

SECURITIES AND EXCHANGE COMMISSION

FORM DEF 14A

Definitive proxy statements

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FILER

FINANCIAL RESERVES FUND

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Business Address
*FEDERATED INVESTORS
TOWER
PITTSBURGH PA 15222
4122888208*

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No. _____)

Filed by the Registrant [X]

Filed by a Party other than the Registrant []

Check the appropriate box:

- Preliminary Proxy Statement
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Sec. 240.14a-11(c) or Sec. 240.14a-12

Financial Reserves Fund
(Name of Registrant as Specified In Its Charter)

Federated Investors
(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

- \$125 per Exchange Act Rules 0-11(c)(1)(ii), 14a-6(i)(1), or 14a-6(j)(2).
- \$500 per each party to the controversy pursuant to Exchange Act Rule 14a-6(i)(3).
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.
- Fee previously paid

1. Title of each class of securities to which transaction applies:
2. Aggregate number of securities to which transaction applies:
3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:
4. Proposed maximum aggregate value of transaction:

Set forth the amount on which the filing fee is calculated and state how it was determined.

- Check the box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- 1) Amount Previously Paid:
- 2) Form, Schedule or Registration Statement No.:
- 3) Filing Party:
- 4) Date File:

FINANCIAL RESERVES FUND
NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD FEBRUARY 24, 1994

A special meeting of the shareholders of FINANCIAL RESERVES FUND (the "Fund"), will be held at the offices of Society National Bank, 127 Public Square, Cleveland, Ohio 44114, 21st Floor, at 1:45 p.m., February 24, 1994, for the following purposes:

- (1) To approve or disapprove a new Investment Advisory Contract between the Fund and Society Asset Management, Inc.; and
- (2) To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Trustees has fixed December 30, 1993 as the record date for determination of shareholders entitled to vote at this special meeting.

By Order of the Trustees
Jay S. Neuman
Secretary

January 12, 1994

YOU CAN HELP THE FUND AVOID THE NECESSITY AND EXPENSE OF SENDING FOLLOW-UP LETTERS TO ENSURE A QUORUM BY PROMPTLY RETURNING THE ENCLOSED PROXY. IF YOU ARE UNABLE TO ATTEND THE MEETING, PLEASE MARK, SIGN, DATE AND RETURN THE ENCLOSED PROXY SO THAT THE NECESSARY QUORUM MAY BE REPRESENTED AT THE SPECIAL MEETING. THE ENCLOSED ENVELOPE REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES.

FINANCIAL RESERVES FUND

PROXY STATEMENT

The enclosed proxy is solicited on behalf of the Board of Trustees of the Fund. The proxy is revocable at any time before it is voted by sending

written

notice of the revocation to the Fund or by appearing personally at the February

24, 1994 special meeting of shareholders ("Special Meeting"). THE COST OF PREPARING AND MAILING THE NOTICE OF MEETING, THE PROXY CARD, THIS PROXY STATEMENT AND ANY ADDITIONAL PROXY MATERIAL IS BEING BORNE BY SOCIETY ASSET MANAGEMENT, INC. ("SAMI"), THE FUND'S "PRESENT ADVISER." Proxy solicitations will be made primarily by mail, but may also be made by telephone, telegraph, or

personal interview conducted by certain officers or employees of the Fund or of

Society National Bank (the Fund's transfer agent) or Federated Administrative

Services (the Fund's administrator). In the event that a shareholder signs and

returns the proxy card but does not indicate a choice as to any of the items on

the proxy card, the proxy attorneys will vote those shares in favor of such proposal(s).

On December 30, 1993, the Fund had outstanding 501,917,533.38 shares of

beneficial interest ("Shares"), each Share being entitled to one vote. Only shareholders of record at the close of business on December 30, 1993, will be

entitled to notice of and to vote at the Special Meeting. Holders of a majority

of Shares entitled to vote, represented in person or by proxy, shall be required

to constitute a quorum at the Special Meeting.

For purposes of determining the presence of a quorum and counting votes on

the matters presented, Shares represented by abstentions and "broker non-votes"

will be counted as present, but not as votes cast, at the Special Meeting. Under

the Investment Company Act of 1940 (the "1940 Act"), the affirmative vote necessary to approve the matter under consideration may be determined with reference to a percentage of votes present at the Special Meeting, which would

have the effect of treating abstentions and non-votes as if they were votes against the proposal.

The Fund's executive offices are located on the 19th floor of the Federated Investors Tower, Liberty Avenue at Grant Street, Pittsburgh, Pennsylvania 15222-3779. The Special Meeting will be held at the offices of Society National Bank, 127 Public Square, Cleveland, Ohio, 21st Floor. This proxy statement and the enclosed notice of meeting and proxy card are first

being mailed on or about January 12, 1994.

INTRODUCTION

This Special Meeting is being called to approve or disapprove a new investment advisory contract between the Fund and SAMI. Consideration of a new investment advisory contract is being requested on account of the pending merger of KeyCorp and Society Corporation ("Society"). The resulting company of this merger will be known as Key Bancshares Inc. The proposed new investment advisory contract between the Fund and SAMI would take effect at the time the merger is consummated.

Here are some of the factors you should consider in determining whether to approve the new investment advisory contract:

the Board of Trustees has unanimously approved the new investment advisory contract;

no change in the Fund's investment objective or investment policies will take place;

there will be no change in the fees payable by the Fund for advisory services;

the Board of Trustees has been advised that those persons currently responsible for providing investment advice to the Fund will continue to do so following the consummation of the merger.

APPROVAL OR DISAPPROVAL OF A NEW INVESTMENT ADVISORY CONTRACT ("NEW CONTRACT")

The Present Adviser, located at Society Center, 127 Public Square, Cleveland, Ohio 44115, serves as investment adviser to the Fund pursuant to an investment advisory contract dated January 7, 1993 (the "Present Contract"). The Present Adviser is a wholly owned subsidiary of Society National Bank, which in turn is a wholly owned subsidiary of Society, a bank holding company.

