



The Education Liquidity Fund Letter

January 2012

Economic Overview

The turn of the calendar always brings hope: for clarity, for prosperity, for peace. We wish for these things, but uncertainty abounds heading into 2012. Of primary concern is the European situation and the potential for contagion that spreads beyond the means to prevent mass destruction of wealth and political systems. Greece remains on the brink of default, but Italy and Spain are the real worries given the sheer amount of debt outstanding and the concentration held by European banks. Defaults by either or both would shake the global financial system and could push the world into recession and extended economic malaise. EU Finance ministers agreed in December to a framework for holding the Union together, but the devil will be in the details and volatility will follow.

On the home front, economic indicators have moved higher suggesting the growth story is in tact. The unemployment rate dropped to 8.6 percent, ISM service and manufacturing activity surveys ticked up, and retail sales for the holiday season were encouraging. While activity is far from robust, GDP growth of 2-3 percent in 2012 would be a welcome improvement.

Outside of Europe, the geopolitical landscape is changing with the death of North Korea's leader and increased speculation that Iran has nuclear weapon capabilities. Tensions in many Middle Eastern countries are elevated as a result of Arab Spring unrest. And the upcoming U.S. election encourages political gridlock. Uncertainty on many fronts will likely leave interest rates anchored at historically low levels and keep a lid on economic growth.

With the Fed on hold for the foreseeable future and the potential for another round of quantitative easing, money market yields seem the proverbial immovable object. We are grateful to provide a source of income to our participants where other options are limited or capped. And we hope for more clarity in 2012!

Laurie Mardis, CFA

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TELF Service Center

Many of us struggle with the ongoing pile of mail and paperwork that always seems to take over our otherwise clean and organized workspace.

One way to help alleviate some of the paper is to sign up for TELF's Electronic Statement Notification. With this service, an email containing a link to IPASonline will be sent when your transaction activity statements are processed and available online, instead of the printed statement. This saves paper and delays.

To sign up simply go to www.TELF-online.org, click on Forms and Reports, and select the Electronic Notification Form.

Investment Yield Summary

Monthly Average Yield

December 0.046%

SEC Yield (7-Day Average)

*as of 12/31/2011

0.040%

For current rates, a 12-month history of our daily rates, or investment assistance, please visit our website or call us toll free. The above daily rates are calculated based on a 365-Day annualized factor.

* Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value will fluctuate so that investor's shares, when redeemed may be worth more or less than the original cost. To obtain performance information current to the most recent month end, please visit www.TELF-online.org.

Holidays

Fund closed to transactions and participant inquiries

January

Monday, January 2nd – New Year's Day (Observed)
Monday, January 16th – Martin Luther King, Jr's Birthday

February

Monday, February 20th – Presidents' Day

Contact Information

Fund Inquiries

Toll Free: (866) 720-2995
Or visit www.TELF-online.org



Fixed Term Automated (FTA) quotes

Toll Free: (866) 720-2995
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TELF Disclosures

Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

Money market yields are reported daily on www.TELF-online.org. CD's and other securities may be seen by clicking on the Fixed Rate Investments tab. Please call if you would like to discuss TELF returns or other investments in more detail. Mutual Funds are not FDIC Insured, may lose value, and have no bank guarantee.

The Education Liquidity Fund's money market investment vehicle is the Institutional Money Market Fund (the Fund). The Miles Funds are distributed by Foreside Distribution Services, LP, Miles Capital, Inc. is the investment advisor.

Shares of the Fund are not deposits of, or obligations of, or guaranteed by, any bank or its affiliates, nor are they federally insured by the FDIC. Investment in the Fund involves risk, including the possible loss of principal.

An investment in the Fund is not insured or guaranteed by the FDIC or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00/share, it is possible to lose money by investing in the Fund.

An investor should consider the Fund's investment objectives, risks, and charges and expenses carefully before investing or sending money. This and other important information about the investment company can be found in the Fund's prospectus. To obtain a prospectus, please call 866-720-2995 or visit www.TELF-online.org. Please read the prospectus carefully before investing.

TELF Professionals

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