

# SECURITIES AND EXCHANGE COMMISSION

## FORM POS AMI

Post-effective amendments to 40 Act only filings

Filing Date: **1996-12-30**  
SEC Accession No. **0000943185-96-000098**

([HTML Version](#) on [secdatabase.com](http://secdatabase.com))

### FILER

#### CASH RESERVES PORTFOLIO

CIK: **850615** | State of Incorpor.: **NY** | Fiscal Year End: **0831**  
Type: **POS AMI** | Act: **40** | File No.: **811-05813** | Film No.: **96687429**

Business Address  
*6 ST JAMES AVENUE 9TH  
BOSTON MA 02116  
6174321679*

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON D.C. 20549

-----  
FORM N-1A

REGISTRATION STATEMENT

UNDER

THE INVESTMENT COMPANY ACT OF 1940

AMENDMENT NO. 11

CASH RESERVES PORTFOLIO  
(EXACT NAME OF REGISTRANT AS SPECIFIED IN CHARTER)

C/O SIGNATURE FINANCIAL GROUP (CAYMAN), LTD.  
ELIZABETHAN SQUARE, GEORGE TOWN, GRAND CAYMAN, CAYMAN ISLANDS, BWI  
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 809-945-1824

SUSAN JAKUBOSKI  
C/O SIGNATURE FINANCIAL GROUP (CAYMAN), LTD.  
ELIZABETHAN SQUARE, GEORGE TOWN, GRAND CAYMAN, CAYMAN ISLANDS, BWI  
(NAME AND ADDRESS OF AGENT FOR SERVICE)

WITH A COPY TO  
ROGER P. JOSEPH, ESQ.  
BINGHAM, DANA & GOULD LLP  
150 FEDERAL STREET  
BOSTON, MASSACHUSETTS 02110 U.S.A.

## EXPLANATORY NOTE

This Registration Statement has been filed by the Registrant pursuant to Section 8(b) of the Investment Company Act of 1940. However, beneficial interests in the Registrant are not being registered under the Securities Act of 1933 (the "1933 Act") since such interests will be issued solely in private placement transactions which do not involve any "public offering" within the meaning of Section 4(2) of the 1933 Act. Investments in the Registrant may only be made by investment companies, insurance company separate accounts, common or commingled trust funds or similar organizations or entities which are "accredited investors" within the meaning of Regulation D under the 1933 Act. This Registration Statement does not constitute an offer to sell, or the solicitation of an offer to buy, any beneficial interests in the Registrant.

### PART A

Responses to Items 1 through 3 and 5A have been omitted pursuant to paragraph 4 of Instruction F of the General Instructions to Form N-1A.

#### Item 4. General Description of Registrant.

Cash Reserves Portfolio (the "Portfolio") is a no-load, open-end management investment company which was organized as a trust under the laws of the State of New York on May 23, 1989. Beneficial interests in the Portfolio are issued solely in private placement transactions which do not involve any "public offering" within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). Investments in the Portfolio may only be made by investment companies, insurance company separate accounts, common or commingled trust funds or similar organizations or entities which are "accredited investors" within the meaning of Regulation D under the 1933 Act. This registration statement does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" within the meaning of the 1933 Act.

#### INVESTMENT OBJECTIVE

The investment objective of the Portfolio is to provide its investors with liquidity and as high a level of current income as is consistent with the preservation of capital. The investment objective of the Portfolio may be changed without the approval of the investors in the Portfolio, but not without written notice thereof to the investors in the Portfolio at least 30 days prior to implementing the change. There can, of course, be no assurance that the investment objective of the Portfolio will be achieved.

#### INVESTMENT POLICIES

The Portfolio seeks its objective by investing in high quality U.S.

dollar-denominated money market instruments. These instruments include short-term obligations of the U.S. Government, bank obligations (such as certificates of deposit, bankers' acceptances and fixed time deposits) of U.S. and non-U.S. banks and obligations issued or guaranteed by the governments of Western Europe, Scandinavia, Australia, Japan and Canada. The U.S. Government obligations in which the Portfolio invests include U.S. Treasury bills, notes and bonds, and instruments issued by U.S. Government agencies or instrumentalities. Some obligations of U.S. Government agencies and instrumentalities are supported by the "full faith and credit" of the United States, others by the right of the issuer to borrow from the U.S. Treasury and others only by the credit of the agency or instrumentality. Under the Investment Company Act of 1940, as amended (the "1940 Act"), the Portfolio is classified as "diversified." A "diversified investment company" must invest at least 75% of its assets in cash and cash items, U.S. Government securities, investment company securities and other securities limited as to any one issuer to not more than 5% of the total assets of the investment company and not more than 10% of the voting securities of the issuer.

#### CERTAIN ADDITIONAL INVESTMENT POLICIES

**Maturity and Quality.** All of the Portfolio's investments mature or are deemed to mature within 397 days from the date of acquisition, and the average maturity of the investments held by the Portfolio (on a dollar-weighted basis) is 90 days or less. All of the Portfolio's investments are in "high quality" securities (i.e., securities rated in the highest rating category for short-term obligations by at least two nationally recognized statistical rating organizations (each, an "NRSRO") assigning a rating to the security or issuer or, if only one NRSRO assigns a rating, that NRSRO or, in the case of an investment which is not rated, of comparable quality as determined by Citibank, N.A. ("Citibank"), the Portfolio's investment adviser (the "Adviser")) and are determined by the Adviser, pursuant to power delegated by the Portfolio's Board of Trustees, to present minimal credit risks. Investments in high quality, short-term instruments may, in many circumstances, result in a lower yield than would be available from investments in instruments with a lower quality or a longer term.

**Investment Restrictions.** Part B of this Registration Statement contains a list of specific investment restrictions which govern the investment policies of the Portfolio. Except as otherwise indicated, the Portfolio's investment objective and policies may be changed without shareholder approval. If a percentage or rating restriction (other than a restriction as to borrowing) is adhered to at the time an investment is made, a later change in percentage or rating resulting from changes in the Portfolio's securities will not be a violation of policy.

**Brokerage Transactions.** The primary consideration in placing the Portfolio's security transactions with broker-dealers for execution is to obtain and maintain the availability of execution at the most favorable prices and in the most effective manner possible.

## INVESTMENT PRACTICES

**Treasury Receipts.** The Portfolio may invest in Treasury Receipts, which are unmatured interest coupons of U.S. Treasury bonds and notes which have been separated and resold in a custodial receipt program administered by the U.S. Treasury.

**Commercial Paper.** The Portfolio may invest in commercial paper, which is unsecured debt of corporations usually maturing in 270 days or less from its date of issuance.

**Asset-Backed Securities.** The Portfolio may invest in asset-backed securities, which represent fractional interests in underlying pools of assets, such as car installment loans or credit card receivables. The rate of return on asset-backed securities may be affected by prepayment of the underlying loans or receivables. Reinvestment of principal may occur at higher or lower rates than the original yield.

**Repurchase Agreements.** The Portfolio may enter into repurchase agreements. Repurchase agreements are transactions in which an institution sells the Portfolio a security at one price, subject to the Portfolio's obligation to resell and the selling institution's obligation to repurchase that security at a higher price normally within a seven day period. There may be delays and risks of loss if the seller is unable to meet its obligations to repurchase.

**Lending of Portfolio Securities.** Consistent with applicable regulatory requirements and in order to generate additional income, the Portfolio may lend its securities to broker-dealers and other institutional borrowers. Such loans must be callable at any time and continuously secured by collateral (cash or U.S. Government securities) in an amount not less than the market value, determined daily, of the securities loaned. It is intended that the value of securities loaned by the Portfolio would not exceed 33 1/3% of the Portfolio's net assets.

In the event of the bankruptcy of the other party to a securities loan, the Portfolio could experience delays in recovering either the securities lent or cash. To the extent that, in the meantime, the value of the securities lent or sold have increased or the value of the securities purchased have decreased, the Portfolio could experience a loss.

**Private Placements and Illiquid Investments.** The Portfolio may invest up to 10% of its net assets in securities for which there is no readily available market. These illiquid securities may include privately placed restricted securities for which no institutional market exists. The absence of a trading market can make it difficult to ascertain a market value for illiquid investments. Disposing of illiquid investments may involve time-consuming negotiation and legal expenses, and it may be difficult or impossible for the Portfolio to sell them promptly at an acceptable price.

For more information regarding the Portfolio's permitted investments and

investment practices, see Part B of this Registration Statement.

## CERTAIN RISK CONSIDERATIONS

The risks of investing in the Portfolio vary depending upon the nature of the securities held, and the investment practices employed, on its behalf. Certain of these risks are described below.

"Concentration" in Bank Obligations. The Portfolio invests at least 25% of its assets, and may invest up to 100% of its assets, in bank obligations. This concentration policy is fundamental, and may not be changed without the consent of the Portfolio's investors. Banks are subject to extensive governmental regulation which may limit both the amounts and types of loans and other financial commitments which may be made and interest rates and fees which may be charged. The profitability of this industry is largely dependent upon the availability and cost of capital funds for the purpose of financing lending operations under prevailing money market conditions. Also, general economic conditions play an important part in the operation of this industry and exposure to credit losses arising from possible financial difficulties of borrowers might affect a bank's ability to meet its obligations under a letter of credit or guarantee.

Non-U.S. Securities. All of the Portfolio's investments, including its investments in non-U.S. securities, are in U.S. dollar-denominated securities. However, investors in the Portfolio should be aware that investments in non-U.S. securities involve risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and non-U.S. issuers and markets are subject. These risks may include expropriation, confiscatory taxation, withholding taxes on dividends and interest, limitations on the use or transfer of Portfolio assets and political or social instability. In addition, non-U.S. companies may not be subject to accounting standards or governmental supervision comparable to U.S. companies, and there may be less public information about their operations. Non-U.S. markets may be less liquid and more volatile than U.S. markets, and may offer less protection to investors such as the Portfolio.

Investment Practices. Certain of the investment practices employed for the Portfolio may entail certain risks. See Part B of this Registration Statement.

Item 5. Management of the Portfolio.

## TRUSTEES

The Portfolio's Board of Trustees provides broad supervision over the affairs of the Portfolio. A majority of the Portfolio's Trustees are not affiliated with the Adviser. More information on the Trustees and officers of the Portfolio appears in Part B of this Registration Statement.

Citibank. Citibank is the Portfolio's investment adviser. The address of Citibank is 153 East 53rd Street, New York, New York 10043. The Portfolio draws on the strength and experience of Citibank. Citibank offers a wide range of banking and investment services to customers across the United States and throughout the world, and has been managing money since 1822. Its portfolio managers are responsible for investing in money market, equity and fixed income securities. Citibank and its affiliates manage more than \$83 billion in assets worldwide.

Citibank manages the assets of the Portfolio pursuant to an Investment Advisory Agreement. Subject to policies set by the Portfolio's Trustees, Citibank makes investment decisions for the Portfolio.

Advisory Fees. For its services under the Investment Advisory Agreement, the Adviser receives an investment advisory fee, which is accrued daily and paid monthly, of 0.15% of the Portfolio's average daily net assets on an annualized basis for the Portfolio's then-current fiscal year. The Adviser has voluntarily agreed to waive a portion of its investment advisory fee.

For the fiscal year ended August 31, 1996, the investment advisory fees paid to Citibank, after waivers, were 0.06% of the Portfolio's average daily net assets for that fiscal year.

Banking Relationships. Citibank and its affiliates may have deposit, loan and other relationships with the issuers of securities purchased on behalf of the Portfolio, including outstanding loans to such issuers which may be repaid in whole or in part with the proceeds of securities so purchased. Citibank has informed the Portfolio that, in making its investment decisions, it does not obtain or use material inside information in the possession of any division or department of Citibank or in the possession of any affiliate of Citibank.

Bank Regulatory Matters. The Glass-Steagall Act prohibits certain financial institutions, such as Citibank, from underwriting securities of open-end investment companies, such as the Portfolio. Citibank believes that its services under the Investment Advisory Agreement and the activities performed by it as sub-administrator are not underwriting and are consistent with the Glass-Steagall Act and other relevant federal and state laws. However, there is no controlling precedent regarding the performance of the combination of investment advisory and sub-administrative activities by banks. State laws on this issue may differ from applicable federal law and banks and financial institutions may be required to register as dealers pursuant to state securities laws. Changes in either federal or state statutes or regulations, or in their interpretations, could prevent Citibank or its affiliates from continuing to perform these services for the Portfolio. If Citibank or its affiliates were to be prevented from acting as the Adviser or sub-administrator, the Portfolio would seek alternative means for obtaining these services. The Portfolio does

not expect that investors would suffer any adverse financial consequences as a result of any such occurrence.

#### ADMINISTRATIVE SERVICES PLAN

The Portfolio has an Administrative Services Plan which provides that the Portfolio may obtain the services of an administrator, a transfer agent and a custodian, and may enter into agreements providing for the payment of fees for such services. Under the Administrative Services Plan, fees paid to the Administrator may not exceed 0.05% of the Portfolio's average daily net assets on an annualized basis for the Portfolio's then-current fiscal year. See "Administrator" and "Transfer Agent, Custodian and Fund Accountant" below.

#### ADMINISTRATOR

Signature Financial Group (Cayman), Ltd. ("SFG") is the Portfolio's administrator (the "Administrator"), and supervises the overall administration of the Portfolio. The address of SFG is Elizabethan Square, George Town, Grand Cayman, Cayman Islands, British West Indies. SFG provides certain administrative services to the Portfolio under an administrative services agreement ("Administrative Services Agreement"). These administrative services include providing general office facilities, supervising the overall administration of the Portfolio, and providing persons satisfactory to the Board of Trustees to serve as Trustees and officers of the Portfolio. These Trustees and officers may be directors, officers or employees of SFG or its affiliates.

For these services, the Administrator receives fees accrued daily and paid monthly of 0.05% of the assets of the Portfolio on an annualized basis for the Portfolio's then-current fiscal year. The Administrator has voluntarily agreed to waive a portion of the fees payable to it.

SFG is a wholly-owned subsidiary of Signature Financial Group, Inc.

#### SUB-ADMINISTRATOR

Pursuant to a sub-administrative services agreement, Citibank performs such sub-administrative duties for the Portfolio as from time to time are agreed upon by Citibank and SFG. Citibank's compensation as sub-administrator is paid by SFG.

#### TRANSFER AGENT, CUSTODIAN AND FUND ACCOUNTANT

State Street Canada, Inc. ("State Street Canada") acts as transfer agent and dividend disbursing agent for the Portfolio. State Street Canada also



provides fund accounting services to the Portfolio and calculates the daily net asset value for the Portfolio. The address of State Street Canada is 40 King Street West, Suite 5700, Toronto, Ontario, Canada. State Street Bank and Trust Company ("State Street") acts as the custodian of the Portfolio's assets. The address of State Street is 225 Franklin Street, Boston, Massachusetts 02110.

## EXPENSES

The Portfolio pays all of its expenses, including the compensation of its Trustees who are not affiliated with SFG; governmental fees; interest charges; taxes; membership dues in the Investment Company Institute allocable to the Portfolio; fees and expenses of independent auditors, of legal counsel and of any transfer agent, custodian, registrar or dividend disbursing agent of the Portfolio; insurance premiums; expenses of calculating the net asset value of and the net income on the Portfolio; expenses connected with the execution, recording and settlement of security transactions; fees and expenses of the custodian for all services to the Portfolio, including safekeeping of funds and securities and maintaining required books and accounts; expenses of preparing and mailing reports to investors and to governmental officers and commissions; and the advisory fees payable to the Adviser and the administrative fees payable to the Administrator. For the fiscal year ended August 31, 1996, the Portfolio's total expenses were 0.10% of its average net assets.

## Item 6. Capital Stock and Other Securities.

Investments in the Portfolio have no preference, pre-emptive or conversion rights and are fully paid and non-assessable, except as set forth below. The Portfolio is not required and has no current intention to hold annual meetings of investors, but the Portfolio will hold special meetings of investors when in the judgment of the Trustees it is necessary or desirable to submit matters for an investor vote. Investors have under certain circumstances (e.g., upon application and submission of certain specified documents to the Trustees by a specified number of shareholders) the right to communicate with other investors in connection with requesting a meeting of investors for the purpose of removing one or more Trustees. Investors also have the right to remove one or more Trustees without a meeting by a declaration in writing by a specified number of investors. Upon liquidation or dissolution of the Portfolio, investors would be entitled to share pro rata in the net assets of the Portfolio available for distribution to investors.

The Portfolio is organized as a trust under the laws of the State of New York. Under the Declaration of Trust, the Trustees are authorized to issue beneficial interests in the Portfolio. Each investor is entitled to a vote in proportion to the value of its investment in the Portfolio. Investments in the Portfolio may not be transferred, but an investor may withdraw all or any portion of its investment at any time at net asset value. Investors in the Portfolio (e.g., investment companies, insurance company separate accounts and common and commingled trust funds) are each liable for all obligations of the

Portfolio. However, it is not expected that the liabilities of the Portfolio would ever exceed its assets.

The net income of the Portfolio is determined each day the New York Stock Exchange is open for trading (a "Business Day") (and on such other days as is necessary in order to comply with the 1940 Act). This determination is made once during each such day as of 3:00 p.m., Eastern time. All the net income of the Portfolio so determined is allocated pro rata among the investors in the Portfolio at the time of such determination.

For this purpose, the net income of the Portfolio (from the time of the immediately preceding determination thereof) shall consist of (i) all income accrued, less the amortization of any premium, on the assets of the Portfolio, less (ii) all actual and accrued expenses of the Portfolio determined in accordance with generally accepted accounting principles. Interest income includes discount earned (including both original issue and market discount) on discount paper accrued ratably to the date of maturity and any net realized gains or losses on the assets of the Portfolio.

It is intended that the Portfolio's assets, income and distributions will be managed in such a way that an investor in the Portfolio will be able to satisfy the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended, assuming that the investor invested all of its investable assets in the Portfolio.

#### Item 7. Purchase of Securities.

Beneficial interests in the Portfolio are issued solely in private placement transactions which do not involve any "public offering" within the meaning of Section 4(2) of the 1933 Act. Investments in the Portfolio may only be made by investment companies, insurance company separate accounts, common or commingled trust funds or similar organizations or entities which are "accredited investors" within the meaning of Regulation D under the 1933 Act. This registration statement does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" within the meaning of the 1933 Act.

An investment in the Portfolio may be made without a sales load. All investments are made at net asset value next determined after an order is received by the Portfolio. The net asset value of the Portfolio is determined once during each Business Day as of 3:00 p.m., Eastern time. Securities are valued at amortized cost, which the Trustees of the Portfolio have determined in good faith constitutes fair value for the purposes of complying with the 1940 Act. This valuation method will continue to be used until such time as the Trustees of the Portfolio determine that it does not constitute fair value for such purposes.

There is no minimum initial or subsequent investment in the Portfolio.

However, since the Portfolio intends to be as fully invested at all times as is reasonably practicable in order to enhance the yield on its assets, investments must be made in federal funds (i.e., monies credited to the account of the Portfolio's custodian bank by a Federal Reserve Bank).

The Portfolio reserves the right to cease accepting investments at any time or to reject any investment order.

The exclusive placement agent for the Portfolio is The Landmark Funds Broker-Dealer Services, Inc. ("LFBDS"). The address of LFBDS is 6 St. James Avenue, Boston, Massachusetts 02116. LFBDS receives no compensation for serving as the exclusive placement agent for the Portfolio.

Item 8. Redemption or Repurchase.

An investor in the Portfolio may withdraw all or any portion of its investment at any time at the net asset value next determined after a withdrawal request in proper form is furnished by the investor to the Portfolio. The proceeds of a withdrawal will be paid by the Portfolio in federal funds normally on the Business Day the withdrawal is effected, but in any event within seven days. Investments in the Portfolio may not be transferred.

The right of any investor to receive payment with respect to any withdrawal may be suspended or the payment of the withdrawal proceeds postponed during any period in which the New York Stock Exchange is closed (other than weekends or holidays) or trading on such Exchange is restricted, or, to the extent otherwise permitted by the 1940 Act, if an emergency exists.

Item 9. Pending Legal Proceedings.

Not applicable.

PART B

Item 10. Cover Page.

Not applicable.

Item 11. Table of Contents.

	Page
General Information and History.....	B-1
Investment Objective and Policies.....	B-1
Management of the Portfolio.....	B-10
Control Persons and Principal Holders of Securities.....	B-13
Investment Advisory and Other Services.....	B-14

Brokerage Allocation and Other Practices.....	B-17
Capital Stock and Other Securities.....	B-18
Purchase, Redemption and Pricing of Securities.....	B-19
Tax Status.....	B-21
Underwriters.....	B-23
Calculations of Performance Data.....	B-23
Financial Statements.....	B-23

Item 12. General Information and History.

Not applicable.

Item 13. Investment Objective and Policies.

The investment objective of Cash Reserves Portfolio (the "Portfolio") is to provide its investors with liquidity and as high a level of current income as is consistent with the preservation of capital. There can, of course, be no assurance that the Portfolio will achieve its investment objective. The investment objective of the Portfolio may be changed without the approval of the investors in the Portfolio.

Except for the concentration policy with respect to bank obligations described in paragraph (1) below, which is fundamental and may not be changed without the approval of the investors in the Portfolio, the approval of the investors in the Portfolio would not be required to change any of the Portfolio's investment policies discussed below, including those concerning securities transactions. Likewise, except for the concentration policy of the Portfolio with respect to bank obligations described in paragraph (1) below, which is fundamental and may not be changed without the approval of the Portfolio's investors, the approval of the investors in the Portfolio would not be required to change the Portfolio's investment objective.

The Portfolio seeks its investment objective through investments limited to the following types of high quality U.S. dollar-denominated money market instruments. All investments by the Portfolio mature or are deemed to mature within 397 days from the date of acquisition and the average maturity of the investments held by the Portfolio (on a dollar-weighted basis) is 90 days or less. All investments by the Portfolio are in "high quality" securities (i.e., securities rated in the highest rating category for short-term obligations by at least two nationally recognized statistical rating organizations (each, an "NRSRO") assigning a rating to the security or issuer or, if only one NRSRO assigns a rating, that NRSRO or, in the case of an investment which is not rated, of comparable quality as determined by the Adviser) and are determined by the Adviser to present minimal credit risks. Investments in high quality, short term instruments may, in many circumstances, result in a lower yield than would be available from investments in instruments with a lower quality or a longer term. Under the Investment Company Act of 1940, as amended (the "1940 Act"), the Portfolio is classified as "diversified." A "diversified investment company" must invest at least 75% of its assets in cash and cash items, U.S. Government securities, investment company securities and other securities limited as to any

one issuer to not more than 5% of the total assets of the investment company and not more than 10% of the voting securities of the issuer.

- (1) Bank obligations. The Portfolio invests at least 25% of its investable assets, and may invest up to 100% of its assets, in bank obligations. This concentration policy is fundamental and may not be changed without the approval of the investors in the Portfolio. Bank obligations include, but are not limited to, negotiable certificates of deposit, bankers' acceptances and fixed time deposits. The Portfolio limits its investments in U.S. bank obligations (including their non-U.S. branches) to banks having total assets in excess of \$1 billion and which are subject to regulation by an agency of the U.S. Government. The Portfolio may also invest in certificates of deposit issued by banks the deposits in which are insured by the Federal Deposit Insurance Corporation ("FDIC"), through either the Bank Insurance Fund or the Savings Association Insurance Fund, having total assets of less than \$1 billion, provided that the Portfolio at no time owns more than \$100,000 principal amount of certificates of deposit (or any higher principal amount which in the future may be fully insured by FDIC insurance) of any one of those issuers. Fixed time deposits are obligations which are payable at a stated maturity date and bear a fixed rate of interest. Generally, fixed time deposits may be withdrawn on demand by the Portfolio, but they may be subject to early withdrawal penalties which vary depending upon market conditions and the remaining maturity of the obligation. Although fixed time deposits do not have a market, there are no contractual restrictions on the Portfolio's right to transfer a beneficial interest in the deposit to a third party.

U.S. banks organized under federal law are supervised and examined by the Comptroller of the Currency and are required to be members of the Federal Reserve System and to be insured by the FDIC. U.S. banks organized under state law are supervised and examined by state banking authorities and are members of the Federal Reserve System only if they elect to join. However, state banks which are insured by the FDIC are subject to federal examination and to a substantial body of federal law and regulation. As a result of federal and state laws and regulations, U.S. branches of U.S. banks, among other things, are generally required to maintain specified levels of reserves, and are subject to other supervision and regulation designed to promote financial soundness.

The Portfolio limits its investments in non-U.S. bank obligations (i.e., obligations of non-U.S. branches and subsidiaries of U.S. banks, and U.S. and non-U.S. branches of non-U.S. banks) to U.S. dollar-denominated obligations of banks which at the time of investment are branches or subsidiaries of U.S. banks which meet the criteria in the preceding paragraphs or are branches of non-U.S. banks which (i) have more than \$10 billion, or the equivalent in other currencies, in total assets; (ii) in terms of assets are among the 75 largest non-U.S. banks in the world; (iii) have branches or agencies in the United States; and (iv) in the opinion of the Citibank, N.A. ("Citibank"), the Portfolio's investment adviser (the "Adviser"), are of an investment quality comparable with obligations of U.S. banks which may be

purchased by the Portfolio. These obligations may be general obligations of the parent bank, in addition to the issuing branch or subsidiary, but the parent bank's obligations may be limited by the terms of the specific obligation or by governmental regulation. The Portfolio also limits its investments in non-U.S. bank obligations to banks, branches and subsidiaries located in Western Europe (United Kingdom, France, Germany, Belgium, the Netherlands, Italy, Switzerland), Scandinavia (Denmark, Norway, Sweden), Australia, Japan, the Cayman Islands, the Bahamas and Canada. The Portfolio does not purchase any bank obligation of the Adviser or an affiliate of the Adviser.

Since the Portfolio may hold obligations of non-U.S. branches and subsidiaries of U.S. banks, and U.S. and non-U.S. branches of non-U.S. banks, an investment in the Portfolio involves certain additional risks. Such investment risks include future political and economic developments, the possible imposition of non-U.S. withholding taxes on interest income payable on such obligations held by the Portfolio, the possible seizure or nationalization of non-U.S. deposits and the possible establishment of exchange controls or other non-U.S. governmental laws or restrictions applicable to the payment of the principal of and interest on certificates of deposit or time deposits that might affect adversely such payment on such obligations held by the Portfolio. In addition, there may be less publicly-available information about a non-U.S. branch or subsidiary of a U.S. bank or a U.S. or non-U.S. branch of a non-U.S. bank than about a U.S. bank and such branches and subsidiaries may not be subject to the same or similar regulatory requirements that apply to U.S. banks, such as mandatory reserve requirements, loan limitations and accounting, auditing and financial record-keeping standards and requirements.

The provisions of federal law governing the establishment and operation of U.S. branches do not apply to non-U.S. branches of U.S. banks. However, the Portfolio may purchase obligations only of those non-U.S. branches of U.S. banks which were established with the approval of the Board of Governors of the Federal Reserve System (the "Board of Governors"). As a result of such approval, these branches are subject to examination by the Board of Governors and the Comptroller of the Currency. In addition, such non-U.S. branches of U.S. banks are subject to the supervision of the U.S. bank and creditors of the non-U.S. branch are considered general creditors of the U.S. bank subject to whatever defenses may be available under the governing non-U.S. law and to the terms of the specific obligation. Nonetheless, the Portfolio generally will be subject to whatever risk may exist that the non-U.S. country may impose restrictions on payment of certificates of deposit or time deposits.

U.S. branches of non-U.S. banks are subject to the laws of the state in which the branch is located or to the laws of the United States. Such branches are therefore subject to many of the regulations, including reserve requirements, to which U.S. banks are subject. In addition,

the Portfolio may purchase obligations only of those U.S. branches of non-U.S. banks which are located in states which impose the additional requirement that the branch pledge to a designated bank within the state an amount of its assets equal to 5% of its total liabilities.

Non-U.S. banks in whose obligations the Portfolio may invest may not be subject to the laws and regulations referred to in the preceding two paragraphs.

- (2) Obligations of, or guaranteed by, non-U.S. governments. The Portfolio limits its investments in non-U.S. government obligations to obligations issued or guaranteed by the governments of Western Europe (United Kingdom, France, Germany, Belgium, the Netherlands, Italy, Switzerland), Scandinavia (Denmark, Norway, Sweden), Australia, Japan and Canada. Generally, such obligations may be subject to the additional risks described in paragraph 1 above in connection with the purchase of non-U.S. bank obligations.
- (3) Commercial paper rated Prime-1 by Moody's Investors Service, Inc. ("Moody's") or A-1 by Standard & Poor's Ratings Group ("Standard & Poor's") or, if not rated, determined to be of comparable quality by the Adviser, such as unrated commercial paper issued by corporations having an outstanding unsecured debt issue currently rated Aaa by Moody's or AAA by Standard & Poor's.
- (4) Obligations of, or guaranteed by, the U.S. Government, its agencies or instrumentalities. These include issues of the U.S. Treasury, such as bills, certificates of indebtedness, notes and bonds, and issues of agencies and instrumentalities established under the authority of an Act of Congress. Some of the latter category of obligations are supported by the full faith and credit of the United States, others are supported by the right of the issuer to borrow from the U.S. Treasury, and still others are supported only by the credit of the agency or instrumentality. Examples of each of the three types of obligations described in the preceding sentence are (i) obligations guaranteed by the Export-Import Bank of the United States, (ii) obligations of the Federal National Mortgage Association, and (iii) obligations of the Student Loan Marketing Association, respectively.
- (5) Repurchase agreements, providing for resale within 397 days or less, covering obligations of, or guaranteed by, the U.S. Government, its agencies or instrumentalities which may have maturities in excess of 397 days. A repurchase agreement arises when a buyer purchases an obligation and simultaneously agrees with the vendor to resell the obligation to the vendor at an agreed-upon price and time, which is usually not more than seven days from the date of purchase. The resale price of a repurchase agreement is greater than the purchase price, reflecting an agreed-upon market rate which is effective for the period of time the buyer's funds are invested in the obligation and which is not related to the coupon rate on the purchased obligation. Obligations serving as collateral for each

repurchase agreement are delivered to the Portfolio's custodian either physically or in book entry form and the collateral is marked to market daily to ensure that each repurchase agreement is fully collateralized at all times. A buyer of a repurchase agreement runs a risk of loss if, at the time of default by the issuer, the value of the collateral securing the agreement is less than the price paid for the repurchase agreement. If the vendor of a repurchase agreement becomes bankrupt, the Portfolio might be delayed, or may incur costs or possible losses of principal and income, in selling the collateral. The Portfolio may enter into repurchase agreements only with a vendor which is a member bank of the Federal Reserve System or which is a "primary dealer" (as designated by the Federal Reserve Bank of New York) in U.S. Government obligations. The Portfolio will not enter into any repurchase agreements with the Adviser or an affiliate of the Adviser. The restrictions and procedures described above which govern the Portfolio's investment in repurchase agreements are designed to minimize the Portfolio's risk of losses in making those investments.

