of the Code of Virginia Sections 2.2-4500 through 2.2-4516. In the event a security is downgraded to a level that ceases to meet Local Fund credit quality standards, the Department of Investments and Debt Management shall promptly reassess the security to determine what action, if any, will be in the best interest of the Local Fund.

Authorized Investments

1. Bonds, notes and other obligations of the United States, and securities unconditionally guaranteed as to the payment of principal and interest by the United States, or any agency thereof, including:

-Government National Mortgage Association

-Federal Home Loan Bank

-Federal Farm Credit Bank

- Federal National Mortgage Association
- Federal Home Loan Mortgage Corporation
- Student Loan Marketing Association

The above securities can be held directly or in the form of repurchase agreements collateralized by such debt securities, and in the form of registered money market or mutual funds provided the portfolio is limited to such evidences of indebtedness.

2. Repurchase agreements collateralized by U. S. Treasury/agency securities. The collateral on overnight or one day repurchase agreements is required to be at least 100% of the value of the repurchase agreement. Longer-term repurchase agreements are required to have collateralization of over 100% and be marked to market on a regular basis. However, market fluctuations could result in the value of the collateral increasing or decreasing between the valuation and published closing prices.
3. Non-negotiable certificates of deposit and time deposits of Virginia banks and savings institutions federally insured to the maximum extent possible and collateralized under the Virginia Security for Public Deposits Act, Sections 2.2-4400 through 2.2-4411 of the Code of Virginia.
4. Negotiable certificates of deposit and negotiable bank deposit notes of domestic banks and domestic offices of foreign banks with a rating of at least A-1 by Standard & Poor's and P-1 by Moody's Investors Service, for maturities of one year or less, and a rating of at least AA by Standard & Poor's and Aa by Moody's Investors Service for maturities over one year and not exceeding five years.
5. Banker's acceptances with major U. S. banks & domestic offices of international banks rated not lower than A-1 by Standard & Poor's and P-1 by Moody's.

6. Prime quality commercial paper issued by domestic corporations. "Prime quality" shall be as rated by at least two of the following: Standard & Poor's within its rating of A-1, by Moody's Investors Service within its rating of P-1, by Fitch Investor's Services, within its rating of F-1, or by Duff and Phelps within its rating of D-1, or by their corporate successors, provided that at the time of any such investment, the corporation meets the criteria specified in section 2.2-4502 of the code.
7. Corporate Notes having a credit rating no lower than AA by Standard & Poor's and Aa by Moody's Investors Service and having a maturity of no more than five years.
8. Money market and other open ended investment funds provided that they are registered under the Securities Act of the Commonwealth of Virginia or by the Federal Investment Co. Act of 1940, and that the investments by such funds are restricted to investments otherwise permitted by the Commonwealth of Virginia.
9. Fully hedged debt obligations of sovereign governments and companies that are fully guaranteed by sovereign governments, with a rating of at least AAA by Standard & Poor's and a rating of at least Aaa by Moody's Investors Service and have a maturity of no more than five years.
10. Taxable municipal obligations issued by state and local governments, their agencies and instrumentalities. Minimum rating requirements are AA and Aa or better by Standard & Poor's and by Moody's Investors Service or short-term ratings of MIG 1/VMIG 1 and SP-1/A-1 respectively, whichever is applicable, including sub-categories or gradations indicating relative standing. Maturity should not exceed five years.

Code of Virginia

Title 2.2

Chapter 45 - Investment of Public Funds Act

§ 2.2-4500. Legal investments for public sinking funds.

The Commonwealth, all public officers, municipal corporations, other political subdivisions and all other public bodies of the Commonwealth may invest any sinking funds belonging to them or within their control in the following securities:

1. Bonds, notes and other evidences of indebtedness of the Commonwealth, and securities unconditionally guaranteed as to the payment of principal and interest by the Commonwealth.
2. Bonds, notes and other obligations of the United States, and securities unconditionally guaranteed as to the payment of principal and interest by the United States, or any agency thereof. The evidences of indebtedness enumerated by this subdivision may be held directly, or in the form of repurchase agreements collateralized by such debt securities, or in the form of securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio of such investment company or investment trust is limited to such evidences of indebtedness, or repurchase agreements collateralized by such debt securities, or securities of other such investment companies or investment trusts whose portfolios are so restricted.
3. Bonds, notes and other evidences of indebtedness of any county, city, town, district, authority or other public body of the Commonwealth upon which there is no default; provided, that such bonds, notes and other evidences of indebtedness of any county, city, town, district, authority or other public body are either direct legal obligations of, or those unconditionally guaranteed as to the payment of principal and interest by the county, city, town, district, authority or other public body in question; and revenue bonds issued by agencies or authorities of the Commonwealth or its political subdivisions upon which there is no default.
4. Bonds and other obligations issued, guaranteed or assumed by the International Bank for Reconstruction and Development, bonds and other obligations issued, guaranteed or assumed by the Asian Development Bank and bonds and other obligations issued, guaranteed or assumed by the African Development Bank.

