

**Federated**<sup>®</sup>



# FEDERATED PRIME OBLIGATIONS FUND

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**A Portfolio of Money Market Obligations Trust**

## **ANNUAL SHAREHOLDER REPORT**

July 31, 2010

**Institutional Shares**

**Institutional Service Shares**

**Trust Shares**

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**Not FDIC Insured ■ May Lose Value ■ No Bank Guarantee**

# FINANCIAL HIGHLIGHTS – INSTITUTIONAL SHARES

(For a Share Outstanding Throughout Each Period)

Year Ended July 31	2010	2009	2008	2007 <sup>1</sup>	2006
<b>Net Asset Value, Beginning of Period</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>
<b>Income From Investment Operations:</b>					
Net investment income	0.002	0.015	0.040	0.052	0.042
Net realized gain on investments	0.000 <sup>2</sup>	—	—	—	0.000 <sup>2</sup>
TOTAL FROM INVESTMENT OPERATIONS	0.002	0.015	0.040	0.052	0.042
<b>Less Distributions:</b>					
Distributions from net investment income	(0.002)	(0.015)	(0.040)	(0.052)	(0.042)
<b>Net Asset Value, End of Period</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>
<b>Total Return<sup>3</sup></b>	0.17%	1.54%	4.03%	5.30%	4.33%

## Ratios to Average Net Assets:

Net expenses	0.21%	0.23%	0.20%	0.20%	0.20%
Net investment income	0.18%	1.28%	3.90%	5.18%	4.24%
Expense waiver/reimbursement <sup>4</sup>	0.08%	0.08%	0.08%	0.09%	0.28%

## Supplemental Data:

Net assets, end of period (000 omitted)	\$38,408,721	\$39,580,019	\$18,430,487	\$16,469,931	\$15,151,070
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- <sup>1</sup> Beginning with the year ended July 31, 2007, the Fund was audited by KPMG LLP. The previous year was audited by another independent registered public accounting firm.
- <sup>2</sup> Represents less than \$0.001.
- <sup>3</sup> Based on net asset value.
- <sup>4</sup> This expense decrease is reflected in both the net expense and the net investment income ratios shown above.

See Notes which are an integral part of the Financial Statements

# FINANCIAL HIGHLIGHTS – INSTITUTIONAL SERVICE SHARES

(For a Share Outstanding Throughout Each Period)

Year Ended July 31	2010	2009	2008	2007 <sup>1</sup>	2006
<b>Net Asset Value, Beginning of Period</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>
<b>Income From Investment Operations:</b>					
Net investment income	0.000 <sup>2</sup>	0.013	0.037	0.049	0.040
Net realized gain on investments	0.000 <sup>2</sup>	—	—	—	0.000 <sup>2</sup>
<b>TOTAL FROM INVESTMENT OPERATIONS</b>	<b>0.000<sup>2</sup></b>	<b>0.013</b>	<b>0.037</b>	<b>0.049</b>	<b>0.040</b>
<b>Less Distributions:</b>					
Distributions from net investment income	(0.000) <sup>2</sup>	(0.013)	(0.037)	(0.049)	(0.040)
<b>Net Asset Value, End of Period</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>
<b>Total Return<sup>3</sup></b>	<b>0.01%</b>	<b>1.29%</b>	<b>3.77%</b>	<b>5.04%</b>	<b>4.07%</b>

## Ratios to Average Net Assets:

Net expenses	0.37%	0.48%	0.45%	0.45%	0.45%
Net investment income	0.01%	1.22%	3.72%	4.94%	4.02%
Expense waiver/reimbursement <sup>4</sup>	0.17%	0.08%	0.08%	0.09%	0.09%

## Supplemental Data:

Net assets, end of period (000 omitted)	\$5,040,046	\$7,734,783	\$6,625,756	\$6,207,517	\$5,827,992
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- <sup>1</sup> Beginning with the year ended July 31, 2007, the Fund was audited by KPMG LLP. The previous year was audited by another independent registered public accounting firm.
- <sup>2</sup> Represents less than \$0.001.
- <sup>3</sup> Based on net asset value.
- <sup>4</sup> This expense decrease is reflected in both the net expense and the net investment income ratios shown above.

See Notes which are an integral part of the Financial Statements

# FINANCIAL HIGHLIGHTS – TRUST SHARES

(For a Share Outstanding Throughout Each Period)

<b>Year Ended July 31</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007<sup>1</sup></b>	<b>2006</b>
<b>Net Asset Value, Beginning of Period</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>
<b>Income From Investment Operations:</b>					
Net investment income	0.000 <sup>2</sup>	0.010	0.035	0.047	0.038
Net realized gain on investments	0.000 <sup>2</sup>	—	—	—	0.000 <sup>2</sup>
<b>TOTAL FROM INVESTMENT OPERATIONS</b>	<b>0.000<sup>2</sup></b>	<b>0.010</b>	<b>0.035</b>	<b>0.047</b>	<b>0.038</b>
<b>Less Distributions:</b>					
Distributions from net investment income	(0.000) <sup>2</sup>	(0.010)	(0.035)	(0.047)	(0.038)
<b>Net Asset Value, End of Period</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>	<b>\$1.00</b>
<b>Total Return<sup>3</sup></b>	<b>0.01%</b>	<b>1.04%</b>	<b>3.51%</b>	<b>4.78%</b>	<b>3.82%</b>

## **Ratios to Average Net Assets:**

Net expenses	0.37%	0.72%	0.70%	0.70%	0.70%
Net investment income	0.01%	0.93%	3.35%	4.69%	3.94%
Expense waiver/reimbursement <sup>4</sup>	0.42%	0.09%	0.08%	0.09%	0.09%

## **Supplemental Data:**

Net assets, end of period (000 omitted)	\$612,569	\$801,290	\$492,957	\$306,383	\$91,389
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- Beginning with the year ended July 31, 2007, the Fund was audited by KPMG LLP. The previous year was audited by another independent registered public accounting firm.*
- Represents less than \$0.001.*
- Based on net asset value.*
- This expense decrease is reflected in both the net expense and the net investment income ratios shown above.*

See Notes which are an integral part of the Financial Statements

## SHAREHOLDER EXPENSE EXAMPLE (UNAUDITED)

As a shareholder of the Fund, you incur ongoing costs, including management fees and to the extent applicable, distribution (12b-1) fees and/or shareholder services fees and other Fund expenses. This Example is intended to help you to understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. It is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from February 1, 2010 to July 31, 2010.

### **ACTUAL EXPENSES**

The first section of the table below provides information about actual account values and actual expenses. You may use the information in this section, together with the amount you invested, to *estimate* the expenses that you incurred over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first section under the heading entitled “Expenses Paid During Period” to estimate the expenses attributable to your investment during this period.

### **HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES**

The second section of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an *assumed* rate of return of 5% per year before expenses, which is not the Fund’s actual return. Thus, you should *not* use the hypothetical account values and expenses to estimate the actual ending account balance or your expenses for the period. Rather, these figures are required to be provided to enable you to compare the ongoing costs of investing in the Fund with other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only. Therefore, the second section of the table is useful in comparing ongoing costs only, and will not help you determine the relative *total* costs of owning different funds.

	Beginning Account Value 2/1/2010	Ending Account Value 7/31/2010	Expenses Paid During Period <sup>1</sup>
<b>Actual:</b>			
Institutional Shares	\$1,000	\$1,000.80	\$0.99
Institutional Service Shares	\$1,000	\$1,000.00	\$1.74 <sup>2</sup>
Trust Shares	\$1,000	\$1,000.00	\$1.74 <sup>3</sup>
<b>Hypothetical (assuming a 5% return before expenses):</b>			
Institutional Shares	\$1,000	\$1,023.80	\$1.00
Institutional Service Shares	\$1,000	\$1,023.06	\$1.76 <sup>2</sup>
Trust Shares	\$1,000	\$1,023.06	\$1.76 <sup>3</sup>

- 1 Expenses are equal to the Fund's annualized net expense ratios, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half-year period). The annualized net expense ratios are as follows:

Institutional Shares	0.20%
Institutional Service Shares	0.35%
Trust Shares	0.35%

- 2 Actual and Hypothetical expenses paid during the period utilizing the Fund's Institutional Service Shares current annualized net expense ratio of 0.45% (as reflected in the Notes to Financial Statements, Note 6 under Expense Limitation), multiplied by the average account value over the period, multiplied by 181/365 (to reflect current expenses as if they had been in effect throughout the most recent one-half-year period) would be \$2.23 and \$2.26, respectively.
- 3 Actual and Hypothetical expenses paid during the period utilizing the Fund's Trust Shares current annualized net expense ratio of 0.70% (as reflected in the Notes to Financial Statements, Note 6 under Expense Limitation), multiplied by the average account value over the period, multiplied by 181/365 (to reflect current expenses as if they had been in effect throughout the most recent one-half-year period) would be \$3.47 and \$3.51, respectively.

## PORTFOLIO OF INVESTMENTS SUMMARY TABLES (UNAUDITED)

At July 31, 2010, the Fund's portfolio composition<sup>1</sup> was as follows:

Security Type	Percentage of Total Net Assets
Commercial Paper and Notes	41.9%
Variable Rate Demand Instruments	23.9%
Bank Instruments	15.9%
Repurchase Agreements	19.0%
Other Assets and Liabilities—Net <sup>2</sup>	(0.7)%
<b>TOTAL</b>	<b>100.0%</b>

At July 31, 2010, the Fund's effective maturity<sup>3</sup> schedule was as follows:

Securities With an Effective Maturity of:	Percentage of Total Net Assets
1-7 Days	38.3% <sup>4</sup>
8-30 Days	24.4%
31-90 Days	29.6%
91-180 Days	7.5%
181 Days or more	0.9%
Other Assets and Liabilities—Net <sup>2</sup>	(0.7)%
<b>TOTAL</b>	<b>100.0%</b>

- 1 See the Fund's Prospectus and Statement of Additional Information for more complete information regarding these security types. With respect to this table, Commercial Paper and Notes include any fixed-rate security that is not a bank instrument. A variable rate instrument is any security which has an interest rate that resets periodically.
- 2 Assets, other than investments in securities, less liabilities. See Statement of Assets and Liabilities.
- 3 Effective maturity is determined in accordance with the requirements of Rule 2a-7 under the Investment Company Act of 1940, which regulates money market mutual funds.
- 4 Overnight securities comprised 18.9% of the Fund's portfolio.

