

FMIvT 0-2 Year High Quality Bond Fund
Guidelines
FINAL Revised 3-22-11

Benchmark: Bank of America Merrill Lynch One Year Treasury Note Index

Portfolio Objective

The investment management style and process utilized in this portfolio is important and therefore, adherence to this discipline is a critical issue. The portfolio should be managed in a style consistent with the asset manager's other portfolios within the same investment mandate or product. Any significant deviation from the manager's stated style will require written approval from the Florida Municipal Investment Trust Board of Trustees.

Portfolio Characteristic (In addition to any restriction specified in the Trust's Statement of Investment Policy.)

All percentages indicated below shall be valued at market

1. Maintain modified duration greater than one-half of one year (0.5) but less than one and one-quarter years (1.25).
2. Maintain a minimum bond fund rating of AAA.
3. Invest at least thirty percent of the portfolio in Direct U.S. Government Obligations, U.S. Government Agency Obligations, or U.S. Government Instrumentalities Obligations; or in Repurchase Agreements backed by Direct U.S. Government Obligations, U.S. Government Agency Obligations, or U.S. Government Instrumentalities Obligations
4. A maximum of fifty percent of the portfolio may be invested in mortgage securities including CMOs.
5. A maximum of forty percent of the portfolio may be invested in ABSs.
6. Reverse Repurchase Agreements and/or other forms of financial leverage will be limited to thirty percent of the Portfolio.

Allowable Investment Securities

1. Direct U.S. Government Obligations
2. U.S. Government Agency Obligations
3. U.S. Government Instrumentalities Obligations
4. Money Market Obligations (To include Commercial Paper, Bankers Acceptance, Repurchase Agreements, Reverse Repurchase Agreements, Time Deposits and Money Market Accounts.)
5. Asset Backed Securities
6. Mortgage Securities including CMO's
7. Commingled Investment funds

Security Restrictions (In addition to any restriction specified in the Trust's Statement of Investment Policy)

1. Maximum of five percent of the portfolio at market may be invested in individual trusts of ABS and Non-Agency CMOs.
2. All securities, except as described below, will have a final maturity of 5.5 years or less. If a security has a put feature, the put date will be used as the final maturity.
3. Mortgage pass-throughs, CMOs, ABSs or any other security that does not have a fixed maturity date or a fixed paydown schedule would have to meet at least one of the following conditions.
 - A final payment "window" of seven years or less based on the then prevailing prepayment assumptions as determined by the Bloomberg, Merrill Lynch PassPort or other pricing or securities firms with demonstrated expertise in prepayment forecasting for such securities.
 - A security's price volatility given the then prevailing prepayment assumptions as determined above, cannot exceed the price volatility of two and one-half years.

Notice To Administrator

If manager's portfolio is in violation of any of the above guidelines, the Investment Manager shall immediately notify the Administrator and shall provide recommendations for rectifying any non-compliance within five business days of discovery of the non-compliance.