- (6) Asset-backed securities, which may include securities such as Certificates for Automobile Receivables ("CARS") and Credit Card Receivable Securities ("CARDS"), as well as other asset-backed securities that may be developed in the future. CARS represent fractional interests in pools of car installment loans, and CARDS represent fractional interests in pools of revolving credit card receivables. The rate of return on asset-backed securities may be affected by early prepayment of principal on the underlying loans or receivables. Prepayment rates vary widely and may be affected by changes in market interest rates. It is not possible to accurately predict the average life of a particular pool of loans or receivables. Reinvestment of principal may occur at higher or lower rates than the original yield. Therefore, the actual maturity and realized yield on asset-backed securities will vary based upon the prepayment experience of the underlying pool of loans or receivables. (See "Asset-Backed Securities.")

The Portfolio does not purchase securities which the Portfolio believes, at the time of purchase, will be subject to exchange controls or non-U.S. withholding taxes; however, there can be no assurance that such laws may not become applicable to certain of the Portfolio's investments. In the event exchange controls or non-U.S. withholding taxes are imposed with respect to any of the Portfolio's investments, the effect may be to reduce the income received by the Portfolio on such investments.

#### ASSET-BACKED SECURITIES

As set forth above, the Portfolio may purchase asset-backed securities that represent fractional interests in pools of retail installment loans, both secured (such as Certificates for Automobile Receivables) and unsecured, or leases or revolving credit receivables, both secured and unsecured (such as Credit Card Receivable Securities). These assets are generally held by a trust and payments of principal and interest or interest only are passed through



monthly or quarterly to certificate holders and may be guaranteed up to certain amounts by letters of credit issued by a financial institution affiliated or unaffiliated with the trustee or originator of the trust.

Underlying automobile sales contracts, leases or credit card receivables are subject to prepayment, which may reduce the overall return to certificate holders. Nevertheless, principal repayment rates tend not to vary much with interest rates and the short-term nature of the underlying loans, leases or receivables tends to dampen the impact of any change in the prepayment level. Certificate holders may also experience delays in payment on the certificates if the full amounts due on underlying loans, leases or receivables are not realized by the Portfolio because of unanticipated legal or administrative costs of enforcing the contracts or because of depreciation or damage to the collateral (usually automobiles) securing certain contracts, or other factors. If consistent with its investment objective and policies, the Portfolio may invest in other asset-backed securities that may be developed in the future.

#### LENDING OF SECURITIES

Consistent with applicable regulatory requirements and in order to generate income, the Portfolio may lend its securities to broker-dealers and other institutional borrowers. Such loans will usually be made only to member banks of the U.S. Federal Reserve System and to member firms of the New York Stock Exchange (and subsidiaries thereof). Loans of securities would be secured continuously by collateral in cash, cash equivalents, or U.S. Treasury obligations maintained on a current basis at an amount at least equal to the market value of the securities loaned. The cash collateral would be invested in high quality short-term instruments. The Portfolio would have the right to call a loan and obtain the securities loaned at any time on customary industry settlement notice (which will not usually exceed five days). During the existence of a loan, the Portfolio would continue to receive the equivalent of the interest or dividends paid by the issuer on the securities loaned and would also receive compensation based on investment of the collateral. The Portfolio would not, however, have the right to vote any securities having voting rights during the existence of the loan, but would call the loan in anticipation of an important vote to be taken among holders of the securities or of the giving or withholding of its consent on a material matter affecting the investment. As with other extensions of credit, there are risks of delay in recovery or even loss of rights in the collateral should the borrower fail financially. However, the loans would be made only to entities deemed by the Adviser to be of good standing, and when, in the judgment of the Adviser, the consideration which can be earned currently from loans of this type justifies the attendant risk. If the Adviser determines to make loans, it is not intended that the value of the securities loaned by the Portfolio would exceed 33 1/3% of the value of its net assets.

#### INVESTMENT RESTRICTIONS

The Portfolio has adopted the following policies which may not be changed without approval by holders of a "majority of the outstanding shares" of the Portfolio, which as used in this Registration Statement means the vote of the

lesser of (i) 67% or more of the outstanding "voting securities" of the Portfolio present at a meeting, if the holders of more than 50% of the outstanding "voting securities" of the Portfolio are present or represented by proxy, or (ii) more than 50% of the outstanding "voting securities" of the Portfolio. The term "voting securities" as used in this paragraph has the same meaning as in the 1940 Act.

The Portfolio may not:

(1) borrow money, except that as a temporary measure for extraordinary or emergency purposes the Portfolio may borrow from banks in an amount not to exceed 1/3 of the value of its net assets, including the amount borrowed from banks (moreover, the Portfolio will not purchase any securities at any time at which borrowings exceed 5% of its total assets (taken at market value)) (it is intended that the Portfolio would borrow money only from banks and only to accommodate requests for the withdrawal of all or a portion of a beneficial interest in the Portfolio while effecting an orderly liquidation of securities); for additional related restrictions, see clause (i) under the caption "Non-Fundamental Restrictions" below;

(2) purchase any security or evidence of interest therein on margin, except that the Portfolio may obtain such short term credit as may be necessary for the clearance of purchases and sales of securities;

(3) underwrite securities issued by other persons and except insofar as the Portfolio may technically be deemed an underwriter under the Securities Act of 1933 in selling a security;

(4) make loans to other persons except (a) through the lending of securities held by the Portfolio, but not in excess of 33 1/3% of the Portfolio's net assets, (b) through the use of fixed time deposits or repurchase agreements or the purchase of short term obligations, or (c) by purchasing all or a portion of an issue of debt securities of types commonly distributed privately to financial institutions; for purposes of this paragraph 4 the purchase of short term commercial paper or a portion of an issue of debt securities which are part of an issue to the public shall not be considered the making of a loan; for additional related restrictions, see clause (x) under the caption "Non-Fundamental Restrictions" below;

(5) purchase or sell real estate (including limited partnership interests but excluding securities secured by real estate or interests therein), interests in oil, gas or mineral leases, commodities or commodity contracts in the ordinary course of business (the Portfolio reserves the freedom of action to hold and to sell real estate acquired as a result of the ownership of securities by the Portfolio);

(6) concentrate its investments in any particular industry, but if it is

deemed appropriate for the achievement of its investment objective, up to 25% of the assets of the Portfolio (taken at market value at the time of each investment) may be invested in any one industry, except that the Portfolio will invest at least 25% of its assets and may invest up to 100% of its assets in bank obligations; or

(7) issue any senior security (as that term is defined in the 1940 Act) if such issuance is specifically prohibited by the 1940 Act or the rules and regulations promulgated thereunder, except as appropriate to evidence a debt incurred without violating Investment Restriction (1) above.

NON-FUNDAMENTAL RESTRICTIONS: The Portfolio does not as a matter of operating policy:

(i) borrow money for any purpose in excess of 10% of its total assets (taken at cost),

(ii) pledge, mortgage or hypothecate for any purpose in excess of 10% of its net assets (taken at market value),

(iii) sell any security which it does not own unless by virtue of its ownership of other securities the Portfolio has at the time of sale a right to obtain securities, without payment of further consideration, equivalent in kind and amount to the securities sold; provided, that if such right is conditional the sale is made upon the same conditions,

(iv) invest for the purpose of exercising control or management,

(v) purchase securities issued by any registered investment company except by purchase in the open market where no commission or profit to a sponsor or dealer results from such purchase other than the customary broker's commission or except when such purchase, though not made in the open market, is part of a plan of merger or consolidation; provided, however, that the Portfolio will not purchase the securities of any registered investment company if such purchase at the time thereof would cause more than 10% of its total assets (taken at the greater of cost or market value) to be invested in the securities of such issuers or would cause more than 3% of the outstanding voting securities of any such issuer to be held by the Portfolio; and provided, further, that the Portfolio shall not purchase securities issued by any open-end investment company,

(vi) taken together with any investments described in clause (x) below, invest more than 10% of its net assets in securities that are not readily marketable, including debt securities for which there is no established market and fixed time deposits and repurchase agreements maturing in more than seven days,

(vii) purchase securities of any issuer if such purchase at the time thereof would cause the Portfolio to hold more than 10% of any class of

securities of such issuer, for which purposes all indebtedness of an issuer shall be deemed a single class,

(viii) purchase or retain any securities issued by an issuer any of whose officers, directors, trustees or security holders is an officer or Trustee of the Portfolio, or is an officer or director of the Adviser, if after the purchase of the securities of such issuer by the Portfolio one or more of such persons owns beneficially more than 1/2 of 1% of the shares or securities, or both, all taken at market value, of such issuer, and such persons owning more than 1/2 of 1% of such shares or securities together own beneficially more than 5% of such shares or securities, or both, all taken at market value,

(ix) write, purchase or sell any put or call option or any combination thereof,

(x) taken together with any investments described in clause (vi) above, invest in securities which are subject to legal or contractual restrictions on resale (other than fixed time deposits and repurchase agreements maturing in not more than seven days) if, as a result thereof, more than 10% of the net assets (taken at market value) would be so invested (including fixed time deposits and repurchase agreements maturing in more than seven days),

(xi) purchase securities of any issuer if such purchase at the time thereof would cause more than 10% of the voting securities of such issuer to be held by the Portfolio, or

(xii) make short sales of securities or maintain a short position, unless at all times when a short position is open it owns an equal amount of such securities or securities convertible into or exchangeable, without payment of any further consideration, for securities of the same issue as, and equal in amount to, the securities sold short, and unless not more than 10% of the net assets of the Portfolio (taken at market value) is held as collateral for such sales at any one time. (The Portfolio does not presently intend to make such sales.)

These policies are not fundamental and may be changed by the Portfolio without the approval of the investors in the Portfolio.

**PERCENTAGE AND RATING RESTRICTIONS:** If a percentage or a rating restriction on investment or utilization of assets set forth above or referred to elsewhere in this Registration Statement is adhered to at the time an investment is made or assets are so utilized, a later change in percentage resulting from changes in the value of the securities held by the Portfolio or a later change in the rating of a security held by the Portfolio is not considered a violation of policy.

Item 14. Management of the Portfolio.

The Trustees and officers of the Portfolio and their principal occupations

during the past five years are set forth below. Their titles may have varied during that period. Asterisks indicate that those Trustees and officers are "interested persons" (as defined in the 1940 Act) of the Portfolio. Unless otherwise indicated below, the address of each Trustee and officer is 6 St. James Avenue, Boston, Massachusetts. The address of the Portfolio is Elizabethan Square, George Town, Grand Cayman, Cayman Islands, British West Indies.

#### TRUSTEES

ELLIOTT J. BERV (aged 53) - Chairman and Director, Catalyst, Inc. (Management Consultants) (since August, 1992); President, Chief Operating Officer and Director, Deven International, Inc. (International Consultants) (June, 1991 to July, 1992); President and Director, Elliott J. Berv & Associates (Management Consultants) (since May, 1984). His address is 15 Stornoway Drive, Cumberland Foreside, Maine.

PHILIP W. COOLIDGE\* (aged 45) - President of the Portfolio; Chairman, Chief Executive Officer and President, Signature Financial Group, Inc. and The Landmark Funds Broker-Dealer Services, Inc. (since December, 1988).

MARK T. FINN (aged 53) - President and Director, Delta Financial, Inc. (since June, 1983); Chairman of the Board and Chief Executive Officer, FX 500 Ltd. (Commodity Trading Advisory Firm) (since April, 1990); Director, Vantage Consulting Group, Inc. (since October, 1988). His address is 3500 Pacific Avenue, P.O. Box 539, Virginia Beach, Virginia.

WALTER E. ROBB, III (aged 70) - President, Benchmark Advisors, Inc. (Corporate Financial Advisors) (since 1989); Trustee of certain registered investment companies in the MFS Family of Funds. His address is 35 Farm Road, Sherborn, Massachusetts.

#### OFFICERS

PHILIP W. COOLIDGE\* (aged 45) - President of the Portfolio; Chairman, Chief Executive Officer and President, Signature Financial Group, Inc. and The Landmark Funds Broker-Dealer Services, Inc. (since December, 1988).

SAMANTHA M. BURGESS\* (aged 27) - Assistant Secretary and Assistant Treasurer of the Portfolio; Assistant Vice President, Signature Financial Group, Inc. (since November, 1995); Graduate Student, Loyola University (prior to August, 1995).

CHRISTINE A. DRAPEAU\* (aged 26) - Assistant Secretary and Assistant Treasurer of the Portfolio; Assistant Vice President, Signature Financial Group, Inc. (since January, 1996); Paralegal and Compliance Officer, various financial companies (July, 1992 to January, 1996); Graduate Student, Bentley College (prior to December, 1994).

JOHN R. ELDER\* (aged 48) - Treasurer of the Portfolio; Vice President, Signature Financial Group, Inc. (since April, 1995); Treasurer, The Landmark Funds Broker-Dealer Services, Inc. (since April, 1995); Treasurer, Phoenix Family of Mutual Funds (Phoenix Home Life Mutual Insurance Company) (1983 to March, 1995).

LINDA T. GIBSON\* (aged 31) - Secretary of the Portfolio; Vice President, Signature Financial Group, Inc. (since May, 1992); Assistant Secretary, The Landmark Funds Broker-Dealer Services, Inc. (since October, 1992); Law Student, Boston University School of Law (September, 1989 to May, 1992).

JOAN R. GULINELLO\* (aged 41) - Assistant Secretary and Assistant Treasurer of the Portfolio; Vice President, Signature Financial Group, Inc. (since October, 1993); Secretary, The Landmark Funds Broker-Dealer Services, Inc. (since October, 1995); Vice President and Assistant General Counsel, Massachusetts Financial Services Company (prior to October, 1993).

JAMES E. HOOLAHAN\* (aged 49) - Vice President, Assistant Secretary and Assistant Treasurer of the Portfolio; Senior Vice President, Signature Financial Group, Inc.

SUSAN JAKUBOSKI\* (aged 32) - Vice President, Assistant Secretary and Assistant Treasurer of the Portfolio; Vice President, Signature Financial Group (Cayman), Ltd. (since August, 1994); Senior Fund Administrator, Signature Financial Group, Inc. (since August, 1994); Assistant Treasurer, Signature Broker-Dealer Services, Inc. (since September, 1994); Fund Compliance Administrator, Concord Financial Group (November, 1990 to August, 1994). Her address is Elizabethan Square, George Town, Grand Cayman, Cayman Islands, BWI.

MOLLY S. MUGLER\* (aged 45) - Assistant Secretary and Assistant Treasurer of the Portfolio; Vice President, Signature Financial Group, Inc.; Assistant Secretary, The Landmark Funds Broker-Dealer Services, Inc. (since December, 1988).

KARYN A. NOKE\* (aged 25) - Vice President, Assistant Secretary and Assistant Treasurer of the Portfolio; Vice President, Signature Financial Group (Cayman), Ltd. (since September, 1996); Assistant Vice President, Signature Financial Group, Inc. (May, 1993 to August, 1996); Student, University of Massachusetts (prior to May, 1993).

SHARON M. WHITSON\* (aged 48) - Assistant Secretary and Assistant Treasurer of the Portfolio; Assistant Vice President, Signature Financial Group, Inc. (since November, 1992); Associate Trader, Massachusetts Financial Services Company (prior to November, 1992).

JULIE J. WYETZNER\* (aged 37) - Vice President, Assistant Secretary and Assistant Treasurer of the Portfolio; Vice President, Signature Financial Group, Inc.

The Trustees and officers of the Portfolio also hold comparable positions

with certain other funds for which Signature Financial Group (Cayman), Ltd. ("SFG"), the Portfolio's administrator and a wholly-owned subsidiary of Signature Financial Group, Inc., or an affiliate serves as the distributor or administrator. Mr. Coolidge is also a Trustee of Landmark Funds III, Landmark Premium Funds and Landmark Institutional Trust, open-end investment companies, series of each of which are investors in the Portfolio, and each officer of the Portfolio holds the same position with those investment companies. Each officer of the Portfolio holds similar positions with Excelsior Funds, an open-end registered investment company, a series of which is an investor in the Portfolio.

The Trustees of the Portfolio (with the exception of Mr. Coolidge, who received no remuneration from the Portfolio) received the following remuneration from the Portfolio during its fiscal year ended August 31, 1996:

NAME OF PERSON, POSITION -----	AGGREGATE COMPENSATION FROM REGISTRANT -----	PENSION OR RETIREMENT BENEFITS ACCRUED AS PART OF FUND EXPENSES -----	ESTIMATED ANNUAL BENEFITS UPON RETIREMENT -----	TOTAL COMPENSATION FROM REGISTRANT AND FUND COMPLEX PAID TO TRUSTEES (1) -----
Elliott J. Berv, Trustee	\$4,820.78	--	--	\$42,000.00
Mark T. Finn, Trustee	\$4,072.98	--	--	\$42,000.00
Walter E. Robb, III, Trustee	\$7,495.67	--	--	\$46,500.00

-----  
(1) Messrs. Coolidge, Berv, Finn and Robb are trustees of 28, 12, 14 and 12 funds, respectively, of the Landmark Family of Funds.

The Portfolio's Declaration of Trust provides that it will indemnify its Trustees and officers against liabilities and expenses incurred in connection with litigation in which they may be involved because of their offices with the Portfolio, unless, as to liability to the Portfolio or its investors, it is finally adjudicated that they engaged in willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in their offices, or unless with respect to any other matter it is finally adjudicated that they did not act in good faith in the reasonable belief that their actions were in the best interests of the Portfolio. In the case of settlement, such indemnification will not be provided unless it has been determined by a court or other body approving the settlement or other disposition, or by a reasonable determination, based upon a review of readily available facts, by vote of a majority of disinterested Trustees or in a written opinion of independent counsel, that such

officers or Trustees have not engaged in willful misfeasance, bad faith, gross negligence or reckless disregard of their duties.

Item 15. Control Persons and Principal Holders of Securities.

Landmark Cash Reserves (a series of Landmark Funds III), Premium Liquid Reserves (a series of Landmark Premium Funds), Landmark Institutional Liquid Reserves (a series of Landmark Institutional Trust) and Excelsior Institutional Money Fund (a series of Excelsior Funds) (collectively, the "Funds") and Citi Liquid Reserves, Ltd., Citi Premium Liquid Reserves, Ltd., Citi Institutional Liquid Reserves, Ltd. and Citi Institutional Liquidity Fund PLC USD II (collectively, the "Citi Funds") own all of the beneficial interests in the Portfolio. The following is a list of the record holders of beneficial interests in the Portfolio:

NAME OF RECORD HOLDER	BENEFICIAL INTEREST (as of 12/16/96)
Landmark Cash Reserves	25.65%
Premium Liquid Reserves	6.28%
Landmark Institutional Liquid Reserves	28.87%
Excelsior Institutional Money Market Fund	5.58%
Citi Liquid Reserves, Ltd.	0.38%
Citi Premium Liquid Reserves, Ltd.	0.91%
Citi Institutional Liquid Reserves, Ltd.	31.96%
Citi Institutional Liquidity Fund PLC USD II	0.37%

The Funds are registered investment companies which have informed the Portfolio that whenever requested to vote on matters pertaining to the Portfolio, each will hold a meeting of shareholders and will cast its vote as instructed by its shareholders.

Item 16. Investment Advisory and Other Services.

Citibank manages the assets of the Portfolio pursuant to an investment advisory agreement (the "Advisory Agreement"). Subject to such policies as the Board of Trustees of the Portfolio may determine, the Adviser manages the securities of the Portfolio and makes investment decisions for the Portfolio. The Adviser furnishes at its own expense all services, facilities and personnel necessary in connection with managing the Portfolio's investments and effecting securities transactions for the Portfolio. The Advisory Agreement will continue in effect as long as such continuance is specifically approved at least annually by the Board of Trustees of the Portfolio or by a vote of a majority of the outstanding voting securities of the Portfolio, and, in either case, by a majority of the Trustees of the Portfolio who are not parties to the Advisory



Agreement or interested persons of any such party, at a meeting called for the purpose of voting on the Advisory Agreement.

The Advisory Agreement provides that the Adviser may render services to others. The Advisory Agreement is terminable without penalty on not more than 60 days' nor less than 30 days' written notice by the Portfolio when authorized either by a vote of a majority of the outstanding voting securities of the Portfolio or by a vote of a majority of its Board of Trustees, or by the Adviser on not more than 60 days' nor less than 30 days' written notice, and will automatically terminate in the event of its assignment. The Advisory Agreement provides that neither the Adviser nor its personnel shall be liable for any error of judgment or mistake of law or for any loss arising out of any investment or for any act or omission in the execution of security transactions for the Portfolio, except for willful misfeasance, bad faith or gross negligence or reckless disregard of its or their obligations and duties under the Advisory Agreement.

Part A of this Registration Statement contains a description of the fees payable to the Adviser for services under the Advisory Agreement. For the fiscal years ended August 31, 1994, August 31, 1995 and August 31, 1996, the fees payable to the Adviser under the Advisory Agreement were \$1,806,314, \$4,097,854 and \$6,140,512, respectively (of which \$943,419, \$2,306,161 and \$3,426,821, respectively, were voluntarily waived).

The Portfolio has adopted an Administrative Services Plan (the "Administrative Plan") which provides that the Portfolio may obtain the services of an administrator, a transfer agent and a custodian, and may enter into agreements providing for the payment of fees for such services. Under the Administrative Plan, the administrative services fee payable to SFG may not exceed 0.05% of the Portfolio's average daily net assets on an annualized basis for its then-current fiscal year. The Administrative Plan continues in effect if such continuance is specifically approved at least annually by a vote of both a majority of the Portfolio's Trustees and a majority of the Portfolio's Trustees who are not "interested persons" of the Portfolio and who have no direct or indirect financial interest in the operation of the Administrative Plan or in any agreement related to such Plan ("Qualified Trustees"). The Administrative Plan requires that the Portfolio provide to its Board of Trustees and the Board of Trustees review, at least quarterly, a written report of the amounts expended (and the purposes therefor) under the Administrative Plan. The Administrative Plan may be terminated at any time by a vote of a majority of the Portfolio's Qualified Trustees or by a vote of a majority of the outstanding voting securities of the Portfolio. The Administrative Plan may not be amended to increase materially the amount of permitted expenses thereunder without the approval of a majority of the outstanding voting securities of the Portfolio and may not be materially amended in any case without a vote of the majority of both the Trustees and the Qualified Trustees.

Pursuant to an Administrative Services Agreement (the "Administrative Services Agreement"), SFG provides the Portfolio with general office facilities

and supervises the overall administration of the Portfolio, including, among other responsibilities, the negotiation of contracts and fees with, and the monitoring of performance and billings of, the independent contractors and agents of the Portfolio; preparation and filing of all documents required for compliance by the Portfolio with applicable laws and regulations; and arranging for the maintenance of books and records of the Portfolio. The Administrator provides persons satisfactory to the Board of Trustees of the Portfolio to serve as officers of the Portfolio. Such officers, as well as certain other employees and Trustees of the Portfolio, may be directors, officers or employees of the Administrator or its affiliates.

The Administrative Services Agreement continues in effect if such continuance is specifically approved at least annually by the Portfolio's Board of Trustees or by a vote of a majority of the outstanding voting securities of the Portfolio and, in either case, by a majority of the Trustees of the Portfolio who are not parties to the Administrative Services Agreement or interested persons of any such party. The Administrative Services Agreement terminates automatically if it is assigned and may be terminated without penalty by a vote of a majority of the outstanding voting securities in the portfolio or by either party on not more than 60 days' nor less than 30 days; written notice. The Administrative Services Agreement also provides that neither SFG, as the Administrator, nor its personnel shall be liable for any error of judgment or mistake of law or for any act or omission in the administration or management of the portfolio, except for willful misfeasance, bad faith or gross negligence in the performance of its or their duties or by reason of reckless disregard of its or their obligations and duties under the Administrative Services Agreement. The Administrative Services Agreement was most recently approved by the Portfolio's Board of Trustees on May 3, 1996.

For its services under the Administrative Services Agreement, SFG receives a fee accrued daily and paid monthly of 0.05% of the assets of the Portfolio. For the fiscal years ended August 31, 1994, August 31, 1995 and August 31, 1996, the fees payable to SFG under the Administrative Services Agreement were \$602,105, \$1,365,951 and \$2,046,838, respectively (all of which were voluntarily waived).

The Administrative Services Agreement provides that SFG may render administrative services to others.

SFG is a wholly-owned subsidiary of Signature Financial Group, Inc.

Pursuant to a sub-administrative services agreement, Citibank performs such sub-administrative duties for the Portfolio as are from time to time agreed upon by Citibank and SFG. Citibank's sub-administrative duties may include providing equipment and clerical personnel necessary for maintaining the organization of the Portfolio, participation in the preparation of documents required for compliance by the Portfolio with applicable laws and regulations, preparation of certain documents in connection with meetings of Trustees and investors in the Portfolio, and other functions which would otherwise be

performed by SFG as set forth above. For performing such sub-administrative services, Citibank receives such compensation as is from time to time agreed upon by SFG and Citibank not in excess of the amount paid to SFG for its services under the Administrative Services Agreement discussed above (i.e., not more than 0.05% per annum of the average daily net assets of the Portfolio). All such compensation is paid by SFG.

The Portfolio has entered into a Transfer Agency Agreement and a Custodian Agreement with State Street Bank and Trust Company ("State Street") pursuant to which State Street acts as custodian and State Street Canada acts as transfer agent and provides fund accounting services for the Portfolio. The principal business address of State Street is 225 Franklin Street, Boston, Massachusetts and the principal business address of State Street Canada is 40 King Street West, Suite 5700, Toronto, Ontario, Canada.

Price Waterhouse are the independent certified public accountants for the Portfolio, providing audit services, and assistance and consultation with respect to the preparation of filings with the Securities and Exchange Commission. The principal business address of Price Waterhouse is Suite 3000, Box 190, 1 First Canadian Place, Toronto, Ontario M5X 1H7.

#### Item 17. Brokerage Allocation and Other Practices.

The Portfolio's purchases and sales of securities usually are principal transactions. Securities are normally purchased directly from the issuer or from an underwriter or market maker for the securities. There usually are no brokerage commissions paid for such purchases. The Portfolio does not anticipate paying brokerage commissions. Any transaction for which the Portfolio pays a brokerage commission will be effected at the best price and execution available. Purchases from underwriters of securities include a commission or concession paid by the issuer to the underwriter, and purchases from dealers serving as market makers include the spread between the bid and asked price.

Allocation of transactions, including their frequency, to various dealers is determined by the Adviser in its best judgment and in a manner deemed to be in the best interest of the investors in the Portfolio rather than by any formula. The primary consideration is prompt execution of orders in an effective manner at the most favorable price.

Investment decisions for the Portfolio are made independently from those for any other account or investment company that is or may in the future become managed by the Adviser or its affiliates. If, however, the Portfolio and other investment companies or accounts managed by the Adviser are contemporaneously engaged in the purchase or sale of the same security, the transactions may be averaged as to price and allocated equitably to each account. In some cases, this policy might adversely affect the price paid or received by the Portfolio or the size of the position obtainable for the Portfolio. In addition, when purchases or sales of the same security for the Portfolio and for other investment companies or accounts managed by the Adviser occur contemporaneously, the purchase or sale orders may be aggregated in order to obtain any price advantages available to large denomination purchases or sales.

No transactions are executed with the Adviser or an affiliate of the Adviser, in any case acting either as principal or as broker.

Item 18. Capital Stock and Other Securities.

Under the Declaration of Trust, the Trustees are authorized to issue beneficial interests in the Portfolio. Investors are entitled to participate pro rata in distributions of taxable income, loss, gain and credit of the Portfolio. Upon liquidation or dissolution of the Portfolio, investors are entitled to share pro rata in the Portfolio's net assets available for distribution to its investors. Investments in the Portfolio have no preference, pre-emptive, conversion or similar rights and are fully paid and non-assessable, except as set forth below. Investments in the Portfolio may not be transferred. Certificates representing an investor's beneficial interest in the Portfolio are issued only upon the written request of an investor.

Each investor is entitled to a vote in proportion to the value of its investment in the Portfolio. Investors in the Portfolio do not have cumulative voting rights, and investors holding more than 50% of the aggregate beneficial interest in the Portfolio may elect all of the Trustees of the Portfolio if they choose to do so and in such event the other investors in the Portfolio would not be able to elect any Trustee. The Portfolio is not required and has no current intention to hold annual meetings of investors but the Portfolio will hold special meetings of investors when in the judgment of the Portfolio's Trustees it is necessary or desirable to submit matters for an investor vote. No material amendment may be made to the Portfolio's Declaration of Trust without the vote of a majority of the Portfolio's outstanding voting securities.

The Portfolio may enter into a merger or consolidation, or sell all or substantially all of its assets, if approved by a vote of two-thirds of the Portfolio's outstanding voting securities. The Portfolio may also be terminated (i) by a vote of two-thirds of the Portfolio's outstanding voting securities or (ii) by the Trustees of the Portfolio by written notice to the holders of the Portfolio's outstanding voting securities.

The Portfolio is organized as a trust under the laws of the State of New York. Investors in the Portfolio are personally liable for its obligations and liabilities, subject, however, to indemnification by the Portfolio in the event that there is imposed upon an investor a greater portion of the liabilities and obligations of the Portfolio than its proportionate beneficial interest in the Portfolio. The Declaration of Trust also provides that the Portfolio shall maintain appropriate insurance (for example, fidelity bonding and errors and omissions insurance) for the protection of the Portfolio, its investors, Trustees, officers, employees and agents covering possible tort and other liabilities. Thus, the risk of an investor incurring financial loss on account of investor liability is limited to circumstances in which both inadequate insurance existed and the Portfolio itself was unable to meet its obligations. It is not expected that the liabilities of the Portfolio would ever exceed its assets.

The Portfolio's Declaration of Trust further provides that obligations of the Portfolio are not binding upon the Trustees individually, but only upon the property of the Portfolio and that the Trustees will not be liable for any action or failure to act, but nothing in the Declaration of Trust protects a Trustee against any liability to which he would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of his office.

Each investor in the Portfolio may add to or reduce its investment in the Portfolio on each business day. At 3:00 p.m., Eastern time, on each such business day, the value of each investor's interest in the Portfolio is determined by multiplying the net asset value of the Portfolio by the percentage representing that investor's share of the aggregate beneficial interests in the Portfolio effective for that day. Any additions or withdrawals, which are to be effected on that day, are then effected. The investor's percentage of the aggregate beneficial interests in the Portfolio is then re-computed as the percentage equal to the fraction (i) the numerator of which is the value of such investor's investment in the Portfolio as of 3:00 p.m., Eastern time, on such day plus or minus, as the case may be, the amount of any additions to or withdrawals from the investor's investment in the Portfolio effected on such day, and (ii) the denominator of which is the aggregate net asset value of the Portfolio 3:00 p.m., Eastern time, on such day plus or minus, as the case may be, the amount of the net additions to or withdrawals from the aggregate investments in the Portfolio by all investors in the Portfolio. The percentage so determined is then applied to determine the value of the investor's interest in the Portfolio as of 3:00 p.m., Eastern time, on the following business day of the Portfolio.