# PORTFOLIO OF INVESTMENTS

July 31, 2010

Principal Amount		Value
	ASSET-BACKED SECURITIES—0.6%	
	<b>Finance - Automotive—0.6%</b>	
\$ 31,737,165	Ally Auto Receivables Trust 2010-1, Class A1, 0.323%, 4/15/2011	\$ 31,737,165
8,170,204	AmeriCredit Automobile Receivables Trust 2010-1, Class A1, 0.296%, 2/15/2011	8,170,204
28,950,801	AmeriCredit Automobile Receivables Trust 2010-2, Class A1, 0.501%, 6/8/2011	28,950,800
16,885,612	AmeriCredit Automobile Receivables Trust 2010-A, Class A1, 0.313%, 3/7/2011	16,885,612
37,000,000	CarMax Auto Owner Trust 2010-2, Class A1, 0.627%, 7/15/2011	37,000,000
28,701,016	<sup>1,2</sup> Chrysler Financial Auto Securitization Trust 2009-B, Class A1, 0.306%, 12/8/2010	28,701,016
64,532,234	<sup>1,2</sup> Ford Credit Auto Lease Trust 2010-A, Class A1, 0.283%, 2/15/2011	64,532,234
1,979,633	Harley-Davidson Motorcycle Trust 2009-4, Class A1, 0.286%, 12/15/2010	1,979,633
37,478,172	Hyundai Auto Receivables Trust 2010-A, Class A1, 0.398%, 5/16/2011	37,478,172
	<b>TOTAL ASSET-BACKED SECURITIES</b>	<b>255,434,836</b>
	CERTIFICATES OF DEPOSIT—15.9%	
	<b>Finance - Banking—15.9%</b>	
105,000,000	BNP Paribas SA, 0.450%, 8/11/2010	105,000,000
146,000,000	Bank of Montreal, 0.330%, 9/9/2010	145,999,995
247,000,000	Bank of Nova Scotia, Toronto, 0.450%, 8/6/2010	247,000,000
2,152,000,000	Bank of Tokyo-Mitsubishi UFJ Ltd., 0.380% - 0.600%, 8/10/2010 - 10/28/2010	2,152,000,000
467,500,000	Barclays Bank PLC, 0.650% - 0.710%, 1/21/2011 - 1/26/2011	467,500,000
1,630,400,000	Credit Agricole Corporate and Investment Bank, 0.330% - 0.680%, 8/2/2010 - 11/15/2010	1,630,400,000
1,350,000,000	Mizuho Corporate Bank Ltd., 0.440% - 0.500%, 9/22/2010 - 10/8/2010	1,350,000,000
340,000,000	Societe Generale, Paris, 0.550% - 0.600%, 10/7/2010 - 10/13/2010	340,000,000
548,000,000	State Street Bank and Trust Co., 0.340% - 0.750%, 9/8/2010 - 12/6/2010	548,000,000
	<b>TOTAL CERTIFICATES OF DEPOSIT</b>	<b>6,985,899,995</b>
	COLLATERALIZED LOAN AGREEMENTS—16.4%	
	<b>Finance - Banking—16.4%</b>	
74,500,000	BNP Paribas Securities Corp., 0.610%, 8/2/2010	74,500,000
1,245,500,000	Banc of America Securities LLC, 0.490% - 0.680%, 8/2/2010	1,245,500,000
890,000,000	Barclays Capital, Inc., 0.450% - 0.600%, 8/2/2010 - 9/14/2010	890,000,000
922,900,000	Citigroup Global Markets, Inc., 0.610% - 0.910%, 8/2/2010 - 8/30/2010	922,900,000

Principal Amount		Value
	COLLATERALIZED LOAN AGREEMENTS—continued	
	<b>Finance - Banking—continued</b>	
\$1,645,500,000	Deutsche Bank Securities, Inc., 0.500% - 0.660%, 8/2/2010 - 10/7/2010	\$1,645,500,000
550,000,000	J.P. Morgan Securities, Inc., 0.490% - 0.700%, 8/12/2010 - 9/22/2010	550,000,000
196,000,000	RBC Capital Markets Corp., 0.520%, 8/25/2010	196,000,000
1,248,000,000	RBS Securities, Inc., 0.660%, 8/2/2010	1,248,000,000
225,000,000	UBS Securities LLC, 0.450%, 8/13/2010	225,000,000
225,000,000	Wells Fargo Securities, LLC, 0.350%, 8/2/2010	225,000,000
	TOTAL COLLATERALIZED LOAN AGREEMENTS	7,222,400,000
	COMMERCIAL PAPER—22.6% <sup>3</sup>	
	<b>Aerospace/Auto—1.9%</b>	
830,300,000	Toyota Motor Credit Corp., (Toyota Motor Corp. Support Agreement), 0.420% - 0.750%, 8/31/2010 - 12/2/2010	829,458,289
	<b>Finance - Automotive—1.4%</b>	
620,300,000	FCAR Auto Loan Trust, (A1+/P1 Series), 0.450% - 0.800%, 8/23/2010 - 1/12/2011	618,552,791
	<b>Finance - Banking—17.9%</b>	
998,000,000	BNP Paribas Finance, Inc., 0.580% - 0.700%, 9/16/2010 - 1/14/2011	995,773,101
230,000,000	Bank of America Corp., 0.420%, 10/12/2010	229,806,800
113,000,000	CBA (Delaware) Finance Inc., 0.320%, 8/5/2010	112,995,982
380,000,000	Citigroup Funding, Inc., 0.420% - 0.450%, 9/7/2010 - 9/10/2010	379,823,708
607,100,000	<sup>1,2</sup> Clipper Receivables Company LLC, 0.440% - 0.730%, 8/23/2010 - 1/10/2011	606,205,468
350,000,000	Credit Agricole Corporate and Investment Bank, 0.450%, 8/10/2010	349,960,625
313,300,000	Danske Corp., Inc., (GTD by Danske Bank A/S), 0.310%, 8/19/2010	313,251,439
1,695,000,000	<sup>1,2</sup> Grampian Funding LLC, 0.300% - 0.370%, 8/2/2010 - 8/25/2010	1,694,837,744
2,246,000,000	ING (U.S.) Funding LLC, 0.450% - 0.500%, 8/17/2010 - 10/18/2010	2,244,421,749
20,000,000	Louis Dreyfus Corp., (BNP Paribas SA LOC), 0.500%, 8/17/2010 - 8/24/2010	19,994,583
130,000,000	<sup>1,2</sup> Matchpoint Master Trust, 0.550% - 0.580%, 8/27/2010 - 9/9/2010	129,929,872
335,000,000	Societe Generale North America, Inc., (GTD by Societe Generale, Paris), 0.450% - 0.650%, 8/11/2010 - 1/19/2011	334,661,875
72,112,000	<sup>1,2</sup> Ticonderoga Funding LLC, (Bank of America N.A. SWP), 0.480%, 9/27/2010	72,057,195
404,794,000	<sup>1,2</sup> Variable Funding Capital Corp., 0.340% - 0.350%, 9/7/2010 - 10/25/2010	404,554,872
	TOTAL	7,888,275,013
	<b>Finance - Commercial—1.3%</b>	
100,000,000	<sup>1,2</sup> Atlantic Asset Securitization LLC, 0.500%, 10/1/2010	99,915,278
76,225,000	<sup>1,2</sup> Edison Asset Securitization LLC, 0.300%, 9/17/2010	76,195,145
50,000,000	General Electric Capital Services, 0.360%, 9/20/2010	49,975,000