5. Savings accounts or time deposits in any bank or savings institution within the Commonwealth provided the bank or savings institution is approved for the deposit of other funds of the Commonwealth or other political subdivision of the Commonwealth.

(1956, c. 184, § 2-297; 1958, c. 102; 1966, c. 677, § 2.1-327; 1970, c. 75; 1974, c. 288; 1986, c. 270; 1988, cc. 526, 834; 1996, cc. 77, 508; 2001, c. 844.)

§ 2.2-4501. Legal investments for other public funds.

A. The Commonwealth, all public officers, municipal corporations, other political subdivisions and all other public bodies of the Commonwealth may invest any and all moneys belonging to them or within their control, other than sinking funds, in the following:

1. Stocks, bonds, notes, and other evidences of indebtedness of the Commonwealth and those unconditionally guaranteed as to the payment of principal and interest by the Commonwealth.

2. Bonds, notes and other obligations of the United States, and securities unconditionally guaranteed as to the payment of principal and interest by the United States, or any agency thereof. The evidences of indebtedness enumerated by this subdivision may be held directly, or in the form of repurchase agreements collateralized by such debt securities, or in the form of securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio of such investment company or investment trust is limited to such evidences of indebtedness, or repurchase agreements collateralized by such debt securities, or securities of other such investment companies or investment trusts whose portfolios are so restricted.

3. Stocks, bonds, notes and other evidences of indebtedness of any state of the United States upon which there is no default and upon which there has been no default for more than ninety days; provided, that within the twenty fiscal years next preceding the making of such investment, such state has not been in default for more than ninety days in the payment of any part of principal or interest of any debt authorized by the legislature of such state to be contracted.

4. Stocks, bonds, notes and other evidences of indebtedness of any county, city, town, district, authority or other public body in the Commonwealth upon which there is no default; provided, that if the principal and interest be payable from revenues or tolls and the project has not been completed, or if completed, has not established an operating record of net earnings available for payment of principal and interest equal to estimated requirements for that purpose according to the terms of the issue, the

standards of judgment and care required in Article 2 (§ 26-45.3 et seq.) of Chapter 3 of Title 26, without reference to this section, shall apply.

In any case in which an authority, having an established record of net earnings available for payment of principal and interest equal to estimated requirements for that purpose according to the terms of the issue, issues additional evidences of indebtedness for the purposes of acquiring or constructing additional facilities of the same general character that it is then operating, such additional evidences of indebtedness shall be governed by the provisions of this section without limitation.

5. Legally authorized stocks, bonds, notes and other evidences of indebtedness of any city, county, town or district situated in any one of the states of the United States upon which there is no default and upon which there has been no default for more than ninety days; provided, that (i) within the twenty fiscal years next preceding the making of such investment, such city, county, town or district has not been in default for more than ninety days in the payment of any part of principal or interest of any stock, bond, note or other evidence of indebtedness issued by it; (ii) such city, county, town or district shall have been in continuous existence for at least twenty years; (iii) such city, county, town or district has a population, as shown by the federal census next preceding the making of such investment, of not less than 25,000 inhabitants; (iv) the stocks, bonds, notes or other evidences of indebtedness in which such investment is made are the direct legal obligations of the city, county, town or district issuing the same; (v) the city, county, town or district has power to levy taxes on the taxable real property therein for the payment of such obligations without limitation of rate or amount; and (vi) the net indebtedness of such city, county, town or district (including the issue in which such investment is made), after deducting the amount of its bonds issued for self-sustaining public utilities, does not exceed ten percent of the value of the taxable property in such city, county, town or district, to be ascertained by the valuation of such property therein for the assessment of taxes next preceding the making of such investment.

6. Bonds and other obligations issued, guaranteed or assumed by the International Bank for Reconstruction and Development, by the Asian Development Bank or by the African Development Bank.

