

Exhibit C

Investment Definitions

Money Market Accounts- An investment fund that holds the objective to earn interest for shareholders while maintaining a net asset value (NAV) of \$1 per share. Mutual funds, brokerage firms and banks offer these funds. Portfolios are comprised of short-term (less than one year) securities representing high-quality, liquid debt and monetary instruments.

LAIF- (State Pool) State of California's Local Agency Investment Fund. This program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office investment staff at no additional cost to the taxpayer. This in-house management team is comprised of civil servants who have each worked for the State Treasurer's Office for an average of 20 years. All securities are purchased under the authority of Government Code Section 16430 and 16480.4

CalTRUST - Organized as a Joint Powers Authority ("JPA"), the Investment Trust of California (CalTRUST) is a program established by public agencies in California for the purpose of pooling and investing local agency funds – operating reserves as well as bond proceeds. A Board of Trustees supervises and administers the investment program of the Trust. The Board is comprised of experienced investment officers and policy-makers of the public agency members.

CAMP- California Asset Management Program. CAMP is a California JPA established in 1989 by the treasurers and finance directors of several California local agencies to provide professional investment services to California public agencies at a reasonable cost. Monterey County participates in the CAMP money market portfolio.

Medium Term Notes- A marketable debt security issued by a corporation with a fixed interest rate and term of two to ten years.

Commercial Paper Disc.- A short-term security with maturities ranging from 2 to 270 days issued by banks, corporations and other borrowers. They are usually issued at a discount from face value.

Federal Agency Coupon Security- A marketable debt security issued by a government-sponsored enterprise with a fixed interest rate.

Federal Agency Disc.- A marketable debt security issued by a government-sponsored enterprise that is issued at a discount from face value.

U.S. Treasury Note- A marketable U.S. government debt security with a fixed interest rate and a maturity between one and ten years.

U.S. Treasury Bill- A short-term debt obligation backed by the U.S. government with a maturity of one year or less that is issued at a discount from face value.

Federal Agency Step Up- A marketable debt security issued by a government-sponsored enterprise with an interest rate that increases at pre-set intervals over the term of the bond.