Principal Amount		Value
	COMMERCIAL PAPER—continued <sup>3</sup>	
	<b>Finance - Commercial—continued</b>	
\$ 50,517,000	<sup>1,2</sup> Market Street Funding LLC, 0.450%, 8/5/2010	\$ 50,514,474
285,000,000	<sup>1,2</sup> Starbird Funding Corp., 0.350% - 0.550%, 8/3/2010 - 9/7/2010	284,934,924
	TOTAL	561,534,821
	<b>Finance - Retail—0.1%</b>	
17,000,000	<sup>1,2</sup> Chariot Funding LLC, 0.420%, 10/5/2010	16,987,108
41,550,000	<sup>1,2</sup> Salisbury Receivables Company LLC, 0.260%, 8/16/2010	41,545,499
	TOTAL	58,532,607
	TOTAL COMMERCIAL PAPER	9,956,353,521
	CORPORATE BONDS—0.8%	
	<b>Finance - Banking—0.1%</b>	
31,695,000	Deutsche Bank AG, 5.000%, 10/12/2010	31,966,244
25,000,000	<sup>4</sup> Wachovia Bank N.A., 0.715%, 11/18/2010	25,001,132
	TOTAL	56,967,376
	<b>Finance - Commercial—0.7%</b>	
294,597,000	General Electric Capital Corp., 1.750% - 6.875%, 9/13/2010 - 4/28/2011	298,932,904
	TOTAL CORPORATE BONDS	355,900,280
	GOVERNMENT AGENCY—1.5%	
	<b>Government Agency—1.5%</b>	
658,500,000	Federal Home Loan Bank System, 0.400% - 0.650%, 12/27/2010 - 5/25/2011	658,500,000
	NOTES - VARIABLE—23.9% <sup>4</sup>	
	<b>Electrical Equipment—0.1%</b>	
1,580,000	Alabama State IDA, General Electric Project, (General Electric Co. LOC), 0.370%, 8/5/2010	1,580,000
40,618,748	Northwest Airlines, Inc., (GTD by General Electric Co.), 0.350%, 8/2/2010	40,618,748
	TOTAL	42,198,748
	<b>Finance - Banking—21.9%</b>	
645,000,000	Abbey National Treasury Services PLC, 0.371% - 0.387%, 8/23/2010 - 8/31/2010	645,000,000
2,435,000	Alabama State IDA, (Wellborn Cabinet, Inc.), Tax Revenue Bonds, (Bank of America N.A. LOC), 0.320%, 8/5/2010	2,435,000
781,600,000	Bank of Montreal, 0.347% - 0.477%, 8/4/2010 - 8/27/2010	781,600,000
700,000,000	Barclays Bank PLC, 0.549% - 0.677%, 8/5/2010 - 8/25/2010	700,000,000
8,035,000	Biddle Road Corp., (Series 2004), (Wells Fargo Bank, N.A. LOC), 0.820%, 8/5/2010	8,035,000
4,215,000	Bond Holdings LP, (Wells Fargo Bank, N.A. LOC), 0.320%, 8/6/2010	4,215,000
12,895,000	Campus Crusade for Christ, Inc., (Series 1997), (Wells Fargo Bank, N.A. LOC), 0.320%, 8/5/2010	12,895,000

Principal Amount		Value
	NOTES - VARIABLE—continued <sup>4</sup>	
	<b>Finance - Banking—continued</b>	
\$600,000,000	Canadian Imperial Bank of Commerce, 0.411%, 8/17/2010	\$600,000,000
6,590,000	Capital Markets Access Co. LC, (Series 2007), LSPB Real Estate, LLC Project, (Wells Fargo Bank, N.A. LOC), 0.370%, 8/5/2010	6,590,000
5,400,000	Capital Markets Access Co. LC, (Series 2008), Sunshine Professional Suites, LLC Project, (Wells Fargo Bank, N.A. LOC), 0.420%, 8/5/2010	5,400,000
3,170,000	Capital One Funding Corp., (JPMorgan Chase Bank, N.A. LOC), 0.370%, 8/5/2010	3,170,000
1,069,000	Capital One Funding Corp., (Series 1999-A), (JPMorgan Chase Bank, N.A. LOC), 0.370%, 8/5/2010	1,069,000
943,000	Capital One Funding Corp., (Series 1994-D), (JPMorgan Chase Bank, N.A. LOC), 0.750%, 8/5/2010	943,000
770,000	Capital One Funding Corp., (Series 1995-B), (JPMorgan Chase Bank, N.A. LOC), 0.500%, 8/5/2010	770,000
600,000	Capital One Funding Corp., (Series 1995-F), (JPMorgan Chase Bank, N.A. LOC), 0.370%, 8/5/2010	600,000
895,000	Capital One Funding Corp., (Series 1996-H), (JPMorgan Chase Bank, N.A. LOC), 0.420%, 8/5/2010	895,000
3,207,000	Capital One Funding Corp., (Series 2001-B), (JPMorgan Chase Bank, N.A. LOC), 0.420%, 8/5/2010	3,207,000
2,350,000	Castleton United Methodist Church, Inc., (Series 2007-A), (U.S. Bank, N.A. LOC), 0.670%, 8/5/2010	2,350,000
24,270,000	Charlotte, NC Water & Sewer System, (Series 2006B), 0.250%, 8/5/2010	24,270,000
6,760,000	Church at Brook Hills, (Wells Fargo Bank, N.A. LOC), 0.370%, 8/6/2010	6,760,000
5,240,000	Cincinnati Bible College and Seminary, (U.S. Bank, N.A. LOC), 0.680%, 8/5/2010	5,240,000
580,000	Colorado Health Facilities Authority, Development Disabilities Resource Center (Series 1998-C1), (JPMorgan Chase Bank, N.A. LOC), 0.750%, 8/5/2010	580,000
7,425,000	Connecticut Health and Educational Facilities Authority, (Series D), Griffin Hospital, (Wells Fargo Bank, N.A. LOC), 0.320%, 8/5/2010	7,425,000
6,355,000	Convenience Holding Co., LLC, DeVorris Group (Series 2002-A), (Wells Fargo Bank, N.A. LOC), 0.370%, 8/5/2010	6,355,000
34,500,000	Cook County, IL, (Series 2002 A), 0.320%, 8/4/2010	34,500,000
3,025,000	Crane Plastics Siding LLC, (Series 2000), (JPMorgan Chase Bank, N.A. LOC), 0.550%, 8/5/2010	3,025,000
200,000,000	Credit Agricole Corporate and Investment Bank, 0.576%, 10/14/2010	200,000,000
28,400,000	Cumberland County, PA Municipal Authority, (Series 2008B), (Bank of America N.A. LOC), 0.250%, 8/5/2010	28,400,000
400,000,000	Deutsche Bank AG, 0.548%, 8/12/2010	400,000,000
25,910,000	<sup>1-2</sup> Elsinore Valley, CA Municipal Water District, Solar Eclipse (Series 2007-69), (U.S. Bank, N.A. LOC), 0.270%, 8/5/2010	25,910,000

Principal Amount		Value
	NOTES - VARIABLE—continued <sup>4</sup>	
	<b>Finance - Banking—continued</b>	
\$ 33,900,000	Greene County Development Authority, Reynolds Lodge, LLC (Series 2000 A), (U.S. Bank, N.A. LOC), 0.350%, 8/4/2010	\$ 33,900,000
30,300,000	Illinois Development Finance Authority IDB, 0.250%, 8/4/2010	30,300,000
12,715,000	Illinois Finance Authority, (Series 2004), (JPMorgan Chase Bank, N.A. LOC), 0.260%, 8/4/2010	12,715,000
21,700,000	Illinois Finance Authority, (Series 2008D), (JPMorgan Chase Bank, N.A. LOC), 0.250%, 8/5/2010	21,700,000
31,895,000	Illinois Finance Authority, Refunding Bonds (Series 2006A), (JPMorgan Chase Bank, N.A. LOC), 0.260%, 8/4/2010	31,895,000
22,020,000	Indiana Health & Educational Facility Financing Authority, (Series 2005D), (Branch Banking & Trust Co. LOC), 0.230%, 8/4/2010	22,020,000
24,100,000	Indiana State Finance Authority (Health System Bonds), (Series2008H), (JPMorgan Chase Bank, N.A. LOC), 0.240%, 8/4/2010	24,100,000
12,570,000	Iowa 80 Group, Inc., (Series 2003), (Wells Fargo Bank, N.A. LOC), 0.350%, 9/1/2010	12,570,000
856,500,000	JPMorgan Chase Bank, N.A., 0.325% - 0.337%, 8/23/2010 - 8/30/2010	856,500,000
2,235,000	Kings Creek Country Club, Inc., (Series 1997), (Wells Fargo Bank, N.A. LOC), 0.370%, 8/4/2010	2,235,000
1,330,000	L.H. Kroh, Inc., (Series 1998), (Wells Fargo Bank, N.A. LOC), 0.370%, 8/4/2010	1,330,000
150,000,000	Lloyds TSB Bank PLC, London, 0.848%, 8/6/2010	150,000,000
49,485,000	Los Angeles County Fair Association, (Wells Fargo Bank, N.A. LOC), 0.320%, 8/4/2010	49,485,000
61,000,000	Los Angeles, CA Department of Water & Power (Electric/Power System), (Series 2001 B-7), 0.240%, 8/5/2010	61,000,000
380,000	Madison, WI CDA, (Series 1997-B), Hamilton Point Apts., (JPMorgan Chase Bank, N.A. LOC), 0.520%, 8/5/2010	380,000
3,670,000	McCullough Snappy Service Oil Co., Inc., (Wells Fargo Bank, N.A. LOC), 0.370%, 8/6/2010	3,670,000
33,590,000	Michigan Higher Education Facilities Authority, (Series 2008A), (Wells Fargo Bank, N.A. LOC), 0.220%, 8/5/2010	33,590,000
8,710,000	Michigan State Hospital Finance Authority, (Series 2008B), (JPMorgan Chase Bank, N.A. LOC), 0.240%, 8/4/2010	8,710,000
10,000,000	Mississippi Business Finance Corp., Kohler Project, (Wells Fargo Bank, N.A. LOC), 0.890%, 8/5/2010	10,000,000
35,510,000	Municipal Gas Authority of Georgia, (Series A), Gas Portfolio III Project, (Wells Fargo Bank, N.A. LOC), 0.350%, 8/1/2010	35,510,000
433,000,000	National Australia Bank Ltd., Melbourne, 0.441%, 8/16/2010	433,000,000
17,400,000	New York City, NY, (Fiscal 1995 (Series F-3), (JPMorgan Chase Bank, N.A. LOC), 0.240%, 8/4/2010	17,400,000
82,145,000	New York City, NY, (Fiscal 2006 (Series E-3), (Bank of America N.A. LOC), 0.190%, 8/5/2010	82,145,000