B. This section shall not apply to retirement funds and deferred compensation plans to be invested pursuant to §§ 51.1-124.30 through 51.1-124.35 or § 51.1-601.

C. Investments made prior to July 1, 1991, pursuant to § 51.1-601 are ratified and deemed valid to the extent that such investments were made in conformity with the standards set forth in Chapter 6 (§ 51.1-600 et seq.) of Title 51.1.

(1956, c. 184, § 2-298; 1966, c. 677, § 2.1-328; 1980, c. 596; 1988, c. 834; 1991, c. 379; 1992, c. 810; 1996, c. 508; 1999, c. 772; 2001, c. 844.)

§ 2.2-4502. Investment of funds of Commonwealth, political subdivisions, and public bodies in "prime quality" commercial paper.

A. The Commonwealth, all public officers, municipal corporations, other political subdivisions and all other public bodies of the Commonwealth may invest any and all moneys belonging to them or within their control other than sinking funds in "prime quality" commercial paper, with a maturity of 270 days or less, of issuing corporations organized under the laws of the United States, or of any state thereof including paper issued by banks and bank holding companies. "Prime quality" shall be as rated by at least two of the following: Moody's Investors Service, Inc., within its NCO/Moody's rating of prime 1, by Standard & Poor's, Inc., within its rating of A-1, by Fitch Investor's Services, Inc., within its rating of F-1, by Duff and Phelps, Inc., within its rating of D-1, or by their corporate successors, provided that at the time of any such investment:

1. The issuing corporation, or its guarantor, has a net worth of at least fifty million dollars; and
2. The net income of the issuing corporation, or its guarantor, has averaged three million dollars per year for the previous five years; and
3. All existing senior bonded indebtedness of the issuer, or its guarantor, is rated "A" or better or the equivalent rating by at least two of the following: Moody's Investors Service, Inc., Standard & Poor's, Inc., Fitch Investor's Services, Inc., or Duff and Phelps, Inc.

Not more than thirty-five percent of the total funds available for investment may be invested in commercial paper, and not more than five percent of the total funds available for investment may be invested in commercial paper of any one issuing corporation.

B. Notwithstanding subsection A, the Commonwealth, municipal corporations, other political subdivisions and public bodies of the Commonwealth may invest any and all moneys belonging to them or within their control, except for sinking funds, in commercial paper other than "prime quality" commercial paper as defined in this section provided that:

1. Prior written approval is obtained from the governing board, committee or other entity that determines investment policy. The Treasury Board shall be the governing body for the Commonwealth; and

2. A written internal credit review justifying the creditworthiness of the issuing corporation is prepared in advance and made part of the purchase file.

(1973, c. 232, § 2.1-328.1; 1974, c. 295; 1976, c. 665; 1986, c. 170; 1987, c. 73; 1988, c. 834; 1992, c. 769; 2001, c. 844.)

§ 2.2-4503.

Not set out. (2001, c. 844.)

§ 2.2-4504. Investment of funds by the Commonwealth and political subdivisions in bankers' acceptances.

Notwithstanding any provisions of law to the contrary, all public officers, municipal corporations, other political subdivisions and all other public bodies of the Commonwealth may invest any and all moneys belonging to them or within their control other than sinking funds in bankers' acceptances.

(1981, c. 18, § 2.1-328.3; 1988, c. 834; 2001, c. 844.)

§ 2.2-4505. Investment in certificates representing ownership of treasury bond principal at maturity or its coupons for accrued periods.

Notwithstanding any provision of law to the contrary, the Commonwealth, all public officers, municipal corporations, other political subdivisions and all other public bodies of the Commonwealth may invest any and all moneys belonging to them or within their control, in certificates representing ownership of either treasury bond principal at maturity or its coupons for accrued periods. The underlying United States Treasury bonds or coupons shall be held by a third-party independent of the seller of such certificates.

(1983, c. 117, § 2.1-328.5; 1985, c. 352; 1988, c. 834; 2001, c. 844.)

§ 2.2-4506. Securities lending.

Notwithstanding any provision of law to the contrary, the Commonwealth, all public officers, municipal corporations, political subdivisions and all public bodies of the Commonwealth may engage in securities lending from the portfolio of investments of which they have custody and control, other than sinking funds. The Treasury Board shall develop guidelines with which such securities lending shall fully comply. Such guidelines shall ensure that the state treasury is at all times fully collateralized by the borrowing institution.

(1983, c. 268, § 2.1-328.6; 2001, c. 844.)

