California Cooperative Liquid Assets Securities System (Ca. CLASS)

Investment Solutions Designed for California Public Agencies

Sponsored by: California Special Districts Association

League of California Cities

California CLASS Mission

California CLASS is a Joint Powers Authority investment pool that provides public agencies the opportunity to invest funds on a cooperative basis in rated pools that are managed in accordance with state law with the primary objectives of offering Participants safety, daily and next-day liquidity, and optimized returns.

Data unaudited. Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. California CLASS is not a bank. An investment in California CLASS is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.

Credit Risks

Credit risk is the possibility that an issuer of a fixed-income security held in California CLASS will default on the security by failing to pay interest or principal when due. If an issuer defaults, Participants in California CLASS may incur loses. The Investment Advisor will seek to manage this risk by purchasing high quality securities as determined by one or more Nationally Recognized Statistical Ratings Organizations and/or the Investment Advisor's credit research team.

Investment Not Insured or Guaranteed Risk
An investment in California CLASS is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Liquidity Risk
California CLASS is subject to certain liquidity risks in which the size of a bond's market, the frequency of trades, the ease of valuation, and/or issue size may impact the Investment Advisor's ability to sell investments in a timely fashion or at or near fair value in order to fulfill a Participant's redemption request.

Market Risk
Market risk is the risk that the value of securities owned goes up or down, sometimes rapidly and/or unpredictably, due to factors affecting securities markets generally or within particular industries.

Issuer Risk
The risk that the value of a security declines for a reason directly related to the issuer such as management performance, financial leverage, and reduced demand for the issuer's goods or services.

Default Risk

The risk that a bond issuer (or counterparty) will default by failing to repay principal and interest in a timely manner.