Principal Amount		Value
	NOTES - VARIABLE—continued <sup>4</sup>	
	<b>Finance - Banking—continued</b>	
\$ 40,000,000	New York State Dormitory Authority, (Series 2006A-1), (Bank of America N.A. LOC), 0.240%, 8/4/2010	\$ 40,000,000
24,525,000	New York State HFA, (Series 2008-B), (Landesbank Hessen-Thuringen LOC), 0.400%, 8/4/2010	24,525,000
50,000,000	North Broward Florida Hospital District, (Series 2007), (Wells Fargo Bank, N.A. LOC), 0.220%, 8/5/2010	50,000,000
10,835,000	North Oaks Partnership, (Series 1998), (Bank of America N.A. LOC), 0.310%, 8/5/2010	10,835,000
28,000,000	North Texas Tollway Authority, (Series 2009D), (JPMorgan Chase Bank, N.A. LOC), 0.250%, 8/4/2010	28,000,000
75,800,000	Novant Health, Inc., (Series 1997), (Wells Fargo Bank, N.A. LOC), 0.320%, 8/4/2010	75,800,000
5,225,000	Palm Desert Financing Authority, Emergency Independence Program (Series 2009), (Wells Fargo Bank, N.A. LOC), 0.370%, 8/5/2010	5,225,000
153,275,000	Philadelphia, PA Authority for Industrial Development, (Series 2007B), 0.250%, 8/5/2010	153,275,000
19,200,000	Philadelphia, PA School District, (Series 2008 B-2), (Wells Fargo Bank, N.A. LOC), 0.250%, 8/5/2010	19,200,000
5,900,000	Physicians Real Estate LLP, (Wells Fargo Bank, N.A. LOC), 0.320%, 8/4/2010	5,900,000
51,785,000	Pittsburgh, PA Water & Sewer Authority, (Series C-2 of 2008) (Subordinate Bonds), (Assured Guaranty Municipal Corp. INS), 0.270%, 8/5/2010	51,785,000
17,220,000	Presbyterian Home and Services of New Jersey Obligated Group, (Series 1998-B2), (Wells Fargo Bank, N.A. LOC), 0.320%, 8/4/2010	17,220,000
9,125,000	Public Building Corp. Springfield, MO, Jordan Valley Ice Park, (Series 2003), (U.S. Bank, N.A. LOC), 0.420%, 8/5/2010	9,125,000
450,000,000	Rabobank Nederland NV, Utrecht, 0.397%, 8/27/2010	450,010,069
400,000,000	<sup>1,2</sup> Rabobank Nederland NV, Utrecht, 1.781%, 10/7/2010	400,000,000
20,000,000	Riverside County, CA Asset Leasing Corp., (Series 2008A: Southwest Justice Center), (Union Bank, N.A. LOC), 0.220%, 8/4/2010	20,000,000
17,550,000	Rochester, MN Health Care Facility Authority, (Series B), 0.200%, 8/4/2010	17,550,000
19,000,000	Salvation Army, (Series 2004-A), (Bank of New York Mellon LOC), 0.530%, 8/5/2010	19,000,000
2,875,000	Seeber USA LLP, (Series 2000), (Wells Fargo Bank, N.A. LOC), 0.370%, 8/4/2010	2,875,000
300,000,000	Societe Generale, Paris, 0.574%, 8/3/2010	300,000,000
27,425,000	South Carolina Transportation Infrastructure Bank, Refunding Revenue Bonds (Series 2003B-3), (Wells Fargo Bank, N.A. LOC), 0.230%, 8/4/2010	27,425,000
9,760,000	Spira Millenium LLC, (Series 2001), (Bank of America N.A. LOC), 0.350%, 8/5/2010	9,760,000

Principal Amount		Value
	NOTES - VARIABLE—continued <sup>4</sup>	
	<b>Finance - Banking—continued</b>	
\$ 1,170,000	St. Paul, MN Port Authority, National Checking Co. Project (Series 1998-B), (U.S. Bank, N.A. LOC), 0.520%, 8/5/2010	\$ 1,170,000
25,000,000	Tarrant County, TX Cultural Education Facilities Finance Corp., (Series 2008C-1), (Bank of America N.A. LOC), 0.250%, 8/4/2010	25,000,000
23,560,000	Tarrant County, TX Cultural Education Facilities Finance Corp., (Series 2008C-2), (Bank of America N.A. LOC), 0.250%, 8/4/2010	23,560,000
17,910,000	The Chestnut Partnership, (Series 1999), (Bank of America N.A. LOC), 0.310%, 8/5/2010	17,910,000
750,000,000	Toronto Dominion Bank, 0.345% - 0.347%, 8/4/2010 - 8/9/2010	750,000,000
1,000,000	Village Green Finance Co. LLC, (Series 1997), (Wells Fargo Bank, N.A. LOC), 0.320%, 8/4/2010	1,000,000
24,275,000	Washington State Housing Finance Commission, (Series 2007B), (U.S. Bank, N.A. LOC), 0.250%, 8/5/2010	24,275,000
105,000,000	Wells Fargo & Co., 0.685%, 8/20/2010	105,011,990
1,482,000,000	Westpac Banking Corp. Ltd., Sydney, 0.376% - 0.393%, 8/4/2010 - 8/11/2010	1,482,000,000
7,795,000	Yeshivas Novominsk, (Series 2008), (TD Bank, N.A. LOC), 0.320%, 8/5/2010	7,795,000
	<b>TOTAL</b>	<b>9,631,026,059</b>
	<b>Finance - Commercial—1.3%</b>	
145,000,000	Fairway Finance Co. LLC, 0.431%, 8/16/2010 - 8/17/2010	144,996,257
80,000,000	<sup>1,2</sup> Fairway Finance Co. LLC, 0.435%, 8/9/2010	79,997,158
324,738,000	General Electric Capital Corp., 0.578% - 0.794%, 8/2/2010 - 10/28/2010	324,920,270
18,000,000	Pitney Road Partners LLC, (Series 2008), (General Electric Capital Corp. LOC), 0.550%, 8/5/2010	18,000,000
14,590,000	The Anderson's, Inc., (Series 2008), (General Electric Capital Corp. LOC), 0.440%, 8/5/2010	14,590,000
	<b>TOTAL</b>	<b>582,503,685</b>
	<b>Government Agency—0.3%</b>	
25,375,000	COG Leasing Co. LLP, (Series 2007), (FHLB of Des Moines LOC), 0.370%, 8/5/2010	25,375,000
8,245,000	California HFA, (Series 2006 B), 0.300%, 8/4/2010	8,245,000
36,020,000	Capital Trust Agency, FL, (FNMA LOC), 0.270%, 8/5/2010	36,020,000
4,755,000	Grand Pointe II Ltd. Partnership, (Series 1999), Globe Apartments, (FHLB of Indianapolis LOC), 0.410%, 8/5/2010	4,755,000
8,290,000	Helmholdt Capital, LLC, (Series 2007-A), (FHLB of San Francisco LOC), 0.470%, 8/5/2010	8,290,000
33,735,000	Michigan Higher Education Facilities Authority, (Series 2008B), (FHLB of Boston LOC), 0.220%, 8/5/2010	33,735,000

Principal Amount		Value
	NOTES - VARIABLE—continued <sup>4</sup>	
	<b>Government Agency—continued</b>	
\$ 17,725,000	Pinnacle Ridge Apartments LP, (Series 2006), (FHLB of Dallas LOC), 0.400%, 8/5/2010	\$ 17,725,000
	TOTAL	134,145,000
	<b>Insurance—0.0%</b>	
14,400,000	New Jersey Health Care Facilities Financing Authority, (Series 2007-IV), (Assured Guaranty Corp. INS), 0.200%, 8/4/2010	14,400,000
	<b>Municipal—0.3%</b>	
130,000,000	South Carolina State Public Service Authority (Santee Cooper), (Series A), 0.596%, 8/15/2010	130,000,000
	TOTAL NOTES—VARIABLE	10,534,273,492
	<b>REPURCHASE AGREEMENTS—19.0%</b>	
250,000,000	Interest in \$350,000,000 joint repurchase agreement 0.21%, dated 7/30/2010 under which BMO Capital Markets Corp. will repurchase securities provided as collateral for \$350,006,125 on 8/2/2010. The securities provided as collateral at the end of the period were U.S. Government Agency securities with various maturities to 11/1/2038 and the market value of those underlying securities was \$357,017,593.	250,000,000
1,096,000,000	Interest in \$1,796,000,000 joint repurchase agreement 0.22%, dated 7/30/2010 under which BNP Paribas Securities Corp. will repurchase securities provided as collateral for \$1,796,032,927 on 8/2/2010. The securities provided as collateral at the end of the period were U.S. Government Agency securities with various maturities to 7/1/2040 and the market value of those underlying securities was \$1,835,237,304.	1,096,000,000
38,410,000	Interest in \$148,410,000 joint repurchase agreement 0.22%, dated 7/30/2010 under which Banc of America Securities LLC will repurchase securities provided as collateral for \$148,412,721 on 8/2/2010. The securities provided as collateral at the end of the period were U.S. Government Agency securities with various maturities to 11/16/2043 and the market value of those underlying securities was \$152,344,020.	38,410,000
3,506,204,000	Interest in \$7,990,000,000 joint repurchase agreement 0.22%, dated 7/30/2010 under which Bank of America N.A. will repurchase securities provided as collateral for \$7,990,146,483 on 8/2/2010. The securities provided as collateral at the end of the period were U.S. Government Agency securities with various maturities to 4/15/2040 and the market value of those underlying securities was \$8,189,364,232.	3,506,204,000
500,000,000	Repurchase agreement 0.22%, dated 7/30/2010 under which Citibank N.A. will repurchase securities provided as collateral for \$500,009,167 on 8/2/2010. The securities provided as collateral at the end of the period were U.S. Government Agency securities with various maturities to 3/25/2040 and the market value of those underlying securities was \$540,000,000.	500,000,000

