

December 2009

With so much market volatility, we would like to take this time to share a few points regarding the MTB Money Market Funds' philosophy and practices. This should provide you with the necessary insight into the composition and management of the MTB Money Market Funds.

The MTB Money Market Funds were launched in 1988 and have always been an important component of our investment offerings. We value our retail and institutional shareholders and strive to provide a competitive yield without undue risk. Despite volatile market conditions, the MTB Money Market Funds remain in a solid position.

#### **Taxable Money Markets**

- We have always taken a conservative approach in managing the MTB Money Market Funds and will continue to do so. This philosophy may restrict our ability to manage the money market funds aggressively but it has stood the test of time.
- We limit our concentration to 5% per top-tier corporate issuer and 25% per industry (including asset-backed issuers) at time of purchase.
- The MTB Money Market Funds do not buy extendible commercial paper or auction rate securities.

The goal for the MTB Money Market Funds continues to be to seek current income with liquidity and stability of principal, by investing primarily in a diversified portfolio of high-quality, short-term debt obligations issued by the U.S. government, banks, and corporations. For clients who do not wish to invest in money funds with corporate exposure, we offer a U.S. Government Agency Money Market Fund.

---

#### **Tax-Free Money Markets**

- The MTB Tax-Free Money Market Funds do not purchase Auction Rate Securities. The MTB Tax-Free Funds primarily hold top tier, highly liquid variable rate demand notes (VRDNs). The Funds also purchase short-term municipal debt instruments and municipal commercial paper.
- We limit our concentration to 5% per top-tier municipal issuer and 10% per credit enhancement at time of purchase. Credit enhancements may be comprised of a direct pay letter of credit; insurance and or standby purchase agreements.
- We are permitted by prospectus to hold up to 20% of AMT paper (which may be backed by a corporate obligor and offer a higher yield).

The goal for the MTB Tax-Free Money Market Funds continues to be to seek current tax-free income with liquidity and stability of principal, by investing primarily in a diversified portfolio of top tier variable rate demand notes and short-term municipal debt obligations. We offer National, New York and Pennsylvania Tax-Free Money Market Funds.

**Current and future portfolio holdings are subject to risk. Past Performance does not guarantee future results.**

**An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. 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.**

For information on the holdings of the MTB Money Market Funds please go to [www.mtbfunds.com](http://www.mtbfunds.com). It is MTB Funds policy to disclose holdings with a 30-day lag. Fund holdings may not represent current or future investments. Fund holdings are subject to change at any time.

Manager's comments are as of 12/31/09.

This material represents the manager's assessment of the portfolio and market environment at a specific point in time and should not be relied upon by the reader as research or investment advice. There is no assurance as of the date of this material that the securities mentioned remain or will continue to be omitted from the portfolio.

**Not FDIC Insured**

**No Bank Guarantee**

**May Lose Value**

***For more complete information about the MTB Funds, please download the funds' prospectus available on [www.mtbfunds.com](http://www.mtbfunds.com) or call 1-800-836-2211 for copies. You should consider the funds' investment objectives, risks, charges, and expenses carefully before you invest. Information about these and other important subjects is in the funds' prospectus, which you should read carefully before investing.***

*MTB Investment Advisors, Inc., a subsidiary of Manufacturers and Traders Trust Company ("M&T Bank") is the investment advisor to the MTB Group of Funds. ALPS DISTRIBUTORS, INC., which is not affiliated with M&T BANK, is the distributor of the MTB Group of Funds.*

AMT-Alternative Minimum Tax-A tax calculation that adds certain tax preference items back into adjusted gross income. If AMT is higher than the regular tax liability for the year, the regular tax and the amount by which the AMT exceeds the regular tax are paid.

Auction Rate Securities are taxable and tax-exempt long-term bonds with interest rates tied to the short-term market.

VRDNs-Variable Rate Demand Notes are debt instruments of borrowed funds that are payable on demand and accrue interest based on a money market rate, such as the prime rate. Because money market interest rates, such as the bank prime rate, are variable over time, the interest rate applicable to this type of demand note is variable as well.

MTB001425 06/10