#### Item 19. Purchase, Redemption and Pricing of Securities.

Beneficial interests in the Portfolio are issued solely in private placement transactions which do not involve any "public offering" within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). Investments in the Portfolio may only be made by investment companies, insurance company separate accounts, common or commingled trust funds or similar organizations or entities which are "accredited investors" within the meaning of Regulation D under the 1933 Act. This registration statement does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" within the meaning of the 1933 Act.

The Portfolio determines its net asset value as of 3:00 p.m., Eastern time, on each day on which the New York Stock Exchange is open for trading. As of the date of this Registration Statement, the New York Stock Exchange will be open for trading every weekday except for the following holidays (or the days on which they are observed): New Year's Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Purchases and withdrawals will be effected at the time of determination of net asset value next following the receipt of any purchase or withdrawal order.

The securities held by the Portfolio are valued at their amortized cost. Amortized cost valuation involves valuing an instrument at its cost and

thereafter assuming a constant amortization to maturity of any discount or premium. If fluctuating interest rates or other factors cause the market value of the securities held by the Portfolio to deviate more than 1/2 of 1% from their value determined on the basis of amortized cost, the Portfolio's Board of Trustees will consider whether any action should be initiated, as described in the following paragraph. Although the amortized cost method provides certainty in valuation, it may result in periods during which the stated value of an instrument is higher or lower than the price an investment company would receive if the instrument were sold.

Pursuant to the rules of the Securities and Exchange Commission, the Portfolio's Board of Trustees has established procedures to stabilize the value of the Portfolio's net assets within 1/2 of 1% of the value determined on the basis of amortized cost. These procedures include a review of the extent of any such deviation of net asset value, based on available market quotations. Should that deviation exceed 1/2 of 1%, the Portfolio's Board of Trustees will consider whether any action should be initiated to eliminate or reduce material dilution or other unfair results to the investors in the Portfolio. Such action may include withdrawal in kind, selling securities prior to maturity and utilizing a net asset value as determined by using available market quotations. The Portfolio maintains a dollar-weighted average maturity of 90 days or less, does not purchase any instrument with a remaining maturity greater than 397 days or subject to a repurchase agreement having a duration of greater than 397 days, limits its investments, including repurchase agreements, to those U.S. dollar-denominated instruments that have been determined by the Adviser to present minimal credit risk and comply with certain reporting and recordkeeping procedures. The Portfolio has also established procedures to ensure that securities purchased by it meet its high quality criteria. See "Investment Objective and Policies."

Subject to compliance with applicable regulations, the Portfolio has reserved the right to pay the redemption price of beneficial interests in the Portfolio, either totally or partially, by a distribution in kind of readily marketable securities (instead of cash). The securities so distributed would be valued at the same amount as that assigned to them in calculating the net asset value for the beneficial interests being redeemed. If a holder of beneficial interests received a distribution in kind, such holder could incur brokerage or other charges in converting the securities to cash.

The Portfolio may suspend the right of redemption or postpone the date of payment for beneficial interests in the Portfolio more than seven days during any period when (a) trading in the markets the Portfolio normally utilizes is restricted, or an emergency, as defined by the rules and regulations of the Securities and Exchange Commission exists making disposal of the Portfolio's investments or determination of its net asset value not reasonably practicable; (b) the New York Stock Exchange is closed (other than customary weekend and holiday closings); or (c) the Securities and Exchange Commission has by order permitted such suspension.

Item 20. Tax Status.

The Portfolio is organized as a trust under New York law. The Portfolio has determined, on the basis of a ruling of the Internal Revenue Service, that it is properly treated as a partnership for federal income tax purposes. Accordingly, the Portfolio is not subject to any federal income tax, but each investor in the Portfolio must take into account its share of the Portfolio's ordinary income, expenses, capital gains or losses, credits and other items in determining its income tax liability. The determination of such share is made in accordance with the governing instruments of the Portfolio and the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder.

The Portfolio's tax year-end is August 31. Although, as described above, the Portfolio is not subject to federal income tax, it files appropriate federal income tax returns.

The Portfolio believes that, in the case of an investor in the Portfolio that seeks to qualify as a regulated investment company ("RIC") under the Code, the investor should be treated for federal income tax purposes as an owner of an undivided interest in the assets and operations of the Portfolio, and accordingly should be deemed to own a proportionate share of each of the assets of the Portfolio and should be entitled to treat as earned by it the portion of the Portfolio's gross income attributable to that share. The Portfolio also believes that each such investor should be deemed to hold its proportionate share of the Portfolio's assets for the period the Portfolio has held the assets or for the period the investor has been a partner in the Portfolio, whichever is shorter. Each such investor should consult its tax advisers regarding whether, in light of its particular tax status and any special tax rules applicable to it, this approach applies to its investment in the Portfolio, or whether the Portfolio should be treated, as to it, as a separate entity as to which the investor has no direct interest in Portfolio assets or operations.

In order to enable an investor in the Portfolio that is otherwise eligible to qualify as a RIC under the Code to so qualify, the Portfolio intends to satisfy the requirements of Subchapter M of the Code relating to the nature of the Portfolio's gross income and the composition (diversification) and holding period of the Portfolio's assets as if those requirements were directly applicable to the Portfolio, and to allocate and permit withdrawals of its net investment income and any net realized capital gains in a manner that will enable an investor that is a RIC to comply with the qualification requirements imposed by Subchapter M of the Code.

The Portfolio will allocate at least annually among its investors each investor's distributive share of the Portfolio's net investment income (including net investment income derived from interest on U.S. Treasury obligations), net realized capital gains, and any other items of income, gain, loss, deduction, or credit in a manner intended to comply with the Code and applicable Treasury regulations.

To the extent the cash proceeds of any withdrawal or distribution exceed

an investor's adjusted tax basis in its partnership interest in the Portfolio, the investor will generally recognize gain for federal income tax purposes. If, upon a complete withdrawal (i.e., a redemption of its entire interest in the Portfolio), the investor's adjusted tax basis in its partnership interest in the Portfolio exceeds the proceeds of the withdrawal, the investor will generally recognize a loss for federal income tax purposes. An investor's adjusted tax basis in its partnership interest in the Portfolio will generally be the aggregate price paid therefor, increased by the amounts of its distributive share of items of realized net income (including income, if any, exempt from Federal income tax) and gain, and reduced, but not below zero, by the amounts of its distributive share of items of realized net loss and the amounts of any distributions received by the investor.

Portfolio income allocated to investors that is derived from interest on obligations of the U.S. Government and certain of its agencies and instrumentalities (but generally not from capital gains realized upon the disposition of such obligations) may be exempt from state and local taxes. The Portfolio intends to advise investors of the extent, if any, to which its income consists of such interest. Investors are urged to consult their tax advisers regarding the possible exclusion of such portion of the income allocated to them by the Portfolio for state and local income tax purposes.

There are certain tax issues which will be relevant to only certain of the Portfolio's investors, specifically, investors which are segregated asset accounts and investors who contribute assets other than cash to the Portfolio. It is intended that such segregated asset accounts will be able to satisfy diversification requirements applicable to them and that such contributions of assets will not be taxable provided certain requirements are met.

The above discussion does not address the special tax rules applicable to certain classes of investors, such as tax-exempt entities, insurance companies, and financial institutions, or the state, local, or non-United States tax laws that may be applicable to certain investors. Investors should consult their own tax advisers with respect to the special tax rules that may apply in their particular situations, as well as the state, local, or foreign tax consequences to them of investing in the Portfolio.

Item 21. Underwriters.

The exclusive placement agent for the Portfolio is The Landmark Funds Broker-Dealer Services, Inc., which receives no compensation for serving in this capacity. Investment companies, insurance company separate accounts, common and commingled trust funds and similar organizations and entities may continuously invest in the Portfolio.

Item 22. Calculations of Performance Data.

Not applicable.



Item 23. Financial Statements.

The financial statements contained in the Annual Report of the Portfolio, as filed with the Securities and Exchange Commission on October 29, 1996 (Accession Number 0000950156-96-000851), for the fiscal year ended August 31, 1996 are incorporated by reference into this Statement of Additional Information.

A copy of the Annual Report of the Portfolio accompanies this Statement of Additional Information.

PART C

Item 24. Financial Statements and Exhibits.

(a) FINANCIAL STATEMENTS INCLUDED IN PART A:

Not applicable.

FINANCIAL STATEMENTS INCLUDED IN PART B:

Portfolio of Investments at August 31, 1996\*

Statement of Assets and Liabilities at August 31, 1996\*

Statement of Operations for the year ended August 31, 1996\*

Statement of Changes in Net Assets for the years ended August 31, 1996 and August 31, 1995\*

Financial Highlights for each of the years in the five-year period ended August 31, 1996\*

Notes to Financial Statements - August 31, 1996\*

Independent Auditors' Report - October 9, 1996\*

-----  
\* Incorporated herein by reference to the Annual Report of the Registrant for the fiscal year ended August 31, 1996, filed with the Securities and Exchange Commission on the EDGAR system on October 29, 1996 (Accession Number 0000950156-96-000851).

(b) EXHIBITS:

1(a)	Amended and Restated Declaration of Trust of the Registrant
* 1(b) and filed herewith	Amendments to the Declaration of Trust of the Registrant
2	By-laws of the Registrant
5	Investment Advisory Agreement between the Registrant and Citibank, N.A., as investment adviser
6	Placement Agency Agreement between the Registrant and The Landmark Funds Broker-Dealer Services, Inc., as exclusive placement agent
7	Custodian Contract between the Registrant and State Street Bank and Trust Company, as custodian
9(a)	Transfer Agency and Service Agreement between the Registrant and State Street Bank and Trust Company, as transfer agent
9(b)	Amended and Restated Administrative Services Plan of the Registrant
9(c)	Administrative Service Agreement between the Registrant and Signature Financial Group (Cayman), Ltd., as administrator
9(d)	Sub-Administrative Services Agreement between Signature Financial Group (Cayman), Ltd., and Citibank, N.A.
11	Consent of Price Waterhouse, independent auditors of the Registrant
27	Financial Data Schedule

-----

\* Incorporated herein by reference to Registrant's Registration Statement on Form N-1A (File No. 811-05813) as filed with the Securities and Exchange Commission on December 28, 1995.

Item 25. Persons Controlled by or under Common Control with Registrant.

Not applicable.

Item 26. Number of Holders of Securities.

(1)

(2)

## Beneficial Interests

8

## Item 27. Indemnification.

Reference is hereby made to Article V of the Registrant's Declaration of Trust, filed as an Exhibit to its Registration Statement on Form N-1A.

The Trustees and officers of the Registrant and the personnel of the Registrant's administrator are insured under an errors and omissions liability insurance policy. The Registrant and its officers are also insured under the fidelity bond required by Rule 17g-1 under the Investment Company Act of 1940.

## Item 28. Business and Other Connections of Investment Adviser.

Citibank, N.A. ("Citibank") is a commercial bank offering a wide range of banking and investment services to customers across the United States and around the world. Citibank is a wholly-owned subsidiary of Citicorp, a registered bank holding company. Citibank also serves as investment adviser to the following registered investment companies (or series thereof): The Premium Portfolios (Balanced Portfolio, Equity Portfolio, Government Income Portfolio, International Equity Portfolio, Emerging Asian Markets Equity Portfolio and Small Cap Equity Portfolio), U.S. Treasury Reserves Portfolio, Tax Free Reserves Portfolio, Asset Allocation Portfolios (Asset Allocation Portfolio 200, Asset Allocation Portfolio 300, Asset Allocation Portfolio 400 and Asset Allocation Portfolio 500), Landmark Multi-State Tax Free Funds (Landmark New York Tax Free Reserves, Landmark Connecticut Tax Free Reserves and Landmark California Tax Free Reserves), Landmark Fixed Income Funds (Landmark Intermediate Income Fund), Landmark Tax Free Income Funds (Landmark National Tax Free Income Fund and Landmark New York Tax Free Income Fund), Landmark VIP Funds (Landmark VIP U.S. Government Portfolio, Landmark VIP Balanced Portfolio, Landmark VIP Equity Portfolio and Landmark VIP International Equity Portfolio), and Variable Annuity Portfolios (CitiSelectSM VIP Folio 200, CitiSelectSM VIP Folio 300, CitiSelectSM VIP Folio 400, CitiSelectSM VIP Folio 500 and Landmark Small Cap Equity VIP Fund). As of December 31, 1995, Citibank and its affiliates managed assets in excess of \$83 billion worldwide. The principal place of business of Citibank is located at 399 Park Avenue, New York, New York 10043.

The Chairman of the Board and a Director of Citibank is John S. Reed. The following are Vice Chairmen of the Board and Directors of Citibank: Paul J. Collins, William R. Rhodes and H. Onno Ruding. Other Directors of Citibank are D. Wayne Calloway, Chairman and Chief Executive Officer, PepsiCo, Inc., Purchase, New York; Colby H. Chandler, Former Chairman and Chief Executive Officer, Eastman Kodak Company; Kenneth T. Derr, Chairman and Chief Executive Officer, Chevron Corporation; H.J. Haynes, Senior Counselor, Bechtel Group, Inc., San Francisco, California; Rozanne L. Ridgway, President, The Atlantic Council of the United States; Robert B. Shapiro,

President and Chief Operating Officer, Monsanto Company; Frank A. Shrontz, Chairman and Chief Executive Officer, The Boeing Company, Seattle, Washington; Roger B. Smith, Former Chairman and Chief Executive Officer, General Motors Corporation; Franklin A. Thomas, President, The Ford Foundation, New York, New York; and Edgar S. Woolard, Jr., Chairman and Chief Executive Officer, E.I. DuPont De Nemours & Company.

Each of the individuals named above is also a Director of Citicorp. In addition, the following persons have the affiliations indicated:

D. Wayne Calloway	Director, Exxon Corporation Director, General Electric Company Director, Pepsico, Inc.
Colby H. Chandler	Director, Digital Equipment Corporation Director, Ford Motor Company Director, J.C. Penney Company, Inc.
Paul J. Collins	Director, Kimberly-Clark Corporation
Kenneth T. Derr	Director, American Telephone and Telegraph, Co. Director, Chevron Corporation Director, Potlatch Corporation
H.J. Haynes	Director, Bechtel Group, Inc. Director, Boeing Company Director, Fremont Group, Inc. Director, Hewlett-Packard Company Director, Paccar Inc. Director, Saudi Arabian Oil Company
John S. Reed	Director, Monsanto Company Director, Philip Morris Companies Incorporated Stockholder, Tampa Tank & Welding, Inc.
William R. Rhodes	Director, Private Export Funding Corporation
Rozanne L. Ridgway	Director, 3M Director, Bell Atlantic Corporation Director, Boeing Company Director, Emerson Electric Company Member-International Advisory Board, New Perspective Fund, Inc. Director, RJR Nabisco, Inc. Director, Sara Lee Corporation

Director, Union Carbide Corporation

H. Onno Ruding  
Member, Board of Supervisory Directors,  
Amsterdam Trustee's Kantoor  
Board Member, Corning, Incorporated  
Advisor, Intercena (C&A) (Netherlands)  
Member, Board of Supervisory Directors,  
Pechiney Nederland N.V.  
Member, Board of Advisers, Robeco N.V.  
Advisory Director, Unilever N.V.  
Advisory Director, Unilever PLC

Robert B. Shapiro  
Director, G.D. Searle & Co.  
Director, Silicon Graphics  
Director, Monsanto Company  
Director, The Nutrasweet Company

Frank A. Shrontz  
Director, 3M  
Director, Baseball of Seattle, Inc.  
Director, Boeing Company  
Director, Boise Cascade Corp.

Roger B. Smith  
Director, International Paper Company  
Director, Johnson & Johnson  
Director, Pepsico, Inc.

Franklin A. Thomas  
Director, Aluminum Company of America  
Director, American Telephone and Telegraph, Co.  
Director, Cummins Engine Company, Inc.  
Director, Pepsico, Inc.

Edgar S. Woolard, Jr.  
Director, E.I. DuPont De Nemours &  
Company

Item 29. Principal Underwriters.

(a) The Landmark Funds Broker-Dealer Services, Inc. ("LFBDS"), the Registrant's Distributor, is also the distributor for Landmark International Equity Fund, Landmark Emerging Asian Markets Equity Fund, Landmark U.S. Treasury Reserves, Landmark Cash Reserves, Premium U.S. Treasury Reserves, Premium Liquid Reserves, Landmark Institutional U.S. Treasury Reserves, Landmark Institutional Liquid Reserves, Landmark Institutional Tax Free Reserves, Landmark Tax Free Reserves, Landmark California Tax Free Reserves, Landmark Connecticut Tax Free Reserves, Landmark New York Tax Free Reserves, Landmark U.S. Government Income Fund, Landmark Intermediate Income Fund, Landmark Balanced Fund, CitiSelectSM Folio 200, CitiSelectSM Folio 300, CitiSelectSM Folio 400, CitiSelectSM Folio 500, Landmark Equity Fund, Landmark Small Cap Equity Fund, Landmark National Tax

Free Income Fund, Landmark New York Tax Free Income Fund, Landmark VIP Funds (Landmark VIP U.S. Government Portfolio, Landmark VIP Balanced Portfolio, Landmark VIP Equity Portfolio and Landmark VIP International Equity Portfolio), and Variable Annuity Portfolios (CitiSelectSM VIP Folio 200, CitiSelectSM VIP Folio 300, CitiSelectSM VIP Folio 400, CitiSelectSM VIP Folio 500 and Landmark Small Cap Equity VIP Fund). LFBDS is also the placement agent for International Equity Portfolio, Balanced Portfolio, Equity Portfolio, Small Cap Equity Portfolio, Government Income Portfolio, Emerging Asian Markets Equity Portfolio, Tax Free Reserves Portfolio, Asset Allocation Portfolio 200, Asset Allocation Portfolio 300, Asset Allocation Portfolio 400, Asset Allocation Portfolio 500 and U.S. Treasury Reserves Portfolio.

(b) The information required by this Item 29 with respect to each director and officer of LFBDS is incorporated by reference to Schedule A of Form BD filed by LFBDS pursuant to the Securities and Exchange Act of 1934 (File No. 8-32417).

(c) Not applicable.

Item 30. Location of Accounts and Records.

The accounts and records of the Registrant are located, in whole or in part, at the office of the Registrant and the following locations:

NAME	ADDRESS
----	-----
Signature Financial Group (Cayman), Ltd. (administrator)	Elizabethan Square George Town Grand Cayman, Cayman Island, BWI
The Landmark Funds Broker-Dealer Services, Inc. (exclusive placement agent)	6 St. James Avenue Boston, MA 02116
State Street Canada, Inc. (transfer agent)	40 King Street West Ontario, Canada
State Street Bank and Trust company (custodian)	225 Franklin Street Boston, MA 02110
Citibank, N.A. (investment adviser)	153 East 53rd Street New York, NY 10043

Item 31. Management Services.

Not applicable.

Item 32. Undertakings.

Not applicable.

SIGNATURE

Pursuant to the requirements of the Investment Company Act of 1940, the Registrant has duly caused this Amendment to its Registration Statement on Form N-1A to be signed on its behalf by the undersigned, thereto duly authorized, in George Town, Grand Cayman, Cayman Islands, BWI, on the 27th day of December, 1996.

CASH RESERVES PORTFOLIO

By: Susan Jakuboski  
Susan Jakuboski,  
Assistant Treasurer

EXHIBIT INDEX

Exhibit No.:	Description:
1(a)	Amended and Restated Declaration of Trust of the Registrant
1(b)	Amendments to the Declaration of Trust of the Registrant
2	By-laws of the Registrant
5	Investment Advisory Agreement between the Registrant and Citibank, N.A., as investment adviser
6	Placement Agency Agreement between the Registrant and The Landmark Funds Broker-Dealer Services, Inc., as exclusive placement agent
7	Custodian Contract between the Registrant and State Street Bank and Trust Company, as custodian
9(a)	Transfer Agency and Service Agreement between the Registrant and State Street Bank and Trust Company, as transfer agent
9(b)	Amended and Restated Administrative Services Plan of the Registrant
9(c)	Administrative Service Agreement between the

Registrant and Signature Financial Group (Cayman),  
Ltd., as administrator

9(d) Sub-Administrative Services Agreement between  
Signature Financial Group (Cayman), Ltd., and  
Citibank, N.A.

11 Consent of Price Waterhouse, independent auditors of  
the Registrant

27 Financial Data Schedule



AMENDED AND RESTATED  
DECLARATION OF TRUST  
OF  
CASH RESERVES PORTFOLIO

This is an AMENDED AND RESTATED DECLARATION OF TRUST of the original Declaration of Trust of the Cash Reserves Portfolio is made this 23rd day of May, 1989 and amended and restated this 13th day of December, 1989 by the parties signatory hereto, as trustees (such persons, so long as they shall continue in office in accordance with the terms of this Declaration of Trust, and all other persons who at the time in question have been duly elected or appointed as trustees in accordance with the provisions of this Declaration of Trust and are then in office, being hereinafter called the "Trustees").

WITNESSETH

WHEREAS, the Trustees desire to form a trust fund under the law of New York for the investment and reinvestment of its assets; and

WHEREAS, it is proposed that the trust assets be composed of funds contributed thereto by the holders of interests in the trust entitled to ownership rights in the trust;

NOW, THEREFORE, the Trustees hereby declare that they will hold in trust all money and property contributed to the trust fund to manage and dispose of the same for the benefit of the holders of interests in the Trust and subject to the provisions hereof, to wit:

ARTICLE I  
The Trust

Trust 1.1. Name. The name of the trust created hereby (the Trust") shall be "Cash Reserves Portfolio", and so far as may be practicable the Trustees shall conduct the Trust's activities, execute all documents and sue or be sued under that name, which name (and the word "Trust" wherever hereinafter used) shall refer to the Trustees as Trustees, and not individually, and shall not refer to the officers, agents, employees or holders of interests in the Trust. However, should the Trustees determine that the use of the name of the Trust is not advisable, they may select such other name for the Trust as they deem proper and the Trust may hold its property and conduct its activities under such other name. Any name change shall become effective upon the execution by a majority of the then Trustees of an instrument setting forth the new name. Any such instrument shall have the status of an amendment to this Declaration.

1.2. Definitions. As used in this Declaration, the following terms shall have the following meanings:

The terms "Affiliated Person", "Assignment", "Commission", "Interested

Person" shall have the meanings given them in the 1940 Act, as amended from time to time.

"Administrator" shall mean any party furnishing services to the Trust pursuant to any administrative services contract described in Section 4.1 hereof.

"Book Capital Account" shall mean, for any Holder at any time, the Book Capital Account of the Holder for such day, determined in accordance with generally accepted accounting principles and the provisions of the 1940 Act.

"Commission" shall mean the Securities and Exchange Commission.

"Declaration" shall mean this Declaration of Trust as amended from time to time. References in this Declaration to "Declaration", "hereof", "herein" and "hereunder" shall be deemed to refer to the Declaration rather than the article or section in which such words appear.

"Fiscal Year" shall mean an annual period as determined by the Trustees.

"Holders" shall mean as of any particular time all holders of record of Interests of the Trust at such time.

"Institutional Investor(s)" shall mean the following:

(i) Regulated investment companies for which

(x) Citibank, N.A. and/or one or more of its affiliates acts as the exclusive shareholder servicing agent(s) and shares of the regulated investment companies are offered exclusively to customers of Citibank, N.A. and/or its affiliates, or

(y) Citibank, N.A. and/or one or more of its affiliates acts or, but for the Trust agreement, would act as the exclusive investment adviser for the regulated investment companies;

(ii) Section 501(a) group trusts for which Citibank, N.A. and/or one or more of its affiliates acts as a fiduciary;

(iii) Section 584 common trust funds maintained by Citibank, N.A. or an affiliate that is a bank; and,

(iv) Any similar collective investment arrangement for which Citibank, N.A. and/or one of its affiliates acts in a capacity similar to any of those described in clause (i) - (iii) above.

"Interest(s)" shall mean the interest of a Holder in the Trust, including all rights, powers and privileges accorded to Holders in this Declaration, which interest may be expressed as a percentage, determined by calculating, at such times and on such basis, as the Trustees shall from time to time determine, the ratio of each Holders' Book Capital Account balance to the total of all Holders'

Book Capital Account balances. Reference herein to a specified percentage in, or fraction of, Interests of the Holders, means Holders whose combined Book Capital Accounts represent such specified percentage or fraction of the Book Capital Accounts of all Holders.

"Investment Adviser" shall mean any party furnishing services to the Trust pursuant to any investment advisory contract described in Section 4.1 hereof.

"Majority Interests Vote" shall mean the vote, at a meeting of the Holders of the Trust, of (A) 67% or more of the Interests present or represented at such meeting, if the Holders of more than 50% of the Interests of the Trust are present or represented by proxy or (B) more than 50% of the Interests of the Trust, whichever is less.

"Person" shall mean and include the individuals, corporations, partnerships, trusts, associations, joint ventures and other entities, whether or not legal entities, and governments and agencies and political subdivisions thereof.

"Registration Statement" shall mean the currently effective Registration Statement of the Trust under the 1940 Act.

"Trustees" shall mean the signatories to this Declaration, so long as they shall continue in office in accordance with the terms hereof, and all other persons who at the time in question have been duly elected or appointed and have qualified as trustees in accordance with the provisions hereof and are then in office, who are herein referred to as the "Trustees", and reference in this Declaration of Trust to a Trustee or Trustees shall refer to such person or persons in their capacity as trustees hereunder.

"Trust Property" shall mean as of any particular time any and all property, real or personal, tangible or intangible, which at such time is owned or held by or for the account of the Trust or the Trustees.

The "1940 Act" refers to the Investment Company Act of 1940, as amended from time to time, and the rules and regulations thereunder.

## ARTICLE II Trustees

2.1. Number and Qualification. The number of Trustees shall be fixed from time to time by written instrument signed by a majority of the Trustees so fixed then in office, provided, however, that the number of Trustees shall in no event be less than three or more than fifteen. Any vacancy created by an increase in Trustees may be filled by the appointment of an individual having the qualifications described in this Article made by a written instrument signed by a majority of the Trustees then in office. Any such appointment shall not become effective, however, until the individual named in the written instrument of appointment shall have accepted in writing such appointment and agreed in writing to be bound by the terms of this Declaration. No reduction in the number of Trustees shall have the effect of removing any Trustee from office. Whenever

a vacancy in the number of Trustees shall occur, until such vacancy is filled as provided in Section 2.4 hereof, the Trustees in office, regardless of their number, shall have all the powers granted to the Trustees and shall discharge all the duties imposed upon the Trustees by this Declaration. A Trustee shall be an individual at least 21 years of age who is not under legal disability.

2.2. Term and Election. Each Trustee named herein, or elected or appointed prior to the first meeting of Holders, shall (except in the event of resignations, retirements or removals or vacancies pursuant to Section 2.3 or 2.4 hereof) hold office until his successor has been elected at such meeting and has qualified to serve as Trustee, as required under the 1940 Act. Subject to the provisions of Section 16(a) of the 1940 Act and except as provided in Section 2.3 and Section 2.4 hereof, each Trustee shall hold office during the lifetime of this Trust and until its termination as hereinafter provided.

2.3. Resignation, Removal and Retirement. Any Trustee may resign his trust (without need for prior or subsequent accounting) by an instrument in writing signed by him and delivered or mailed to the Chairman, if any, the President or the Secretary and such resignation shall be effective upon such delivery, or at a later date according to the terms of the instrument. Any of the Trustees may be removed by the affirmative vote of the holders of two-thirds (2/3) of the Interests or (provided the aggregate number of Trustees, after such removal and after giving effect to any appointment made to fill the vacancy created by such removal, shall not be less than the number required by Section 2.1 hereof) with cause, by the action of two-thirds of the remaining Trustees. Removal with cause includes, but is not limited to, the removal of a Trustee due to physical or mental incapacity and failure to comply with such written policies as may from time to time be adopted by at least two-thirds of the Trustees with respect to the conduct of the Trustees and attendance at meetings. Any Trustee who has attained a mandatory retirement age established pursuant to any written policy adopted from time to time by at least two-thirds of the Trustees shall, automatically and without action of such Trustee or the remaining Trustees, be deemed to have retired in accordance with the terms of such policy, effective as of the date determined in accordance with such policy. Any Trustee who has become incapacitated by illness or injury as determined by a majority of the other Trustees, may be retired by written instrument signed by a majority of the other Trustees, specifying the date of his retirement. Upon the resignation, retirement or removal of a Trustee, or his otherwise ceasing to be a Trustee, he shall execute and deliver such documents as the remaining Trustees shall require for the purpose of conveying to the Trust or the remaining Trustees any Trust Property held in the name of the resigning, retiring or removed Trustee. Upon the death of any Trustee or upon removal or resignation due to any Trustee's incapacity to serve as trustee, his legal representative shall execute and deliver on his behalf such documents as the remaining Trustees shall require as provided in the preceding sentence.

2.4. Vacancies. The term of office of a Trustee shall terminate and a vacancy shall occur in the event of the death, resignation, adjudicated incompetence or other incapacity to perform the duties of the office, retirement or removal, of a Trustee. No such vacancy shall operate to annul this Declaration or to revoke any existing agency created pursuant to the terms of

this Declaration. In the case of a vacancy, the Holders of at least a majority of the Interests entitled to vote, acting at any meeting of Holders held in accordance with Section 9.1 hereof, or, to the extent permitted by the 1940 Act, a majority of the Trustees continuing in office acting by written instrument or instruments, may fill such vacancy, and any Trustee so elected by the Trustees or the Holders shall hold office as provided in this Declaration.

2.5. Meetings. Meetings of the Trustees shall be held from time to time upon the call of the Chairman, if any, the President, the Secretary, an Assistant Secretary or any two Trustees. Regular meetings of the Trustees may be held without call or notice at a time and place fixed by the By-Laws or by resolution of the Trustees. Notice of any other meeting shall be mailed or otherwise given not less than 24 hours before the meeting but may be waived in writing by any Trustee either before or after such meeting. The attendance of a Trustee at a meeting shall constitute a waiver of notice of such meeting except where a Trustee attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened. The Trustees may act with or without a meeting. A quorum for all meetings of the Trustees shall be a majority of the Trustees. Unless provided otherwise in this Declaration, any action of the Trustees may be taken at a meeting by vote of a majority of the Trustees present (a quorum being present) or without a meeting by written consent of a majority of Trustees.

Any committee of the Trustees, including an executive committee, if any, may act with or without a meeting. A quorum for all meetings of any such committee shall be a majority of the members thereof. Unless provided otherwise in this Declaration, any action of any such committee may be taken at a meeting by vote of a majority of the members present (a quorum being present) or without a meeting by written consent of a majority of the members.