Principal Amount		Value
	REPURCHASE AGREEMENTS—continued	
\$1,000,000,000	Interest in \$3,000,000,000 joint repurchase agreement 0.22%, dated 7/30/2010 under which ING Financial Markets LLC will repurchase securities provided as collateral for \$3,000,055,000 on 8/2/2010. The securities provided as collateral at the end of the period were U.S. Government Agency securities with various maturities to 12/1/2048 and the market value of those underlying securities was \$3,060,004,359.	\$ 1,000,000,000
400,000,000	Interest in \$500,000,000 joint repurchase agreement 0.22%, dated 7/30/2010 under which Merrill Lynch Government Securities will repurchase securities provided as collateral for \$500,009,167 on 8/2/2010. The securities provided as collateral at the end of the period were U.S. Government Agency securities with various maturities to 7/15/2039 and the market value of those underlying securities was \$515,000,889.	400,000,000
500,000,000	Interest in \$1,000,000,000 joint repurchase agreement 0.22%, dated 7/30/2010 under which RBS Securities, Inc. will repurchase securities provided as collateral for \$1,000,018,333 on 8/2/2010. The securities provided as collateral at the end of the period were U.S. Government Agency securities with various maturities to 4/20/2040 and the market value of those underlying securities was \$1,030,001,643.	500,000,000
1,090,000,000	Interest in \$2,000,000,000 joint repurchase agreement 0.22%, dated 7/30/2010 under which Societe Generale, New York will repurchase securities provided as collateral for \$2,000,036,667 on 8/2/2010. The securities provided as collateral at the end of the period were U.S. Government Agency securities with various maturities to 8/1/2047 and the market value of those underlying securities was \$2,047,150,577.	1,090,000,000
	<b>TOTAL REPURCHASE AGREEMENTS</b>	<b>8,380,614,000</b>
	TOTAL INVESTMENTS—100.7% (AT AMORTIZED COST) <sup>5</sup>	44,349,376,124
	OTHER ASSETS AND LIABILITIES - NET—(0.7)% <sup>6</sup>	(288,040,015)
	<b>TOTAL NET ASSETS—100%</b>	<b>\$44,061,336,109</b>

- 1 Denotes a restricted security that either: (a) cannot be offered for public sale without first being registered, or being able to take advantage of an exemption from registration, under the Securities Act of 1933; or (b) is subject to a contractual restriction on public sales. At July 31, 2010, these restricted securities amounted to \$4,076,817,987, which represented 9.3% of total net assets.
- 2 Denotes a restricted security that may be resold without restriction to “qualified institutional buyers” as defined in Rule 144A under the Securities Act of 1933 and that the Fund has determined to be liquid under criteria established by the Fund’s Board of Trustees (the “Trustees”). At July 31, 2010, these liquid restricted securities amounted to \$4,076,817,987, which represented 9.3% of total net assets.
- 3 Discount rate at time of purchase for discount issues, or the coupon for interest-bearing issues.
- 4 Denotes a variable rate security with current rate and next reset date shown.
- 5 Also represents cost for federal tax purposes.
- 6 Assets, other than investments in securities, less liabilities. See Statement of Assets and Liabilities.

Note: The categories of investments are shown as a percentage of total net assets at July 31, 2010.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1—quoted prices in active markets for identical securities

Level 2—other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3—significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

As of July 31, 2010, all investments of the Fund utilized Level 2 inputs in valuing the Fund's assets carried at fair value.

The following acronyms are used throughout this portfolio:

CDA —Community Development Authority  
FHLB —Federal Home Loan Bank  
FNMA—Federal National Mortgage Association  
GTD —Guaranteed  
HFA —Housing Finance Authority  
IDA —Industrial Development Authority  
IDB —Industrial Development Bond  
INS —Insured  
LOC —Letter of Credit  
SWP —Swap Agreement

See Notes which are an integral part of the Financial Statements

# STATEMENT OF ASSETS AND LIABILITIES

July 31, 2010

## Assets:

Investments in repurchase agreements	\$ 8,380,614,000	
Investments in securities	35,968,762,124	
Total investments in securities, at amortized cost and value		\$44,349,376,124
Income receivable		18,331,149
Receivable for shares sold		3,113,838
<b>TOTAL ASSETS</b>		<b>44,370,821,111</b>

## Liabilities:

Payable for investments purchased	300,000,000	
Payable for shares redeemed	3,372,245	
Bank overdraft	133,186	
Income distribution payable	4,255,020	
Payable for Directors'/Trustees' fees	11,441	
Payable for distribution services fee (Note 6)	124,512	
Payable for shareholder services fee (Note 6)	889,154	
Accrued expenses	699,444	
<b>TOTAL LIABILITIES</b>		<b>309,485,002</b>
Net assets for 44,045,318,883 shares outstanding		\$44,061,336,109

## Net Assets Consist of:

Paid-in capital	\$44,071,920,290
Accumulated net realized loss on investments	(10,607,235)
Undistributed net investment income	23,054
<b>TOTAL NET ASSETS</b>	<b>\$44,061,336,109</b>

## Net Asset Value, Offering Price and Redemption Proceeds Per Share

### Institutional Shares:

\$38,408,721,092 ÷ 38,393,858,879 shares outstanding, no par value, unlimited shares authorized \$ 1.00

### Institutional Service Shares:

\$5,040,045,844 ÷ 5,038,854,255 shares outstanding, no par value, unlimited shares authorized \$ 1.00

### Trust Shares:

\$612,569,173 ÷ 612,605,749 shares outstanding, no par value, unlimited shares authorized \$ 1.00

See Notes which are an integral part of the Financial Statements

# STATEMENT OF OPERATIONS

Year Ended July 31, 2010

## Investment Income:

Interest	\$169,599,079
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## Expenses:

Investment adviser fee (Note 6)	\$ 88,123,897
Administrative personnel and services fee (Note 6)	34,311,475
Custodian fees	1,528,170
Transfer and dividend disbursing agent fees and expenses	262,160
Directors'/Trustees' fees	303,770
Auditing fees	20,500
Legal fees	10,294
Portfolio accounting fees	192,784
Distribution services fee—Trust Shares (Note 6)	1,827,943
Shareholder services fee—Institutional Service Shares (Note 6)	11,595,864
Shareholder services fee—Trust Shares (Note 6)	1,048,907
Account administration fee—Institutional Service Shares	4,748,172
Account administration fee—Trust Shares	779,036
Share registration costs	111,101
Printing and postage	186,750
Insurance premiums	99,723
Miscellaneous	1,364,132
<b>TOTAL EXPENSES</b>	<b>146,514,678</b>

## Waivers and Reimbursements (Note 6):

Waiver of investment adviser fee	\$(34,247,561)
Waiver of administrative personnel and services fee	(780,332)
Waiver of distribution services fee—Trust Shares	(655,772)
Waiver of shareholder services fee—Institutional Service Shares	(4,316,523)
Waiver of shareholder services fee—Trust Shares	(1,048,907)
Reimbursement of shareholder services fee—Institutional Service Shares	(1,168,869)
Waiver of account administration fee—Trust Shares	(721,442)
Reimbursement of account administration fee—Trust Shares	(23,930)
<b>TOTAL WAIVERS AND REIMBURSEMENTS</b>	<b>(42,963,336)</b>

Net expenses	103,551,342
Net investment income	66,047,737
Net realized gain on investments	68,453
Change in net assets resulting from operations	\$ 66,116,190

See Notes which are an integral part of the Financial Statements

# STATEMENT OF CHANGES IN NET ASSETS

Year Ended July 31	2010	2009
<b>Increase (Decrease) in Net Assets</b>		
<b>Operations:</b>		
Net investment income	\$ 66,047,737	\$ 444,084,233
Net realized gain on investments	68,453	—
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	66,116,190	444,084,233
<b>Distributions to Shareholders:</b>		
Distributions from net investment income		
Institutional Shares	(64,989,989)	(352,356,414)
Institutional Service Shares	(964,163)	(84,706,781)
Trust Shares	(67,052)	(6,443,189)
CHANGE IN NET ASSETS RESULTING FROM DISTRIBUTIONS TO SHAREHOLDERS	(66,021,204)	(443,506,384)
<b>Share Transactions:</b>		
Proceeds from sale of shares	234,912,030,057	247,921,292,060
Putnam Prime Money Market Fund purchase in-kind	—	12,318,195,817
Net asset value of shares issued to shareholders in payment of distributions declared	25,716,100	182,411,258
Cost of shares redeemed	(238,992,597,128)	(237,855,585,309)
CHANGE IN NET ASSETS RESULTING FROM SHARE TRANSACTIONS	(4,054,850,971)	22,566,313,826
Change in net assets	(4,054,755,985)	22,566,891,675
<b>Net Assets:</b>		
Beginning of period	48,116,092,094	25,549,200,419
End of period (including undistributed (distributions in excess of) net investment income of \$23,054 and \$(3,479), respectively)	\$ 44,061,336,109	\$ 48,116,092,094

See Notes which are an integral part of the Financial Statements

# NOTES TO FINANCIAL STATEMENTS

July 31, 2010

## 1. ORGANIZATION

Money Market Obligations Trust (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. The Trust consists of 38 portfolios. The financial statements included herein are only those of Federated Prime Obligations Fund (formerly, Prime Obligations Fund) (the "Fund"), a diversified portfolio. The financial statements of the other portfolios are presented separately. The assets of each portfolio are segregated and a shareholder's interest is limited to the portfolio in which shares are held. Each portfolio pays its own expenses. The Fund offers three classes of shares: Institutional Shares, Institutional Service Shares and Trust Shares. All shares of the Fund have equal rights with respect to voting, except on class-specific matters. The investment objective of the Fund is to provide current income consistent with stability of principal.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. These policies are in conformity with U.S. generally accepted accounting principles (GAAP).