On October 4, 1993, Society and KeyCorp signed a definitive Agreement

and
Plan of Merger ("Merger Agreement"). See "Proposed Merger of Society Corporation." Consummation of the transaction contemplated by the Merger Agreement (the "Merger") will cause the Present Adviser to become an indirect wholly owned subsidiary of the resulting corporation. To the extent the Merger might be deemed to result in a change in ownership of the Present Adviser, it would automatically terminate the Present Contract in accordance with its terms as required by the 1940 Act. Thus, although SAMI will remain the entity responsible for providing investment advisory services to the Fund following the Merger, approval of the New Contract by the shareholders of the Fund is being sought in order to avoid any possible issue with respect to provision of advisory services to the Fund.

On December 14, 1993, the Trustees, including a majority of the Trustees who are not interested Trustees, unanimously approved the New Contract with SAMI and directed that it be submitted to shareholders for their approval. The terms of the New Contract are identical in all material respects to the Present Contract, except for the effective date which, in the case of the New Contract, will be the date of the consummation of the Merger (the "Closing Date"). It is currently expected that the Closing Date will occur on or about March 1, 1994.

Copies of the Present Contract and the New Contract appear as Exhibits A and B, respectively, to this proxy statement.

The Present Contract was approved by the Board of Trustees, including a majority of the Trustees who are not interested Trustees, on January 7, 1993. Prior to the Present Contract, Society National Bank had served as investment adviser to the Fund pursuant to a contract that was approved by shareholders on February 20, 1992. SAMI became the Present Adviser as part of a reorganization of the corporate structure through which Society National Bank provided investment management services to a variety of clients, including the Fund. This reorganization did not result in any change in the persons responsible for providing investment advice to the Fund. Society National Bank serves as the Fund's custodian and transfer agent and receives compensation for these

services
pursuant to separate contracts.

As under the Present Contract, the terms of the New Contract provide that SAMI, subject to the direction of the Board of Trustees, will provide investment research, advice, management and supervision of the investments of the Fund and will conduct a continuous program of investment evaluation and sale or other disposition and reinvestment of the Fund's assets. For its services, SAMI is entitled to receive an annual investment advisory fee of .50 of 1% of the average daily net assets of the Fund.

Both the Present Contract and New Contract provide that the Fund shall pay all of its own expenses. These expenses include expenses of administrative personnel and services provided to the Fund by Federated Administrative Services at an annual rate as described in the Fund's prospectus. However, the Present Contract also provided that if the total expenses of the Fund exceeded .55 of 1% of average daily net assets, the Present Adviser was required, until May 16, 1993, to reimburse the Fund for any such excess, up to .15 of 1% of average daily net assets. Both the Present Contract and New Contract provide that the adviser may, from time to time and for such periods as it deems appropriate, further reduce its compensation by voluntarily limiting the expenses of the Fund. During the fiscal year ended October 31, 1993, the Present Adviser earned investment advisory fees of \$2,383,062 and reimbursed the Fund an aggregate of \$714,919 pursuant to the expense reimbursement provisions of the Present Contract.

If approved by shareholders at this Special Meeting, the New Contract will continue for two years after it takes effect, unless terminated, and may be continued from year to year thereafter by the Board of Trustees. The continuation of the New Contract must be approved by a majority vote of the Trustees, including a majority of the Trustees who are not interested Trustees, cast in person at a meeting called for that purpose. SAMI has the right, in any year, to notify the Fund in writing at least 60 days before the New Contract anniversary date, that it does not desire a renewal of the New Contract. The Trustees, or a majority of the outstanding voting shares of the Fund, may terminate the New Contract at any time without penalty by giving SAMI 60 days' written notice. The New Contract may not be assigned by SAMI and shall

terminate

automatically in the event of an assignment as defined in the 1940 Act. The New Contract provides that it may be amended by a vote of both a majority of the Trustees, including a majority of the Trustees who are not interested Trustees, and by the holders of a majority of the outstanding voting shares of the Fund.

As does the Present Contract, the New Contract provides that in the absence of willful misfeasance, bad faith, gross negligence, or reckless disregard of its obligations or duties under the New Contract, SAMI shall not be liable to the Fund or to any shareholder for any act or omission in the course of, or connected in any way with, rendering services or for any losses that may be sustained in the purchase, holding, or sale of any security.

Approval of the new contract requires the affirmative vote of: (a) 67% or more of the Shares present at the Special Meeting, if the holders of more than 50% of the outstanding Shares are present or represented by proxy, or (b) more than 50% of the outstanding Shares, whichever is less. If the New Contract is approved by shareholders and the Merger is consummated, the New Contract will be executed and become effective on the Closing Date. In the event the Merger is not consummated, the Present Contract will continue in accordance with its terms. If the Merger is consummated and if the New Contract is not approved by the shareholders of the Fund, the Board of Trustees will consider what actions should be taken, including but not limited to requesting that the Present Adviser perform investment advisory services at cost until a new investment advisory contract is approved by the shareholders.

There are various conditions precedent to the consummation of the Merger, including approval by the shareholders of Society and KeyCorp, and approval of regulatory authorities. Shareholders of the Fund are not being asked to vote on the Merger.

PROPOSED MERGER OF SOCIETY CORPORATION

The terms of the Merger Agreement provide that upon consummation of

the
Merger of KeyCorp with and into Society each outstanding share of KeyCorp
common
stock will be converted into the right to receive 1.025 common shares of the
resulting corporation, and each outstanding common share of Society will
remain
outstanding. The board of the resulting corporation will consist of 22
Directors, half of whom will be from the current board of Society and half
of
whom will be from the current board of KeyCorp. It is also anticipated that
the
affiliate banks and other subsidiaries of Society and KeyCorp will retain
their
current names for the foreseeable future. The resulting corporation will be
headquartered in the Society Center complex in Cleveland, Ohio.

The Fund has been advised that, after careful review and
consideration,
Society's Board of Directors determined that the terms of the Merger were
fair
to, and in the best interests of, Society and its shareholders. The Fund
further
has been advised that Society's board believes the Merger will provide
significant value to all of its shareholders and, at the same time, enable
holders of Society common shares to participate in the expanded
opportunities
for growth the Merger will make possible.

Consummation of the Merger is subject to the satisfaction of certain
conditions including the receipt of all necessary regulatory approvals and
the
approval by the shareholders of Society and KeyCorp of the Merger Agreement.
The
Merger Agreement may be terminated and the Merger abandoned at any time
prior to
the Closing Date by the mutual consent of KeyCorp and Society or upon the
occurrence of other events specified in the Merger Agreement. Completion of
the
Merger will occur as soon as practicable after satisfaction or waiver of the
applicable conditions, which the parties anticipate will occur on or about
March
1, 1994.