With respect to actions of the Trustees and any committee of the Trustees, Trustees who are Interested Persons of the Trust within the meaning of Section 1.2 hereof or otherwise interested in any action to be taken may be counted for quorum purposes under this Section 2.5 and shall be entitled to vote to the extent permitted by the 1940 Act.

All or any one or more Trustees may participate in a meeting of the Trustees or any committee thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to such communications system shall constitute presence in person at such meeting.

2.6. Officers; Chairman of the Board. The Trustees shall, from time to time, elect a President, a Secretary and a Treasurer. The Trustees may elect or appoint, from time to time, a Chairman of the Board who shall preside at all meetings of the Trustees and carry out such other duties as the Trustees shall designate. The Trustees may elect or appoint or authorize the President to appoint such other officers or agents with such powers as the Trustees may deem to be advisable. The President shall be and the Secretary and Treasurer may, but need not, be a Trustee.

2.7. By-Laws. The Trustees may adopt and, from time to time, amend or repeal the By-Laws for the conduct of the business of the Trust.

ARTICLE III  
Powers of Trustees

3.1. General. The Trustees shall have exclusive and absolute control over the Trust Property and over the business of the Trust to the same extent as if the Trustees were the sole owners of the Trust Property and business in their own right, but with such powers of delegation as may be permitted by this Declaration. The Trustees may perform such acts as in their sole discretion are proper for conducting the business of the Trust. The enumeration of any specific power herein shall not be construed as limiting the aforesaid power. Such powers of the Trustees may be exercised without order of or resort to any court.

3.2. Investments. The Trustees shall have power to:

(a) conduct, operate and carry on the business of an investment company;

(b) subscribe for, invest in, reinvest in, purchase or otherwise acquire, hold, pledge, sell, assign, transfer, exchange, distribute or otherwise deal in or dispose of United States and foreign currencies and related instruments including forward contracts, and securities, including common and preferred stock, warrants, bonds, debentures, time notes and all other evidences of indebtedness, negotiable or non-negotiable instruments, obligations, certificates of deposit or indebtedness, commercial paper, repurchase agreements, reverse repurchase agreements, convertible securities, forward contracts, options, futures contracts, and other securities, including, without limitation, those issued, guaranteed or sponsored by any state, territory or possession of the United States and the District of Columbia and their political subdivisions, agencies and instrumentalities, or by the United States Government, any foreign government, or any agency, instrumentality or political subdivision of the United States Government or any foreign government, or international instrumentalities, or by any bank, savings institution, corporation or other business entity organized under the laws of the United States or under foreign laws; and, to exercise any and all rights, powers and privileges of ownership or interest in respect of any and all such investments of every kind and description, including, without limitation, the right to consent and otherwise act with respect thereto, with power to designate one or more persons, firms, associations, or corporations to exercise any of said rights, powers and privileges in respect of any of said instruments; and the Trustees shall be deemed to have the foregoing powers with respect to any additional securities in which the Trust may invest.

The Trustees shall not be limited to investing in obligations maturing before the possible termination of the Trust, nor shall the Trustees be limited by any law limiting the investments which may be made by fiduciaries.

3.3. Legal Title. Legal title to all the Trust Property shall be vested in the Trustees as joint tenants except that the Trustees shall have the power to cause legal title to any Trust Property to be held by or in the name of one or more of the Trustees, or in the name of the Trust, or in the name of any other Person as nominee, on such terms as the Trustees may determine.

The right, title and interest of the Trustees in the Trust Property shall vest automatically in each person who may hereafter become a Trustee upon his due election and qualification. Upon the resignation, removal or death of a Trustee he shall automatically cease to have any right, title or interest in any of the Trust Property, and the right, title and interest of such Trustee in the Trust Property shall vest automatically in the remaining Trustees. Such vesting and cessation of title shall be effective whether or not conveyancing documents have been executed and delivered.

3.4. Sale of Interests. Subject to the more detailed provisions set forth in Articles VII and VIII, the Trustees shall have the power to permit persons to purchase Interests and to add to or reduce, in whole or in part, their Interest in the Trust.

3.5. Borrow Money. The Trustees shall have power to borrow money or otherwise obtain credit and to secure the same by mortgaging, pledging or otherwise subjecting as security the assets of the Trust, including the lending of portfolio securities, and to endorse, guarantee, or undertake the performance of any obligation, contract or engagement of any other person, firm, association or corporation.

3.6. Delegation; Committees. The Trustees shall have power, consistent with their continuing exclusive authority over the management of the Trust and the Trust Property, to delegate from time to time to such of their number or to officers, employees or agents of the Trust the doing of such things and the execution of such instruments either in the name of the Trust or the names of the Trustees or otherwise as the Trustees may deem expedient.

3.7. Collection and Payment. The Trustees shall have power to collect all property due to the Trust; and to pay all claims, including taxes, against the Trust Property; to prosecute, defend, compromise or abandon any claims relating to the Trust Property; to foreclose any security interest securing any obligations, by virtue of which any property is owed to the Trust; and to enter into releases, agreements and other instruments.

3.8. Expenses. The Trustees shall have power to incur and pay any expenses which in the opinion of the Trustees are necessary or incidental to carry out any of the purposes of this Declaration, and to pay reasonable compensation from the funds of the Trust to themselves as Trustees. The Trustees shall fix the compensation of all officers, employees and Trustees. The Trustees may pay themselves such compensation for special services, including legal and brokerage services, as they in good faith may deem reasonable, and reimbursement for expenses reasonably incurred by themselves on behalf of the Trust.

3.9. Miscellaneous Powers. The Trustees shall have the power to: (a) employ

or contract with such Persons as the Trustees may deem desirable for the transaction of the business of the Trust and terminate such employees or contractual relationships as they consider appropriate; (b) enter into joint ventures, partnerships and any other combinations or associations; (c) purchase, and pay for out of Trust Property, insurance policies insuring the Investment Adviser, Administrator, placement agent, Holders, Trustees, officers, employees, agents, or independent contractors of the Trust against all claims arising by reason of holding any such position or by reason of any action taken or omitted by any such Person in such capacity, whether or not the Trust would have the power to indemnify such Person against such liability; (d) establish pension, profit-sharing and other retirement, incentive and benefit plans for any Trustees, officers, employees and agents of the Trust; (e) make donations, irrespective of benefit to the Trust, for charitable, religious, educational, scientific, civic or similar purposes; (f) to the extent permitted by law, indemnify any Person with whom the Trust has dealings, including the Investment Adviser, Administrator, placement agent, Holders, Trustees, officers, employees, agents or independent contractors of the Trust, to such extent as the Trustees shall determine; (g) guarantee indebtedness or contractual obligations of others; (h) determine and change the Fiscal Year of the Trust and the method in which its accounts shall be kept; and (i) adopt a seal for the Trust, but the absence of such seal shall not impair the validity of any instrument executed on behalf of the Trust.

3.10. Further Powers. The Trustees shall have power to conduct the business of the Trust and carry on its operations in any and all of its branches and maintain offices, whether within and without the State of New York, in any and all states of the United States of America, in the District of Columbia, and in any and all commonwealths, territories, dependencies, colonies, possessions, agencies or instrumentalities of the United States of America and of foreign governments, and to do all such other things and execute all such instruments as they deem necessary, proper or desirable in order to promote the interests of the Trust although such things are not herein specifically mentioned. Any determination as to what is in the interests of the Trust made by the Trustees in good faith shall be conclusive. In construing the provisions of this Declaration, the presumption shall be in favor of a grant of power to the Trustees. The Trustees will not be required to obtain any court order to deal with Trust Property.

#### ARTICLE IV

##### Investment Advisory, Administrative Services and Placement Agent Arrangements

4.1. Investment Advisory and Other Arrangements. The Trustees may in their discretion, from time to time, enter into investment advisory and administrative services contracts or placement agent agreements whereby the other party to such contract or agreement shall undertake to furnish the Trustees such investment advisory, administrative, placement agent and/or other services as the Trustees shall, from time to time consider desirable and all upon such terms and conditions as the Trustees may in their discretion determine. Notwithstanding any provisions of this Declaration, the Trustees may authorize any Investment



Advisor (subject to such general or specific instructions as the Trustees may from time to time adopt) to effect purchases, sales, loans or exchanges of Trust Property on behalf of the Trustees or may authorize any officer, employee or Trustee to effect such purchases, sales, loans or exchanges pursuant to recommendations of any such Investment Advisor (and all without further action by the Trustees). Any such purchases, sales, loans and exchanges shall be deemed to have been authorized by all of the Trustees.

4.2. Parties to Contract. Any contract of the character described in Section 4.1 of this Article IV or in the By-Laws of the Trust may be entered into with any corporation, firm, trust or association, although one or more of the Trustees or officers of the Trust may be an officer, director, Trustee, shareholder, or member of such other party to the contract, and no such contract shall be invalidated or rendered voidable by reason of the existence of any such relationship, nor shall any person holding such relationship be liable merely by reason of such relationship for any loss or expense to the Trust under or by reason of said contract or accountable for any profit realized directly or indirectly therefrom, provided that the contract when entered into was reasonable and fair and not inconsistent with the provisions of this Article IV or the By-Laws. The same person (including a firm, corporation, trust, or association) may be the other party to contracts entered into pursuant to Section 4.1 above or the By-Laws of the Trust, and any individual may be financially interested or otherwise affiliated with persons who are parties to any or all of the contracts mentioned in this Section 4.2.

## ARTICLE V Limitations of Liability

5.1. No Personal Liability of Trustees, Officers, Employees, Agents; Liability of Holders; Indemnification. No Trustee, officer, employee or agent of the Trust shall be subject to any personal liability whatsoever to any Person, other than the Trust or its Holders, in connection with Trust Property or the affairs of the Trust, save only that arising from his bad faith, willful misfeasance, gross negligence or reckless disregard of his duty to such Person; and all such Persons shall look solely to the Trust Property for satisfaction of claims of any nature against a Trustee, officer, employee or agent of the Trust arising in connection with the affairs of the Trust. Each holder shall be jointly and severally liable (with rights of contribution inter se in proportion to their respective Interests in the Trust) for the liabilities and obligations of the Trust in the event that the Trust fails to satisfy such liabilities and obligations; provided, however, that, to the extent assets are available in the Trust, the Trust shall indemnify and hold each Holder harmless from and against any claim or liability, to which such Holder may become subject by reason of his being or having been a Holder to the extent that such claim or liability imposes on the Holder an obligation or liability which such Holder may become subject by reasons of his being or having been a Holder to the extent that such claim or liability imposes on the Holder an obligation or liability which, when compared to the obligations and liabilities imposed on other Holders, is greater than his Interest (proportionate share), and shall

reimburse such Holder for all legal and other expenses reasonably incurred by him in connection with any such claim or liability. The rights accruing to a Holder under this Section 5.1 shall not exclude any other right to which such Holder may be lawfully entitled, nor shall anything herein contained restrict the right of the Trust to indemnify or reimburse a Holder in any appropriate situation even though not specifically provided herein. Notwithstanding the indemnification procedure described above, it is intended that each Holder shall remain jointly and severally liable to the Trust's creditors as a legal matter.

5.2. Non-liability of Trustees. etc. No Trustee, officer, employee or agent of the Trust shall be liable to the Trust, its Holders, or to any Trustee, officer, employee, or agent thereof for any action or failure to act (including, without limitation, the failure to compel in any way any former or acting Trustee to redress any breach of trust) except for his own bad faith, willful misfeasance, gross negligence or reckless disregard of his duties.

5.3. Mandatory Indemnification. The Trust shall indemnify each of its Trustees, officers, employees, and agents (including persons who serve at its request as directors, officers or trustees of another organization in which it has any interest, as a shareholder, creditor or otherwise) against all liabilities and expenses (including amounts paid in satisfaction of judgments, in compromise, as fines and penalties, and as counsel fees) reasonably incurred by him in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which he may be involved or with which he may be threatened, while in office or thereafter, by reason of his being or having been such a Trustee, officer, employee or agent, except with respect to any matter as to which he shall have been adjudicated to have acted in bad faith, willful misfeasance, gross negligence or reckless disregard of his duties; provided, however, that as to any matter disposed of by a compromise payment by such Person, pursuant to a consent decree or otherwise, no indemnification either for said payment or for any other expenses shall be provided unless there has been a determination that such Person did not engage in willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office by the court or other body approving the settlement or other disposition or by a reasonable determination, based upon a review of readily available facts (as opposed to a full trial-type inquiry), that he did not engage in such conduct by written opinion from independent legal counsel approved by the Trustees. The rights accruing to any Person under these provisions shall not exclude any other right to which he may be lawfully entitled; provided that no Person may satisfy any right of indemnity or reimbursement granted herein or in Section 5.1 or to which he may be otherwise entitled except out of the property of the Trust. The Trustees may make advance payments in connection with indemnification under this Section 5.3, provided that the indemnified Person shall have given a written undertaking to reimburse the Trust in the event it is subsequently determined that he is not entitled to such indemnification.

5.4. No Bond Required of Trustees. No Trustee shall, as such, be obligated to give any bond or surety or other security for the performance of any of his duties hereunder.

5.5. No Duty of Investigation; Notice in Trust Instruments, etc. No purchaser, lender, or other person dealing with the Trustees or any officer, employee or agent of the Trust shall be bound to make any inquiry concerning the validity of any transaction purporting to be made by the Trustees or by said officer, employee or agent or be liable for the application of money or property paid, loaned, or delivered to or on the order of the Trustees or of said officer, employee or agent. Every obligation, contract, instrument, certificate, or other interest or undertaking of the Trust, and every other act or thing whatsoever executed in connection with the Trust shall be conclusively taken to have been executed or done by the executors thereof only in their capacity as Trustees, officers, employees or agents of the Trust. Every written obligation, contract, instrument, certificate or other interest or undertaking of the Trust made or sold by the Trustees or by any officer, employee or agent of the Trust, in their capacity as such, shall contain an appropriate recital to the effect that the Trustee, officer, employee and agent of the Trust shall not personally be bound by or liable thereunder, nor shall resort be had to their private property for the satisfaction of any obligation or claim thereunder, and appropriate references shall be made therein to the Declaration, and may contain any further recital which they may deem appropriate, but the omission of such recital shall not operate to impose personal liability on any of the Trustees, officers, employees or agents of the Trust. The Trustees may maintain insurance for the protection of the Trust Property, its Holders, Trustees, officers, employees and agents in such amount as the Trustees shall deem adequate to cover possible tort liability, and such other insurance as the Trustees in their sole judgement shall deem advisable.

5.6. Reliance on Experts, etc. Each Trustee and officer or employee of the Trust shall, in the performance of his duties, be fully and completely justified and protected with regard to any act or any failure to act resulting from reliance in good faith upon the books of account or other records of the Trust, upon an opinion of counsel, or upon reports made to the Trust by any of its officers or employees or by any Investment Adviser, accountant, appraiser or other experts or consultants selected with reasonable care by the Trustees, officers or employees of the Trust, regardless of whether such counsel or expert may also be a Trustee.

## ARTICLE VI Interests of the Trust

6.1. Interests. The beneficial interest in the property of the Trust shall consist of non-transferable Interests. The Trustees may permit the purchase of Interests but only if the purchaser is an Institutional Investor. Individuals, S corporations, partnerships and grantor trusts that are beneficially owned by an individual, S corporation or partnership may not purchase Interests. Subject to applicable law and to such restrictions as may be adopted by the Trustees, a Holder may increase or decrease its Interest without limitation.

6.2. Rights of Holders. The ownership of the Trust Property of every description and the right to conduct any business hereinbefore described are vested exclusively in the Trustees, and the Holders shall have no right or title therein other than the beneficial interest conferred by their Interests and they

shall have no right to call for any partition or division of any property, profits, rights or units of the Trust. The Interests shall be personal property giving only the rights in this Declaration specifically set forth.

6.3. Purchase of or Increase of Interests. The Trustees, in their discretion, may, from time to time, without a vote of the Holders, permit the purchase of Interests by such party or parties (or increase in the Interest of a Holder) and for such type of consideration, including cash or property, at such time or times (including, without limitation, each business day), and on such terms as the Trustees may deem best, and may in such manner acquire other assets (including the acquisition of assets subject to, and in connection with the assumption of liabilities) and businesses.

6.4. Register of Interests. A register shall be kept at the Trust under the direction of the Trustees which shall contain the names and addresses of the Holders and the Book Capital Account balances of each Holder. Each such register shall be conclusive as to who are the Holders of the Trust and who shall be entitled to payments of distributions or otherwise to exercise or enjoy the rights of Holders. No Holder shall be entitled to receive payment of any distribution, nor to have notice given to him as herein provided, until it has given its address to such other officer or agent of the Trustees as shall keep the said register for entry thereon.

6.5. Non-Transferability. Interests shall not be transferable.

6.6. Notices. Any and all notices to which any Holder hereunder may be entitled and any and all communications shall be deemed duly served or given if mailed, postage prepaid, addressed to any Holder of record at its last known address as recorded on the register of the Trust.

## ARTICLE VII

### Decreases And Withdrawals

7.1. Decreases and Withdrawals. A Holder shall have the authority to decrease or withdraw its Interest in the Trust, at such Holder's option, subject to the terms and conditions provided in this Article VII. The Trust shall, upon application of any Holder or pursuant to authorization from any Holder, and subject to this Article 7.1, decrease or withdraw such Holder's Interest for an amount determined by the application of a formula adopted for such purpose by resolution of the Trustees; provided that (a) such amount shall not exceed the reduction in a Holder's Book Capital Account effected by such decrease or withdrawal of its Interest and (b) if so authorized by the Trustees, the Trust may, at any time and from time to time, charge fees for effecting such decrease or withdrawal, at such rates as the Trustees may establish, and may, at any time and from time to time, suspend such right of decrease or withdrawal. The procedures for effecting decreases or withdrawals shall be as determined by the Trustees from time to time.

## ARTICLE VIII

Determination of Book Capital Account  
Balances, Net Income and Distributions

8.1 Book Capital Account Balances. The Book Capital Account balances of Holders of the Trust shall be determined daily at such time or times as the Trustees may determine. The Trustees shall adopt resolutions setting forth the method of determining the Book Capital Account balances for each Holder. The power and duty to make calculations pursuant to such resolutions may be delegated by the Trustees to the Investment Adviser, Administrator, custodian, or such other person as the Trustees may determine.

8.2 Distributions and Allocations to Holders. The Trustees shall, in compliance with the regulations promulgated under applicable provisions of the Internal Revenue Code of 1986, as amended (herein the "Code", agree to (i) the daily allocation of income or loss to each Holder of the Trust, (ii) the payment of distributions to Holders and (iii) upon liquidation, the final distribution of items of taxable income and expense. Such agreement shall be set forth in written instructions directed to the Trust's accountants specifying the method by which the Trust will comply with the Code. The Trustees may amend the instructions adopted pursuant to this Section 8.2 from time to time to the extent necessary to comply with the Code or any regulations promulgated thereunder. The Trustees may always retain from the net profits such amount as they may deem necessary to pay the debts or expenses of the Trust or to meet obligation of the Trust, or as they may deem desirable to use in the conduct of its affairs or to retain for future requirements or extensions of the business.

8.3 Power to Modify Foregoing Procedures. Notwithstanding any of the foregoing provisions of this Article VIII, the Trustees may prescribe, in their absolute discretion, such other bases and times for determining the net income and net assets of the Trust, the allocation of income or the payment of distributions to the Holders of the Trust as they may deem necessary or desirable to enable the Trust to comply with any provision of the 1940 Act, any rule or regulation thereunder, or any other order of exemption issued by said Commission, all as in effect now or hereafter amended or modified.

ARTICLE IX  
Holders

9.1. Meetings of Holders. Meetings of the Holders may be called at any time by a majority of the Trustees and shall be called by any Trustee upon written request of Holders holding, in the aggregate, not less than 10% of the Interests of the Trust, such request specifying the purpose or purposes for which such meeting is to be called. Any such meeting shall be held within or without the State of New York on such day and at such time as the Trustees shall designate. Holders of one-third of the Interests of the Trust, present in person or by proxy shall constitute a quorum for the transaction of any business, except as may otherwise be required by the 1940 Act or other applicable law or by this Declaration or the By-Laws of the Trust. If a quorum is present at a meeting, an affirmative vote of the Holders, present, in person or by proxy, holding more than 50% of the total Interests of the Holders present, either in person or proxy, at such meeting constitutes the action of the Holders, unless the 1940

Act, other applicable law, this Declaration or the By-Laws of the Trust requires a greater number of affirmative votes.

9.2. Notice of Meetings. Notice of all meetings of the Holders, stating the time, place and purpose of the meeting, shall be given by the Trustees by mail to each Holder, at his registered address, mailed at least 10 days and not more than 60 days before the meeting. At such meeting, any business properly before the meeting may be considered whether or not stated in the notice of the meeting. Any adjourned meeting may be held as adjourned without further notice.

9.3. Record Date for Meetings. At any meeting of Holders, any Holders who are entitled to notice of and to vote at any meeting, or to participate in any distribution, or for the purpose of any other action, the Trustees may from time to time fix a date, not more than 90 days prior to the date of any meeting of Holders or payment of distributions or other action, as a record date for the determination of the Persons to be treated as Holders of record for such purposes.

9.4. Proxies. etc. At any meeting of Holders, any Holder entitled to vote thereat may vote by proxy, provided that no proxy shall be voted at any meeting unless it shall have been placed on file with the Secretary, or with such other officer or agent of the Trust as the Secretary may direct, for verification prior to the time at which such vote shall be taken. Pursuant to a resolution of a majority of the Trustees, proxies may be solicited in the name of one or more Trustees or one or more of the officers of the Trust. Only Holders of record shall be entitled to vote. Each full Unit shall be entitled to a vote proportionate to its Interest in the Trust. When Interests are held jointly by several persons, any one of them may vote at any meeting in person or by proxy in respect to such Interest, but if more than one of them shall be present at such meeting in person or by proxy, and such joint owners or their proxies so present disagree as to any vote to be cast, such vote shall not be received in respect to such Interest. A proxy purporting to be executed by or on behalf of a Holder shall be deemed valid unless challenged at or prior to its exercise, and the burden of providing invalidity shall rest on the challenger. If the Holder of any such Unit is a minor or a person of unsound mind, and subject to guardianship or to the legal control of any other person as regards the charge or management of its Interest, he may vote by his guardian or such other person appointed or having such control, and such vote may be given in person or by proxy.

9.5. Reports. The Trustees shall cause to be prepared, at least annually, a report of operations containing a balance sheet and statement of income and undistributed income of the Trust prepared in conformity with generally accepted accounting principles and an opinion of an independent public accountant on such financial statements. The Trustees shall, in addition, furnish to the Holders at least semiannually interim reports containing an unaudited balance sheet as of the end of such period and an unaudited statement of income and surplus for the period from the beginning of the current Fiscal Year to the end of such period.

9.6. Inspection of Records. The records of the Trust shall be open to inspection by Holders during normal business hours for any purpose not harmful

to the Trust.

9.7. Holder Action by Written Consent. Any action which may be taken by Holders may be taken without a meeting if Holders holding more than 50% of the total Interests entitled to vote (or such larger proportion thereof as shall be required by any express provision of this Declaration) shall consent to the action in writing and the written consents are filed with the records of the meetings of Holders. Such consent shall be treated for all purposes as a vote taken at a meeting of Holders.

#### ARTICLE X

Duration; Termination of Trust;  
Amendment; Mergers; Etc.

10.1. Duration. Subject to possible termination or dissolution in accordance with the provision of Section 10.2 and 10.3 respectively, the Trust created hereby shall continue until the expiration of 20 years after the death of the last survivor of the initial Trustees named herein and the following named persons:

Name	Address	Date of Birth
David Cornelius Johnson	752 West End Avenue, Apt. 10J New York, NY 10025	May 2, 1989
Conner Leahy McCabe	100 Parkway Road, Apt. 3C Bronxville, NY 10708	February 22, 1989
Andrea Hellegers	530 E. 84th St., 5H New York, NY 10028	December 22, 1988
Emily Charlotte Bond	192 Garth Rd., Apt. 2M Scarsdale, NY 10583	April 22, 1989
Emilie Blair Ruble	30 Fifth Avenue, Apt. 11F New York, NY 10011	February 24, 1989
Brian Patrick Lyons	152-48 Jewel Avenue Flushing, NY 11367	January 20, 1989
Caroline Bolger Cima	11 Beechwood Lane Scarsdale, NY 10583	December 23, 1988

#### 10.2. Termination of Trust.

(a) The Trust may be terminated (i) by the affirmative vote of the Holders of not less than two-thirds of the Interests of the Trust at any meeting of the Holders or by an instrument in writing, without a meeting signed by a majority of the Trustees and consented to by the Holders of not less than

two-thirds of such Interests, or (ii) by the Trustees by written notice to the Holders. Upon any such termination,

(i) The Trust shall carry on no business except for the purpose of winding up its affairs.

(ii) The Trustees shall proceed to wind up the affairs of the Trust [or such Series] and all of the powers of the Trustees under this Declaration shall continue until the affairs of the Trust shall have been wound up, including the power to fulfill or discharge the contracts of the Trust, collect its assets, sell, convey, assign, exchange, or otherwise dispose of all or any part of the remaining Trust Property to one or more persons at public or private sale for consideration which may consist in whole or in part of cash, securities or other property of any kind, discharge or pay its liabilities, and do all other acts appropriate to liquidate its business; provided that any sale, conveyance, assignment, exchange, or other disposition of all or substantially all the Trust Property shall require approval of the principal terms of the transaction and the nature and amount of the consideration by vote of the Holders of a majority of the Interests entitled to vote.

(iii) After paying or adequately providing for the payment of all liabilities, and upon receipt of such releases, indemnities and refunding agreements, as they deem necessary for their protection, the Trustees may distribute the remaining Trust Property, in cash or in kind or partly each, among the Holders according to their respective rights.

(b) Upon termination of the Trust and distribution to the Holders as herein provided a majority of the Trustees shall execute and lodge among the records of the Trust an instrument in writing setting forth the fact of such termination. Upon termination of the Trust, the Trustees shall thereupon be discharged from all further liabilities and duties hereunder, and the rights and interest of all Holders shall thereupon cease.

10.3 Dissolution. Upon the withdrawal, resignation, retirement, bankruptcy or expulsion of any Holder, the Trust shall be dissolved and terminated effected 120 days after such event. However, the Holders may, by a unanimous affirmative vote of Holders of the Interests of the Trust at any meeting of the Holders or by an instrument in writing without a meeting signed by a majority of the Trustees and consented to by all of the Holders of such Interests, agree to continue the business of the Trust even if there has been a prior dissolution and termination.

#### 10.4. Amendment Procedure.

(a) This Declaration may be amended by the vote of Holders of holding more than 50% of the total Interests entitled to vote by an instrument in writing, without a meeting, signed by a majority of the Trustees and consented to by the Holders holding more than 50% of the total Interests entitled to vote. The Trustees may also amend this Declaration without the vote or consent of the Holders to change the name of the Trust, to supply any omission, to cure,



correct or supplement any ambiguous, defective or inconsistent provision hereof, or to conform this Declaration to the requirements of applicable federal laws or regulations or the requirements of the provisions of the Internal Revenue Code of 1986, as amended, but the Trustees shall not be liable for failing to do so.

(b) No amendment may be made, under Section 10.4(a) above, which would change any rights with respect to any Interest of the Trust by reducing the amount payable thereon upon liquidation of the Trust or by diminishing or eliminating any voting rights pertaining thereto, except with the vote or consent of the Holders of two-thirds of the Interest of the Trust.

(c) A certification in recordable form signed by a majority of the Trustees setting forth an amendment and reciting that it was duly adopted by the Holders or by the Trustees as aforesaid or a copy of the Declaration, as amended, in recordable form, and executed by a majority of the Trustees, shall be conclusive evidence of such amendment when lodged among the records of the Trust.

Notwithstanding any other provisions hereof, until such time as Interests are first sold, this Declaration may be terminated or amended in any respect by the affirmative vote of a majority of the Trustees or by an instrument signed by a majority of the Trustees.

10.5. Merger, Consolidation and Sale of Assets. The Trust, or any series thereof, may merge or consolidate with any other corporation, association, trust or other organization or may sell, lease or exchange all or substantially all of its property, including its good will, upon such terms and conditions and for such consideration when and as authorized at any meeting of Holders called for the purpose by the affirmative vote of the Holders of not less than two-thirds of the Interests of the Trust, or by an instrument or instruments in writing without a meeting, consented to by the Holders of not less than two-thirds of such Interests, and any such merger, consolidation, sale, lease or exchange shall be deemed for all purposes to have been accomplished under and pursuant to the statutes of the State of New York.

10.6. Incorporation. Upon a Majority Interests Vote, the Trustees may cause to be organized or assist in organizing a corporation or corporations under the laws of any jurisdiction or any other trust, partnership, association or other organization to take over all of the Trust Property or to carry on any business in which the Trust shall directly or indirectly have any interest and to sell, convey and transfer the Trust Property to any such corporation, trust, association or organization in exchange for the equity interests thereof or otherwise, and to lend money to, subscribe for the equity interests of, and enter into any contracts with any such corporation, trust, partnership, association or organization, or any corporation, partnership, trust, association or organization in which the Trust holds or is about to acquire equity interests. The Trustees may also cause a merger or consolidation between the Trust or any successor thereto and any such corporation, trust, partnership, association or other organization if and to the extent permitted by law, as provided under the law then in effect. Nothing contained herein shall be construed as requiring approval of Holders for the Trustees to organize or

assist in organizing one or more corporations, trusts, partnerships, associations or other organizations and selling, conveying or transferring a portion of the Trust Property to such organizations or entities.

ARTICLE XI  
Miscellaneous

11.1. Certificate of Designation; Agent for Service of Process. The Trust shall file, in the Department of State of New York, a certificate, in the Trust name and signed by an officer of the Trust, designating the Secretary of the State of New York as an agent upon whom process in any action or proceeding against the Trust may be served.

11.2. Governing Law. This Declaration is executed by the Trustees and delivered in the State of New York and with reference to the laws thereof, and the rights of all parties and the validity and construction of every provision hereof shall be subject to and construed according to the laws of the State of New York and reference shall specifically made to the trust law of the State of New York as to the construction of matters not specifically covered herein or as to which an ambiguity exists.

11.3. Counterparts. This Declaration may be simultaneously executed in several counterparts, each of which shall be deemed to be an original, and such counterparts, together, shall constitute one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

11.4. Reliance by Third Parties. Any certificate executed by an individual who, according to the records of the Trusts or of any recording office in which this Declaration may be recorded, appears to be a Trustee hereunder, certifying to: (a) the number or identity of Trustees or Holders, (b) the due authorization of the execution of any instrument or writing, (c) the form of any vote passed at a meeting of Trustees or Holders, (d) the fact that the number of Trustees or Holders present at any meeting or executing any written instrument satisfies the requirements of this Declaration, (e) the form of any By-Laws adopted by or the identity of any officers elected by the Trustees, or (f) the existence of any fact or facts which in any manner relate to the affairs of the Trust, shall be conclusive evidence as to the matters so certified in favor of any person dealing with the Trustees and their successors.

