



INVESTMENT GUIDELINES ONE MONEY MARKET PORTFOLIO

Attached are the Investment Guidelines for the ONE Money Market Portfolio. These guidelines provide limits for each class of security, which is a permitted investment under the Municipal Act. They will be reviewed periodically by the Agent in consultation with Investment Counsel Portfolio Manager.

Limits for individual issuers have been set based on their respective credit quality, which in turn, have been based on ratings of the four major rating agencies - Dominion Bond Rating Service (DBRS), Moody's, Standard & Poor's and Fitch.

All investments will comply with O Reg 438/97 as amended from time to time.

In addition, the Investment Counsel Portfolio Manager has significant in-house research and analytical capabilities that ensure issuers on the eligible list have passed rigorous standards set for issuers' balance sheet condition, operating results and management quality.

INVESTMENT GUIDELINES – ONE MONEY MARKET PORTFOLIO

Objective: To provide rates of return which are competitive with returns on short term deposits available to municipalities from Schedule 1 Banks, through a diversified portfolio of short term money market securities while providing a high degree of liquidity and safety of principal.

Permitted Investments:

1.O Legal Authority - As outlined in the Municipal Act, and the current regulations (O. Reg. 438/97), excluding those securities defined by Ontario Regulation 438/97, Section 2, Subsections 7.1 and 8.1.

2.O Limitations - This policy limits (both minimum and maximum) the amount the fund can hold with respect to sector, individual issuer, credit quality, and maturity. These limitations are outlined in the following subsections.

2.1 Issuer Sector:

	<u>Percent of Total Assets</u>	
	Minimum	Maximum
Federal & Provincial Government or Territory or Agency	0%	100%
Canadian Municipalities (including MFABC)	0%	50%
Bank Act (Canada):		
Schedule I	0%	80%
Schedule II & III	0%	50%
Loan & Trust Corporation Act	0%	10%
Asset Backed Securities	0%	40%
Commercial Paper*	0%	70%

* Minimum Commercial Paper Rating R1Low

22 Credit Quality and Issuer Rating:

	Minimum	Maximum
Government of Canada or Agency	0%	100%
Other*		
R1 High/AAA Bond Rating**	0%	100%
R1 Mid/AA Bond Rating**	0%	60%
R1 Low/A Bond Rating**	0%	50%

* Provinces or their Agencies, Municipalities, *Loan & Trust Corporations Act, Bank Act (Canada)*

** Ratings based on, DBRS, Moody's, Standard & Poor's or Fitch. Where a split rating occurs, the lower rating will be applied.

23 Credit Weighting

With the exception of the Federal and Provincial government and their fully guaranteed agencies, not more than 5% of the portfolio can be held in any single issue rated R1 Low and not more than 10% of the portfolio may be held in any single issuer rated R1 Mid or R1 High.

24 Maturity:

	Minimum	Maximum
Investments that mature in 182 days or less	30%	100%
Investments that mature in more than 182 days but less than 366 days	0%	70%
Floating Rate Notes that mature in less than 3 years	0%	25%

2.5 Currency:

	Minimum	Maximum
Canadian Dollars	100%	100%

3.0 Investment Performance Measurement:

The performance benchmark will be the DEX 182 Day T-bill Index plus 19 basis points.