



November 3, 2011

After careful consideration and review, the Board of Trustees has decided not to renew its investment advisory agreement with Cutwater Colorado Investor Services Corp. Because the current Cutwater agreement was scheduled to terminate December 31, 2011, the Board has been evaluating options for management of the portfolio for several months.

The Board has contracted with Public Trust Advisors LLC to manage the COLOTRUST portfolio and provide administrative services beginning on January 1, 2012. Public Trust Advisors is a newly created Colorado based investment advisor registered with the SEC. The principals of Public Trust Advisors are Greg Wright and Randy Palomba who have more than two decades of combined experience in the management and administration of COLOTRUST.

The Board of Trustees evaluated proposals from Cutwater and others including Public Trust Advisors. The Board believes that the contract with Public Trust Advisors is in the best interests of the Participants (1) as a result of the long experience of Greg and Randy in managing COLOTRUST and (2) the lower fees of Public Trust Advisors.

Although MBIA issued a commitment to protect Participants against losses of principal during the term of their investment in the Trust and upon liquidation of funds while Cutwater managed the portfolio, that commitment will terminate December 31, 2011, even if the Cutwater agreement was extended. The Board's due diligence revealed that no other provider of investment advisory and administrative services was willing to enter into a similar guaranty.

The transition is in progress and we do not expect it to impact the Participants. We look forward to working with Public Trust Advisors as the new investment advisor and administrator, and we thank Cutwater for its 14 years of dedicated portfolio management and client service. If you have any questions, please contact Al Dominguez, Chair, Board of Trustees, 970-218-2810 or 970-674-9902.

Best Regards,

The COLOTRUST Board of Trustees