§ 2.2-4507. Investment of funds in overnight, term and open repurchase agreements.

Notwithstanding any provision of law to the contrary, the Commonwealth, all public officers, municipal corporations, other political subdivisions and all other public

bodies of the Commonwealth, may invest any and all moneys belonging to them or within their control in overnight, term and open repurchase agreements that are collateralized with securities that are approved for direct investment.

(1985, c. 352, § 2.1-328.8; 1988, c. 834; 2001, c. 844.)

§ 2.2-4508. Investment of certain public moneys in certain mutual funds.

Notwithstanding any provision of law to the contrary, the Commonwealth, all public officers, municipal corporations, other political subdivisions and all other public bodies of the Commonwealth may invest any and all moneys belonging to them or within their control, other than sinking funds that are governed by the provisions of § 2.2-4500, in one or more open-end investment funds, provided that the funds are registered under the Securities Act (§ 13.1-501 et seq.) of the Commonwealth or the Federal Investment Co. Act of 1940, and that the investments by such funds are restricted to investments otherwise permitted by law for political subdivisions as set forth in this chapter, or investments in other such funds whose portfolios are so restricted.

(1986, c. 170, § 2.1-328.9; 1988, c. 834; 1996, c. 508; 2001, c. 844.)

§ 2.2-4509. Investment of funds in negotiable certificates of deposit and negotiable bank deposit notes.

Notwithstanding any provision of law to the contrary, the Commonwealth and all public officers, municipal corporations, and other political subdivisions and all other public bodies of the Commonwealth may invest any or all of the moneys belonging to them or within their control, other than sinking funds, in negotiable certificates of deposit and negotiable bank deposit notes of domestic banks and domestic offices of foreign banks with a rating of at least A-1 by Standard & Poor's and P-1 by Moody's Investor Service, Inc., for maturities of one year or less, and a rating of at least AA by Standard & Poor's and Aa by Moody's Investor Service, Inc., for maturities over one year and not exceeding five years.

(1998, cc. 20, 21, § 2.1-328.15; 2001, c. 844.)

§ 2.2-4510. Investment of funds in corporate notes.

A. Notwithstanding any provision of law to the contrary, the Commonwealth, all public officers, municipal corporations, other political subdivisions and all other public bodies of the Commonwealth may invest any and all moneys belonging to them or within their control, other than sinking funds, in high quality corporate notes with a rating of at least Aa by Moody's Investors Service, Inc., and a rating of at least AA by Standard and Poors, Inc., and a maturity of no more than five years.

B. Notwithstanding any provision of law to the contrary, any qualified public entity of the Commonwealth may invest any and all moneys belonging to it or within its control, other than sinking funds, in high quality corporate notes with a rating of at least A by two rating agencies, one of which shall be either Moody's Investors Service, Inc., or Standard and Poors, Inc.

As used in this section, "qualified public entity" means any state agency or institution of the Commonwealth, having an internal or external public funds manager with professional investment management capabilities.

C. Notwithstanding any provision of law to the contrary, the Department of the Treasury may invest any and all moneys belonging to it or within its control, other than sinking funds, in high quality corporate notes with a rating of at least BBB or Baa2 by two rating agencies, one of which shall be Moody's Investors Service, Inc., or Standard and Poors, Inc. With regard to investment securities rated below A, the Commonwealth Treasury Board shall establish strict investment guidelines concerning the investment in such securities and monitor the performance of the securities for compliance with the investment guidelines.

(1987, c. 187, § 2.1-328.10; 1988, c. 834; 1994, c. 145; 2001, c. 844; 2002, cc. 18, 438; 2005, c. 30.)

§ 2.2-4511. Investment of funds in asset-backed securities.

Notwithstanding any provision of law to the contrary, any qualified public entity of the Commonwealth may invest any and all moneys belonging to it or within its control, other than sinking funds, in asset-backed securities with a duration of no more than five years and a rating of no less than AAA by two rating agencies, one of which must be either Moody's Investors Service, Inc., or Standard and Poors, Inc.

As used in this section, "qualified public entity" means any state agency, institution of the Commonwealth or statewide authority created under the laws of the Commonwealth having an internal or external public funds manager with professional investment management capabilities.

(1994, c. 145, § 2.1-328.13; 1997, c. 29; 2001, c. 844.)

§ 2.2-4512. Investment of funds by State Treasurer in obligations of foreign sovereign governments.