### Investment Valuation

Securities are valued at amortized cost. Under the amortized cost valuation method, an investment is valued initially at its cost as determined in accordance with GAAP. The Fund then adjusts the amount of interest income accrued each day over the term of the investment to account for any difference between the initial cost of the investment and the amount payable at its maturity. If amortized cost is determined not to approximate market value, the fair value of the portfolio securities will be determined under procedures established by and under the general supervision of the Trustees.

### Repurchase Agreements

It is the policy of the Fund to require the other party to a repurchase agreement to transfer to the Fund's custodian or sub-custodian eligible securities or cash with a market value (after transaction costs) at least equal to the repurchase price to be paid under the repurchase agreement. The eligible securities are transferred to accounts with the custodian or sub-custodian in which the Fund holds a "securities entitlement" and exercises "control" as those terms are defined in the Uniform Commercial Code. The Fund has established procedures for monitoring the market value of the transferred securities and requiring the transfer of additional eligible securities if necessary to equal at least the repurchase price. These procedures also allow the other party to require securities to be transferred from the account to the extent that their market value exceeds the repurchase price or in exchange for other eligible securities of equivalent market value.

The insolvency of the other party or other failure to repurchase the securities may delay the disposition of the underlying securities or cause the Fund to receive less than the full repurchase price. Under the terms of the repurchase agreement, any amounts received by the Fund in excess of the repurchase price and related transaction costs must be remitted to the other party.

The Fund may enter into repurchase agreements in which eligible securities are transferred into joint trading accounts maintained by the custodian or sub-custodian for investment companies and other clients advised by the Fund's Adviser and its affiliates. The Fund will participate on a pro rata basis with the other investment companies and clients in its share of the securities transferred under such repurchase agreements and in its share of proceeds from any repurchase or other disposition of such securities.

### **Investment Income, Gains and Losses, Expenses and Distributions**

Investment transactions are accounted for on a trade-date basis. Realized gains and losses from investment transactions are recorded on an identified-cost basis. Interest income and expenses are accrued daily. Distributions to shareholders are recorded on the ex-dividend date. Distributions of net investment income are declared daily and paid monthly. Investment income, realized gains and losses and certain fund-level expenses are allocated to each class based on relative average daily net assets, except that each class may bear certain expenses unique to that class such as account administration, distribution services and shareholder services fees. Dividends are declared separately for each class. No class has preferential dividend rights; differences in per share dividend rates are generally due to differences in separate class expenses.

### **Premium and Discount Amortization**

All premiums and discounts are amortized/accreted.

### **Federal Taxes**

It is the Fund's policy to comply with the Subchapter M provision of the Internal Revenue Code (the "Code") and to distribute to shareholders each year substantially all of its income. Accordingly, no provision for federal income tax is necessary. As of and during the year ended July 31, 2010, the Fund did not have a liability for any uncertain tax positions. The Fund recognizes interest and penalties, if any, related to tax liabilities as income tax expense in the Statement of Operations. As of July 31, 2010, tax years 2007 through 2010 remain subject to examination by the Fund's major tax jurisdictions, which include the United States of America and the Commonwealth of Massachusetts.

### **When-Issued and Delayed Delivery Transactions**

The Fund may engage in when-issued or delayed delivery transactions. The Fund records when-issued securities on the trade date and maintains security positions such that sufficient liquid assets will be available to make payment for the securities purchased. Securities purchased on a when-issued or delayed delivery basis are marked to market daily and begin earning interest on the settlement date. Losses may occur on these transactions due to changes in market conditions or the failure of counterparties to perform under the contract.

### **Restricted Securities**

The Fund may purchase securities which are considered restricted. Restricted securities are securities that either: (a) cannot be offered for public sale without first being registered, or being able to take advantage of an exemption from registration, under the Securities Act of 1933; or (b) are subject to contractual restrictions on public sales. In some cases, when a security cannot be offered for public sale without first being registered, the issuer of the restricted security has agreed to register such securities for resale, at the issuer's expense, either upon demand by the Fund or in connection with another registered offering of the

securities. Many such restricted securities may be resold in the secondary market in transactions exempt from registration. Restricted securities may be determined to be liquid under criteria established by the Trustees. The Fund will not incur any registration costs upon such resales. Restricted securities are valued at amortized cost in accordance with Rule 2a-7 under the Act.

### Temporary Guarantee Program

The Fund participated in the Temporary Guarantee Program for Money Market Funds (the "Program") offered by the U.S. Treasury Department through its expiration on September 18, 2009. The fee for the Program was recognized ratably over the period of participation and is included in miscellaneous expense on the Fund's Statement of Operations.

### Other

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets, liabilities, expenses and revenues reported in the financial statements. Actual results could differ from those estimated.

### 3. SHARES OF BENEFICIAL INTEREST

The following tables summarize share activity:

Year Ended July 31	2010		2009	
	Shares	Amount	Shares	Amount
<b>Institutional Shares:</b>				
Shares sold	213,384,503,526	\$ 213,384,503,526	218,798,840,824	\$ 218,798,840,824
Putnam Prime Money Market Fund purchase in-kind	—	—	12,093,621,126	12,109,266,710
Shares issued to shareholders in payment of distributions declared	25,422,313	25,422,313	151,562,664	151,562,664
Shares redeemed	(214,581,357,441)	(214,581,357,441)	(209,910,551,458)	(209,910,551,458)
NET CHANGE RESULTING FROM INSTITUTIONAL SHARE TRANSACTIONS	(1,171,431,602)	\$ (1,171,431,602)	21,133,473,156	\$ 21,149,118,740

Year Ended July 31	2010		2009	
	Shares	Amount	Shares	Amount
<b>Institutional Service Shares:</b>				
Shares sold	19,920,123,003	\$ 19,920,123,003	26,852,583,012	\$ 26,852,583,012
Putnam Prime Money Market Fund purchase in-kind	—	—	208,659,164	208,929,107
Shares issued to shareholders in payment of distributions declared	252,265	252,265	28,179,929	28,179,929
Shares redeemed	(22,615,084,807)	(22,615,084,807)	(25,980,856,376)	(25,980,856,376)
NET CHANGE RESULTING FROM INSTITUTIONAL SERVICE SHARE TRANSACTIONS	(2,694,709,539)	\$ (2,694,709,539)	1,108,565,729	\$ 1,108,835,672

Year Ended July 31	2010		2009	
	Shares	Amount	Shares	Amount
Trust Shares:				
Shares sold	1,607,403,528	\$ 1,607,403,528	2,269,868,224	\$ 2,269,868,224
Shares issued to shareholders in payment of distributions declared	41,522	41,522	2,668,665	2,668,665
Shares redeemed	(1,796,154,880)	(1,796,154,880)	(1,964,177,475)	(1,964,177,475)
NET CHANGE RESULTING FROM TRUST SHARE TRANSACTIONS	(188,709,830)	\$ (188,709,830)	308,359,414	\$ 308,359,414
NET CHANGE RESULTING FROM FUND SHARE TRANSACTIONS	(4,054,850,971)	\$(4,054,850,971)	22,550,398,299	\$22,566,313,826

#### 4. FEDERAL TAX INFORMATION

The tax character of distributions as reported on the Statement of Changes in Net Assets for the years ended July 31, 2010 and 2009, was as follows:

	2010	2009
Ordinary income <sup>1</sup>	\$66,021,204	\$443,506,384

<sup>1</sup> For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

As of July 31, 2010, the components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income	\$ 23,054
Capital loss carryforwards	\$(10,607,235)

At July 31, 2010, the Fund had a capital loss carryforward of \$10,607,235 which will reduce the Fund's taxable income arising from future net realized gains on investments, if any, to the extent permitted by the Code and thus will reduce the amount of distributions to shareholders which would otherwise be necessary to relieve the Fund of any liability for federal income tax. Pursuant to the Code, such capital loss carryforward will expire as follows:

Expiration Year	Expiration Amount
2015	\$ 16,864
2016	\$ 65,766
2017	\$10,524,605

The Fund used capital loss carryforwards of \$68,453 to offset taxable capital gains realized during the year ended July 31, 2010.

#### 5. PURCHASE IN-KIND

On September 24, 2008, the Fund received an in-kind subscription of securities and other assets from Putnam Prime Money Market Fund for \$12,109,266,710 in exchange for 12,093,621,126 shares of the Fund's Institutional Shares. Additionally, securities and other assets valued at \$208,929,107 were received from Putnam Prime Money Market Fund in exchange for 208,659,164 shares of the Fund's Institutional Service Shares.

## 6. INVESTMENT ADVISER FEE AND OTHER TRANSACTIONS WITH AFFILIATES

### Investment Adviser Fee

Federated Investment Management Company is the Fund's investment adviser (the "Adviser"). The advisory agreement between the Fund and the Adviser provides for an annual fee equal to 0.20% of the Fund's average daily net assets. Subject to the terms described in the Expense Limitation note, the Adviser may voluntarily choose to waive any portion of its fee. For the year ended July 31, 2010, the Adviser voluntarily waived \$34,247,561 of its fee.

### Administrative Fee

Federated Administrative Services (FAS), under the Administrative Services Agreement, provides the Fund with administrative personnel and services. The fee paid to FAS is based on the average aggregate daily net assets of certain Federated funds as specified below:

Administrative Fee	Average Aggregate Daily Net Assets of the Federated Funds
0.150%	on the first \$5 billion
0.125%	on the next \$5 billion
0.100%	on the next \$10 billion
0.075%	on assets in excess of \$20 billion

The administrative fee received during any fiscal year shall be at least \$150,000 per portfolio and \$40,000 per each additional class of Shares. Subject to the terms described in the Expense Limitation note, FAS may voluntarily choose to waive any portion of its fee. For the year ended July 31, 2010, the net fee paid to FAS was 0.076% of average daily net assets of the Fund. FAS waived \$780,332 of its fee.