11.5. Provisions in Conflict With Law or Regulations.

(a) The provisions of this Declaration are severable, and if the Trustees shall determine, with the advice of counsel, that any of such provision is in conflict with the 1940 Act, or with other applicable laws and regulations, the conflicting provision shall be deemed never to have constituted a part of this Declaration; provided, however, that such determination shall not affect any of the remaining provisions of this Declaration or render invalid or improper any action taken or omitted prior to such determination.

(b) If any provision of the Declaration shall be held invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall

attach only to such provision in such jurisdiction and shall not in any manner affect such provision in any other jurisdiction or any other provision of this Declaration in any jurisdiction.

IN WITNESS WHEREOF, the undersigned have caused these presents to be executed as of the day and year first above written.

/s/ Cynthia J. Colitti  
as Trustee  
and not individually

6 St. James Avenue  
Boston, Massachusetts

/s/ Philip W. Coolidge  
as Trustee  
and not individually

6 St. James Avenue  
Boston, Massachusetts

/s/ Gail E. McHugh  
as Trustee  
and not individually

6 St. James Avenue  
Boston, Massachusetts

Commonwealth of Massachusetts  
Suffolk, SS

December 13, 1989

Then personally appeared the above-named Cynthia J. Colitti, Philip W. Coolidge, and Gail McHugh who severally acknowledged the foregoing instrument to be their free act and deed.

/s/ Molly S. Mugler

-----  
Molly S. Mugler  
NOTARY PUBLIC

My commission expires 4/27/90

CASH RESERVES PORTFOLIO  
Amendment of Amended and Restated  
Declaration of Trust

The undersigned, being a majority of the Trustees of Cash Reserves Portfolio, a trust established pursuant to a Declaration of Trust dated as of May 23, 1989 and amended and restated as of December 13, 1989 (the "Declaration of Trust"), hereby amend the Declaration of Trust by adding the following at the end of paragraph (a) of Section 10.4 of the Declaration of Trust:

"Notwithstanding any other provision hereof, this Declaration may be amended by an instrument in writing, without a meeting, signed by a majority of the Trustees, and without the vote or consent of Holders, for any one or more of the following purposes: (i) to change the state or other jurisdiction designated herein as the state or other jurisdiction whose laws shall be the governing law hereof, (ii) to effect such changes herein as the Trustees find to be necessary or appropriate (A) to permit the filing of this Declaration under the laws of such state or other jurisdiction applicable to trusts or voluntary associations, (B) to permit the Trust to elect to be treated as a "regulated investment company" under the applicable provisions of the Internal Revenue Code of 1986, as amended, or (C) to permit the transfer of Interests (or to permit the transfer of any other beneficial interests or shares in the Trust, however denominated), and (iii) in conjunction with any amendment contemplated by the foregoing clause (i) or the foregoing clause (ii) to make any and all such further changes or modifications to this Declaration as the Trustees find to be necessary or appropriate, any finding of the Trustees referred to in the foregoing clause (ii) or clause (iii) to be conclusively evidenced by the execution of any such amendment by a majority of the Trustees; provided, however, that unless effected in compliance with the provisions of the following paragraph (b), no amendment otherwise authorized by this sentence may be made which would reduce the amount payable with respect to any Interest in the Trust upon liquidation of the Trust."

IN WITNESS WHEREOF, the undersigned have caused these presents to be executed as of March 15, 1990.

/s/ Philip Coolidge

-----  
Philip Coolidge  
Trustee

/s/ Walter E. Robb

-----  
Walter E. Robb  
Trustee

/s/ Elliott J. Berv

-----  
Elliott J. Berv  
Trustee

/s/ T. Dean Williams

-----  
T. Dean Williams  
Trustee

The undersigned, being holders of all outstanding Interests in the Trust, do hereby consent to the foregoing amendment as of the date set forth above.

LANDMARK PREMIUM FUNDS

By: /s/ Philip Coolidge

-----  
Philip Coolidge  
Title: President

THE LANDMARK FUNDS  
BROKER-DEALER SERVICES, INC.

By: /s/ Philip Coolidge

-----  
Philip Coolidge  
Title: President

The undersigned, being the sole holder of Shares of Beneficial Interest of Landmark Premium Funds, does hereby consent to the execution of the foregoing consent by landmark Premium Funds as of the date set forth above.

THE LANDMARK FUNDS  
BROKER-DEALER SERVICES, INC.

By: /s/ Philip Coolidge

-----  
Philip Coolidge  
Title: President

CASH RESERVES PORTFOLIO  
Second Amendment of Amended and Restated  
Declaration of Trust

The undersigned, being a majority of the Trustees of Cash Reserves Portfolio, a trust established pursuant to a Declaration of Trust dated as of

May 23, 1989 and amended and restated as of December 13, 1989 and further amended as of March 15, 1990 (the "Declaration of Trust"), hereby, pursuant to paragraph (a) of Section 10.4 of the Declaration of Trust, amend the Declaration of Trust by adding the following at the end of Section 6.3 thereof:

"The second sentence of Section 6.1 hereof shall not be construed to limit the authority of the Trustees, pursuant to Section 3.4 hereof or this Section 6.3, or otherwise, to authorize the purchase of Interests without a vote of the Holders, Provided that the purchaser is a regulated investment company, segregated asset account, foreign investment company, common trust fund, group trust or other investment arrangement, whether organized within or without the United States of America, and is not an individual, S corporation, partnership or grantor trust beneficially owned by any individual, S corporation or partnership."

IN WITNESS WHEREOF, the undersigned have caused these presents to be executed as of February 3, 1994, at Nassau, The Bahamas.

/s/ Elliott J. Berv

-----  
Elliott J. Berv  
Trustee

/s/ Philip Coolidge

-----  
Philip Coolidge  
Trustee

/s/ Walter E. Robb

-----  
Walter E. Robb  
Trustee

## CASH RESERVES PORTFOLIO

## BY-LAWS

These By-Laws are made and adopted pursuant to Section 2.7 of the Declaration of Trust establishing the CASH RESERVES PORTFOLIO, dated March 1, 1990, as from time to time amended (hereinafter called the "Declaration"). All words and terms capitalized in these By-Laws shall have the meaning or meanings set forth for such words or terms in the Declaration.

## ARTICLE I

## Unitholders Meeting

1.1 Chairman. The Chairman, if any, shall act as chairman at all meetings of the Unitholders; in his absence, the President shall act as chairman; and in the absence of the Chairman and the President, the Trustee or Trustees present at each meeting may elect a temporary chairman for the meeting, who may be one of themselves.

1.2 Proxies; Voting. Unitholders may vote either in person or by duly executed proxy and each full unit ("Unit") represented at the meeting shall have one vote, all as provided in Article X of the Declaration. No proxy shall be valid after eleven (11) months from the date of its execution, unless a longer period is expressly stated in such proxy.

1.3 Fixing Record Dates. For the purpose of determining the Unitholders who are entitled to notice of or to vote or act at a meeting, including any adjournment thereof, or who are entitled to participate in any distributions, or for any other proper purpose, the Trustees may from time to time fix a record date in the manner provided in Section 10.3 of the Declaration. If the Trustees do not, prior to any meeting of Unitholders, so fix a record date, then the date of mailing notice of the meeting shall be the record date.

1.4 Inspectors of Election. In advance of any meeting of Unitholders, the Trustees may appoint Inspectors of Election to act at the meeting or any adjournment thereof. If Inspectors of Election are not so appointed, the Chairman, if any, of any meeting of Unitholders may, and on the request of any Unitholder or his proxy shall, appoint Inspectors of Election of the meeting. The number of Inspectors shall be either one or three. If appointed at the meeting on the request of one or more Unitholders or proxies, a majority of Units present shall determine whether one or three Inspectors are to be appointed, but failure to allow such determination by the Unitholders shall not affect the validity of the appointment of Inspectors of Election. In case any person appointed as Inspector fails to appear or fails or refuses to act, the vacancy may be filled by appointment made by the Trustees in advance of the convening of the meeting or at the meeting by the person acting as Chairman. The

Inspectors of Election shall determine the number of Units outstanding, the Units represented at the meeting, the existence of a quorum, the authenticity, validity and effect of proxies, shall receive votes, ballots or consents, shall hear and determine all challenges and questions in any way arising in connection with the right to vote, shall count and tabulate all votes or consents, determine the results, and do such other acts as may be proper to conduct the election or vote with fairness to all Unitholders. If there are three Inspectors of Election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. On request of the Chairman, if any, of the meeting, or of any Unitholder or his proxy, the Inspectors of Election shall make a report in writing of any challenge or question or matter determined by them and shall execute a certificate of any facts found by them.

1.5 Records at Unitholder Meetings. At each meeting of the Unitholders there shall be open for inspection the minutes of the last previous meeting of Unitholders of the Trust and a list of the Unitholders of the Trust, certified to be true and correct by the Secretary or other proper agent of the Trust, as of the record date of the meeting. Such list of Unitholders shall contain the name of each Unitholder in alphabetical order and the address and number of Units owned by such Unitholder. Unitholders shall have the right to inspect books and records of the Trust during normal business hours and for any purpose not harmful to the Trust.

1.6 Series Holders Meetings. Whenever a matter is required to be voted by Holders of the Trust in the aggregate under Section 9.1 and 9.2 of the Declaration, the Trust may either hold a meeting of Unitholders of all series to vote on such matter, or hold separate meetings of Unitholders of each of the individual series to vote on such matter, provided that (i) such separate meetings shall be held within one year of each other, (ii) a quorum of the individual series entitled to vote in person or by proxy shall be present at each such separate meeting, and (iii) a quorum shall be present in the aggregate at such separate meetings, and the votes of Unitholders at all such separate meetings shall be aggregated in order to determine if sufficient votes have been cast for such matter to be voted.

When separate meetings are held for Unitholders of each of the individual series to vote on a matter required to be voted on by Unitholders of the Trust in the aggregate, the record date of each separate meeting shall be determined in the manner described above in Section 1.3.

## ARTICLE II

### Trustees

2.1 Annual and Regular Meetings. The Trustees shall hold an annual meeting for the election of officers and the transaction of other business which may come before such meeting. Regular meetings of the Trustees may be held without call or notice at such place or places and times as the Trustees may by resolution provided from time to time.

2.2 Special Meetings. Special Meetings of the Trustees shall be held



upon the call of the Chairman, if any, the President, the Secretary or any two Trustees, at such time, on such day and at such place, as shall be designated in the notice of the meeting.

2.3 Notice. Notice of a meeting shall be given by mail or by telegram (which term shall include a tablegram) or delivered personally. If notice is given by mail, it shall be mailed not later than 48 hours preceding the meeting and if given by telegram or personally, such telegram shall be sent or delivery made not later than 48 hours preceding the meeting. Notice by telephone shall constitute personal delivery for these purposes. Notice of a meeting of Trustees may be waived before or after any meeting by signed written waiver. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Trustees need be stated in the notice or waiver of notice of such meeting, and no notice need be given of action proposed to be taken by unanimous written consent. The attendance of a Trustee at a meeting shall constitute a waiver of notice of such meeting except where a Trustee attends a meeting for the express purpose of objecting, at the commencement of such meeting, to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

2.4 Chairman; Records. The Chairman, if any, shall act as chairman at all meetings of the Trustees; in his absence the President shall act as chairman; and, in the absence of the Chairman and the President, the Trustees present shall elect one of their number to act as temporary chairman. The results of all actions taken at a meeting of the Trustees, or by unanimous written consent of the Trustees, shall be recorded by the Secretary.

### ARTICLE III

#### Officers

3.1 Officers of the Trust. The officers of the Trust shall consist of a Chairman, if any, a President, a Secretary, a Treasurer and such other officers or assistant officers, including Vice Presidents, as may be elected by the Trustees. Any two or more of the offices may be held by the same person, except that the same person may not be both President and Secretary. The Trustees may designate a Vice President as an Executive Vice President and may designate the order in which the other Vice Presidents may act. The Chairman and the President shall be Trustees, but no other officer of the Trust need be a Trustee.

3.2 Election and Tenure. At the initial organization meeting and thereafter at each annual meeting of the Trustees, the Trustees shall elect the Chairman, if any, President, Secretary, Treasurer and such other officers as the Trustees shall deem necessary or appropriate in order to carry out the business of the Trust. Such officers shall hold office until the next annual meeting of the Trustees and until their successors have been duly elected and qualified. The Trustees may fill any vacancy in office or add any additional officers at any time.

3.3 Removal of Officers. Any officer may be removed at any time,

with or without cause, by action of a majority of the Trustees. This provision shall not prevent the making of a contract of employment for a definite term with any officer and shall have no effect upon any cause of action which any officer may have as a result of removal in breach of a contract of employment. Any officer may resign at any time by notice in writing signed by such officer and delivered or mailed to the Chairman, if any, President, or Secretary, and such resignation shall take effect immediately, or at a later date according to the terms of such notice in writing.

3.4 Bonds and Surety. Any officer may be required by the Trustees to be bonded for the faithful performance of his duties in such amount and with such sureties as the Trustees may determine.

3.5 Chairman, President, and Vice Presidents. The Chairman, if any, shall, if present, preside at all meetings of the Unitholders and of the Trustees and shall exercise and perform such other powers and duties as may be from time to time assigned to him by the Trustees. Subject to such supervisory powers, if any, as may be given by the Trustees to the Chairman, if any, the President shall be the chief executive officer of the Trust and, subject to the control of the Trustees, shall have general supervision, direction and control of the business of the Trust and of its employees and shall exercise such general powers of management as are usually vested in the office of President of a corporation. In the absence of the Chairman, if any, the President shall preside at all meetings of the Unitholders and the Trustees. The President shall be, ex officio, a member of all standing committees. Subject to direction of the Trustees, the Chairman, if any, and the President shall each have power in the name and on behalf of the Trust to execute any and all loan documents, contracts, agreements, deeds, mortgages, and other instruments in writing, and to employ and discharge employees and agents of the Trust. Unless otherwise directed by the Trustees, the Chairman, if any, and the President shall each have full authority and power, on behalf of all of the Trustees, to attend and to act and to vote, on behalf of the Trust at any meetings of business organizations in which the Trust holds an interest, or to confer such powers upon any other persons, by executing any proxies duly authorizing such persons. The Chairman, if any, and the President shall have such further authorities and duties as the Trustees shall from time to time determine. In the absence or disability of the President, the Vice Presidents in order of their rank or the Vice President designated by the Trustees, shall perform all of the duties of President, and when so acting shall have all the powers of and be subject to all of the restrictions upon the President. Subject to the direction of the President, each Vice President shall have the power in the name and on behalf of the Trust to execute any and all loan documents, contracts, agreements, deeds, mortgages and other instruments in writing, and, in addition, shall have such other duties and powers as shall be designated from time to time by the Trustees or by the President.

3.6 Secretary. The Secretary shall keep the minutes of all meetings of, and record all votes of, Unitholders, Trustees and the Executive Committee, if any. He shall be custodian of the seal of the Trust, if any, and he (and any other person so authorized by the Trustees) shall affix the seal or, if permitted, a facsimile thereof, to any instrument executed by the Trust which

would be sealed by a New York corporation executing the same or a similar instrument and shall attest the seal and the signature or signatures of the officer or officers executing such instrument on behalf of the Trust. The Secretary shall also perform any other duties commonly incident to such office in a New York business corporation, and shall have such other authorities and duties as the Trustees shall from time to time determine.

3.7 Treasurer. Except as otherwise directed by the Trustees, the Treasurer shall have the general supervision of the monies, funds, securities, notes receivable and other valuable papers and documents of the Trust, and shall have and exercise under the supervision of the Trustees and of the President all powers and duties normally incident to his office. He may endorse for deposit or collection all notes, checks and other instruments payable to the Trust or to its order. He shall deposit all funds of the Trust as may be ordered by the Trustees or the President. He shall keep accurate account of the books of the Trust's transactions which shall be the property of the Trust, and which together with all other property of the Trust in his possession, shall be subject at all times to the inspection and control of the Trustees. Unless the Trustees shall otherwise determine, the Treasurer shall be the principal accounting officer of the Trust and shall also be the principal financial officer of the Trust. He shall have such other duties and authorities as the Trustees shall from time to time determine. Notwithstanding anything to the contrary herein contained, the Trustees may authorize any adviser, administrator or manager to maintain bank accounts and deposit and disburse funds on behalf of the Trust.

3.8 Other Officers and Duties. The Trustees may elect such other officers and assistant officers as they shall from time to time determine to be necessary or desirable in order to conduct the business of the Trust. Assistant officers shall act generally in the absence of the officer whom they assist and shall assist that officer in the duties of his office. Each officer, employee and agent of the Trust shall have such other duties and authority as may be conferred upon him by the Trustees or delegated to him by the President.

## ARTICLE IV

### Miscellaneous

4.1 Depositories. In accordance with Section 7.1 of the Declaration, the funds of the Trust shall be deposited in such depositories as the Trustees shall designate and shall be drawn out on checks, drafts or other orders signed by such officer, officers, agent or agents (including any adviser, administrator or manager), as the Trustees may from time to time authorize.

4.2 Signatures. All contracts and other instruments shall be executed on behalf of the Trust by such officer, officers, agent or agents, as provided in these By-Laws or as the Trustees may from time to time by resolution provide.

4.3 Seal. The seal of the Trust, if any, may be affixed to any document, and the seal and its attestation may be lithographed, engraved or

otherwise printed on any document with the same force and effect as if it had been imprinted and attested manually in the same manner and with the same effect as if done by a New York business corporation.

4.4 Indemnification. Insofar as the conditional advancing of indemnification monies under Section 5.3 of the Declaration of Trust, for actions based upon the Investment Company Act of 1940 may be concerned, such payments will be made only on the following conditions: (i) the advances must be limited to amounts used, or to be used, for the preparation or presentation of a defense to the action, including costs connected with the preparation of a settlement; (ii) advances may be made only upon receipt of a written promise by, or on behalf of, the recipient to repay that amount of the advance which exceeds that amount to which it is ultimately determined that he is entitled to receive from the Trust by reason of indemnification; and (iii) (a) such promise must be secured by a surety bond, other suitable insurance or an equivalent form of security which assures that any repayments may be obtained by the Trust without delay or litigation, which bond, insurance or other form of security must be provided by the recipient of the advance, or (b) a majority of a quorum of the Trust's disinterested, non-party Trustees, or an independent legal counsel in a written opinion, shall determine, based upon a review of readily available facts, that the recipient of the advance ultimately will be found entitled to indemnification.

## ARTICLE V

### Unit Non-Transferability

5.1 Non-Transferability of Units. Units shall not be transferable. Except as otherwise provided by law, the Trust shall be entitled to recognize the exclusive right of a person in whose name any Unit or Units stand on the record of Unitholders as the owner of such Unit or Units for all purposes, including, without limitation, the rights to receive distributions, and to vote as such owner, and the Trust shall not be bound to recognize any equitable or legal claim to or interest in any such Unit or Units on the part of any other person.

5.2 Regulations. The Trustees may make such additional rules and regulations, not inconsistent with these By-Laws, as they may deem expedient concerning the issue of Units of the Trust. They may appoint, or authorize any officer or officers to appoint, one or more registrars.

5.3 Registrars and the Like. As provided in Section 6.5 of the Declaration, the Trustees shall have authority to employ and compensate such registrars with respect to the Units of the Trust as the Trustees shall deem necessary or desirable. In addition, the Trustees shall have power to employ and compensate such distribution disbursing agents, warrant agents and agents for the reinvestment of distributions as they shall deem necessary or desirable. Any of such agents shall have such power and authority as is delegated to any of them by the Trustee.

## ARTICLE VI

## Amendment of By-Laws

6.1 Amendment and Repeal of By-Laws. In accordance with Section 2.7 of the Declaration, the Trustees shall have the power to alter, amend or repeal the By-Laws or adopt new By-Laws at any time. Action by the Trustees with respect to the By-Laws shall be taken by an affirmative vote of a majority of the Trustees. The Trustees shall in no event adopt By-Laws which are in conflict with the Declaration, and any apparent inconsistency shall be construed in favor of the related provisions in the Declaration.

The Declaration establishing the Cash Reserves Portfolio, a copy of which together with all amendments thereto is on file in the office of the Secretary of the State of New York, provides that the name Cash Reserves Portfolio refers to the Trustees under the Declaration collectively as Trustees, but not as individuals or personally; and no Trustee, officer, employee or agent of the Cash Reserves Portfolio shall be held to any personal liability, nor shall resort be had to their private property for the satisfaction of any obligation or claim or otherwise in connection with the affairs of said Cash Reserves Portfolio but the Trust Property only shall be liable.

## INVESTMENT ADVISORY AGREEMENT

INVESTMENT ADVISORY AGREEMENT, dated as of August 3, 1989, by and between the CASH RESERVES PORTFOLIO, a New York trust (the "Portfolio"), and CITIBANK, N.A., a national banking association ("Citibank" or the "Adviser").

## WITNESSETH:

WHEREAS, the Portfolio is engaged in business as an open-end investment company registered under the Investment Company Act of 1940 (collectively with the rules and regulations promulgated thereunder, the "1940 Act"); and

WHEREAS, the Portfolio wishes to engage the Adviser to provide certain investment advisory services, and the Adviser is willing to provide such investment advisory services to the Portfolio on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties hereto as herein set forth, the parties covenant and agree as follows:

1. Duties of the Adviser. The Adviser shall provide the Portfolio with such investment advice and supervision as the latter may from time to time consider necessary for the proper supervision of its investment assets. Citibank shall act as the Adviser to the Portfolio and as such shall furnish continuously an investment program and shall determine from time to time what securities shall be purchased, sold or exchanged and what portion of the assets of the Portfolio shall be held uninvested, subject always to the restrictions of the Portfolio's Declaration of Trust, dated May 23, 1989, and By-laws, as each may be amended from time to time (respectively, the "Declaration" and the "By-Laws"), to the provisions of the 1940 Act and to the Portfolio's then-current Registration Statement under the 1940 Act. The Adviser shall also make recommendations as to the manner in which voting rights, rights to consent to corporate action and any other rights pertaining to the securities held by the Portfolio shall be exercised. Should the Board of Trustees of the Portfolio at any time, however, make any definite determination as to investment policy and notify the Adviser thereof in writing, the Adviser shall be bound by such determination for the period, if any, specified in such notice or until similarly notified that such determination has been revoked. The Adviser shall take, on behalf of the Portfolio, all actions which it deems necessary to implement the investment policies determined as provided above, and in particular to place all orders for the purchase or sale of securities for the Portfolio's account with brokers or dealers selected by it, and to that end the Adviser is authorized as the agent of the Portfolio to give instructions to the custodian of the Portfolio as to deliveries of securities and payments of cash for the account of the Portfolio. In connection with the selection of such brokers or dealers and the placing of such orders, the Adviser is directed to seek for the Portfolio in its best

judgment, prompt execution in an effective manner at the most favorable price. Subject to this requirement of seeking the most favorable price, securities may be bought from or sold to broker-dealers who have furnished statistical, research and other information or services to the Adviser or the Portfolio, subject to any applicable laws, rules and regulations. In making purchases or sales of securities or other property for the account of the Portfolio the Adviser may deal with itself or with the Trustees of the Portfolio or the Portfolio's exclusive placing agent, to the extent such actions are permitted by the 1940 Act.

2. Allocation of Charges and Expenses. The Adviser shall furnish at its own expense all necessary services, facilities and personnel in connection with its responsibilities under Section 1 above. It is understood that the Portfolio will pay all of its own expenses including, without limitation, compensation of Trustees not "affiliated" with the Adviser; governmental fees; interest charges; taxes; membership dues in the Investment Company Institute allocable to the Portfolio; fees and expenses of independent auditors, of legal counsel and of any transfer agent, administrator, registrar or dividend disbursing agent of the Portfolio; expenses of preparing, printing and mailing reports, notices, proxy statements and reports to governmental officers and commissions and to investors in the Portfolio; expenses connected with the execution, recording and settlement of security transactions; insurance premiums; fees and expenses of the custodian for all services to the Portfolio, including safekeeping of funds and securities and maintaining required books and accounts; expenses of calculating the net asset value of the Portfolio; and expenses of meetings of the Portfolio's investors.

3. Compensation of the Adviser. For the services to be rendered, the Portfolio shall pay to the Adviser an investment advisory fee computed and paid monthly at an annual rate equal to 0.15% of the Portfolio's average daily net assets for its then-current fiscal year. If Citibank serves as Adviser for less than the whole of any period specified in this Section 3, the compensation to Citibank, as Adviser, shall be prorated.

4. Covenants of the Adviser. The Adviser agrees that it will not deal with itself, or with the Trustees of the Portfolio or the Portfolio's exclusive placing agent as principals in making purchases or sales of securities or other property for the account of the Portfolio, except as permitted by the 1940 Act, and will comply with all other provisions of the Portfolio's Declaration and By-Laws and the then-current Registration Statement of the Portfolio under the 1940 Act relative to the Adviser and its Directors and officers.

5. Limitation of Liability of the Adviser. The Adviser shall not be liable for any error of judgment or mistake of law or for any loss arising out of any investment or for any act or omission in the execution of security transactions for the Portfolio, except for wilful misfeasance, bad faith or gross negligence in the performance of its duties, or by reason of reckless disregard of its obligations and duties hereunder. As used in this Section 5, the term "Adviser" shall include Directors, officers and employees of the Adviser as well as the corporation itself.

6. Activities of the Adviser. The services of the Adviser to the Portfolio are not to be deemed to be exclusive, Citibank being free to render investment advisory and/or other services to others. It is understood that Trustees and officers of, and investors in the Portfolio are or may be or may become interested in the Adviser, as Directors, officers, employees, or otherwise and that Directors, officers and employees of the Adviser are or may become similarly interested in the Portfolio and that the Adviser may be or may become interested in the Portfolio as an investor or otherwise.

7. Duration, Termination and Amendments of this Agreement. This Agreement shall become effective as of the day and year first above written and shall govern the relations between the parties hereto thereafter, and shall remain in force until February 28, 1991 on which date it will terminate unless its continuance after February 28, 1991 is "specifically approved at least annually" (a) by the vote of a majority of the Trustees of the Portfolio who are not "interested persons" of the Portfolio or of the Adviser at a meeting specifically called for the purpose of voting on such approval, and (b) by the Board of Trustees of the Portfolio or by "vote of a majority of the outstanding voting securities" of the Portfolio.

This Agreement may be terminated at any time without the payment of any penalty by the Trustees or by the "vote of a majority of the outstanding voting securities" of the Portfolio, or by the Adviser, in each case on not more than 60 days' nor less than 30 days' written notice to the other party. This Agreement shall automatically terminate in the event of its "assignment".

This Agreement may be amended only if such amendment is approved by the "vote of a majority of the outstanding voting securities" of the Portfolio.

The terms "specifically approved at least annually" vote of a majority of the outstanding voting securities", "assignment", "affiliated person", and "interested persons", when used in this Agreement, shall have the respective meanings specified in, and shall be construed in a manner consistent with, the 1940 Act, subject, however, to such exemptions as may be granted by the Securities and Exchange Commission under said Act.

IN WITNESS WHEREOF, the parties thereto have caused this Agreement to be executed and delivered in their names and on their behalf by the undersigned, thereunto duly authorized, all as of the day and year first above written.

CASH RESERVES PORTFOLIO

By /s/ Philip Coolidge

-----  
Philip Coolidge

CITIBANK, N.A.



By /s/ Peter P. Capacio

-----  
Peter P. Capacio

## PLACEMENT AGENCY AGREEMENT

August 23, 1991

The Landmark Funds Broker-Dealer Services, Inc.  
6 St. James Avenue  
Boston, Massachusetts 02116

Gentlemen:

This is to confirm that, in consideration of the agreements hereinafter contained, the undersigned, Cash Reserves Portfolio (the "Portfolio"), an open-end diversified management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act"), organized as a Massachusetts business trust, has agreed that The Landmark Funds Broker-Dealer Services, Inc. ("LFBDS") shall be the placement agent (the "Placement Agent") of beneficial interests of the Portfolio ("Portfolio Interests").

Services as Placement Agent.

- 1.1 LFBDS will act as Placement Agent of the Portfolio Interests covered by the registration statement (as defined below) then in effect under the 1940 Act. In acting as Placement Agent under this Placement Agency Agreement, neither LFBDS nor its employees nor any agents thereof shall make any offer or sale of Portfolio Interests in a manner which would require the Interests to be registered under the Securities Act of 1933, as amended (the "1933 Act").
- 1.2 All activities by LFBDS and its agents and employees as Placement Agent of Portfolio Interests shall comply with all applicable laws, rules and regulations, including, without limitation, all rules and regulations adopted pursuant to the 1940 Act by the Securities and Exchange Commission (the "Commission").
- 1.3 Nothing herein shall be construed to require the Portfolio to accept any offer to purchase any Portfolio Interests, all of which shall be subject to approval by the Portfolio's Board of Trustees.
- 1.4 The Portfolio shall furnish from time to time for use in connection with the sale of Portfolio Interests such information with respect to the Portfolio and Portfolio Interests as LFBDS may reasonably request. The Portfolio shall also furnish LFBDS upon request with: (a) unaudited semiannual statements of the Portfolio's books and accounts prepared by the Portfolio, and (b) from time to time such additional information regarding the Portfolio's financial or regulatory condition as LFBDS may reasonably request.

1.5 The Portfolio represents to LFBDS that all registration statements filed by the Portfolio with the Commission under the 1940 Act with respect to Portfolio Interests have been prepared in conformity with the requirements of such statute and the rules and regulations of the Commission thereunder. As used in this Agreement the term "registration statement" shall mean any registration statement filed with the Commission as modified by any amendments thereto that at any time shall have been filed with the Commission by or on behalf of the Portfolio . The Portfolio represents and warrants to LFBDS that any registration statement will contain all statements required to be stated therein in conformity with both such statute and the rules and regulations of the Commission; that all statements of fact contained in any registration statement will be true and correct in all material respects at the time of filing of such registration statements or amendments thereto; and that no registration statement will include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading to a purchaser of Portfolio Interests. The Portfolio may but shall not be obligated to propose from time to time such amendment to any registration statement as in the light of future developments may, in the opinion of the Portfolio's counsel, be necessary or advisable. If the Portfolio shall not propose such amendment and/or supplement within fifteen days after receipt by the Portfolio of a written request from LFBDS to do so, LFBDS may, at its option, terminate this Agreement. The Portfolio shall not file any amendment to any registration statement without giving LFBDS reasonable notice thereof in advance; provided, however, that nothing contained in this Agreement shall in any way limit the Portfolio's right to file at any time such amendment to any registration statement as the Portfolio may deem advisable, such right being in all respects absolute and unconditional.

