SLGS

Quick Glance of 2005 SLGS Regulation Changes

Subject Area	New Rule (in brief)	Old Rule (in brief)
Subscriptions	*No cancellations are permitted*	Cancellations were permitted up to a specified window of time
	No changes to issue dates are permitted	Issue date could be postponed up to 7 (seven) days beyond original issue date
	Dollar amounts of subscriptions can be changed up to 10 (ten) percent	Dollar amounts of subscriptions could be changed by up to 10 (ten) percent or $10,000,000, whichever was greater
Early Redemptions	*14 (fourteen) day advance notification is required*	10 (ten) day advance notification was required
	Early redemption requests can only be made on securities that have been issued	Early redemption requests could be made on securities any time after subscription
Yields	*Yield pickups on early redemptions are prohibited; yield is calculated based on the IRS definition of yield (Section 148 of the Internal Revenue Code)*	No old rule
Cost of SLGS	*SLGS rate fee is approximately 1(one) basis point*	SLGS rate fee was 5 (five) basis points
SLGSafe	*Use of SLGSafe is mandatory for all SLGS transaction activity*	SLGSafe was not mandatory
Certifications	*Agent certifications and yield certifications are required*	No specific certifications were required
Rate Table	*Daily SLGS rate table is produced and published by 10:00 AM Eastern Time on the effective date of the rates*	Daily SLGS rate table was produced using the prior day's closing prices
Trading Hours	*SLGSafe open trading hours are 10:00 AM to 10:00 PM Eastern Time. SLGSafe inquiry functions are available from 8:00 AM to 10:00 PM Eastern Time*	SLGSafe open trading hours were 8:00 AM to 10:00 PM Eastern Time

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Information

SLGS Terms Defined

SLGS	*State and Local Government Series Securities*
SLGSafe	*A secure internet site through which subscribers submit SLGS securities transactions*
Subscription	*A request to purchase SLGS securities that locks in the current day's rate table*
Time Deposit Securities	*Book entry securities issued in whole dollar amounts with a minimum amount of $1000. Interest is paid semi-annually on securities with maturities beyond 1 year*
Demand Deposit Securites	*One-day certificates issued in a minimum amount $1000. Interest is accrued and applied to the principal daily.*

Contact Information

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Resources

SLGS at a Glance	*Available at www.slgs.gov*
31 CFR Part 344	*Current SLGS Rules and Regulations*
SLGSafe Help	*Available at www.slgs.gov*

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