TRUSTEES' RECOMMENDATIONS AND OTHER INFORMATION

The New Contract was unanimously approved by the Board of Trustees of
the
Fund including those Trustees who are not interested persons of the Fund as
that
term is defined in the 1940 Act, at a meeting held on December 14, 1993. By

approving the New Contract, the Trustees have acted in what they believe to be the best interest of the shareholders of the Trust.

In connection with the approval of the New Contract, the Trustees were advised by SAMI that those persons currently responsible for management of Fund assets will have similar responsibilities to the Fund subsequent to consummation of the Merger. The Trustees considered information relating to SAMI and the consolidated entity that would result from the Merger, including present capabilities and expertise in serving as investment adviser to the Fund, as well as to other investment companies, as noted below. They also considered the nature and quality of services provided by SAMI, the investment record of the Fund, comparative data as to the advisory fees and expenses, and such other information as the Trustees believed to be relevant. The Trustees also were advised that all mutual fund activities of the combined entities would be examined subsequent to consummation of the Merger in order to determine whether further efficiencies can be realized. The Trustees are unable to predict whether changes will be recommended which would materially impact Fund operations. The Trustees also considered the fact that no changes in the compensation payable to SAMI from the compensation paid to the Present Adviser were proposed. After consideration of these facts, the Trustees, including all Trustees who are not interested persons, concluded that SAMI is fully capable of performing the services contemplated by the New Contract and recommended that the New Contract be approved by the shareholders of the Fund.

The 1940 Act provides that in connection with the sale of any interest in an investment adviser which results in the "assignment" of an investment advisory contract, an investment adviser of a registered investment company such as the Fund, or an affiliated person of such investment adviser, may receive any amount or benefit if (i) for a period of three years after the sale, at least 75% of the members of the Board of Trustees of the investment company are not interested persons of the investment adviser or the predecessor adviser, and (ii) there is no "unfair burden" imposed on the investment company as a result of such sale or any express or implied terms, conditions or understanding

applicable thereto. For this purpose, "unfair burden" is defined to include any arrangement during the two-year period after the transaction, whereby the investment adviser or its predecessor or successor investment advisers, or any interested persons of any such adviser, receives or is entitled to receive any compensation directly or indirectly (i) from any person in connection with the purchase or sale of securities or other property to, from or on behalf of the investment company other than bona fide ordinary compensation as principal underwriter for such company, or (ii) from the investment company or its security holders for other than bona fide investment advisory or other services.

This provision of the 1940 Act was enacted by Congress in 1975 to make it clear that an investment adviser (or an affiliated person of the adviser) can realize a profit on the sale of the adviser's business subject to the two safeguards described above. Although it is not clear that this provision of the 1940 Act would be applied in connection with the proposed Merger, the Board of Trustees of the Fund has received assurances from SAMI that no "unfair burden" will be imposed on the Fund as a result of the proposed transaction.

KEYCORP

KeyCorp, a bank holding company, is a financial services company headquartered at One KeyCorp Plaza, Albany, New York, 12207. At June 30, 1993, KeyCorp had an asset base of \$32 billion, with over 900 banking offices in New York, Alaska, Colorado, Idaho, Maine, Oregon, Utah, Washington, and Wyoming. KeyCorp's major business activities include providing traditional banking and associated financial services to consumer, business, and commercial markets. Its non-bank subsidiaries include securities brokerage, insurance, bank credit card processing, and leasing.

KeyTrust, a wholly owned subsidiary of KeyCorp, acts as investment adviser to the Victory Funds, a family of mutual funds that includes two money market funds similar to the Fund. The following schedule lists the advisory fees for each of the Victory Funds and their approximate net assets (in millions), in parentheses, as of September 30, 1993.

- .25 OF 1% OF AVERAGE DAILY NET ASSETS
 - Victory U.S. Treasury Money Market Fund (\$160)
 - Victory Money Market Fund (\$313)
- .40 OF 1% OF AVERAGE DAILY NET ASSETS
 - Victory Shares Daily Tax-Free Income Fund (\$1.4)
- .45 OF 1% OF AVERAGE DAILY NET ASSETS
 - Victory Short-Term Government Income Fund (\$36)
- .55 OF 1% OF AVERAGE DAILY NET ASSETS
 - Victory Government Bond Fund (\$46)
 - Victory Corporate Bond Fund (\$39)
 - Victory New York Municipal Fund (\$2)
 - Victory National Municipal Fund*
- .65 OF 1% OF AVERAGE DAILY NET ASSETS
 - Victory Aggressive Growth Fund*
 - Victory Equity Fund (\$81)
 - Victory Equity Income Fund*

*As of December 30, 1993, fund has not commenced public offering of shares.

The principal executive officers and directors of KeyCorp are:

<TABLE>

<CAPTION>

NAME	POSITION WITH KEYCORP.	
PRINCIPAL OCCUPATION	<C>	<C>
Victor J. Riley	Chairman, President,	(Other
affiliations: Director of Albany Medical Center;	Chief Executive Officer and	Director, New York
Telephone Company; Knight of Malta;	Director	formerly,
President, New York State Bankers Association)		
Gary R. Allen	Group Executive Vice	
	President, Chief	
	Banking Officer	
Michael A. Butler	Senior Vice President	
Robert W. Bouchard	Executive Vice President,	
	Office of the Chairman;	
	Secretary	

Ralph M. Carestio, Jr.	Executive Vice President	
William H. Dougherty	Group Executive Vice President; and Chief Financial Officer	
Walter V. Ferris	Executive Vice Presi- dent, General Counsel	
Francis X. Hamilton	Senior Vice President	
Leroy G. Irving	Senior Vice President, Treasurer	
John M. Lang	Executive Vice President	
Evelyn A. Morris	Senior Vice President	
Maurice P. Shea, III	Executive Vice President	
Bruce E. Tofte	Executive Vice President, Chief Control Officer	
F. Jay Ward	Executive Vice President	
William J. Agee Executive Officer, Morrison Knudsen	Director	Chairman and Chief Corporation.
Frank A. Augsbury Board and Chief Executive Officer, The Organization, Inc.	Director	Chairman of the Augsbury
H. Douglas Barclay Barclay.	Director	Partner, Hiscock &
Robert H. Bischoff Board, Key Bancshares of Utah, Inc.	Director	Chairman of the
Curtis M. Carlson Vice President-Finance, KeyCorp.	Director	Retired Executive
Kenneth M. Curtis Maritime Academy; Partner, Curtis, Broder & Micoleau.	Director	President, Maine Thaxter, Stevens,