### Distribution Services Fee

The Fund has adopted a Distribution Plan (the "Plan") pursuant to Rule 12b-1 under the Act. Under the terms of the Plan, the Fund will compensate Federated Securities Corp. (FSC), the principal distributor, from the daily net assets of the Fund's Trust Shares to finance activities intended to result in the sale of these shares. The Plan provides that the Fund may incur distribution expenses at 0.25% of average daily net assets, annually, to compensate FSC. Subject to the terms described in the Expenses Limitation note, FSC may voluntarily choose to waive any portion of its fee. For the year ended July 31, 2010, FSC voluntarily waived \$655,772 of its fee. When FSC receives fees, it may pay some or all of them to financial intermediaries whose customers purchase shares. For the year ended July 31, 2010, FSC did not retain any fees paid by the Fund.

### Shareholder Services Fee

The Fund may pay fees ("Service Fees") up to 0.25% of the average daily net assets of the Fund's Institutional Shares, Institutional Service Shares and Trust Shares to financial intermediaries or to Federated Shareholder Services Company (FSSC) for providing services to shareholders and maintaining shareholder accounts. Subject to the terms described in the Expense Limitation note, FSSC may voluntarily reimburse the Fund for Service Fees. For the year ended July 31, 2010, FSSC voluntarily reimbursed \$1,168,869 of shareholder services fees and \$23,930 of account administration fees. For the year ended July 31, 2010, FSSC did not

receive any fees paid by the Fund. In addition, for the year ended July 31, 2010, unaffiliated third-party financial intermediaries waived \$5,365,430 of shareholder services fees and \$721,442 of account administration fees. These waivers can be modified or terminated at any time. For the year ended July 31, 2010, the Fund's Institutional Shares did not incur Service Fees.

### **Expense Limitation**

Due to the possibility of changes in market conditions and other factors, there can be no assurance that the level of waivers/reimbursement/reduction of Fund expenses reflected in the financial highlights will be maintained in the future. However, the Adviser and its affiliates (which may include FSC, FAS and FSSC) have voluntarily agreed to waive their fees and/or reimburse expenses so that the total annual fund operating expenses (as shown in the financial highlights) paid by the Fund's Institutional Shares, Institutional Service Shares and Trust Shares (after the voluntary waivers and/or reimbursements) will not exceed 0.20%, 0.45% and 0.70%, (the "Fee Limit"), respectively, through the later of (the "Termination Date"): (a) September 30, 2011; or (b) the date of the Fund's next effective Prospectus. While the Adviser and its affiliates currently do not anticipate terminating or increasing these arrangements prior to the Termination Date, these arrangements may only be terminated or the Fee Limit increased prior to the Termination Date with the agreement of the Trustees.

### **Interfund Transactions**

During the year ended July 31, 2010, the Fund engaged in purchase and sale transactions with funds that have a common investment adviser (or affiliated investment advisers), common Directors/Trustees, and/or common Officers. These purchase and sale transactions complied with Rule 17a-7 under the Act and amounted to \$2,484,124,875 and \$3,538,225,000, respectively.

### **General**

Certain Officers and Trustees of the Fund are Officers and Directors or Trustees of the above companies.

## **7. CONCENTRATION OF RISK**

A substantial part of the Fund's portfolio may be comprised of obligations of banks. As a result, the Fund may be more susceptible to any economic, business, political or other developments which generally affect these entities.

## **8. LINE OF CREDIT**

The Fund participates in a \$100,000,000 unsecured, uncommitted revolving line of credit (LOC) agreement with PNC Bank. The LOC was made available for extraordinary or emergency purposes, primarily for financing redemption payments. Borrowings are charged interest at a rate offered to the Fund by PNC Bank at the time of the borrowing. As of July 31, 2010, there were no outstanding loans. During the year ended July 31, 2010, the Fund did not utilize the LOC.

## **9. INTERFUND LENDING**

Pursuant to an Exemptive Order issued by the Securities and Exchange Commission, the Fund, along with other funds advised by subsidiaries of Federated Investors, Inc., may participate in an interfund lending program. This program provides an alternative credit facility allowing the Fund to borrow from other participating affiliated funds. As of July 31, 2010, there were no outstanding loans. During the year ended July 31, 2010, the program was not utilized.

## **10. LEGAL PROCEEDINGS**

Since October 2003, Federated Investors, Inc. and related entities (collectively, "Federated"), and various Federated sponsored mutual funds ("Federated Funds") have been named as defendants in several class action lawsuits now pending in the United States District Court for the District of Maryland. The lawsuits were purportedly filed on behalf of people who purchased, owned and/or redeemed shares of certain Federated Funds during specified periods beginning November 1, 1998. The suits are generally similar in alleging that Federated engaged in illegal and improper trading practices including market timing and late trading in concert with certain institutional traders, which allegedly caused financial injury to the mutual fund shareholders. Federated without admitting the validity of any claim has reached a preliminary settlement with the Plaintiffs in these cases. Any settlement would have to be approved by the Court. Federated entities have also been named as defendants in several additional lawsuits that are now pending in the United States District Court for the Western District of Pennsylvania. These lawsuits have been consolidated into a single action alleging excessive advisory fees involving one of the Federated Funds. The Board of the Federated Funds retained the law firm of Dickstein Shapiro LLP to represent the Federated Funds in these lawsuits. Federated and the Federated Funds, and their respective counsel, have been defending this litigation, and none of the Federated Funds remains a defendant in any of the lawsuits. Additional lawsuits based upon similar allegations may be filed in the future. The potential impact of these lawsuits, all of which seek monetary damages, attorneys' fees and expenses, and future potential similar suits is uncertain. Although we do not believe that these lawsuits will have a material adverse effect on the Federated Funds, there can be no assurance that these suits, ongoing adverse publicity and/or other developments resulting from the allegations in these matters will not result in increased redemptions, or reduced sales, of shares of the Federated Funds or other adverse consequences for the Federated Funds.

## **11. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date the financial statements were issued, and determined that no events have occurred that require additional disclosure.

## **12. FEDERAL TAX INFORMATION (UNAUDITED)**

For the fiscal year ended July 31, 2010, 99.68% of dividends paid by the Fund are interest-related dividends, as provided by the American Jobs Creation Act of 2004.

# REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

## **TO THE BOARD OF TRUSTEES OF MONEY MARKET OBLIGATIONS TRUST AND SHAREHOLDERS OF FEDERATED PRIME OBLIGATIONS FUND:**

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of Federated Prime Obligations Fund (the “Fund”), a portfolio of Money Market Obligations Trust, as of July 31, 2010, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the four-year period then ended. These financial statements and financial highlights are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. The financial highlights for the period presented prior to August 1, 2006, were audited by another independent registered public accounting firm whose report thereon dated September 22, 2006, expressed an unqualified opinion.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of July 31, 2010 by correspondence with the custodian and brokers or by other appropriate auditing procedures. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Federated Prime Obligations Fund as of July 31, 2010, and the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the four-year period then ended, in conformity with U.S. generally accepted accounting principles.

**KPMG LLP**

Boston, Massachusetts  
September 22, 2010

## BOARD OF TRUSTEES AND TRUST OFFICERS

The Board of Trustees is responsible for managing the Trust's business affairs and for exercising all the Trust's powers except those reserved for the shareholders. The following tables give information about each Trustee and the senior officers of the Fund. Where required, the tables separately list Trustees who are "interested persons" of the Fund (i.e., "Interested" Trustees) and those who are not (i.e., "Independent" Trustees). Unless otherwise noted, the address of each person listed is Federated Investors Tower, 1001 Liberty Avenue, Pittsburgh, PA 15222. The address of all Independent Trustees listed is 4000 Ericsson Drive, Warrendale, PA 15086-7561; Attention: Mutual Fund Board. As of December 31, 2009, the Trust comprised 39 portfolio(s), and the Federated Fund Family consisted of 43 investment companies (comprising 145 portfolios). Unless otherwise noted, each Officer is elected annually. Unless otherwise noted, each Trustee oversees all portfolios in the Federated Fund Family and serves for an indefinite term. The Fund's Statement of Additional Information includes additional information about Trust Trustees and is available, without charge and upon request, by calling 1-800-341-7400.

### INTERESTED TRUSTEES BACKGROUND

Name	Birth Date	Positions Held with Trust Date Service Began	Principal Occupation(s) for Past Five Years, Other Directorships Held and Previous Position(s)
<b>John F. Donahue*</b>	Birth Date: July 28, 1924	TRUSTEE Began serving: October 1988	<p><b>Principal Occupations:</b> Director or Trustee of the Federated Fund Family; Chairman and Director, Federated Investors, Inc.; Chairman of the Federated Fund Family's Executive Committee.</p> <p><b>Previous Positions:</b> Chairman of the Federated Fund Family; Trustee, Federated Investment Management Company; Chairman and Director, Federated Investment Counseling.</p>
<b>J. Christopher Donahue*</b>	Birth Date: April 11, 1949	TRUSTEE Began serving: April 1989	<p><b>Principal Occupations:</b> Principal Executive Officer and President of the Federated Fund Family; Director or Trustee of some of the Funds in the Federated Fund Family; President, Chief Executive Officer and Director, Federated Investors, Inc.; Chairman and Trustee, Federated Investment Management Company; Trustee, Federated Investment Counseling; Chairman and Director, Federated Global Investment Management Corp.; Chairman, Federated Equity Management Company of Pennsylvania and Passport Research, Ltd. (investment advisory subsidiary of Federated); Trustee, Federated Shareholder Services Company; Director, Federated Services Company.</p> <p><b>Previous Positions:</b> President, Federated Investment Counseling; President and Chief Executive Officer, Federated Investment Management Company, Federated Global Investment Management Corp. and Passport Research, Ltd.</p>

\* Family relationships and reasons for "interested" status: John F. Donahue is the father of J. Christopher Donahue; both are "interested" due to their beneficial ownership of shares of Federated Investors, Inc. and the positions they hold with Federated and its subsidiaries.