1.6 The Portfolio agrees to indemnify, defend and hold LFBDS, its several officers and directors, and any person who controls LFBDS within the meaning of Section 15 of the 1933 Act or Section 20 of the Securities and Exchange Act of 1934 (the "1934 Act") (for purposes of this paragraph 1.6, collectively, "Covered Persons") free and harmless from and against any and all claims, demands, liabilities and expenses (including the cost of investigating or defending such claims, demands or liabilities and any counsel fees incurred in connection therewith) which any Covered Person may incur under the 1933 Act, the 1934 Act, common law or otherwise, arising out of or based on any untrue statement of a material fact contained in any registration statement, private placement memorandum or other offering material ("Offering Material") or arising out of or based on any omission to state a material fact required to be stated in any Offering Material or necessary to make the statements in any Offering Material not misleading; provided, however, that the Portfolio's agreement to indemnify Covered Persons shall not be deemed to cover any claims, demands, liabilities or expenses arising out of any financial and other statements as are furnished in writing to the Portfolio by LFBDS in its capacity as Placement Agent for use in the answers to any items of any registration statement or in any statements made in any Offering Material, or arising out of or based on any

omission or alleged omission to state a material fact connection with the giving of such information required to be stated in such answers or necessary to make the answers not misleading; and further provided that the Portfolio's agreement to indemnify LFBDS and the Portfolio's representations and warranties herein before set forth in paragraph 1.5 shall not be deemed to cover any liability to the Portfolio or its investors to which a Covered Person would otherwise be subject by reason of willful misfeasance, bad faith or gross negligence in the performance of its duties, or by reason of a Covered Person's reckless disregard of its obligations and duties under this Agreement. The Portfolio shall be notified of any action brought against a Covered Person, such notification to be given by letter or by telegram addressed to the Portfolio, c/o Roger P. Joseph, Esq., Bingham, Dana & Gould, 150 Federal Street, 24th floor, Boston, Massachusetts 02110, with a copy to Philip W. Coolidge, 6 St. James Avenue, 9th floor, Boston, Massachusetts 02116 promptly after the summons or other first legal process shall have been duly and completely served upon such Covered Person. The failure to so notify the Portfolio of any such action shall not relieve the Portfolio from any liability except to the extent that the Portfolio shall have been prejudiced by such failure, or from any liability that the Portfolio may have to the Covered Person against whom such action is brought by reason of any such untrue statement or omission, otherwise than on account of the Portfolio's indemnity agreement contained in this paragraph. The Portfolio will be entitled to assume the defense of any suit brought to enforce any such claim, demand or liability, but in such case such defense shall be conducted by counsel of good standing chosen by the Portfolio and approved by LFBDS, which approval shall not be unreasonably withheld. In the event the Portfolio elects to assume the defense of any such suit and retain counsel of good standing approved by LFBDS, the defendant or defendants in such suit shall bear the fees and expenses of any additional counsel retained by any of them; but in case the Portfolio does not elect to assume the defense of any such suit, or in case LFBDS reasonably does not approve of counsel chosen by the Portfolio, the Portfolio will reimburse the Covered Person named as defendant in such suit, for the fees and expenses of any counsel retained by LFBDS or such Covered Person. The Portfolio's indemnification agreement contained in this paragraph and the Portfolio's representations and warranties in this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of Covered Persons, and shall survive the delivery of any Portfolio Interests. This agreement of indemnity will inure exclusively to Covered Persons and their successors. The Portfolio agrees to notify LFBDS promptly of the commencement of any litigation or proceedings against the Portfolio or any of its officers or Portfolio ees in connection with the issue and sale of any Portfolio Interests.

- 1.7 LFBDS agrees to indemnify, defend and hold the Portfolio, its several officers and Portfolio ees, and any person who controls the Portfolio within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act (for purposes of this paragraph 1.7, collectively, "Covered Persons") free and harmless from and against any and all claims, demands, liabilities and expenses (including the costs of investigating or defending such

claims, demands, liabilities and any counsel fees incurred in connection therewith) that Covered Persons may incur under the 1933 Act, the 1934 Act, or common law or otherwise, but only to the extent that such liability or expense incurred by a Covered Person resulting from such claims or demands shall arise out of or be based on any untrue statement of a material fact contained in information furnished in writing by LFBDS in its capacity as Placement Agent to the Portfolio for use in the answers to any of the items of any registration statement or in any statements in any Offering Material or shall arise out of or be based on any omission to state a material fact in connection with such information furnished in writing by LFBDS to the Portfolio required to be stated in such answers or necessary to make such information not misleading. LFBDS shall be notified of any action brought against a Covered Person, such notification to be given by letter or telegram addressed to LFBDS at 6 St. James Avenue, Boston, Massachusetts 02116, Attention: Philip W. Coolidge, promptly after the summons or other first legal process shall have been duly and completely served upon such Covered Person. LFBDS shall have the right of first control of the defense of the action with counsel of its own choosing satisfactory to the Portfolio if such action is based solely on such alleged misstatement or omission on LFBDS's part, and in any other event each Covered Person shall have the right to participate in the defense or preparation of the defense of any such action. The failure to so notify LFBDS of any such action shall not relieve LFBDS from any liability except to the extent that LFBDS shall have been prejudiced by such failure, or from any liability that LFBDS may have to Covered Persons by reason of any such untrue or alleged untrue statement, or omission or alleged omission, otherwise than on account of LFBDS's indemnity agreement contained in this paragraph.

- 1.8 No Portfolio Interests shall be offered by either LFBDS or the Portfolio under any of the provisions of this Agreement and no orders for the purchase or sale of Portfolio Interests hereunder shall be accepted by the Portfolio if and so long as the effectiveness of the registration statement or any necessary amendments thereto shall be suspended under any of the provisions of the 1940 Act; provided, however, that nothing contained in this paragraph shall in any way restrict or have an application to or bearing on the Portfolio's obligation to redeem Portfolio Interests from any investor in accordance with the provisions of the Portfolio's registration statement or Declaration of Portfolio, as amended from time to time.
- 1.9 The Portfolio agrees to advise LFBDS as soon as reasonably practical by a notice in writing delivered to LFBDS or its counsel:
- (a) of any request by the Commission for amendments to the registration statement then in effect or for additional information;
  - (b) in the event of the issuance by the Commission of any stop order suspending the effectiveness of the registration statement then in effect or the initiation by service of process on the Portfolio of any proceeding for that purpose;

- (c) of the happening of any event that makes untrue any statement of a material fact made in the registration statement then in effect or that requires the making of a change in such registration statement in order to make the statements therein not misleading; and
- (d) of all action of the Commission with respect to any amendment to any registration statement that may from time to time be filed with the Commission.

For purposes of this paragraph 1.9, informal requests by or acts of the Staff of the Commission shall not be deemed actions of or requests by the Commission.

1.10 LFBDS agrees on behalf of itself and its employees to treat confidentially and as proprietary information of the Portfolio all records and other information not otherwise publicly available relative to the Portfolio and its prior, present or potential investors and not to use such records and information for any purpose other than performance of its responsibilities and duties hereunder, except after prior notification to and approval in writing by the Portfolio, which approval shall not be unreasonably withheld and may not be withheld where LFBDS may be exposed to civil or criminal contempt proceedings for failure to comply, when requested to divulge such information by duly constituted authorities, or when so requested by the Portfolio.

1.11 In addition to LFBDS's duties as Placement Agent, the Portfolio understands that LFBDS may, in its discretion, perform additional functions in connection with transactions in Portfolio Interests.

The processing of Share transactions may include, but is not limited to, compilation of all transactions from LFBDS's various offices; creation of a transaction tape and timely delivery of it to the Portfolio's transfer agent for processing; reconciliation of all transactions delivered to the Portfolio's transfer agent; and the recording and reporting of these transactions executed by the Portfolio's transfer agent in customer statements; rendering of periodic customer statements; and the reporting of IRS Form 1099 information at year end if required.

LFBDS may also provide other investor services, such as communicating with Portfolio investors and other functions in administering customer accounts for Portfolio investors.

LFBDS understands that these services may result in cost savings to the Portfolio or to the Portfolio's investment manager and neither the Portfolio nor the Portfolio's investment manager will compensate LFBDS for all or a portion of the costs incurred in performing functions in connection with transactions in Portfolio Interests. Nothing herein is intended, nor shall be construed, as requiring LFBDS to perform any of the foregoing functions.

## 2. Term.

This Agreement shall become effective on the date first above written and,

unless sooner terminated as provided herein, shall continue until May 24, 1992 and thereafter shall continue automatically for successive annual periods, provided such continuance is specifically approved at least annually by (i) the Portfolio's Board of Portfolio ees or (ii) by a vote of a majority (as defined in the 1940 Act) of the Portfolio's outstanding voting securities, provided that in either event the continuance is also approved by the majority of the Portfolio's Trustees who are not interested persons (as defined in the 1940 Act) of the Portfolio and who have no direct or indirect financial interest in this Agreement, by vote cast in person at a meeting called for the purpose of voting on such approval. This Agreement is terminable without penalty, on not less than 60 days' notice, by the Board, by vote of a majority (as defined in the 1940 Act) of the Portfolio's outstanding voting securities, or by LFBDS. This Agreement will also terminate automatically in the event of its assignment (as defined in the 1940 Act and the rules thereunder).

### 3. Representations and Warranties.

LFBDS and the Portfolio each hereby represents and warrants to the other that it has all requisite authority to enter into, execute, deliver and perform its obligations under this Agreement and that, with respect to it, this Agreement is legal, valid and binding, and enforceable in accordance with its terms.

### 4. Concerning Applicable Provisions of Law, etc.

This Agreement shall be subject to all applicable provisions of law, including the applicable provisions of the 1940 Act and to the extent that any provisions herein contained conflict with any such applicable provisions of law, the latter shall control.

This Agreement is executed and delivered in Boston, Massachusetts, and the laws of the Commonwealth of Massachusetts shall, except to the extent that any applicable provisions of Federal Law shall be controlling, govern the construction, validity and effect of this Agreement, without reference to principles of conflicts of law.

If the contract set forth herein is acceptable to you, please so indicate by executing the enclosed copy of this Agreement and returning the same to the undersigned, whereupon this Agreement shall constitute a binding contract between the parties hereto effective at the closing of business on the date hereof.

Yours very truly,

CASH RESERVES PORTFOLIO

By: /s/ Philip Coolidge

-----  
Philip Coolidge  
President

Accepted:

THE LANDMARK FUNDS BROKER-DEALER SERVICES, INC.

By: /s/ Philip Coolidge

-----  
Philip Coolidge  
Chief Executive Officer



CUSTODIAN CONTRACT  
Between  
CASH RESERVES PORTFOLIO  
and  
STATE STREET BANK AND TRUST COMPANY

TABLE OF CONTENTS

	Page
1. Employment of Custodian and Property to be Held By It .....	1
2. Duties of the Custodian with Respect to Property of the Fund Held by the Custodian in the United States .....	2
2.1 Holding Securities.....	2
2.2 Delivery of Securities.....	3
2.3 Registration of Securities.....	7
2.4 Bank Accounts.....	8
2.5 Availability of Federal Funds.....	9
2.6 Collection of Income.....	9
2.7 Payment of Fund Monies .....	10
2.8 Liability for Payment in Advance of Receipt of Securities Purchased .....	13
2.9 Appointment of Agents.....	13
2.10 Deposit of Securities in Securities System.....	14
2.10A Fund Assets Held in the Custodian's Direct Paper System.....	17
2.11 Segregated Account.....	18
2.12 Ownership Certificates for Tax Purposes.....	20
2.13 Proxies.....	20
2.14 Communications Relating to Fund Portfolio Securities.....	20
2.15 Reports to Fund by Independent Public Accountants.....	21
3. Duties of the Custodian with Respect to Property of the Fund Held Outside of the United States.....	22
3.1 Appointment of Foreign Sub-Custodians.....	22
3.2 Assets to be Held.....	22
3.3 Foreign Securities Depositories.....	23
3.4 Segregation of Securities.....	23
3.5 Agreements with Foreign Banking Institutions.....	23
3.6 Access of Independent Accountants of the Fund .....	24
3.7 Reports by Custodian.....	24
3.8 Transactions in Foreign Custody Account.....	25
3.9 Liability of Foreign Sub-Custodians.....	26

3.10	Liability of Custodian.....	26
3.11	Reimbursement for Advances.....	27
3.12	Monitoring Responsibilities.....	28
3.13	Branches of U.S. Banks.....	29
4.	Payments for Repurchases or Redemptions and Sales of Shares of the Fund.....	29
5.	Proper Instructions.....	30
6.	Actions Permitted Without Express Authority.....	31
7.	Evidence of Authority.....	32
8.	Duties of Custodian with Respect to the Books of Account and Calculations of Net Asset Value and Net Income.....	32
9.	Records.....	33
10.	Opinion of Fund's Independent Accountant.....	33
11.	Compensation of Custodian.....	34
12.	Responsibility of Custodian.....	34
13.	Effective Period, Termination and Amendment.....	36
14.	Successor Custodian.....	37
15.	Interpretive and Additional Provisions.....	39
16.	Massachusetts Law to Apply.....	39
17.	Prior Contracts.....	39
18.	Limitations of Liability of the Trustees and Shareholders.....	40

#### CUSTODIAN CONTRACT

This Contract between Cash Reserves Portfolio, a business trust organized and existing under the laws of the State of New York, having its principal place of business at 6 St. James Avenue, Boston, Massachusetts, hereinafter called the "Fund", and State Street Bank and Trust Company, a Massachusetts trust company, having its principal place of business at 225 Franklin Street, Boston, Massachusetts, 02110, hereinafter called the "Custodian",

WITNESSETH: That in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. Employment of Custodian and Property to be Held by It

The Fund hereby employs the Custodian as the custodian of its assets, including securities it desires to be held in places within the United States ("domestic securities") and securities it desires to be held outside the United States ("foreign securities") pursuant to the provisions of the Declaration of Trust. The Fund agrees to deliver to the Custodian all securities and cash owned by it, and all payments of income, payments of principal or capital

distributions received by it with respect to all securities owned by the Fund from time to time, and the cash consideration received by it for such new or treasury shares of capital stock, \$0.00001 par value, ("Shares") of the Fund as may be issued or sold from time to time. The Custodian shall not be responsible for any property of the Fund held or received by the Fund and not delivered to the Custodian.

Upon receipt of "Proper Instructions" (within the meaning of Article 5), the Custodian shall from time to time employ one or more sub-custodians located in the United States, but only in accordance with an applicable vote by the Board of Trustees of the Fund, and provided that the Custodian shall have no more or less responsibility or liability to the Fund on account of any actions or omissions of any sub-custodian so employed than any such sub-custodian has to the Custodian. The Custodian may employ as sub-custodians for the Fund's securities and other assets the foreign banking institutions and foreign securities depositories designated in Schedule "A" hereto but only in accordance with the provisions of Article 3.

## 2. Duties of the Custodian with Respect to Property of the Fund Held by the Custodian in the United States

2.1 Holding Securities. The Custodian shall hold and physically segregate for the account of the Fund all non-cash property, to be held by it in the United States, including all domestic securities owned by the Fund, other than (a) securities which are maintained pursuant to Section 2.10 in a clearing agency which acts as a securities depository or in a book-entry system authorized by the U.S. Department of the Treasury, collectively referred to herein as "Securities System" and (b) commercial paper of an issuer for which State Street Bank and Trust Company acts as issuing and paying agent ("Direct Paper") which is deposited and/or maintained in the Direct Paper System of the Custodian pursuant to Section 2.10A.

2.2 Delivery of Securities. The Custodian shall release and deliver domestic securities owned by the Fund held by the Custodian or in a Securities System account of the Custodian or in the Custodian's Direct Paper book-entry system account ("Direct Paper System Account") only upon receipt of Proper Instructions, which may be continuing instructions when deemed appropriate by the parties, and only in the following cases:

- 1) Upon sale of such securities for the account of the Fund and receipt of payment therefor;
- 2) Upon the receipt of payment in connection with any repurchase agreement related to such securities entered into by the Fund;
- 3) In the case of a sale effected through a Securities System, in accordance with the provisions of Section 2.10 hereof;
- 4) To the depository agent in connection with tender or other similar offers for portfolio securities of the Fund;

- 5) To the issuer thereof or its agent when such securities are called, redeemed, retired or otherwise become payable; provided that, in any such case, the cash or other consideration is to be delivered to the Custodian;
- 6) To the issuer thereof, or its agent, for transfer into the name of the Fund or into the name of any nominee or nominees of the Custodian or into the name or nominee name of any agent appointed pursuant to Section 2.9 or into the name or nominee name of any sub-custodian appointed pursuant to Article 1; or for exchange for a different number of bonds, certificates or other evidence representing the same aggregate face amount or number of units; provided that, in any such case, the new securities are to be delivered to the Custodian;
- 7) Upon the sale of such securities for the account of the Fund, to the broker or its clearing agent, against a receipt, for examination in accordance with "street delivery" custom; provided that in any such case, the Custodian shall have no responsibility or liability for any loss arising from the delivery of such securities prior to receiving payment for such securities except as may arise from the Custodian's own negligence or willful misconduct;
- 8) For exchange or conversion pursuant to any plan of merger, consolidation, recapitalization, reorganization or readjustment of the securities of the issuer of such securities, or pursuant to provisions for conversion contained in such securities, or pursuant to any deposit agreement; provided that, in any such case, the new securities and cash, if any, are to be delivered to the Custodian;
- 9) In the case of warrants, rights or similar securities, the surrender thereof in the exercise of such warrants, rights or similar securities or the surrender of interim receipts or temporary securities for definitive securities; provided that, in any such case, the new securities and cash, if any, are to be delivered to the Custodian;
- 10) For delivery in connection with any loans of securities made by the Fund, but only against receipt of adequate collateral as agreed upon from time to time by the Custodian and the Fund, which may be in the form of cash or obligations issued by the United States government, its agencies or instrumentalities, except that in connection with any loans for which collateral is to be credited to the Custodian's account in the book-entry system authorized by the U.S. Department of the Treasury, the Custodian will not be held liable or responsible for the delivery of securities owned by the Fund prior to the receipt of such collateral;
- 11) For delivery as security in connection with any borrowings by the Fund requiring a pledge of assets by the Fund, but only against receipt of amounts borrowed;

- 12) For delivery in accordance with the provisions of any agreement among the Fund, the Custodian and a broker/dealer registered under the Securities Exchange Act of 1934 (the "Exchange Act") and a member of The National Association of Securities Dealers, Inc. ("NASD"), relating to compliance with the rules of The Options Clearing Corporation and of any registered national securities exchange, or of any similar organization or organizations, regarding escrow or other arrangements in connection with transactions by the Fund;
- 13) For delivery in accordance with the provisions of any agreement among the Fund, the Custodian, and a Futures Commission Merchant registered under the Commodity Exchange Act, relating to compliance with the rules of the Commodity Futures Trading Commission and/or any Contract Market, or any similar organization or organizations, regarding account deposits in connection with transactions by the Fund;
- 14) Upon receipt of instructions from the transfer agent ("Transfer Agent") for the Fund, for delivery to such Transfer Agent or to the holders of shares in connection with distributions in kind, as may be described from time to time in the Fund's currently effective prospectus and statement of additional information ("prospectus"), in satisfaction of requests by holders of Shares for repurchase or redemption; and
- 15) For any other proper corporate purpose, but only upon receipt of, in addition to Proper Instructions, a certified copy of a resolution of the Board of Trustees or of the Executive Committee signed by an officer of the Fund and certified by the Secretary or an Assistant Secretary, specifying the securities to be delivered, setting forth the purpose for which such delivery is to be made, declaring such purpose to be a proper corporate purpose, and naming the person or persons to whom delivery of such securities shall be made.

2.3 Registration of Securities. Domestic securities held by the Custodian (other than bearer securities) shall be registered in the name of the Fund or in the name of any nominee of the Fund or of any nominee of the Custodian which nominee shall be assigned exclusively to the Fund, unless the Fund has authorized in writing the appointment of a nominee to be used in common with other registered investment companies having the same investment adviser as the Fund, or in the name or nominee name of any agent appointed pursuant to Section 2.9 or in the name or nominee name of any sub-custodian appointed pursuant to Article 1. All securities accepted by the Custodian on behalf of the Fund under the terms of this Contract shall be in "street name" or other good delivery form. If, however, the Fund directs the Custodian to maintain securities in "street name", the Custodian shall utilize its best efforts only to timely collect income due the Fund on such securities and to notify the Fund on a best efforts basis only of relevant corporate actions including without limitation, pendency of calls, maturities, tender or exchange offers.

2.4 Bank Accounts. The Custodian shall open and maintain a separate bank account or accounts in the United States in the name of the Fund, subject only to draft or order by the Custodian acting pursuant to the terms of this Contract, and shall hold in such account or accounts, subject to the provisions hereof, all cash received by it from or for the account of the Fund, other than cash maintained by the Fund in a bank account established and used in accordance with Rule 17f-3 under the Investment Company Act of 1940. Funds held by the Custodian for the Fund may be deposited by it to its credit as Custodian in the Banking Department of the Custodian or in such other banks or trust companies as it may in its discretion deem necessary or desirable; provided, however, that every such bank or trust company shall be qualified to act as a custodian under the Investment Company Act of 1940 and that each such bank or trust company and the funds to be deposited with each such bank or trust company shall be approved by vote of a majority of the Board of Trustees of the Fund. Such funds shall be deposited by the Custodian in its capacity as Custodian and shall be withdrawable by the Custodian only in that capacity.

2.5 Availablility of Federal Funds. Upon mutual agreement between the Fund and the Custodian, the Custodian shall, upon the receipt of Proper Instructions, make federal funds available to the Fund as of specified times agreed upon from time to time by the Fund and the Custodian in the amount of checks received in payment for Shares of the Fund which are deposited into the Fund's account.

2.6 Collection of Income. Subject to the provisions of Section 2.3, the Custodian shall collect on a timely basis all income and other payments with respect to United States registered securities held hereunder to which the Fund shall be entitled either by law or pursuant to custom in the securities business, and shall collect on a timely basis all income and other payments with respect to United States bearer securities if, on the date of payment by the issuer, such securities are held by the Custodian or its agent thereof and shall credit such income, as collected, to the Fund's custodian account. Without limiting the generality of the foregoing, the Custodian shall detach and present for payment all coupons and other income items requiring presentation as and when they become due and shall collect interest when due on securities held hereunder. Income due the Fund on United States securities loaned pursuant to the provisions of Section 2.2 (10) shall be the responsibility of the Fund. The Custodian will have no duty or responsibility in connection therewith, other than to provide the Fund with such information or data as may be necessary to assist the Fund in arranging for the timely delivery to the Custodian of the income to which the Fund is properly entitled.

2.7 Payment of Fund Monies. Upon receipt of Proper Instructions, which may be continuing instructions when deemed appropriate by the parties, the Custodian shall pay out monies of the Fund in the following cases only:

- 1) Upon the purchase of domestic securities, options, futures contracts or options on futures contracts for the account of the Fund but only (a) against the delivery of such securities, or evidence of title to such options, futures contracts or options on futures contracts, to the Custodian (or any bank,

banking firm or trust company doing business in the United States or abroad which is qualified under the Investment Company Act of 1940, as amended, to act as a custodian and has been designated by the Custodian as its agent for this purpose) registered in the name of the Fund or in the name of a nominee of the Custodian referred to in Section 2.3 hereof or in proper form for transfer; (b) in the case of a purchase effected through a Securities System, in accordance with the conditions set forth in Section 2.10 hereof; (c) in the case of a purchase involving the Direct Paper System, in accordance with the conditions set forth in Section 2.10A; (d) in the case of repurchase agreements entered into between the Fund and the Custodian, or another bank, or a broker-dealer which is a member of NASD, (i) against delivery of the securities either in certificate form or through an entry crediting the Custodian's account at the Federal Reserve Bank with such securities or (ii) against delivery of the receipt evidencing purchase by the Fund of securities owned by the Custodian along with written evidence of the agreement by the Custodian to repurchase such securities from the Fund or (e) for transfer to a time deposit account of the Fund in any bank, whether domestic or foreign; such transfer may be effected prior to receipt of a confirmation from a broker and/or the applicable bank pursuant to Proper Instructions from the Fund as defined in Article 5;

- 2) In connection with conversion, exchange or surrender of securities owned by the Fund as set forth in Section 2.2 hereof;
- 3) For the redemption or repurchase of Shares issued by the Fund as set forth in Article 4 hereof;
- 4) For the payment of any expense or liability incurred by the Fund, including but not limited to the following payments for the account of the Fund: interest, taxes, management, accounting, transfer agent and legal fees, and operating expenses of the Fund whether or not such expenses are to be in whole or part capitalized or treated as deferred expenses;
- 5) For the payment of any dividends declared pursuant to the governing documents of the Fund;
- 6) For payment of the amount of dividends received in respect of securities sold short;
- 7) For any other proper purpose, but only upon receipt of, in addition to Proper Instructions, a certified copy of a resolution of the Board of Trustees or of the Executive Committee of the Fund signed by an officer of the Fund and certified by its Secretary or an Assistant Secretary, specifying the amount of such payment, setting

forth the purpose for which such payment is to be made, declaring such purpose to be a proper purpose, and naming the person or persons to whom such payment is to be made.

- 2.8 Liability for Payment in Advance of Receipt of Securities Purchased. Except as specifically stated otherwise in this Contract, in any and every case where payment for purchase of domestic securities for the account of the Fund is made by the Custodian in advance of receipt of the securities purchased in the absence of specific written instructions from the Fund to so pay in advance, the Custodian shall be absolutely liable to the Fund for such securities to the same extent as if the securities had been received by the Custodian.
- 2.9 Appointment of Agents. The Custodian may at any time or times in its discretion appoint (and may at any time remove) any other bank or trust company which is itself qualified under the Investment Company Act of 1940, as amended, to act as a custodian, as its agent to carry out such of the provisions of this Article 2 as the Custodian may from time to time direct; provided, however, that the appointment of any agent shall not relieve the Custodian of its responsibilities or liabilities hereunder.
- 2.10 Deposit of Securities in Securities Systems. The Custodian may deposit and/or maintain domestic securities owned by the Fund in a clearing agency registered with the Securities and Exchange Commission under Section 17A of the Securities Exchange Act of 1934, which acts as a securities depository, or in the book-entry system authorized by the U.S. Department of the Treasury and certain federal agencies, collectively referred to herein as "Securities System" in accordance with applicable Federal Reserve Board and Securities and Exchange Commission rules and regulations, if any, and subject to the following provisions:
- 1) The Custodian may keep domestic securities of the Fund in a Securities System provided that such securities are represented in an account ("Account") of the Custodian in the Securities System which shall not include any assets of the Custodian other than assets held as a fiduciary, custodian or otherwise for customers;
  - 2) The records of the Custodian with respect to domestic securities of the Fund which are maintained in a Securities System shall identify by book-entry those securities belonging to the Fund;
  - 3) The Custodian shall pay for domestic securities purchased for the account of the Fund upon (i) receipt of advice from the Securities System that such securities have been transferred to the Account, and (ii) the making of an entry on the records of the Custodian to reflect such payment and transfer for the account of the Fund. The Custodian shall transfer domestic securities sold for the account of the Fund upon (i) receipt of advice from the Securities System that payment for such securities has been transferred to the Account, and (ii) the making of an entry on the records of the Custodian to reflect such transfer and payment for the account of



the Fund. Copies of all advices from the Securities System of transfers of domestic securities for the account of the Funds shall identify the Fund, be maintained for the Fund by the Custodian and be provided to the Fund at its request. Upon request, the Custodian shall furnish the Fund confirmation of each transfer to or from the account of the Fund in the form of a written advice or notice and shall furnish to the Fund copies of daily transaction sheets reflecting each day's transactions in the Securities System for the account of the Fund.

- 4) The Custodian shall provide the Fund with any report obtained by the Custodian on the Securities System's accounting system, internal accounting control and procedures for safeguarding domestic securities deposited in the Securities System;
- 5) The Custodian shall have received the initial or annual certificate, as the case may be, required by Article 13 hereof;
- 6) Anything to the contrary in this Contract notwithstanding, the Custodian shall be liable to the Fund for any loss or damage to the Fund resulting from use of the Securities System by reason of any negligence, misfeasance or misconduct of the Custodian or any of its agents or of any of its or their employees or from failure of the Custodian or any such agent to enforce effectively such rights as it may have against the Securities System; at the election of the Fund, it shall be entitled to be subrogated to the rights of the Custodian with respect to any claim against the Securities System or any other person which the Custodian may have as a consequence of any such loss or damage if and to the extent that the Fund has not been made whole for any such loss or damage.

2.10A Fund Assets Held in the Custodian's Direct Paper System. The Custodian may deposit and/or maintain securities owned by the Fund in the Direct Paper System of the Custodian subject to the following provisions:

- 1) No transaction relating to securities in the Direct Paper System will be effected in the absence of Proper Instructions;
- 2) The Custodian may keep securities of the Fund in the Direct Paper System only if such securities are represented in an account ("Account") of the Custodian in the Direct Paper System which shall not include any assets of the Custodian other than assets held as a fiduciary, custodian or otherwise for customers;
- 3) The records of the Custodian with respect to securities of the Fund which are maintained the Direct Paper System shall identify by book-entry those securities belonging to the Fund;
- 4) The Custodian shall pay for securities purchased for the account of the Fund upon the making of an entry on the records of the Custodian to reflect such payment and transfer of securities to the account of the

Fund. The Custodian shall transfer securities sold for the account of the Fund upon the making of an entry on the records of the custodian to reflect such transfer and receipt of payment for the account of the Fund;

- 5) The Custodian shall furnish the Fund confirmation of each transfer to or from the account of the Fund, in the form of a written advice or notice, of Direct Paper on the next business day following such transfer and shall furnish to the Fund copies of daily transaction sheets reflecting each day's transaction in the Securities System for the account of the Fund;'
- 6) The Custodian shall provide the Fund with any report on its system of internal accounting control as the Fund may reasonably request from time to time;

2.11 Segregated Account. The Custodian shall upon receipt of Proper Instructions establish and maintain a segregated account or accounts for and on behalf of the Fund, into which account or accounts may be transferred cash and/or securities, including securities maintained in an account by the Custodian pursuant to Section 2.10 hereof, (i) in accordance with the provisions of any agreement among the Fund, the Custodian and a broker-dealer registered under the Exchange Act and a member of the NASD (or any futures commission merchant compliance with the rules of The Options Clearing Corporation and of any registered national securities exchange (or the Commodity Futures Trading Commission or any registered contract market), or of any similar organization or organizations, regarding escrow or other arrangements in connection with transactions by the Fund, (ii) for purposes of segregating cash or government securities in connection with options purchased, sold or written by the Fund or commodity futures contracts or options thereon purchased or sold by the Fund, (iii) for the purposes of compliance by the Fund with the procedures required by Investment Company Act Release No. 10666, or any subsequent release or releases of the Securities and Exchange Commission relating to the maintenance of segregated accounts by registered investment companies and (iv) for other proper corporate purposes, but only, in the case of clause (iv), upon receipt of, in addition to Proper Instructions, a certified copy of a resolution of the Board of Trustees or of the Executive Committee signed by an officer of the Fund and certified by the Secretary or an Assistant Secretary, setting forth a purpose or purposes of such segregated account and declaring such purposes to be proper corporate purposes.