John C. Dimmer Management Corporation.	Director	President, First
Lucie J. Fjeldstad General Manager, Multimedia, IBM	Director	Vice President and Corporation.
Henry S. Hemingway Country Life Insurance	Director	President, Town & Company.
Charles R. Hogan Board, Puget Sound Marketing Co.,	Director	Co-Chairman of the Inc.
Raymond E. Lavoie, Jr.	Director	Retired Banker.
Robert A. Schumacher Georgia Pacific Corporation.	Director	Consultant for
Ronald B. Stafford Trombley, Purcell, Lahtinen, Owens &	Director	Partner, Stafford, Curtin.
Peter G. Ten Eyck II Ladder Farms.	Director	President, Indian
Nancy B. Veeder Realty, Inc.; Partner, VR Associates	Director	President, Veeder Ltd. d/b/a
Residence Inn.		

</TABLE>

SOCIETY CORPORATION AND SAMI

At June 30, 1993, Society Corporation had an asset base of approximately \$26 billion, over 440 banking offices in Ohio, Florida, Indiana, and Michigan, and trust subsidiaries in Florida and Texas. Society Corporation's major business activities include providing traditional banking, trust and associated financial services to consumer, business, and commercial markets. Its non-bank subsidiaries include securities brokerage, insurance, bank credit card processing, and leasing. Society National Bank is the lead affiliate bank of Society Corporation. Society National Bank and its affiliate banks, through their trust offices, provide administrative and investment management services for approximately \$67 billion in trust assets including assets managed by SAMI.

SAMI, an Ohio corporation organized on October 23, 1981, is a

registered

investment adviser under the Investment Advisers Act of 1940. SAMI manages assets of over \$16 billion for numerous clients, including mutual funds, employee benefit plans, endowments, common trust funds, and individuals.

SAMI's audited balance sheet as of December 31, 1992, along with its unaudited balance sheet as of November 30, 1993 appear as Exhibits C and D, respectively, to this proxy statement. SAMI has represented that, since the date of the unaudited balance sheet, there has been no material adverse change in its financial condition. Proxies solicited for the shareholders' meeting will not be voted for the approval of the proposal presented unless in the judgment of the Fund's Board of Trustees there has been no material adverse change in SAMI's financial condition between the date of the unaudited balance sheet and SAMI's most recent fiscal year ending prior to the meeting date.

The following schedule lists the advisory fees for each mutual fund that is advised by SAMI, and their approximate net assets (in millions), in parenthesis, as of December 31, 1993.

- .35 OF 1% OF AVERAGE DAILY NET ASSETS
 - Society Prime Obligations Fund (\$699)
 - Society U.S. Government Obligations Fund (\$523)
 - Society Tax-Exempt Fund (\$217)
 - Society International Growth Fund (\$40) (sub-adviser)

- .50 OF 1% OF AVERAGE DAILY NET ASSETS
 - A.T. Ohio Tax-Free Money Fund (\$306)
 - Society Limited-Term Income Fund (\$87)
 - Society U.S. Government Income Fund (\$194)
 - Financial Reserves Fund (\$475)

- .60 OF 1% OF AVERAGE DAILY NET ASSETS
 - Society Ohio Tax-Free Bond Fund (\$53)
 - Society Stock Index Fund (\$48)

- .65 OF 1% OF AVERAGE DAILY NET ASSETS
 - Society Diversified Stock Fund (\$249)

- .75 OF 1% OF AVERAGE DAILY NET ASSETS
 - Society Earnings Momentum Fund (\$11)
 - Society Intermediate Income Fund (\$101)
 - Society Investment Quality Bond Fund (\$103)

Society Ohio Regional Stock Fund (\$34)

1% OF AVERAGE DAILY NET ASSETS

Society's Collective Investment Retirement Fund Balanced Fund
 (\$40)
 Society's Collective Investment Retirement Fund Government Income
 Fund
 (\$18)
 Society Balanced Fund (\$83)
 Society Value Stock Fund (\$157)
 Society Growth Stock Fund (\$60)
 Society Special Value Stock Fund (\$67)
 Society Special Growth Stock Fund (\$28)

The principal executive officers and directors of Society Corporation are:

<TABLE>
 <CAPTION>

NAME	POSITION WITH SOCIETY CORPORATION	
PRINCIPAL OCCUPATION		
<S>	<C>	<C>
Robert W. Gillespie	Chairman of the Board and Chief Executive Officer	
Henry L. Meyer III	Vice Chairman of the Board and Chief Banking Officer	
Roger Noall	Vice Chairman of the Board and Chief Administrative Officer	
James W. Wert	Vice Chairman of the Board and Chief Financial Officer	
William G. Bares	Director	President and Chief Operating Officer, The Lubrizol Corporation
Edward F. Bell	Director	Retired President, Ameritech Ohio
Albert C. Bersticker	Director	President and Chief Executive Officer, Ferro Corporation
Thomas A. Commes	Director	President and Chief Operating Officer, The Sherwin-Williams Company

Howard J. Cooper Cooper, Inc.	Director	President, Howard
Betty Cope	Director	President, WVIZ-TV
Allen H. Ford	Director	Consultant
T. Raymond Gregory Board and Chief Executive Officer, & Metal Processing, Inc.	Director	Chairman of the Gregory Galvanizing
Jerry Hammes Board and President, Romy Hammes, Inc.	Director	Chairman of the
Stephen R. Hardis Chief Financial and Administrative Corporation	Director	Vice Chairman, Officer, Eaton
Lawrence A. Leser Executive Officer, the E.W. Scripps	Director	President and Chief Company
A. Stephen Martindale Executive Officer, The Kiemle-Harkins	Director	President and Chief Company
John G. Mc Donald BP Oil Company	Director	Retired President,
Steven A. Minter Cleveland Foundation	Director	Director, The
M. Thomas Moore Executive Officer, Cleveland Cliffs	Director	Chairman and Chief Inc.
John C. Morley Executive Officer, Reliance Electric	Director	President and Chief Company
Richard W. Pogue Jones, Day, Reavis and Pogue	Director	Senior Partner,
James S. Reid, Jr. Board and Chief Executive Officer, The Company	Director	Chairman of the Standard Products
Harry A. Shaw, III Board and Chief Executive Officer, Huffy	Director	Chairman of the Corporation

Dennis W. Sullivan Director
President, Parker-Hannifin

Executive Vice

Corporation

Renold D. Thompson Director
Director, Oglebay Norton Company

Vice Chairman and

</TABLE>

PORTFOLIO TRANSACTIONS

All portfolio transactions are undertaken on the basis of their desirability from an investment standpoint. Subject to review by the Board of Trustees, the investment adviser makes decisions on and selects brokers or dealers for portfolio transactions. The Board of Trustees periodically reviews and monitors the investment adviser's performance. The purchase of money market instruments from and their sale to dealers are executed with recognized dealers in these money market instruments except when a better execution and price can be obtained elsewhere.