Notwithstanding any provision of law to the contrary, the State Treasurer may invest unexpended or excess moneys in any fund or account over which he has custody and control, other than sinking funds, in fully hedged debt obligations of sovereign governments and companies that are fully guaranteed by such sovereign governments, with a rating of at least AAA by Moody's Investors Service, Inc., and a rating of at least AAA by Standard and Poors, Inc., and a maturity of no more than five years.

Not more than ten percent of the total funds of the Commonwealth available for investment may be invested in the manner described in this section.

(1988, c. 461, § 2.1-328.11; 2001, c. 844.)

§ 2.2-4513. Investments by transportation commissions.

Transportation commissions that provide rail service may invest in, if required as a condition to obtaining insurance, participate in, or purchase insurance provided by, foreign insurance companies that insure railroad operations.

(1988, c. 834, § 2.1-328.12; 2001, c. 844.)

§ 2.2-4514. Commonwealth and its political subdivisions as trustee of public funds; standard of care in investing such funds.

Public funds held by the Commonwealth, public officers, municipal corporations, political subdivisions, and any other public body of the Commonwealth shall be held in trust for the citizens of the Commonwealth. Any investment of such funds pursuant to the provisions of this chapter shall be made solely in the interest of the citizens of the Commonwealth and with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

(1996, c. 437, § 2.1-328.14; 2001, c. 844.)

§ 2.2-4515. Collateral and safekeeping arrangements.

Securities purchased pursuant to the provisions of this chapter shall be held by the public official, municipal corporation or other political subdivision or public body or its custodial agent who may not otherwise be a counterparty to the investment transaction. Securities held on the books of the custodial agent by a custodial agent shall be held in the name of the municipal corporation, political subdivision or other public body subject to the public body's order of withdrawal. The responsibilities of the public official, municipal corporation, political subdivision or other public body shall be evidenced by a written agreement that shall provide for delivery of the securities by the custodial agent in the event of default by a counterparty to the investment transaction.

As used in this section, "counterparty" means the issuer or seller of a security, an agent purchasing a security on behalf of a public official, municipal corporation, political subdivision or other public body or the party responsible for repurchasing securities underlying a repurchase agreement.

The provisions of this section shall not apply to (i) investments with a maturity of less than thirty-one calendar days or (ii) the State Treasurer, who shall comply with safekeeping guidelines issued by the Treasury Board or to endowment funds invested in accordance with the provisions of the Uniform Investment of Institutional Funds Act, Article 1.1 (§ 55-268.1 et seq.) of Chapter 15 of Title 55.

(1988, c. 834, § 2.1-329.01; 2001, c. 844.)

§ 2.2-4516. Liability of treasurers or public depositors.

When investments are made in accordance with this chapter, no treasurer or public depositor shall be liable for any loss therefrom in the absence of negligence, malfeasance, misfeasance, or nonfeasance on his part or on the part of his assistants or employees.

(1979, c. 135, § 2.1-329.1; 2001, c. 844.)

§ 2.2-4517. Contracts on interest rates, currency, cash flow or on other basis.

A. Any state entity may enter into any contract or other arrangement that is determined to be necessary or appropriate to place the obligation or investment of the state entity, as represented by bonds or investments, in whole or in part, on the interest rate cash

flow or other basis desired by the state entity. Such contract or other arrangement may include contracts providing for payments based on levels of, or changes in, interest rates. These contracts or arrangements may be entered into by the state entity in connection with, or incidental to, entering into, or maintaining any (i) agreement that secures bonds or (ii) investment, or contract providing for investment, otherwise authorized by law. These contracts and arrangements may contain such payment, security, default, remedy, and other terms and conditions as determined by the state entity, after giving due consideration to the creditworthiness of the counterparty or other obligated party, including any rating by a nationally recognized rating agency, and any other criteria as may be appropriate. The determinations referred to in this subsection may be made by the Treasury Board, the governing body of the state entity or any public funds manager with professional investment capabilities duly authorized by the Treasury Board or the governing body of any state entity authorized to issue such obligations to make such determinations.

As used in this section, "state entity" means the Commonwealth and all agencies, authorities, boards and institutions of the Commonwealth.

B. Any money set aside and pledged to secure payments of bonds or any of the contracts entered into pursuant to this section may be invested in accordance with this chapter and may be pledged to and used to service any of the contracts or other arrangements entered into pursuant to this section.

(2002, c. 407.)

Exhibit B

Fee Schedule

12 Basis Points on First \$50 Million

8 Basis Points on All Assets Thereafter