

## News Announcement – April 25, 2018

## National Association of Insurance Commissioners (NAIC) Policy Change Affecting Government Money Market Funds

Effective July 1, 2018, the NAIC will begin excluding money market funds (MMFs) investing in certain agency securities from its U.S. Direct Obligations/Full Faith and Credit Exempt List for Mutual Funds. This means Government Obligations MMFs will no longer be eligible for inclusion on the list if they invest in securities issued by certain U.S. Government Agencies not considered to be backed by the Full Faith and Credit of the U.S. Government. Examples of these include Federal Home Loan Bank, Federal National Mortgage Association and Federal Farm Credit Banks.

The First American Government Obligations Fund is impacted by this change and will no longer be eligible for inclusion on the NAIC U.S. Direct Obligations/Full Faith and Credit Exempt List for Mutual Funds.

Treasury MMFs are not affected by this change. The following First American Funds will remain on the NAIC List of Approved Money Market Funds:

- **First American U.S. Treasury Money Market Fund** seeks to provide maximum current income and daily liquidity by purchasing U.S. Treasury and other money market funds that invest exclusively in such obligations.
- **First American Treasury Obligations Fund** seeks to provide maximum current income and daily liquidity by purchasing U.S. Treasury securities and repurchase agreements collateralized by such obligations.

MMFs not appearing on the U.S. Direct Obligations / Full Faith and Credit Exempt List remain eligible investments for insurance companies. However, investments in MMFs that are not on the exempt list are subject to a risk-based capital charge effective July 1, 2018, per NAIC guidelines.

Please contact your First American Funds relationship manager with any questions regarding this change.

**Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. The prospectus contains this and other information; call 800.677.3863 or visit [FirstAmericanFunds.com](http://FirstAmericanFunds.com) for a copy. Please read it carefully before investing.**

*You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee to do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund and you should not expect that the sponsor will provide financial support to the Fund at any time.*

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