2.12 Ownership Certificates for Tax Purposes. The Custodian shall execute ownership and other certificates and affidavits for all federal and state tax purposes in connection with receipt of income or other payments with respect to domestic securities of the Fund held by it and in connection with transfers of such securities.

2.13 Proxies. The Custodian shall, with respect to the domestic securities held hereunder, cause to be promptly executed by the registered holder of such securities, if the securities are registered otherwise than in the name of

the Fund or a nominee of the Fund, all proxies, without indication of the manner in which such proxies are to be voted, and shall promptly deliver to the Fund such proxies, all proxy soliciting materials and all notices relating to such securities.

- 2.14 Communications Relating to Fund Portfolio Securities. Subject to the provisions of Section 2.3, the Custodian shall transmit promptly to the Fund all written information (including, without limitation, pendency of calls and maturities of domestic securities and expirations of rights in connection therewith and notices of exercise of call and put options written by the Fund and the maturity of futures contracts purchased or sold by the Fund) received by the Custodian from issuers of the domestic securities being held for the Fund. With respect to tender or exchange offers, the Custodian shall transmit promptly to the Fund all written information received by the Custodian from issuers of the domestic securities whose tender or exchange is sought and from the party (or his agents) making the tender or exchange offer. If the Fund desires to take action with respect to any tender offer, exchange offer or any other similar transaction, the Fund shall notify the Custodian at least three business days prior to the date on which the Custodian is to take such action.
- 2.15 Reports to Fund by Independent Public Accountants. The Custodian shall provide the Fund, at such times the Fund may reasonably require, with reports by independent public accountants on the accounting system, internal accounting control and procedures for safeguarding securities, futures contracts and options on futures contracts, including domestic securities deposited and/or maintained in a Securities System, relating to the services provided by the Custodian under this Contract; such reports shall be of sufficient scope and in sufficient detail, reasonably be required by the Fund to provide reasonable assurance that any material inadequacies would be disclosed by such examination, and, if there are no such inadequacies, the reports shall so state.

### 3. Duties of the Custodian with Respect to Property Of the Fund Held Outside of the United States

#### 3.1 Appointment of Foreign Sub-Custodians

The Fund hereby authorizes and instructs the Custodian to employ as sub-custodians for the Fund's securities and other assets maintained outside the United States the foreign banking institutions and foreign securities depositories designated on Schedule A hereto ("foreign sub-custodians"). Upon receipt of "Proper Instructions", as defined in Section 5 of this Contract, together with a certified resolution of the Fund's Board of Trustees, the Custodian and the Fund may agree to amend Schedule A hereto from time to time to designate additional foreign banking institutions and foreign securities depositories to act as sub-custodian. Upon receipt of Proper Instructions, the Fund may instruct the Custodian to cease the employment of any one or more such sub-custodians for maintaining custody of the Fund's assets.

- 3.2 Assets to be Held. The Custodian shall limit the securities and other assets maintained in the custody of the foreign sub-custodians to: (a) "foreign securities", as defined in paragraph (c) (1) of Rule 17f-5 under the Investment Company Act of 1940, and (b) cash and cash equivalents in such amounts as the Custodian or the Fund may determine to be reasonably necessary to effect the Fund's foreign securities transactions;
- 3.3 Foreign Securities Depositories. Except as may otherwise be agreed upon in writing by the Custodian and the Fund, assets of the Fund shall be maintained in foreign securities depositories only through arrangements implemented by the foreign banking institutions serving as sub-custodians pursuant to the terms hereof. Where possible, such arrangements shall include entry into agreements containing the provisions set forth in Section 3.5 hereof.

### 3.4 Segregation of Securities

The Custodian shall identify on its books as belonging to the Fund, the foreign securities of the Fund held by each foreign sub-custodian. Each agreement pursuant to which the Custodian employs a foreign banking institution shall require that such institution establish a custody account for the Custodian on behalf of the Fund and physically segregate in that account, securities and other assets of the Fund, and, in the event that such institution deposits the Fund's securities in a foreign securities depository; that it shall identify on its books as belonging to the custodian, as agent for the Fund, the securities so deposited;

- 3.5 Agreements with Foreign Banking Institutions. Each agreement with a foreign banking institution shall be substantially in the form set forth in Exhibit 1 hereto and shall provide that: (a) the Fund's assets will not be subject to any right, charge, security interest, lien or claim of any kind in favor of the foreign banking institution or its creditors or agent, except a claim of payment for their safe custody or administration; (b) beneficial ownership of the Fund's assets will be freely transferable without the payment of money or value other than for custody or administration; (c) adequate records will be maintained identifying the assets as belonging to the Fund; (d) officers of or auditors employed by, or other representatives of the Custodian, including to the extent permitted under applicable law the independent public accountants for the Fund, will be given access to the books and records of the foreign banking institution relating to its actions under its agreement with the Custodian; and (e) assets of the Fund held by the foreign sub-custodian will be subject only to the instructions of the Custodian or its agents.

- 3.6 Access of Independent Accountants of the Fund. Upon request of the Fund, the Custodian will use its best efforts to arrange for the independent accountants of the Fund to be afforded access to the books and records of any foreign banking institution employed as a foreign sub-custodian insofar as such books and records relate to the performance of such foreign banking institution under its agreement with the Custodian.

3.7 Reports by Custodian. The Custodian will supply to the Fund from time to time, as mutually agreed upon, statements in respect of the securities and other assets of the Fund held by foreign sub-custodians, including but not limited to an identification of entities having possession of the Fund's securities and other assets and advices or notifications of any transfers of securities to or from each custodial account maintained by a foreign banking institution for the Custodian on behalf of the Fund indicating, as to securities acquired for the Fund, the identity of the entity having physical possession of such securities.

### 3.8 Transactions in Foreign Custody Account

(a) Except as otherwise provided in paragraph (b) of this Section 3.8, the provision of Sections 2.2 and 2.7 of this Contract shall apply, mutatis mutandis to the foreign securities of the Fund held outside the United States by foreign sub-custodians.

(b) Notwithstanding any provision of this Contract to the contrary, settlement and payment for securities received for the account of the Fund and delivery of securities maintained for the account of the Fund may be effected in accordance with the customary established securities trading or securities processing practices and procedures in the jurisdiction or market in which the transaction occurs, including, without limitation, delivering securities to the purchaser thereof or to a dealer therefor (or an agent for such purchaser or dealer) against a receipt with the expectation of receiving later payment for such securities from such purchaser or dealer.

(c) Securities maintained in the custody of a foreign sub-custodian may be maintained in the name of such entity's nominee to the same extent as set forth in Section 2.3 of this Contract, and the Fund agrees to hold any such nominee harmless from any liability as a holder of record of such securities.

3.9 Liability of Foreign Sub-Custodians. Each agreement pursuant to which the Custodian employs a foreign banking institution as a foreign sub-custodian shall require the institution to exercise reasonable care in the performance of its duties and to indemnify, and hold harmless, the Custodian and each Fund from and against any loss, damage, cost, expense, liability or claim arising out of or in connection with the institution's performance of such obligations. At the election of the Fund, it shall be entitled to be subrogated to the rights of the Custodian with respect to any claims against a foreign banking institution as a consequence of any such loss, damage, cost, expense, liability or claim if and to the extent that the Fund has not been made whole for any such loss, damage, cost, expense, liability or claim.

3.10 Liability of Custodian. The Custodian shall be liable for the acts or omissions of a foreign banking institution to the same extent as set forth with respect to sub-custodians generally in this Contract and, regardless of whether assets are maintained in the custody of a foreign banking institution, a foreign securities depository or a branch of a U.S. bank as

contemplated by paragraph 3.13 hereof, the Custodian shall not be liable for any loss, damage, cost, expense, liability or claim resulting from nationalization, expropriation, currency restrictions, or acts of war or terrorism or any loss where the sub-custodian has otherwise exercised reasonable care. Notwithstanding the foregoing provisions of this paragraph 3.10, in delegating custody duties to State Street London Ltd., the Custodian shall not be relieved of any responsibility to the Fund for any loss due to such delegation, except such loss as may result from (a) political risk (including, but not limited to, exchange control restrictions, confiscation, expropriation, nationalization, insurrection, civil strife or armed hostilities) or (b) other losses (excluding a bankruptcy or insolvency of State Street London Ltd. not caused by political risk) due to Acts of God, nuclear incident or other losses under circumstances where the Custodian and State Street London Ltd; have exercised reasonable care.

3.11 Reimbursement for Advances. If the Fund requires the Custodian to advance cash or securities for any purpose including the purchase or sale of foreign exchange or of contracts for foreign exchange, or in the event that the Custodian or its nominee shall incur or be assessed any taxes, charges, expenses, assessments, claims or liabilities in connection with the performance of this Contract, except such as may arise from its or its nominee's own negligent action, negligent failure to act or willful misconduct, any property at any time held for the account of the Fund shall be security therefor and should the Fund fail to repay the Custodian promptly, the Custodian shall be entitled to utilize available cash and to dispose of the Fund assets to the extent necessary to obtain reimbursement.

3.12 Monitoring Responsibilities. The Custodian shall furnish annually to the Fund, during the month of June, information concerning the foreign sub-custodians employed by the Custodian; Such information shall be similar in kind and scope to that furnished to the Fund in connection with the initial approval of this Contract; In addition, the Custodian will promptly inform the Fund in the event that the Custodian learns of a material adverse change in the financial condition of a foreign sub-custodian or any material loss of the assets of the Fund or in the case of any foreign sub-custodian not the subject of an exemptive order from the Securities and Exchange Commission is notified by such foreign sub-custodian that there appears to be a substantial likelihood that its shareholders' equity will decline below \$200 million (U.S. dollars or the equivalent thereof) or that its shareholders' equity has declined below \$200 million (in each case computed in accordance with generally accepted U.S. accounting principles).

3.13 Branches of U.S. Banks

(a) Except as otherwise set forth in this Contract, the provisions hereof shall not apply where the custody of the Fund assets are maintained in a foreign branch of a banking institution which is a "bank" as defined by Section 2(a)(5) of the Investment Company Act of 1940 meeting the qualification set forth in Section 26(a) of said Act; The appointment of any such branch as a sub-custodian shall be governed by paragraph 1 of this

Contract.

(b) Cash held for the Fund in the United Kingdom shall be maintained in an interest bearing account established for the Fund with the Custodian's London branch, which account shall be subject to the direction of the Custodian, State Street London Ltd. or both:

4. Payments for Repurchases or Redemptions and Sales of Shares of the Fund

From such funds as may be available for the purpose but subject to the limitations of the Declaration of Trust and any applicable votes of the Board of Trustees of the Fund Pursuant thereto, the Custodian shall, upon receipt of instructions from the Transfer Agent, make funds available for payment to holders of Shares who have delivered to the Transfer Agent a request for redemption or repurchase of their Shares. In connection with the redemption or repurchase of Shares of the Fund, the Custodian is authorized upon receipt of instructions from the Transfer Agent to wire funds to or through a commercial bank designated by the redeeming shareholders. In connection with the redemption or repurchase of Shares of the Fund, the Custodian shall honor checks drawn on the Custodian by a holder of Shares, which checks have been furnished by the Fund to the holder of Shares, when presented to the Custodian in accordance with such procedures and controls as are mutually agreed upon from time to time between the Fund and the Custodian;

The Custodian shall receive from the distributor for the Fund's Shares or from the Transfer Agent of the Fund and deposit into the Fund's account such payments as are received for Shares of the Fund issued or sold from time to time by the Fund; The Custodian will provide timely notification to the Fund and the Transfer Agent of any receipt by it of Payments for Shares of the Fund.

5. Proper Instructions

Proper Instructions as used herein means a writing signed or initialled by one or more person or persons as the Board of Trustees shall have from time to time authorized. Each such writing shall set forth the specific transaction or type of transaction involved, including a specific statement of the purpose for which such action is requested; Oral Instructions will be considered Proper Instructions if the Custodian reasonably believes then to have been given by a person authorized to give such instructions with respect to the transaction involved; The Fund shall cause all oral instructions to be confirmed in writing. Upon receipt of a certificate of the Secretary or an Assistant Secretary as to the authorization by the Board of Trustees of the Fund accompanied by a detailed description of procedures approved by the Board of Trustees, Proper Instructions may include communications effected directly between electro-mechanical or electronic devices provided that the Board of Trustees and the Custodian are satisfied that such procedures afford adequate safeguards for the Funds assets; For purposes of this Section, Proper Instructions shall include instructions received by the Custodian pursuant to any three-party agreement which requires a segregated asset account in accordance with Section 2.11.

6. Actions Permitted without Express Authority

The Custodian may in its discretion, without express authority from the Fund;

1) make payments to itself or others for minor expenses of handling securities or other similar items relating to its duties under this Contract, provided that all such payments shall be accounted for to the Fund;

2) surrender securities in temporary form for securities in definitive form;

3) endorse for collection, in the name of the Fund, checks, drafts and other negotiable Instruments; and

4) in general, attend to all non-discretionary details in connection with the sale, exchange, substitution, purchase, transfer and other dealings with the securities and property of the Fund except as otherwise directed by the Board of Trustees of the Fund.

#### 7. Evidence of Authority

The Custodian shall be protected in acting upon any instructions, notice, request, consent, certificate or other instrument or paper believed by it to be genuine and to have been properly executed by or on behalf of the Fund. The Custodian may receive and accept a certified copy of a vote of the Board of Trustees of the Fund as conclusive evidence (a) of the authority of any person to act in accordance with such vote or (b) of any determination or of any action by the Board of Trustees pursuant to the Declaration of Trust as described in such vote, and such vote may be considered as in full force and effect until receipt by the Custodian of written notice to the contrary.

#### 8. Duties of Custodian with Respect to the Books of Account and Calculation of Net Asset Value and Net Income

The Custodian shall cooperate with and supply necessary information to the entity or entities appointed by the Board of Trustees of the Fund to keep the books of account of the Fund and/or compute the net asset value per share of the outstanding shares of the Fund or, if directed in writing to do so by the Fund, shall itself keep such books of account and/or compute such net asset value per share. If so directed the Custodian shall also calculate daily the net income of the Fund as described in the Fund's currently effective prospectus and shall advise the Fund and the Transfer Agent daily of the total amounts of such net income and, if instructed in writing by an officer of the Fund to do so, shall advise the Transfer Agent periodically of the division of such net income among its various components. The calculations of the net asset value per share and the daily income of the Fund shall be made at the time or times described from time to time in the Fund's currently effective prospectus.

#### 9. Records

The Custodian shall create and maintain all records relating to its



activities and obligations under this Contract in such manner as will meet the obligations of the Fund under the Investment Company Act of 1940, with particular attention to Section 31 thereof and Rules 31a-1 and 31a-2 thereunder. All such records shall be the property of the Fund and shall at all times during the regular business hours of the Custodian be open for inspection by duly authorized officers, employees or agents of the Fund and employees and agents of the Securities and Exchange Commission. The Custodian shall, at the Fund's request, supply the Fund with a tabulation of securities owned by the Fund and held by the Custodian and shall, when requested to do so by the Fund and for such compensation as shall be agreed upon between the Fund and the Custodian, include certificate numbers in such tabulations.

#### 10. Opinion of Fund's Independent Accountant

The Custodian shall take all reasonable action, as the Fund may from time to time request, to obtain from year to year favorable opinions from the Fund's independent accountants with respect to its activities hereunder in connection with the preparation of the Fund's Form N-1A, and Form N-SAR or other annual reports to the Securities and Exchange Commission and with respect to any other requirements of such Commission.

#### 11. Compensation of Custodian

The Custodian shall be entitled to reasonable compensation for its services and expenses as Custodian, as agreed upon from time to time between the Fund and the Custodian.

#### 12. Responsibility of Custodian

So long as and to the extent that it is in the exercise of reasonable care, the Custodian shall not be responsible for the title, validity or genuineness of any property or evidence of title thereto received by it or delivered by it pursuant to this Contract and shall be held harmless in acting upon any notice, request, consent, certificate or other instrument reasonably believed by it to be genuine and to be signed by the proper party or parties, including any futures commission merchant acting pursuant to the terms of a three-party futures or options agreement. The Custodian shall be held to the exercise of reasonable care in carrying out the provisions of this Contract, but shall be kept indemnified by and shall be without liability to the Fund for any action taken or omitted by it in good faith without negligence. It shall be entitled to rely on and may act upon advice of counsel (who may be Counsel for the Fund) on all matters, and shall be without liability for any action reasonably taken or omitted pursuant to such advice. Notwithstanding the foregoing, the responsibility of the Custodian with respect to redemptions effected by check shall be in accordance with a separate Agreement entered into between the Custodian and the Fund.

The Custodian shall be liable for the acts or omissions of a foreign banking institution appointed pursuant to the provisions of Article 3 to the same extent as set forth in Article 1 hereof with respect to sub-custodians located in the United States and, regardless of whether assets are maintained in

the custody of a foreign banking institution, a foreign securities depository or a branch of a U.S. bank as contemplated by paragraph 3.11 hereof, the Custodian shall not be liable for any loss, damage, cost, expense, liability or claim resulting from or caused by, the direction of or authorization by the Fund to maintain custody or any securities or cash of the Fund in a foreign country including, but not limited to, losses resulting from nationalization, expropriation, currency restrictions, or acts of war or terrorism.

If the Fund requires the Custodian to take any action with respect to securities, which action involves the payment of money or which action may, in the opinion of the Custodian, result in the Custodian or its nominee assigned to the Fund being liable for the payment of money or incurring liability of some other form, the Fund, as a prerequisite to requiring the Custodian to take such action, shall provide indemnity to the Custodian in an amount and form satisfactory to it.

If the Fund requires the Custodian to advance cash or securities for any purpose or in the event that the Custodian or its nominee shall incur or be assessed any taxes, charges, expenses, assessments, claims or liabilities in connection with the performance of this Contract, except such as may arise from its or its nominee's own negligent action, negligent failure to act or willful misconduct, any property at any time held for the account of the Fund shall be security therefor and should the Fund fail to repay the Custodian promptly, the Custodian shall be entitled to utilize available cash and to dispose of the Fund assets to the extent necessary to obtain reimbursement.

### 13. Effective Period, Termination and Amendment

This Contract shall become effective as of its execution, shall continue in full force and effect until terminated as hereinafter provided, may be amended at any time by mutual agreement of the parties hereto and may be terminated by either party by an instrument in writing delivered or mailed, postage prepaid to the other party, such termination to take effect not sooner than thirty (30) days after the date of such delivery or mailing; provided, however that the Custodian shall not act under Section 2.10 hereof in the absence of receipt of an initial certificate of the Secretary or an Assistant Secretary that the Board of Trustees of the Fund has approved the initial use of a particular Securities System and the receipt of an annual certificate of the Secretary or an Assistant Secretary that the Board of Trustees has reviewed the use by the Fund of such Securities System, as required in each case by Rule 17f-4 under the Investment Company Act of 1940, as amended and that the Custodian shall not act under Section 2.10A hereof in the absence of receipt of an initial certificate of the Secretary or an Assistant Secretary that the Board of Trustees has approved the initial use of the Direct Paper System and the receipt of an annual certificate of the Secretary or an Assistant Secretary that the Board of Trustees has reviewed the use by the Fund of the Direct Paper System; provided further, however, that the Fund shall not amend or terminate this Contract in contravention of any applicable federal or state regulations, or any provision of the Declaration of Trust, and further provided, that the Fund may at any time by action of its Board of Trustees (i) substitute another bank or trust company for the Custodian by giving notice as described above to the Custodian, or (ii)

immediately terminate this Contract in the event of the appointment of a conservator or receiver for the Custodian by the Comptroller of the Currency or upon the happening of a like event at the direction of an appropriate regulatory agency or court of competent jurisdiction;

Upon termination of the Contract, the Fund shall pay to the Custodian such compensation as may be due as of the date of such termination and shall likewise reimburse the Custodian for its costs, expenses and disbursements.

#### 14. Successor Custodian

If a successor custodian shall be appointed by the Board of Trustees of the Fund, the Custodian shall, upon termination, deliver to such successor custodian at the office of the Custodian, duly endorsed and in the form for transfer, all securities then held by it hereunder and shall transfer to an account of the successor custodian all of the Fund's securities held in a Securities System.

If no such successor custodian shall be appointed, the Custodian shall, in like manner, upon receipt of a certified copy of a vote of the Board of Trustees of the Fund, deliver at the office of the Custodian and transfer such securities, funds and other properties in accordance with such vote.

In the event that no written order designating a successor custodian or certified copy of a vote of the Board of Trustees shall have been delivered to the Custodian on or before the date when such termination shall become effective, then the Custodian shall have the right to deliver to a bank or trust company, which is a "bank" as defined in the Investment Company Act of 1940, doing business in Boston, Massachusetts, of its own selection, having an aggregate capital, surplus, and undivided profits, as shown by its last published report, of not less than \$25,000,000, all securities, funds and other properties held by the Custodian and all instruments held by the Custodian relative thereto and all other property held by it under this Contract and to transfer to an account of such successor custodian all of the Fund's securities held in any Securities System. Thereafter, such bank or trust company shall be the successor of the Custodian under this Contract.

In the event that securities, funds and other properties remain in the possession of the Custodian after the date of termination hereof owing to failure of the Fund to procure the certified copy of the vote referred to or of the Board of Trustees to appoint a successor custodian, the Custodian shall be entitled to fair compensation for its services during such period as the Custodian retains possession of such securities, funds and other properties and the provisions of this Contract relating to the duties and obligations of the Custodian shall remain in full force and effect.

#### 15. Interpretive and Additional Provisions

In connection with the operation of this Contract, the Custodian and the Fund may from time to time agree on such provisions interpretive of or in addition to the provisions of this Contract as may in their joint opinion be consistent with the general tenor of this Contract. Any such interpretive or

additional provisions shall be in writing signed by both parties and shall be annexed hereto, provided that no such interpretive or additional provisions shall contravene any applicable federal or state regulations or any provision of the Declaration of Trust of the Fund. No interpretive or additional provisions made as provided in the preceding sentence shall be deemed to be an amendment of this Contract.

16. Massachusetts Law to Apply

This Contract shall be construed and the provisions thereof interpreted under and in accordance with laws of the Commonwealth of Massachusetts.

17. Prior Contracts

This Contract supersedes and terminates, as of the date hereof, all prior contracts between the Fund and the Custodian relating to the custody of the Fund's assets.

18. Limitations of Liability of the Trustees and Shareholders

A copy of this Agreement and Declaration of Trust of the Trust is on file with the State of New York, and notice is hereby given that this instrument is executed on behalf of the Trustees of the Trust as Trustees and not individually and that the obligations of this instrument are not binding upon any of the Trustees or Shareholders individually but are binding only upon the assets and property of the Fund.

IN WITNESS WHEREOF, each of the parties has caused this instrument to be executed in its name and behalf by its duly authorized representative and its seal to be hereunder affixed as of the 13th day of Dec., 1989.

ATTEST

CASH RESERVES PORTFOLIO

/s/ Molly S. Mugler

By /s/ Philip Coolidge

ATTEST

STATE STREET BANK AND TRUST COMPANY

/s/ Peggy McClure

By /s/ Robert F. Dame

Assistant Secretary

Vice President

TRANSFER AGENCY AND SERVICE AGREEMENT  
between  
CASH RESERVES PORTFOLIO  
and  
STATE STREET BANK AND TRUST COMPANY

TABLE OF CONTENTS

	Page
Article 1 Terms of Appointment; Duties of the Bank.....	1
Article 2 Fees and Expenses.....	5
Article 3 Representations and Warranties of the Bank.....	6
Article 4 Representations and Warranties of the Fund.....	6
Article 5 Indemnification.....	7
Article 6 Covenants of the Fund and the Bank.....	10
Article 7 Termination of Agreement.....	11
Article 8 Assignment.....	12
Article 9 Amendment.....	12
Article 10 Massachusetts Law to Apply.....	13
Article 11 Merger of Agreement.....	13
Article 12 Limitations of Liability of the Trustees and the Shareholders...	13
Article 13 Counterparts.....	13

TRANSFER AGENCY AND SERVICE AGREEMENT

AGREEMENT made as of the 13th day of December, 1989, by and between CASH RESERVES PORTFOLIO, a New York trust, having its principal office and place of business at 6 St. James Avenue, Boston, Massachusetts (the "Fund"), and STATE STREET BANK AND TRUST COMPANY, a Massachusetts trust company having its principal office and place of business at 225 Franklin Street, Boston, Massachusetts 02110 (the "Bank").

WHEREAS, the Fund desires to appoint the Bank as its transfer agent, dividend disbursing agent, custodian of certain retirement plans and agent in connection with certain other activities, and the Bank desires to accept such appointment;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Article 1 Terms of Appointment; Duties of the Bank

1.01 Subject to the terms and conditions set forth in this Agreement, the Fund hereby employs and appoints the Bank to act as, and the Bank agrees to act as its transfer agent for the Fund's authorized and issued shares of its beneficial interest ("Shares"), dividend disbursing agent, custodian of certain

retirement plans and agent in connection with any accumulation, open-account or similar plans provided to the shareholders of the Fund ("Shareholders") and set out in the currently effective prospectus and statement of additional information ("prospectus") of the Fund, including without limitation any periodic investment plan or periodic withdrawal program.

1.02 The Bank agrees that it will perform the following services:

(a) In accordance with procedures established from time to time by agreement between the Fund and the Bank, the Bank shall:

- (i) Receive for acceptance, orders for the purchase of Shares, and promptly deliver payment and appropriate documentation thereof to the Custodian of the Fund authorized pursuant to the Declaration of Trust of the Fund (the "Custodian");
- (ii) Pursuant to purchase orders, issue the appropriate number of Shares and hold such Shares in the appropriate Shareholder account;
- (iii) Receive for acceptance redemption requests and redemption directions and deliver the appropriate documentation thereof to the Custodian;
- (iv) In respect to the transactions in items (i), (ii) and (iii) above, the Bank shall execute transactions directly with broker-dealers authorized by the Fund who shall thereby be deemed to be acting on behalf of the Fund;
- (v) At the appropriate time as and when it receives monies paid to it by the Custodian with respect to any redemption, pay over or cause to be paid over in the appropriate manner such monies as instructed by the redeeming Shareholders;
- (vi) Effect transfers of Shares by the registered owners thereof upon receipt of appropriate instructions;
- (vii) Prepare and transmit payments for dividends and distributions declared by the Fund;
- (viii) Issue replacement certificates for those certificates alleged to have been lost, stolen or destroyed upon receipt by the Bank of indemnification satisfactory to the Bank and protecting the Bank and the Fund, and the Bank at its option, may issue replacement certificates in place of mutilated stock certificates upon presentation thereof and without such indemnity;
- (ix) Report abandoned property to the various states as authorized by the Fund per policies and principles agreed upon by the Fund and the Bank;
- (x) Maintain records of account for and advise the Fund and its Shareholders as to the foregoing; and

(xi) Record the issuance of shares of the Fund and maintain pursuant to SEC Rule 17Ad-10(e) a record of the total number of shares of the Fund which are authorized, based upon data provided to it by the Fund, and issued and outstanding. The Bank shall also provide the Fund on a regular basis with the total number of shares which are authorized and issued and outstanding and shall have no obligation, when recording the issuance of shares, to monitor the issuance of such shares or to take cognizance of any laws relating to the issue or sale of such shares, which functions shall be the sole responsibility of the Fund

(b) In addition to and neither in lieu nor in contravention of the services set forth in the above paragraph (a), the Bank shall: (i) perform the customary services of a transfer agent, dividend disbursing agent, custodian of certain retirement plans and, as relevant, agent in connection with accumulation, open-account or similar plans (including without limitation any periodic investment plan or periodic withdrawal program), including but not limited to: maintaining all Shareholder accounts, preparing Shareholder meeting lists, mailing proxies, receiving and tabulating proxies, mailing Shareholder reports and prospectuses to current Shareholders, withholding taxes on U.S. resident and non-resident alien accounts, preparing and filing U.S. Treasury Department Forms 1099 and other appropriate forms required with respect to dividends and distributions by federal authorities for all Shareholders, preparing and mailing confirmation forms and statements of account to Shareholders for all purchases and redemptions of Shares and other confirmable transactions in Shareholder accounts, preparing and mailing activity statements for Shareholders, and providing Shareholder account information and (ii) provide a systems which will enable the Fund to monitor the total number of Shares sold in each State.

(c) In addition, the Fund shall (i) identify to the Bank in writing those transactions and assets to be treated as exempt from blue sky reporting for each State and (ii) verify the establishment of transactions for each State on the system prior to activation and thereafter monitor the daily activity for each State. The responsibility of the Bank for the Fund's blue sky State registration status is solely limited to the initial establishment of transactions subject to blue sky compliance by the Fund and the reporting of such transactions to the Fund as provided above.

(d) Procedures as to who shall provide certain of these services in Article 1 may be established from time to time by agreement between the Fund and the Bank per the attached service responsibility schedule. The Bank may at times perform only a portion of these services and the Fund or its agent may perform these services on the Fund's behalf.

## Article 2 Fees and Expenses

2.01 For performance by the Bank pursuant to this Agreement, the Fund agrees to pay the Bank an annual maintenance fee for each Shareholder account as set out in the initial fee schedule attached hereto. Such fees and out-of-pocket expenses and advances identified under Section 2.02 below may be changed from

time to time subject to mutual written agreement between the Fund and the Bank.

2.02 In addition to the fee paid under Section 2.01 above, the Fund agrees to reimburse the Bank for out-of-pocket expenses or advances incurred by the Bank for the items set out in the fee schedule attached hereto. In addition, any other expenses incurred by the Bank at the request or with the consent of the Fund, will be reimbursed by the Fund.

2.03 The Fund agrees to pay all fees and reimbursable expenses within five days following the receipt of the respective billing notice. Postage for mailing of dividends, proxies, Fund reports and other mailings to all shareholder accounts shall be advanced to the Bank by the Fund at least seven (7) days prior to the mailing date of such materials.

### Article 3 Representations and Warranties of the Bank

The Bank represents and warrants to the Fund that:

3.01 It is a trust company duly organized and existing and in good standing under the laws of the Commonwealth of Massachusetts.

3.02 It is duly qualified to carry on its business in the Commonwealth of Massachusetts.

3.03 It is empowered under applicable laws and by its Charter and By-Laws to enter into and perform this Agreement.

3.04 All requisite corporate proceedings have been taken to authorize it to enter into and perform this Agreement.

3.05 It has and will continue to have access to the necessary facilities, equipment and personnel to perform its duties and obligations under this Agreement.

