

**Florida PRIME
Fixed Income Investment Oversight Group Meeting**

Minutes

September 26, 2013

1:30 p.m. - 2:30 p.m.

Attendees

Kevin Ceurvorst – Senior Portfolio Manager-Investment Grade Credit
Lisa Collins – Manager of Public Market Compliance
Bridget Dervish – Senior Risk & Control Analyst III
Cherie Jeffries – Director of Fixed Income Trading
Mykel Kenton – Manager of Public Market Compliance
Eric Nelson – Chief Risk & Compliance Officer
Sheilah Smith – Director of Public Market Compliance
Lamar Taylor – Deputy Executive Director
Katy Wojciechowski – Senior Investment Officer-Fixed Income

Agenda Topics

1. Follow-up items:

None.

2. Reviewed July 2013 monthly compliance, transaction, and holdings reports.

Conclusions:

A. No compliance violations were reported on the Federated checklist.

B. In the verification of high risk parameters, one discrepancy was identified. The variance between the Weighted Average Life (WAL) calculation generated by the internal Eagle system and that reported by Federated exceeded the tolerance limit of 12 days by 71 days. The discrepancy was due to incorrect maturity dates in the Eagle system for the Mullenix and St. Andrew demand notes; for the municipals California Statewide Communities Development Authority, Gibson County Indiana, Illinois Finance Authority, Long Island Power Authority, Putnam County West Virginia County Commission, and Saratoga County Industrial Development Agency; and for extendibles issued by Australia New Zealand Banking Group, Canadian Imperial Bank of Commerce, J.P. Morgan Chase Bank N.A., Royal Bank of Canada, and Wells Fargo Bank N.A. After correcting maturity dates and recalculating in Excel, WAL matched the Federated result of 71 days. Compliance is currently working with Accounting Information Systems to determine if modifications can be made in Eagle to eliminate date discrepancies on these security types.

C. No extraordinary transactions or holdings were identified.

D. No QIB restrictions were identified on Bloomberg for 144A securities purchased in July 2013.

Action Items

None.