The investment adviser may select brokers and dealers who, in addition to meeting the above requirements, also furnish brokerage and research services. These services may include advice as to the advisability of investing in securities, security analyses and reports, economic studies, industry studies, receipt of quotations for portfolio valuations and similar services. These services may be furnished either directly to the Fund, to the investment adviser, to advisers who are affiliates of the investment adviser or to accounts advised by those companies. The brokers and dealers who execute portfolio transactions selected for the above reasons may also sell shares of the Fund and certain other affiliated funds. The fact that a broker or dealer may sell shares of the Fund or any other fund is not a criterion used by the investment adviser in selecting a broker or dealer to execute portfolio transactions on behalf of the Fund.

The investment adviser, in selecting brokers or dealers to execute portfolio transactions, exercises reasonable business judgment and determines in good faith that commissions charged by such persons are reasonable in

relationship to the value of the brokerage and research services provided by such persons, viewed in terms of the overall responsibilities of the investment adviser and its affiliated companies with respect to the Fund itself and the other accounts to which they render investment advice. As a practical matter, the benefits inuring to these companies or accounts are not divisible. To the extent that the receipt of the above-described services may supplant services for which the investment adviser might otherwise have paid, it would, of course, tend to reduce its expenses. The same is true of services furnished to the Fund and in turn made available by the Fund to the investment adviser or its affiliates. The investment adviser does not lower its fee as a consequence of receiving such services.

THE BOARD OF TRUSTEES OF THE TRUST RECOMMENDS THAT
THE SHAREHOLDERS APPROVE THE NEW INVESTMENT
ADVISORY CONTRACT

OTHER MATTERS AND DISCRETION OF PERSONS NAMED IN THE PROXY

While the Special Meeting is called to act upon any other business that may properly come before it, at the date of this proxy statement the only business which the management intends to present or knows that others will present is the business mentioned in the Notice of Meeting. If any other matters lawfully come before the Special Meeting, and in all procedural matters at said Special Meeting, it is the intention that the enclosed proxy shall be voted in accordance with the best judgment of the persons named therein, or their substitutes, present and acting at the Special Meeting.

If at the time any session of the Special Meeting is called to order, a quorum is not present in person or by proxy, the persons named as proxies may vote those proxies which have been received to adjourn the Special Meeting to a later date. In the event that a quorum is present but sufficient votes in favor

of one or more of the proposals have not been received, the persons named as proxies may propose one or more adjournments of the Special Meeting to permit further solicitation of proxies with respect to any such proposal. All such adjournments will require the affirmative vote of a majority of the Shares present in person or by proxy at the session of the Special Meeting to be adjourned. The persons named as proxies will vote those proxies which they are entitled to vote in favor of the proposal, in favor of such an adjournment, and will vote those proxies required to be voted against the proposal, against any such adjournment.

The following list indicates the beneficial ownership of the shareholders who, to the best knowledge of the Fund, are the beneficial owners of more than 5% of the outstanding Shares of the Fund as of December 30, 1993: Community Mutual Insurance Company, Cincinnati, Ohio, various custody accounts, owned approximately 68,017,687.07 shares (13.55%); Case Western Reserve University, Cleveland, Ohio, various custody accounts, owned approximately 36,657,909.72 shares (7.30%); and University Hospitals, Cleveland, Ohio, various custody accounts, owned approximately 25,134,499.05 shares (5.00%).

Officers and Trustees own less than 1% of the Fund's outstanding shares.

The Fund's principal distributor is Federated Securities Corp. ("FSC"), a wholly-owned subsidiary of Federated Investors. Its address is Federated Investors Tower, Pittsburgh, PA 15222-3779. The following Officers of the Fund may be deemed to have an interest in FSC by virtue of their positions with the following organizations: Edward C. Gonzales, President and Treasurer of the Fund, is Vice President, Treasurer and Trustee, Federated Investors; Vice President and Treasurer, Federated Advisers, Federated Management, and Federated Research; Executive Vice President, Treasurer and Director, Federated Securities Corp.; and Chairman, Treasurer, and Director, Federated Administrative Services; Jay S. Neuman, Secretary of the Fund, is Corporate Counsel, Federated Investors; and Jeffrey W. Sterling, Vice President and Assistant Treasurer of the Fund is Vice President of Federated Administrative Services.

If you do not expect to attend the Special Meeting, please sign your proxy card promptly and return it in the enclosed envelope to avoid unnecessary expense and delay. No postage is necessary.

By Order of the Trustees
Jay S. Neuman
Secretary

January 12, 1994

EXHIBIT A

("PRESENT CONTRACT")
FINANCIAL RESERVES FUND
INVESTMENT ADVISORY CONTRACT

This Contract is made between SOCIETY ASSET MANAGEMENT, INC., a registered investment adviser having its principal place of business in Cleveland, Ohio (hereinafter referred to as "Adviser"), and FINANCIAL RESERVES FUND, a Massachusetts Business Trust having its principal place of business in Pittsburgh, Pennsylvania (hereinafter referred to as the "Fund") and is based on the following premises:

(a) That the Fund is an open-end management investment company as that term is defined in the Investment Company Act of 1940 and is registered as such with the Securities and Exchange Commission;

(b) That Adviser is engaged in the business of rendering investment advisory and management services.

NOW, THEREFORE, the parties hereto, intending to be legally bound, hereby agree as follows:

1. The Fund hereby appoints Adviser as investment adviser and Adviser accepts the appointment. Subject to the direction of the Trustees of the Fund, Adviser shall provide investment research and supervision of the investments of the Fund and conduct a continuous program of investment, evaluation and of appropriate sale or other disposition and reinvestment of the Fund portfolio.

