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Combined Investment Pool

Secs. 3-27a-1—3-27a-7.

Repealed, December 1, 1996.

Interest, Reserve for Losses, and Investment Policy of the Short-Term Investment Fund

Sec. 3-27a-1a. Definitions

As used in sections 3-27a-1a to 3-27a-8a, inclusive of the Regulations of Connecticut State Agencies:

(1) "Treasurer" means the Treasurer of the State of Connecticut.

(2) "Participant" means the individual fund or combined funds for which the treasurer is custodian and/or trustee; and the Connecticut Housing Finance Authority, Connecticut Student Loan Foundation, and all other agencies, instrumentalities and political subdivisions of the state whose funds are accepted by the treasurer for investment purposes in the Short-Term Investment Fund.

(Effective December 1, 1996)

Sec. 3-27a-2a. Funds eligible to participate

In order to be eligible to invest in the Short-Term Investment Fund the participant shall be one named in Sections 3-13c, 3-27a, 3-27b or 3-27f of the Connecticut General Statutes.

(Effective December 1, 1996)

Sec. 3-27a-3a. Sale and redemption of certificates of participation

(a) The Treasurer may sell certificates of participation. The Treasurer shall not send formal evidence of participation, but shall send (1) confirmations of daily transactions, and (2) monthly statements of account balances.

(b) Certificates of participation shall be redeemed at the option of (1) the Treasurer, or (2) the Participant upon its giving notice to the treasurer, in a manner and by a time prescribed by the treasurer, on the day such redemption is requested.

(c) Certificates of participation shall be purchased by electronic funds transfer, check or other means approved by the Treasurer. Certificates of participation shall be redeemed by wire in same-day funds, or, at the participant's request, other means approved by the treasurer.

(Effective December 1, 1996)

Sec. 3-27a-4a. Participant interest distributions

(a) Participant interest shall be determined daily based on the actual earnings of the fund, net of administrative expenses and allocations to the designated surplus reserve.

(b) Participant interest shall be computed on the basis of the actual number of days in the year (365 or 366).

(c) Participant interest shall be paid monthly by (1) check, (2) reinvestment or (3) other means approved by the treasurer within five business days of the end of each month.

(d) The Treasurer shall pay to all participants a special interest distribution pursuant to sections 3-27a and 3-27b of the Connecticut General Statutes consisting of actual interest earnings less previously paid interest, administrative costs, and an allocation to the designated surplus reserve, for the months of June through November 1996, in proportion to the total amount of interest earned by all participants according to

the current monthly guaranteed rates. The special distribution shall be paid by December 31, 1996.

(Effective December 1, 1996)

Sec. 3-27a-5a. Expenses

All expenses incurred for the operation of the Short-Term Investment Fund, including expenses incidental for operating the Secondary Market for Student Loans, shall be paid from the fund and charged as expenses prior to determining daily participant interest.

(Effective December 1, 1996)

Sec. 3-27a-6a. Designated surplus reserve

(a) The Short-Term Investment Fund shall maintain a designated surplus reserve for possible use in cases of portfolio losses.

(b) Daily allocations to the designated surplus reserve shall be paid from investment income prior to determining participant interest, and shall equal, on an annualized basis, one-tenth of one percent of the fund's investments until the reserve equals one percent of investments.

(c) If net losses significant to the aggregate portfolio occur, they shall be charged against the designated surplus reserve in accordance with the treasurer's investment policy.

(d) If losses exceed the amount then in the designated surplus reserve, the excess losses shall be charged to participants' accounts pro rata.

(Effective December 1, 1996)

Sec. 3-27a-7a. Account for the fund

(a) The accounting for the Short-Term Investment Fund shall be consistent with generally accepted accounting principles.

(b) Interest payable to participants shall accrue on a daily basis.

(c) Financial statements for the fund shall be prepared at least quarterly. The fund's fiscal year shall be the same as the state's fiscal year.

(Effective December 1, 1996)

Sec. 3-27a-8a. Investment policy

The Treasurer shall invest funds of the Short-Term Investment Fund pursuant to Sections 3-27c and 3-27d of the Connecticut General Statutes and a written investment policy. Such policy shall be distributed to participants annually and whenever it is modified.

(Effective December 1, 1996)

Sec. 3-27a-9a. Effective date

These regulations shall become effective on December 1, 1996.

(Effective December 1, 1996)