### Article 4 Representations and Warranties of the Fund

The Fund represents and warrants to the Bank that:

4.01 It is a business trust duly organized and existing and in good standing under the laws of the State of New York.

4.02 It is empowered under applicable laws and by its Declaration of Trust and By-Laws to enter into and perform this Agreement.

4.03 All proceedings required by said Declaration of Trust and By-Laws have been taken to authorize it to enter into and perform this Agreement.

4.04 It is an open-end and diversified management investment company registered under the Investment Company Act of 1940, as amended.

4.05 A registration statement under the Securities Act of 1933, as amended



is currently effective and will remain effective, and appropriate state securities law filings have been made and will continue to be made, with respect to all Shares of the Fund being offered for sale.

## Article 5 Indemnification

5.01 The Bank shall not be responsible for, and the Fund shall indemnify and hold the Bank harmless from and against, any and all losses, damages, costs, charges, counsel fees, payments, expenses and liability arising out of or attributable to:

(a) All actions of the Bank or its agent or subcontractors required to be taken pursuant to this Agreement, provided that such actions are taken in good faith and without negligence or willful misconduct.

(b) The Fund's lack of good faith, negligence or willful misconduct which arise out of the breach of any representation or warranty of the Fund hereunder.

(c) The reliance on or use by the Bank or its agents or subcontractors of information, records and documents or services which (i) are received or relied upon by the Bank or its agents or subcontractors and/or furnished to it or performed by or on behalf of the Fund, and (ii) have been prepared, maintained and/or performed by the Fund or any other person or firm on behalf of the Fund.

(d) The reliance on, or the carrying out by the Bank or its agents or subcontractors of any instructions or requests of the Fund.

(e) The offer or sale of Shares in violation of any requirement under the federal securities laws or regulations or the securities laws or regulations of any state that such Shares be registered in such state or in violation of any stop order or other determination or ruling by any federal agency or any state with respect to the offer or sale of such Shares in such state.

5.02 The Bank shall indemnify and hold the Fund harmless from and against any and all losses, damages, costs, charges, counsel fees, payments, expenses and liability arising out of or attributable to any action or failure or omission to act by the Bank as a result of the Bank's lack of good faith, negligence or willful misconduct.

5.03 At any time the Bank may apply to any officer of the Fund for instructions, and may consult with legal counsel with respect to any matter arising in connection with the services to be performed by the Bank under this Agreement, and the Bank and its agents or subcontractors shall not be liable and shall be indemnified by the Fund for any action taken or omitted by it in reliance upon such instructions or upon the opinion of such counsel. The Bank, its agents and subcontractors shall be protected and indemnified in acting upon any paper or document furnished by or on behalf of the Fund, reasonably believed to be genuine and to have been signed by the proper person or persons, or upon any instruction, information, data, records or documents provided the Bank or its agents or subcontractors by machine readable input, telex, CRT data entry or

other similar means authorized by the Fund, and shall not be held to have notice of any change of authority of any person, until receipt of written notice thereof from the Fund. The Bank, its agents and subcontractors shall also be protected and indemnified in recognizing stock certificates which are reasonably believed to bear the proper manual or facsimile signatures of the officers of the Fund, and the proper countersignature of any former transfer agent or former registrar, or of a co-transfer agent or co-registrar.

5.04 In the event either party is unable to perform its obligations under the terms of this Agreement because of acts of God, strikes, equipment or transmission failure or damage reasonably beyond its control, or other causes reasonably beyond its control, such party shall not be liable for damages to the other for any damages resulting from such failure to perform or otherwise from such causes.

5.05 Neither party to this Agreement shall be liable to the other party for consequential damages under any provision of this Agreement or for any consequential damages arising out of any act or failure to act hereunder.

5.06 In order that the indemnification provisions contained in this Article 5 shall apply, upon the assertion of a claim for which either party may be required to indemnify the other, the party seeking indemnification shall promptly notify the other party of such assertion, and shall keep the other party advised with respect to all developments concerning such claim. The party who may be required to indemnify shall have the option to participate with the party seeking indemnification in the defense of such claim. The party seeking indemnification shall in no case confess any claim or make any compromise in any case in which the other party may be required to indemnify it except with the other party's prior written consent.

## Article 6 Covenants of the Fund and the Bank

6.01 The Fund shall promptly furnish to the Bank the following:

(a) A certified copy of the resolution of the Board of Trustees of the Fund authorizing the appointment of the Bank and the execution and delivery of this Agreement.

(b) A copy of the Declaration of Trust and By-Laws of the Fund and all amendments thereto.

6.02 The Bank hereby agrees to establish and maintain facilities and procedures reasonably acceptable to the Fund for safekeeping of stock certificates, check forms and facsimile signature imprinting devices, if any; and for the preparation or use, and for keeping account of, such certificates, forms and devices.

6.03 The Bank shall keep records relating to the services to be performed hereunder, in the form and manner as it may deem advisable. To the extent required by Section 31 of the Investment Company Act of 1940, as amended, and the Rules thereunder, the Bank agrees that all such records prepared or

maintained by the Bank relating to the services to be performed by the Bank hereunder are the property of the Fund and will be preserved, maintained and made available in accordance with such Section and Rules, and will be surrendered promptly to the Fund on and in accordance with its request.

6.04 The Bank and the Fund agree that all books, records, information and data pertaining to the business of the other party which are exchanged or received pursuant to the negotiation or the carrying out of this Agreement shall remain confidential, and shall not be voluntarily disclosed to any other person, except as may be required by law.

6.05 In case of any requests or demands for the inspection of the Shareholder records of the Fund, the Bank will endeavor to notify the Fund and to secure instructions from an authorized officer of the Fund as to such inspection. The Bank reserves the right, however, to exhibit the Shareholder records to any person whenever it is advised by its counsel that it may be held liable for the failure to exhibit the Shareholder records to such person.

#### Article 7 Termination of Agreement

7.01 This Agreement may be terminated by either party upon one hundred twenty (120) days written notice to the other.

7.02 Should the Fund exercise its right to terminate, all out-of-pocket expenses associated with the movement of records and material will be borne by the Fund. Additionally, the Bank reserves the right to charge for any other reasonable expenses associated with such termination and/or a charge equivalent to the average of three (3) months' fees.

#### Article 8 Assignment

8.01 Except as provided in Section 8.03 below, neither this Agreement nor any rights or obligations hereunder may be assigned by either party without the written consent of the other party.

8.02 This Agreement shall inure to the benefit of and be binding upon the parties and their respective permitted successors and assigns.

8.03 The Bank may, without further consent on the part of the Fund, subcontract for the performance hereof with (i) Boston Financial Data Services, Inc., a Massachusetts corporation ("BFDS") which is duly registered as a transfer agent pursuant to Section 17A(c)(1) of the Securities Exchange Act of 1934, as amended ("Section 17A(c)(1)"), (ii) a BFDS subsidiary duly registered as a transfer agent pursuant to Section 17A(c)(1) or (iii) a BFDS affiliate; provided, however, that the Bank shall be as fully responsible to the Fund for the acts and omissions of any subcontractor as it is for its own acts and omissions.

#### Article 9 Amendment

9.01 This Agreement may be amended or modified by a written agreement

executed by both parties and authorized or approved by a resolution of the Board of Trustees of the Fund.

Article 10 Massachusetts Law to Apply

10.01 This Agreement shall be construed and the provisions thereof interpreted under and in accordance with the laws of the Commonwealth of Massachusetts.

Article 11 Merger of Agreement

11.01 This Agreement constitutes the entire agreement between the parties hereto and supersedes any prior agreement with respect to the subject matter hereof whether oral or written.

Article 12 Limitations of Liability of the Trustees and Shareholders

12.01 A copy of this Agreement and Declaration of Trust of the Trust is on file with the State of New York, and notice is hereby given that this instrument is executed on behalf of the Trustees of the Trust as Trustees and not individually and that the obligations of this instrument are not binding upon any of the Trustees or Shareholders individually but are binding only upon the assets and property of the Fund.

Article 13 Counterparts

13.01 This Agreement may be executed by the parties hereto on any number of counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their names and on their behalf by and through their duly authorized officers, as of the day and year first above written.

CASH RESERVES PORTFOLIO

BY: /s/ Philip Coolidge

-----  
Philip Coolidge

ATTEST:

/s/ Molly S. Mugler

-----  
Molly S. Mugler

STATE STREET BANK AND TRUST COMPANY

BY: /s/ Robert F. Dame

-----  
Vice President

ATTEST:

/s/ Peggy McClure

-----  
Assistant Secretary

AMENDED AND RESTATED  
ADMINISTRATIVE SERVICES PLAN

ADMINISTRATIVE SERVICES PLAN, dated as of September 13, 1989, and amended and restated as of September 1, 1993, of Cash Reserves Portfolio, a New York trust (the "Portfolio").

WITNESSETH:

WHEREAS, the Portfolio is engaged in business as an open-end management investment company and is registered under the Investment Company Act of 1940 (collectively with the rules and regulations promulgated thereunder, the "1940 Act"); and

WHEREAS, the Portfolio desires to adopt this Amended and Restated Administrative Services Plan (the "Plan") in order to provide for certain administrative services to the Portfolio and holders of its Beneficial Interests (the "Interests"); and

WHEREAS, the Portfolio desires to enter into a transfer agency agreement (in such form as may from time to time be approved by the Board of Trustees of the Portfolio (the "Transfer Agency Agreement")) with a financial institution, as transfer agent for the Portfolio (the "Transfer Agent"), whereby the Transfer Agent will provide transfer agency services to the Portfolio; and

WHEREAS, the Portfolio desires to enter into a custodian agreement (in such form as may from time to time be approved by the Board of Trustees of the Portfolio (the "Custodian Agreement")) with a financial institution, as custodian for the Portfolio (the "Custodian"), whereby the Custodian will provide custodial services to the Portfolio; and

WHEREAS, the Portfolio desires to enter into an administrative services agreement (in such form as may from time to time be approved by the Board of Trustees of the Portfolio (the "Administrative Services Agreement")) with Signature Financial Group (Cayman), Ltd., a Cayman Islands company, as administrator of the Portfolio (the "Administrator"), whereby the Administrator will provide certain administrative and management services to the Portfolio; and

WHEREAS, the Board of Trustees of the Portfolio, in considering whether the Portfolio should adopt and implement this Plan, has evaluated such information as it deemed necessary to an informed determination as to whether this Plan should be adopted and implemented and has considered such pertinent factors as it deemed necessary to form the basis for a decision to use assets of the Portfolio for such purposes, and has determined that there is a reasonable likelihood that the adoption and implementation of this Plan will benefit the Portfolio and the holders of its Interests.

NOW, THEREFORE, the Board of Trustees of the Portfolio hereby adopts this Plan for the Portfolio, on the following terms and conditions:

1. As specified in the Transfer Agency Agreement, the Transfer Agent shall act as dividend disbursing agent for the Portfolio and perform other transfer agency functions for the Portfolio. The Portfolio shall pay to the Transfer Agent such compensation as may from time to time be agreed to by the Portfolio and the Transfer Agent.

2. As specified in the Custodian Agreement, the Custodian shall safeguard and control the Portfolio's cash and securities, handle receipt and delivery of securities for the Portfolio, determine income and collect interest on the Portfolio's investments, maintain books of original entry for Portfolio accounting and other required books and accounts, calculate the daily net asset value of, and net income on, the Interests and, in general, act as the custodian of the Portfolio's assets, but the Custodian shall have no power to determine the investment policies of the Portfolio or to determine which securities the Portfolio will buy or sell. The Portfolio shall pay to the Custodian such compensation as may from time to time be agreed to by the Portfolio and the Custodian.

3. As specified in the Administrative Services Agreement, the Administrator shall perform certain administrative and management services on behalf of the Portfolio, including, but not necessarily limited to: providing office space, equipment and clerical personnel necessary for maintaining the organization of the Portfolio and for providing the administrative and management services to be performed by the Administrator; arranging, if desired by the Portfolio, for Directors, officers and employees of the Administrator to serve as Trustees, officers or agents of the Portfolio if duly elected or appointed to such positions and subject to their individual consent and to any limitations imposed by law; supervising the overall administration of the Portfolio, including negotiation of contracts and fees with and the monitoring of performance and billings of the Portfolio's Transfer Agent, Custodian and other independent contractors or agents; preparing and, if applicable, filing all documents required for compliance by the Portfolio with applicable laws and regulations, including registration statements, semi-annual and annual reports to the Portfolio's investors, proxy statements and tax returns; preparation of agendas and supporting documents for and minutes of meetings of Trustees, committees of Trustees and the Portfolio's investors; arranging for computation of performance statistics with respect to the Portfolio and arranging for maintenance of books and records of the Portfolio. The Administrator shall perform such specified activities and shall conduct all of its activities as administrator of the Portfolio, including any activities described above or in the Administrative Services Agreement, as set forth in the Operating Policies and Procedures (the "Operating Procedures") of the Portfolio (in such form as may be approved from time to time by the Portfolio's Board of Trustees). To the extent that any provision of the

Administrative Services Agreement shall conflict with any provision of the Operating Procedures, the applicable provision of the Operating Procedures shall be deemed to govern. As consideration for services performed under the Administrative Services Agreement, the Portfolio shall periodically pay to the Administrator a fee at an annual rate of 0.05% of the Portfolio's average daily net assets for its then-current fiscal year.

4. Nothing herein contained shall be deemed to require the Portfolio to take any action contrary to its Declaration of Trust or By-Laws or any applicable statutory or regulatory requirement to which it is subject or by which it is bound, or to relieve or deprive the Board of Trustees of the Portfolio of the responsibility for and control of the conduct of the affairs of the Portfolio.

5. This Plan shall become effective upon (a) approval by a vote of at least a "majority of the outstanding voting securities" of the Portfolio, and (b) approval by a vote of the Board of Trustees of the Portfolio and vote of a majority of the Trustees who are not "interested persons" of the Portfolio and who have no direct or indirect financial interest in the operation of the Plan or in any of the agreements related to the Plan (the "Qualified Trustees"), such votes to be cast in person at a meeting called for the purpose of voting on this Plan.

6. This Plan shall continue in effect indefinitely, provided that such continuance is subject to annual approval by a vote of the Board of Trustees of the Portfolio and a majority of the Qualified Trustees, such votes to be cast in person at a meeting called for the purpose of voting on continuance of this Plan. If such annual approval is not obtained, this Plan shall expire on the date which is 15 months after the date of the last approval.

7. This Plan may be amended at any time by the Board of Trustees of the Portfolio, provided that (a) any amendment to increase materially the amount to be spent for the services described herein shall be effective only upon approval by a vote of a "majority of the outstanding voting securities" of the Portfolio, and (b) any material amendment of this Plan shall be effective only upon approval by a vote of the Board of Trustees of the Portfolio and a majority of the Qualified Trustees, such votes to be cast in person at a meeting called for the purpose of voting on such amendment. This Plan may be terminated at any time by vote of a majority of the Qualified Trustees or by a vote of a "majority of the outstanding voting securities" of the Portfolio.

8. The Treasurer of the Portfolio shall provide the Board of Trustees of the Portfolio, and the Board of Trustees of the Portfolio shall review, at least quarterly, a written report of the amounts expended under the Plan and the purposes for which such expenditures were made.



9. While this Plan is in effect, the selection and nomination of Qualified Trustees shall be committed to the discretion of the Trustees who are not "interested persons" of the Portfolio.

10. For the purposes of this Plan, the terms "interested person" and "majority of the outstanding voting securities" are used as defined in the 1940 Act. In addition, for purposes of determining the fees payable to the Administrator, the value of a Portfolio's net assets shall be computed in the manner specified in the Portfolio's then-current Registration Statement under the 1940 Act.

11. The Portfolio shall preserve copies of this Plan, and each agreement related hereto and each report referred to in paragraph 8 hereof (collectively the "Records"), for a period of six years from the end of the fiscal year in which such Record was made and each such Record shall be kept in an easily accessible place for the first two years of said record-keeping.

12. This Plan shall be construed in accordance with the laws of the State of New York and the applicable provisions of the 1940 Act.

13. If any provision of this Plan shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of the Plan shall not be affected thereby.

## ADMINISTRATIVE SERVICES AGREEMENT

ADMINISTRATIVE SERVICES AGREEMENT, dated as of September 1, 1993, by and between CASH RESERVES PORTFOLIO, a New York business trust (the "Trust"), and SIGNATURE FINANCIAL GROUP (GRAND CAYMAN), LTD., a Cayman Islands company (the "Administrator").

## W I T N E S S E T H:

WHEREAS, the Trust is engaged in business as an open-end investment company registered under the Investment Company Act of 1940 (collectively with the rules and regulations promulgated thereunder, the "1940 Act");

WHEREAS, the Board of Trustees of the Trust has adopted an Administrative Services Plan, dated as of September 13, 1989, as amended and restated as of September 1, 1993, which is incorporated herein by reference and pursuant to which the Trust desires to enter into this Administrative Services Agreement; and

WHEREAS, the Trust wishes to engage the Administrator to provide certain administrative and management services, and the Administrator is willing to provide such administrative and management services to the Trust, on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties hereto as herein set forth, the parties covenant and agree as follows:

1. Duties of the Administrator. Subject to the direction and control of the Board of Trustees of the Trust, the Administrator shall perform such administrative and management services as may from time to time be reasonably requested by the Trust, which shall include without limitation: (a) providing office space, equipment and clerical personnel necessary for maintaining the organization of the Trust and for performing the administrative and management functions herein set forth; (b) arranging, if desired by the Trust, for Directors, officers and employees of the Administrator to serve as Trustees, officers or agents of the Trust if duly elected or appointed to such positions and subject to their individual consent and to any limitations imposed by law; (c) supervising the overall administration of the Trust, including negotiation of contracts and fees with and the monitoring of performance and billings of the Trust's transfer agent, shareholder servicing agents, custodian and other independent contractors or agents; (d) preparing and, if applicable, filing all documents required for compliance by the Trust with applicable laws and regulations, including registration statements, semi-annual and annual reports to the Trust's investors, proxy statements and tax returns; (e) preparation of agendas and supporting documents for and minutes of

meetings of Trustees, committees of Trustees and the Trust's investors; and (f) arranging for maintenance of books and records of the Trust. The Administrator shall perform such specified activities and shall conduct all of its activities as administrator of the Trust, including any activities described in this Agreement, as set forth in the Operating Policies and Procedures (the "Operating Procedures") of the Trust (in such form as may be approved from time to time by the Trust's Board of Trustees). To the extent that any provision of this Agreement shall conflict with any provision of the Operating Procedures, the applicable provision of the Operating Procedures shall be deemed to govern. Notwithstanding the foregoing, the Administrator shall not be deemed to have assumed any duties with respect to, and shall not be responsible for, the management of the Trust's assets or the rendering of investment advice and supervision with respect thereto or the distribution of shares, nor shall the Administrator be deemed to have assumed or have any responsibility with respect to functions specifically assumed by any transfer agent, custodian or shareholder servicing agent of the Trust.

2. Allocation of Charges and Expenses. The Administrator shall pay the entire salaries and wages of all of the Trust's Trustees, officers and agents who devote part or all of their time to the affairs of the Administrator or its affiliates, and the wages and salaries of such persons shall not be deemed to be expenses incurred by the Trust for purposes of this Section 2. Except as provided in the foregoing sentence, the Trust will pay all of its own expenses including, without limitation, compensation of Trustees not affiliated with the Administrator; governmental fees; interest charges; taxes; membership dues in the Investment Company Institute allocable to the Trust; fees and expenses of the Trust's independent auditors, of legal counsel and of any transfer agent, distributor, registrar or dividend disbursing agent of the Trust; expenses of preparing, printing and mailing reports, notices, proxy statements and reports to the Trust's investors and governmental officers and commissions; expenses connected with the execution, recording and settlement of security transactions; insurance premiums; fees and expenses of the Trust's custodian for all services to the Trust, including safekeeping of funds and securities and maintaining required books and accounts; expenses of calculating the net asset value of shares of the Trust; expenses of meetings of investors in the Trust; and expenses relating to the issuance, registration and qualification of shares of the Trust.

3. Compensation of the Administrator. For the services to be rendered and the facilities to be provided by the Administrator hereunder, the Trust shall pay to the Administrator an administrative fee computed and paid monthly at an annual rate of 0.05% of the Trust's average daily net assets for its then-current fiscal year. If the Administrator serves as administrator for less than the whole of any period specified in this Section 3, the compensation to the Administrator, shall be prorated. For purposes of computing the fees payable to the Administrator hereunder, the value of the Trust's net

assets shall be computed in the manner specified in the Trust's then-current Registration Statement under the 1940 Act.

4. Limitation of Liability of the Administrator. The Administrator shall not be liable for any error of judgment or mistake of law or for any act or omission in the administration or management of the Trust or the performance of its duties hereunder, except for willful misfeasance, bad faith or gross negligence in the performance of its duties, or by reason of the reckless disregard of its obligations and duties hereunder. As used in this Section 4, the term "Administrator" shall include Signature Financial Group (Cayman), Ltd. and/or any of its affiliates and the Directors, officers and employees of Signature Financial Group (Cayman), Ltd. and/or any of its affiliates.

5. Activities of the Administrator. The services of the Administrator to the Trust are not to be deemed to be exclusive, the Administrator being free to render administrative and/or other services to other parties. It is understood that Trustees, officers, and shareholders of the Trust are or may become interested in the Administrator and/or any of its affiliates, as Directors, officers, employees, or otherwise, and that Directors, officers and employees of the Administrator and/or any of its affiliates are or may become similarly interested in the Trust and that the Administrator and/or any of its affiliates may be or become interested in the Trust as an investor or otherwise.

6. Subcontracting by the Administrator. The Administrator may subcontract for the performance of the Administrator's obligations hereunder with any one or more persons; provided, however, that the Administrator shall not enter into any such subcontract unless the Trustees of the Trust shall have found the subcontracting party to be qualified to perform the obligations sought to be subcontracted; and provided, further, that, unless the Trust otherwise expressly agrees in writing, the Administrator shall be as fully responsible to the Trust for the acts and omissions of any subcontractor as it would be for its own acts or omissions.

7. Duration, Termination and Amendments of this Agreement. This Agreement shall become effective as of the day and year first above written and shall govern the relations between the parties hereto thereafter, and shall remain in force until August 31, 1995 on which date it will terminate unless its continuance after August 31, 1995 is "specifically approved at least annually" (a) by the vote of a majority of the Board of Trustees of the Trust who are not "interested persons" of the Trust or of the Administrator at a meeting specifically called for the purpose of voting on such approval, and (b) by the Board of Trustees of the Trust or by the "vote of a majority of the outstanding voting securities" of the Trust as to which this Agreement is to continue.

This Agreement may be terminated at any time, without the payment of any

penalty, by the Board of Trustees of the Trust or by the "vote of a majority of the outstanding voting securities" of the Trust, or by the Administrator, in each case on not more than 60 days' nor less than 30 days' written notice to the other party. This Agreement shall automatically terminate in the event of its "assignment".

The terms "specifically approved at least annually", "vote of a majority of the outstanding voting securities", "assignment", and "interested persons", when used in this Agreement, shall have the respective meanings specified in, and shall be construed in a manner consistent with, the 1940 Act, subject, however, to such exemptions as may be granted by the Securities and Exchange Commission under said Act.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered at a location or locations outside the United States in their names and on their behalf by the undersigned, thereunto duly authorized, all as of the day and year first above written. The undersigned Trustee of the Trust has executed this Agreement not individually, but as Trustee under the Trust's Declaration of Trust, dated October 11, 1989, as amended, and the obligations of this Agreement are not binding upon any of the Trustees or shareholders of the Trust individually, but bind only the Trust estate.

CASH RESERVES PORTFOLIO

SIGNATURE FINANCIAL GROUP  
(GRAND CAYMAN), LTD.

By: Philip Coolidge

By: Philip Coolidge

-----  
Title: Trustee and President

-----  
Title: Chief Executive Officer

## SUB-ADMINISTRATIVE SERVICES AGREEMENT

SUB-ADMINISTRATIVE SERVICES AGREEMENT, dated as of May 1, 1994, by and between SIGNATURE FINANCIAL GROUP (GRAND CAYMAN) LTD. a Cayman Islands Company ("SFGC" or the "Administrator"), and CITIBANK, N.A., a national banking association ("Citibank" or the "Sub-Administrator").

WITNESSETH:

WHEREAS, SFGC, or an affiliate company, has entered into an Administrative Services Agreement (the "Administrative Agreement") with Cash Reserves Portfolio (the "Trust"); and

WHEREAS, as permitted by Section 6 of the Administrative Agreement, Citibank desires to subcontract some or all of the performance of the Administrator's obligations thereunder to Citibank, and Citibank desires to accept such obligations; and

WHEREAS, SFGC or an affiliate company, wishes to engage Citibank to provide certain administrative services on the terms and conditions hereinafter set forth, so long as the Trustees of the Landmark Funds shall have found Citibank to be qualified to perform the obligations sought to be subcontracted.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties hereto as herin set forth, the parties covenant and agree as follows:

1. Duties of the Sub-Administrator. The Sub-Administrator shall perform such administrative and management services as may from time to time be agreed to between the Administrator and the Sub-Administrator so long as the Trustees of the Landmark Funds shall have found the Sub-Administrator to be qualified to perform the obligations sought to be subcontracted, which may include (a) providing office space, equipment and clerical personnel necessary for maintaining the organization of the Landmarak Funds and for performing the administrative functions herein set forth; (b) participation in the preparation of documents required for compliance by the Landmark Funds with applicable laws and regulations, including registration statements, prospectuses, semi-annual and annual reports to shareholders, proxy statements and tax returns; (c) preparation of agendas and supporting documents for and minutes of meetings of the Trustees, Committees of Trustees and shareholders; (d) arranging for maintenance of books and records of the Landmark Funds; and (e) any other functions or obligations permitted to or required by the Administrator. Notwithstanding the foregoing, the Sub-Administrator under this Agreement shall not be deemed to have assumed any duties with respect to, and shall not be responsible for, the management of the Trust, or the distribution

of Shares of Beneficial Interest of the Trust ("Shares"), nor shall the Sub-Administrator be deemed to have assumed or have any responsibility with respect to functions specifically assumed by any transfer agent, custodian or shareholder servicing agent of the Trust.

2. Compensation of Sub-Administrator. For the services to be rendered and the facilities to be provided by the Sub-Administrator hereunder, the Sub-Administrator shall be paid an administrative fee as may from time to time be agreed to between the Administrator and the Sub-Administrator.
3. Additional Terms and Conditions. The parties may amend this agreement and include such other terms and conditions as may from time to time be agreed to between the Administrator and the Sub-Administrator, so long as the Trustees of the Trust shall have found the subcontracting party to be qualified to perform the obligations sought to be subcontracted.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered in their names and on their behalf by the undersigned, thereunto duly authorized, all as of the day and year first above written.

SIGNATURE FINANCIAL GROUP (GRAND CAYMAN) LTD.

By: /s/ Philip Coolidge  
-----  
Title: Chief Executive Officer  
-----

CITIBANK, N.A.

By: /s/ Robert P. Wallace  
-----  
Title: Vice President  
-----

## CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in Part B constituting part of this Amendment No.11 to the registration statement on Form N-1A (the "Registration Statement") of Cash Reserves Portfolio of our report dated October 9, 1996, relating to the August 31, 1996 financial statements and financial highlights of the Cash Reserves Portfolio, which are also incorporated by reference into the Registration Statement. We also consent to the reference to us under the heading "Investment Advisory and Other Services" in Part B of the Registration Statement.

Price Waterhouse  
Chartered Accountants  
Toronto, Ontario  
December 27, 1996



<TABLE> <S> <C>

<ARTICLE> 6

<CIK> 0000850615

<NAME> CASH RESERVES PORTFOLIO

<S>	<C>
<PERIOD-TYPE>	YEAR
<FISCAL-YEAR-END>	AUG-31-1996
<PERIOD-END>	AUG-31-1996
<INVESTMENTS-AT-COST>	4,396,287,498
<INVESTMENTS-AT-VALUE>	4,396,287,498
<RECEIVABLES>	46,416,814
<ASSETS-OTHER>	0
<OTHER-ITEMS-ASSETS>	889
<TOTAL-ASSETS>	4,442,705,201
<PAYABLE-FOR-SECURITIES>	0
<SENIOR-LONG-TERM-DEBT>	0
<OTHER-ITEMS-LIABILITIES>	517,909
<TOTAL-LIABILITIES>	517,909
<SENIOR-EQUITY>	0
<PAID-IN-CAPITAL-COMMON>	4,442,187,292
<SHARES-COMMON-STOCK>	0
<SHARES-COMMON-PRIOR>	0
<ACCUMULATED-NII-CURRENT>	0
<OVERDISTRIBUTION-NII>	0
<ACCUMULATED-NET-GAINS>	0
<OVERDISTRIBUTION-GAINS>	0
<ACCUM-APPREC-OR-DEPREC>	0
<NET-ASSETS>	4,442,187,292
<DIVIDEND-INCOME>	0
<INTEREST-INCOME>	234,876,467
<OTHER-INCOME>	0
<EXPENSES-NET>	4,094,907
<NET-INVESTMENT-INCOME>	230,781,560
<REALIZED-GAINS-CURRENT>	0
<APPREC-INCREASE-CURRENT>	0
<NET-CHANGE-FROM-OPS>	230,781,560
<EQUALIZATION>	0
<DISTRIBUTIONS-OF-INCOME>	0
<DISTRIBUTIONS-OF-GAINS>	0
<DISTRIBUTIONS-OTHER>	0
<NUMBER-OF-SHARES-SOLD>	24,522,122,636
<NUMBER-OF-SHARES-REDEEMED>	(25,076,123,009)
<SHARES-REINVESTED>	0
<NET-CHANGE-IN-ASSETS>	(323,218,813)
<ACCUMULATED-NII-PRIOR>	0
<ACCUMULATED-GAINS-PRIOR>	0

<OVERDISTRIB-NII-PRIOR>	0
<OVERDIST-NET-GAINS-PRIOR>	0
<GROSS-ADVISORY-FEES>	6,140,512
<INTEREST-EXPENSE>	0
<GROSS-EXPENSE>	9,568,722
<AVERAGE-NET-ASSETS>	4,093,675
<PER-SHARE-NAV-BEGIN>	0.00
<PER-SHARE-NII>	0.00
<PER-SHARE-GAIN-APPREC>	0.00
<PER-SHARE-DIVIDEND>	0.00
<PER-SHARE-DISTRIBUTIONS>	0.00
<RETURNS-OF-CAPITAL>	0.00
<PER-SHARE-NAV-END>	0.00
<EXPENSE-RATIO>	0.10
<AVG-DEBT-OUTSTANDING>	0
<AVG-DEBT-PER-SHARE>	0

</TABLE>