2. Adviser, in its supervision of the investments of the Fund will be guided by the Fund's fundamental investment policies and the provisions and restrictions contained in the Declaration of Trust and By-Laws of the Fund and as set forth in the Registration Statements and exhibits as may be on file with

the Securities and Exchange Commission.

3. The Fund shall pay all of its expenses, including, without limitation, the expenses of organizing the Fund and continuing the Fund's existence; fees and expenses of Trustees and officers of the Fund; fees for investment advisory services and administrative personnel and services; fees and expenses of preparing and printing its Registration Statements under the Securities Act of 1933 and the Investment Company Act of 1940 and any amendments thereto; expenses of registering and qualifying the Fund and its shares under Federal and State laws and regulations; expenses of preparing, printing and distributing prospectuses (and any amendments thereto) to shareholders; expenses of registering, licensing or other authorization of the Fund as a broker-dealer and of its officers as agents and salesmen under Federal and State laws and regulations; interest expense, taxes, fees and commissions of every kind; expenses of issue (including cost of share certificates), purchase, repurchase and redemption of shares, including expenses attributable to a program of periodic issue; charges and expenses of custodians, transfer agents, dividend disbursing agents, shareholder servicing agents and registrars; printing and mailing costs, auditing, accounting and legal expenses; reports to shareholders and governmental officers and commissions; expenses of meetings of Trustees and shareholders and proxy solicitations therefor; insurance expenses; association membership dues and such nonrecurring items as may arise, including all losses and liabilities incurred in administering the Fund. The Fund will also pay extraordinary expenses as may arise including expenses incurred in connection with litigation, proceedings and claims and the legal obligations of the Fund to indemnify its Trustees, officers, employees, shareholders, distributors and agents with respect thereto.

4. For all services rendered by Adviser hereunder, the Fund shall pay to Adviser and Adviser agrees to accept as full compensation for all services provided hereunder, an annual gross investment advisory fee equal to .50% of the average daily net assets of the Fund, provided, however, that, until May 16, 1993, the Adviser shall reimburse the Fund an amount, not to exceed .15 of 1% of daily net assets, necessary to maintain during such period a ratio of expenses of the Fund at .55 of 1% of average daily net assets, it being understood and agreed that the Adviser is under no obligation pursuant to this Section 4 to

reimburse the Fund for any amount of the fee payable to it in excess of .15 of 1% of daily net assets, should Fund expenses as a percentage of average daily net assets, after giving effect to reimbursement, exceed .55 of 1% of average daily net assets. Such fee shall be accrued and paid daily at the rate of 1/365th of .50%, minus any amount required to be reimbursed (expressed as a percentage of daily net assets of the Fund), of the daily net assets of the Fund.

5. The Adviser may from time to time and for such periods as it deems appropriate reduce its compensation (and, if appropriate, assume expenses of the Fund) to the extent that the Fund's expenses exceed such lower expense limitation as the Adviser may, by notice to the Fund, voluntarily declare to be effective.

6. The term of this Contract shall begin on the date of its execution and shall continue in effect through March 16, 1994, and from year to year thereafter, subject to the provisions for termination and all of the other terms and conditions hereof if: (a) such continuation shall be specifically approved at least annually by the vote of a majority of Trustees of the Fund, including a majority of the Trustees who are not parties to this Contract or interested persons of any such party (other than as Trustees of the Fund) cast in person at a meeting called for that purpose; and (b) Adviser shall not have notified the Fund in writing at least sixty (60) days prior to the anniversary date of this Contract in any year thereafter that it does not desire such continuation.

7. Notwithstanding any provision in this Contract, it may be terminated at any time, without the payment of any penalty, by the Trustees of the Fund or by a vote of a majority of the outstanding voting securities of the Fund on sixty (60) days' written notice to the Adviser.

8. This Contract may not be assigned by Adviser and shall automatically terminate in the event of any assignment. Adviser may employ or contract with such other person, persons, corporation or corporations at its own cost and expense as it shall determine in order to assist it in carrying out this Contract.

9. In the absence of willful misfeasance, bad faith, gross negligence or reckless disregard of the obligations or duties under this contract on the part of Adviser, Adviser shall not be liable to the Fund or any shareholder for any act or omission in the course of or connected in any way with rendering services or for any losses that may be sustained in the purchase, holding or sale of any security.

10. This Contract may be amended at any time by agreement of the parties, provided that the amendment shall be approved both by the vote of a majority of the Trustees of the Fund, including a majority of the Trustees who are not parties to this Contract or interested persons of any such party to this Contract (other than as Trustees of the Fund) cast in person at a meeting called for that purpose, and by the holders of a majority of the outstanding voting securities of the Fund.

11. Adviser is hereby expressly put on notice of the limitation of liability as set forth in Article III of the Declaration of Trust and agrees that the obligations assumed by the Fund pursuant to this Contract be limited in any case to the Fund and its assets and Adviser shall not seek satisfaction of any such obligation from the shareholders of the Fund, the Trustees, officers, employees or agents of the Fund, or any of them.

12. This Contract shall be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed on their behalf by their duly authorized officers and their seals to be affixed hereto this 7th day of January, 1993.

Attest: SOCIETY ASSET MANAGEMENT,
INC.

/s/ PAUL NEIDHARDT
Secretary

By:/s/ RICHARD C. HYDE
Chairman

Attest:

FINANCIAL RESERVES FUND

/s/ JAY S. NEUMAN
Secretary

By:/s/ E. C. GONZALES
President

EXHIBIT B

("NEW CONTRACT")
FINANCIAL RESERVES FUND
INVESTMENT ADVISORY CONTRACT

This Contract is made between SOCIETY ASSET MANAGEMENT, INC., a registered investment adviser having its principal place of business in Cleveland, Ohio (hereinafter referred to as "Adviser"), and FINANCIAL RESERVES FUND, a Massachusetts Business Trust having its principal place of business in Pittsburgh, Pennsylvania (hereinafter referred to as the "Fund") and is based on the following premises:

(a) That the Fund is an open-end management investment company as that term is defined in the Investment Company Act of 1940 and is registered as such with the Securities and Exchange Commission;

(b) That Adviser is engaged in the business of rendering investment advisory and management services.

