

Virginia Local Government Investment Pool Rated 'AAAm'

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NEW YORK (Standard & Poor's) June 15, 2005--Standard & Poor's Ratings Services said today that it assigned its 'AAAm' rating to the Virginia Local Government Investment Pool (The Pool).

The rating--the highest assigned to principal stability funds--is based on our analysis of the Pool's credit quality, market price exposure, and management.

The Commonwealth of Virginia Department of Treasury manages the Pool on a day-to-day basis. Its investment objective is to offer public entities in Virginia the opportunity to participate in a professionally managed diversified portfolio structured to meet the requirements of Virginia's "Investment of Public Funds" statutes and to provide an investment that minimizes the risk of principal loss, while offering daily liquidity and a competitive rate of return.

The Pool invests in high-quality, short-term securities denominated in U.S. dollars, including obligations issued or guaranteed by the U.S. government or any of its agencies or instrumentalities, repurchase agreements backed by such securities, CDs, CP, asset-backed CP, corporate debt securities, and floating-rate notes.

The 'AAAm' rating will help the Pool with the new GASB 40 reporting requirements, which take effect June 30, 2005, requiring state and local governments to disclose credit risk, concentration of credit risk, interest rate risk, and foreign currency risk of its investments to participants. GASB 40 provides participants information about deposit and investment risks that could affect a government's ability to provide services and meet its obligations.

The 'AAAm' rating reflects the high safety level of the invested principal and the fund's superior capacity to maintain a stable net asset value. This is achieved through conservative investment practices and strict internal controls. Standard & Poor's reviews pertinent fund information and portfolio reports weekly as part of its ongoing rating process.