NOW, THEREFORE, the parties hereto, intending to be legally bound, hereby agree as follows:

1. The Fund hereby appoints Adviser as investment adviser and Adviser accepts the appointment. Subject to the direction of the Trustees of the Fund, Adviser shall provide investment research and supervision of the investments of the Fund and conduct a continuous program of investment, evaluation and of appropriate sale or other disposition and reinvestment of the Fund portfolio.

2. Adviser, in its supervision of the investments of the Fund will be guided by the Fund's fundamental investment policies and the provisions and restrictions contained in the Declaration of Trust and By-Laws of the Fund and as set forth in the Registration Statements and exhibits as may be on file with the Securities and Exchange Commission.

3. The Fund shall pay all of its expenses, including, without limitation, the expenses of organizing the Fund and continuing the Fund's existence; fees and expenses of Trustees and officers of the Fund; fees for investment

advisory

services and administrative personnel and services; fees and expenses of preparing and printing its Registration Statements under the Securities Act of

1933 and the Investment Company Act of 1940 and any amendments thereto; expenses

of registering and qualifying the Fund and its shares under Federal and State

laws and regulations; expenses of preparing, printing and distributing prospectuses (and any amendments thereto) to shareholders; expenses of registering, licensing or other authorization of the Fund as a broker-dealer and

of its officers as agents and salesmen under Federal and State laws and regulations; interest expense, taxes, fees and commissions of every kind; expenses of issue (including cost of share certificates), purchase, repurchase

and redemption of shares, including expenses attributable to a program of periodic issue; charges and expenses of custodians, transfer agents, dividend

disbursing agents, shareholder servicing agents and registrars; printing and mailing costs, auditing, accounting and legal expenses; reports to shareholders

and governmental officers and commissions; expenses of meetings of Trustees and

shareholders and proxy solicitations therefor; insurance expenses; association

membership dues and such nonrecurring items as may arise,

including all losses and liabilities incurred in administering the Fund. The Fund will also pay extraordinary expenses as may arise including expenses incurred in connection with litigation, proceedings and claims and the legal obligations of the Fund to indemnify its Trustees, officers, employees, shareholders, distributors and agents with respect thereto.

4. For all services rendered by Adviser hereunder, the Fund shall pay to Adviser and Adviser agrees to accept as full compensation for all services provided hereunder, an annual gross investment advisory fee equal to .50% of the average daily net assets of the Fund. Such fee shall be accrued and paid daily at the rate of 1/365th of .50%, of the daily net assets of the Fund.

5. The Adviser may from time to time and for such periods as it deems appropriate reduce its compensation (and, if appropriate, assume expenses of the Fund) to the extent that the Fund's expenses exceed such lower expense limitation as the Adviser may, by notice to the Fund, voluntarily declare to be effective.

6. The term of this Contract shall begin on the date of its execution and shall continue in effect for two years from its execution and from year to

year
thereafter, subject to the provisions for termination and all of the other
terms
and conditions hereof if: (a) such continuation shall be specifically
approved
at least annually by the vote of a majority of Trustees of the Fund,
including a
majority of the Trustees who are not parties to this Contract or interested
persons of any such party (other than as Trustees of the Fund) cast in
person at
a meeting called for that purpose; and (b) Adviser shall not have notified
the
Fund in writing at least sixty (60) days prior to the anniversary date of
this
Contract in any year thereafter that it does not desire such continuation.

7. Notwithstanding any provision in this Contract, it may be
terminated at
any time, without the payment of any penalty, by the Trustees of the Fund or
by
a vote of a majority of the outstanding voting securities of the Fund on
sixty
(60) days' written notice to the Adviser.

8. This Contract may not be assigned by Adviser and shall
automatically
terminate in the event of any assignment. Adviser may employ or contract
with
such other person, persons, corporation or corporations at its own cost and
expense as it shall determine in order to assist it in carrying out this
Contract.

9. In the absence of willful misfeasance, bad faith, gross negligence
or
reckless disregard of the obligations or duties under this contract on the
part
of Adviser, Adviser shall not be liable to the Fund or any shareholder for
any
act or omission in the course of or connected in any way with rendering
services
or for any losses that may be sustained in the purchase, holding or sale of
any
security.

10. This Contract may be amended at any time by agreement of the
parties,
provided that the amendment shall be approved both by the vote of a majority
of
the Trustees of the Fund, including a majority of the Trustees who are not
parties to this Contract or interested persons of any such party to this
Contract (other than as Trustees of the Fund) cast in person at a meeting
called
for that purpose, and by the holders of a majority of the outstanding voting

Equipment, net of accumulated depreciation.....	
46,285	
Fees receivable.....	
.....	59,403
Accrued interest.....	
.....	13,926
Receivable from Society Corporation.....	
192,130	
Deferred income taxes.....	
.....	72,053
Other assets.....	
.....	12,268

	TOTAL
ASSETS.....	
.. \$ 1,590,731	

<CAPTION>

<S>

		<C>
Accrued incentive compensation.....		
..... \$ 175,000		
Other accrued liabilities.....		
.....	73,308	

	TOTAL	
LIABILITIES.....		
.. 248,308		

<CAPTION>

<S>

		STOCKHOLDER'S EQUITY
		<C>
Common stock--no par value; 500 shares authorized issued and outstanding.....		351,670
Retained earnings.....		
.....	990,753	

TOTAL STOCKHOLDER'S

EQUITY.....
1,342,423

TOTAL LIABILITIES AND STOCKHOLDER'S

EQUITY..... \$ 1,590,731

</TABLE>

See notes to the financial statement.

NOTES TO FINANCIAL STATEMENT
SOCIETY ASSET MANAGEMENT, INC.
DECEMBER 31, 1992

NOTE A--ORGANIZATION AND DESCRIPTION OF BUSINESS

Society Asset Management, Inc. (the "Company"), is a wholly-owned subsidiary of Society National Bank (the "Bank"), which is a wholly-owned subsidiary of Society Corporation ("Society"). Prior to September 1992, the Company was known as SeaGate Capital Management Company. The Company was formed to conduct business as a registered investment advisor pursuant to the Investment Advisors Act of 1940.

On March 16, 1992, Society consummated a merger with Ameritrust Corporation which was accounted for using the pooling of interests method of accounting. The Ameritrust investment advisor subsidiary, Ameritrust Securities Corp. ("ASC"), was merged with and into the Company on December 1, 1992. The merger with ASC was accounted for at historical cost in a manner similar to that in pooling of interests accounting.

NOTE B--SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Company conform with generally accepted accounting principles. The following is a summary of the Company's significant accounting policies.

Fee Income Recognition: Fee income is recognized as earned over the

contractual
period as stipulated in the investment advisory contract.

Marketable Securities: Marketable securities, which consist principally of United States Treasury Notes, are valued at the lower of aggregate cost or market value.

Equipment: Equipment is stated at cost less accumulated depreciation. Provision for the depreciation of equipment is determined using the straight-line method over the estimated useful lives of the respective assets.

Income Taxes: The Company is included in the consolidated tax return of Society Corporation. Society's policy under its tax sharing agreement is to allocate income taxes to its subsidiaries on a separate-return basis, which includes any tax credit or carryovers and carrybacks subject to recognition of such items on a consolidated basis. Deferred income taxes relate primarily to accrued incentive compensation and accrued pension liabilities. Effective January 1, 1992 Society and all related subsidiaries prospectively adopted SFAS No. 109, "Accounting for Income Taxes." The adoption of this new standard did not have a material impact on the Company's financial condition.

Cash Equivalents: The Company's policy is to treat all of its short-term highly liquid investments, with a maturity of three months or less as cash equivalents.

NOTES TO FINANCIAL STATEMENT
SOCIETY ASSET MANAGEMENT, INC.
DECEMBER 31, 1992

NOTE C--RELATED PARTY TRANSACTIONS

A significant portion of the Company's expenses are the result of allocations or billings from Society and its subsidiaries. The allocation of such costs are based on management's estimate of the Company's proportionate share of related costs. In the opinion of the Company's management, such allocations are reasonable.

Substantially all of the Company's employees are eligible for benefits under a non-contributory retirement plan and a stock purchase and savings plan

established by Society. Costs related to the plans incurred by Society on behalf of the Company's employees are allocated to the Company and are included in the allocations described above.

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Society Asset Management, Inc.

We have audited the accompanying balance sheet of Society Asset Management, Inc.

as of December 31, 1992. This balance sheet is the responsibility of the Company's management. Our responsibility is to express an opinion on this balance sheet based on our audit.

We conducted our audit in accordance with generally accepted auditing standards.

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the balance sheet is free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the balance sheet. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall balance sheet presentation. We believe that our audit of the balance sheet provides a reasonable basis for our opinion.

In our opinion, the balance sheet referred to above presents fairly, in all material respects, the financial position of Society Asset Management, Inc. at December 31, 1992, in conformity with generally accepted accounting principles.

ERNST & YOUNG

February 26, 1993

EXHIBIT D

BALANCE SHEET (UNAUDITED)
SOCIETY ASSET MANAGEMENT, INC. AND SUBSIDIARY
NOVEMBER 30, 1993

<TABLE>
<S>

ASSETS

Cash and cash equivalents.....		
.....	\$	2,446,696
Marketable securities available for sale.....		600,611
Investment in mutual funds.....		325,001
Equipment and leasehold improvements net of accumulated depreciation.....		239,576
Fees receivable.....		285,121
Accrued interest.....		9,660
Receivable from Society Corporation.....		1,022,715
Goodwill.....		11,479,241
Deferred income taxes.....		107,954
Other assets.....		124,306

Total		
Assets.....	\$	16,640,881

LIABILITIES

Deferred fee income.....		619,215
Accrued taxes.....		812,298
Accrued incentive compensation.....		564,278
Other accrued liabilities.....		

... 682,285

	Total
Liabilities.....	
. 2,678,076	
STOCKHOLDER'S EQUITY	
Common stock--no par value; 500 shares authorized, issued and outstanding.....	350,000
Paid in capital.....	
..... 11,501,670	
Retained earnings.....	
..... 2,111,135	

	Total Stockholder's
Equity.....	
13,962,805	

	Total Liabilities and Stockholder's
Equity.....	\$
16,640,881	

</TABLE>

NOTE: In October 1993, Society Asset Management, Inc. completed its acquisition of Schaenen Wood & Associates, Inc. ("SWA"), a New York City-based investment management firm. SWA manages approximately \$1.3 billion in assets. The purchase price of \$11,500,000 for SWA was paid in cash and, after recording miscellaneous reserves relating to the transaction, \$11,609,442 in goodwill was generated, which will be amortized over a 15-year life. The acquisition was funded using an \$11,500,000 equity contribution to SAMI from Society National Bank.

FINANCIAL RESERVES FUND FOR SPECIAL MEETING OF SHAREHOLDERS FEBRUARY 24, 1994

Know All Persons By These Presents that the undersigned shareholders of Financial Reserves Fund hereby appoint Eve Brunswick, Edward C. Gonzales, Karen Haber, Jay S. Neuman, Jeffrey W. Sterling, and Mary K. Stern, or any one of them

true and lawful attorneys, with power of substitution of each, to vote all shares of Financial Reserves Fund, which the undersigned is entitled to vote, at the Special Meeting of Shareholders to be held on February 24, 1994, at the offices of Society National Bank, Cleveland, Ohio, at 1:45 p.m. and at any adjournment thereof.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF TRUSTEES. The attorneys named will vote the shares represented by this proxy in accordance with the choice made on this card. IF NO CHOICE IS INDICATED FOR ANY MATTER, THIS PROXY WILL BE VOTED AFFIRMATIVELY ON THE MATTER PRESENTED.

Discretionary authority is hereby conferred as to all other matters as may properly come before the Special Meeting.

PROPOSALS

(1) TO APPROVE OR DISAPPROVE A PROPOSED INVESTMENT ADVISORY CONTRACT BETWEEN THE FUND AND SOCIETY ASSET MANAGEMENT, INC.

PLEASE DO NOT USE BLUE PEN WHEN MARKING THIS BALLOT.

FINANCIAL RESERVES FUND

<TABLE>			
<S>		<C>	<C>
	<C>		
PROPOSAL 1:	e Abstain	Approve	Disapprove
</TABLE>			

Please sign EXACTLY as your name appears hereon. If Shares are held jointly, all holders must sign. Corporate proxies should be signed by an authorized officer. Please return ALL proxy cards that you may receive.

1994 Dated..... ,

.....

.....

Signature(s) of Shareholders(s)