## INDEPENDENT TRUSTEES BACKGROUND

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**Name**

**Birth Date**

**Positions Held with Trust  
Date Service Began**

**Principal Occupation(s) for Past Five Years,  
Other Directorships Held, Previous Position(s) and Qualifications**

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**John T. Conroy, Jr., Ph.D.**

Birth Date: June 23, 1937

TRUSTEE

Began serving: August 1991

**Principal Occupations:** Director or Trustee of the Federated Fund Family; Chairman of the Board, Investment Properties Corporation; Partner or Trustee in private real estate ventures in Southwest Florida; Assistant Professor in Theology, Blessed Edmund Rice School for Pastoral Ministry.

**Previous Positions:** President, Investment Properties Corporation; Senior Vice President, John R. Wood and Associates, Inc., Realtors; President, Naples Property Management, Inc. and Northgate Village Development Corporation.

**Qualifications:** Business management and director experience.

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**Nicholas P. Constantakis, CPA**

Birth Date: September 3, 1939

TRUSTEE

Began serving: October 1999

**Principal Occupation:** Director or Trustee of the Federated Fund Family.

**Other Directorship Held:** Director and Chairman of the Audit Committee, Michael Baker Corporation (architecture, engineering and construction services).

**Previous Position:** Partner, Andersen Worldwide SC.

**Qualifications:** Public accounting and director experience.

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**John F. Cunningham**

Birth Date: March 5, 1943

TRUSTEE

Began serving: January 1999

**Principal Occupation:** Director or Trustee of the Federated Fund Family.

**Other Directorships Held:** Chairman, President and Chief Executive Officer, Cunningham & Co., Inc. (strategic business consulting); Trustee Associate, Boston College.

**Previous Positions:** Director, Redgate Communications and EMC Corporation (computer storage systems); Chairman of the Board and Chief Executive Officer, Computer Consoles, Inc.; President and Chief Operating Officer, Wang Laboratories; Director, First National Bank of Boston; Director, Apollo Computer, Inc.

**Qualifications:** Business management and director experience.

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**Maureen Lally-Green**

Birth Date: July 5, 1949

TRUSTEE

Began serving: August 2009

**Principal Occupations:** Director or Trustee of the Federated Fund Family; Director, Office of Church Relations, Diocese of Pittsburgh; Adjunct Professor of Law, Duquesne University School of Law.

**Other Directorships Held:** Director, Auberle; Trustee, St. Francis University; Director, Ireland Institute of Pittsburgh; Director, UPMC Mercy Hospital; Regent, St. Vincent Seminary; Director, Epilepsy Foundation of Western and Central Pennsylvania; Director, Saint Thomas More Society, Allegheny County; Director, Carlow University.

**Previous Position:** Pennsylvania Superior Court Judge.

**Qualifications:** Legal and director experience.

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Name	Birth Date	Positions Held with Trust Date Service Began	Principal Occupation(s) for Past Five Years, Other Directorships Held, Previous Position(s) and Qualifications
<b>Peter E. Madden</b>	Birth Date: March 16, 1942	TRUSTEE Began serving: August 1991	<p><b>Principal Occupation:</b> Director or Trustee, and Chairman of the Board of Directors or Trustees, of the Federated Fund Family.</p> <p><b>Other Directorship Held:</b> Board of Overseers, Babson College.</p> <p><b>Previous Positions:</b> Representative, Commonwealth of Massachusetts General Court; President, Chief Operating Officer and Director, State Street Bank and Trust Company and State Street Corporation (retired); Director, VISA USA and VISA International; Chairman and Director, Massachusetts Bankers Association; Director, Depository Trust Corporation; Director, The Boston Stock Exchange.</p> <p><b>Qualifications:</b> Business management, mutual fund services and director experience.</p>
<b>Charles F. Mansfield, Jr.</b>	Birth Date: April 10, 1945	TRUSTEE Began serving: January 1999	<p><b>Principal Occupations:</b> Director or Trustee and Chairman of the Audit Committee of the Federated Fund Family; Management Consultant.</p> <p><b>Previous Positions:</b> Chief Executive Officer, PBTC International Bank; Partner, Arthur Young &amp; Company (now Ernst &amp; Young LLP); Chief Financial Officer of Retail Banking Sector, Chase Manhattan Bank; Senior Vice President, HSBC Bank USA (formerly, Marine Midland Bank); Vice President, Citibank; Assistant Professor of Banking and Finance, Frank G. Zarb School of Business, Hofstra University; Executive Vice President, DVC Group, Inc. (marketing, communications and technology).</p> <p><b>Qualifications:</b> Banking, business management, public accounting and director experience.</p>
<b>R. James Nicholson</b>	Birth Date: February 4, 1938	TRUSTEE Began serving: March 2008	<p><b>Principal Occupations:</b> Director or Trustee of the Federated Fund Family; Senior Counsel, Brownstein Hyatt Farber Schrek, P.C.; Former Secretary of the U.S. Dept. of Veterans Affairs; Former U.S. Ambassador to the Holy See; Former Chairman of the Republican National Committee.</p> <p><b>Other Directorships Held:</b> Director, Horatio Alger Association; Director, The Daniels Fund.</p> <p><b>Previous Positions:</b> Colonel, U.S. Army Reserve; Partner, Calkins, Kramer, Grimshaw and Harring, P.C.; General Counsel, Colorado Association of Housing and Building; Chairman and CEO, Nicholson Enterprises, Inc. (real estate holding company); Chairman and CEO, Renaissance Homes of Colorado.</p> <p><b>Qualifications:</b> Legal, government, business management and mutual fund director experience.</p>

Name	Birth Date	Positions Held with Trust Date Service Began	Principal Occupation(s) for Past Five Years, Other Directorships Held, Previous Position(s) and Qualifications
<b>Thomas M. O'Neill</b>	Birth Date: June 14, 1951	TRUSTEE Began serving: October 2006	<p><b>Principal Occupations:</b> Director or Trustee of the Federated Fund Family; Sole Proprietor, Navigator Management Company (investment and strategic consulting).</p> <p><b>Other Directorships Held:</b> Board of Overseers, Children's Hospital of Boston; Visiting Committee on Athletics, Harvard College.</p> <p><b>Previous Positions:</b> Chief Executive Officer and President, Managing Director and Chief Investment Officer, Fleet Investment Advisors; President and Chief Executive Officer, Aeltus Investment Management, Inc.; General Partner, Hellman, Jordan Management Co., Boston, MA; Chief Investment Officer, The Putnam Companies, Boston, MA; Credit Analyst and Lending Officer, Fleet Bank; Director and Consultant, EZE Castle Software (investment order management software); Director, Midway Pacific (lumber).</p> <p><b>Qualifications:</b> Business management, mutual fund, director and investment experience.</p>
<b>John S. Walsh</b>	Birth Date: November 28, 1957	TRUSTEE Began serving: January 1999	<p><b>Principal Occupations:</b> Director or Trustee of the Federated Fund Family; President and Director, Heat Wagon, Inc. (manufacturer of construction temporary heaters); President and Director, Manufacturers Products, Inc. (distributor of portable construction heaters); President, Portable Heater Parts, a division of Manufacturers Products, Inc.</p> <p><b>Previous Position:</b> Vice President, Walsh &amp; Kelly, Inc.</p> <p><b>Qualifications:</b> Business management and director experience.</p>
<b>James F. Will</b>	Birth Date: October 12, 1938	TRUSTEE Began serving: April 2006	<p><b>Principal Occupations:</b> Director or Trustee of the Federated Fund Family; formerly, Vice Chancellor and President, Saint Vincent College.</p> <p><b>Other Directorships Held:</b> Trustee, Saint Vincent College; Allegheny Corporation.</p> <p><b>Previous Positions:</b> Chairman, President and Chief Executive Officer, Armco, Inc.; President and Chief Executive Officer, Cyclops Industries; President and Chief Operating Officer, Kaiser Steel Corporation.</p> <p><b>Qualifications:</b> Business management, education and director experience.</p>

## OFFICERS

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**Name**

**Birth Date**

**Positions Held with Trust  
Date Service Began**

**Principal Occupation(s) for Past Five Years  
and Previous Position(s)**

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**John W. McGonigle**

Birth Date: October 26, 1938  
EXECUTIVE VICE PRESIDENT  
AND SECRETARY  
Began serving: October 1988

**Principal Occupations:** Executive Vice President and Secretary of the Federated Fund Family; Vice Chairman, Executive Vice President, Secretary and Director, Federated Investors, Inc.

**Previous Positions:** Trustee, Federated Investment Management Company and Federated Investment Counseling; Director, Federated Global Investment Management Corp., Federated Services Company and Federated Securities Corp.

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**Richard A. Novak**

Birth Date: December 25, 1963  
TREASURER  
Began serving: January 2006

**Principal Occupations:** Principal Financial Officer and Treasurer of the Federated Fund Family; Senior Vice President, Federated Administrative Services; Financial and Operations Principal for Federated Securities Corp., Edgewood Services, Inc. and Southpointe Distribution Services, Inc.

**Previous Positions:** Controller of Federated Investors, Inc.; Vice President, Finance of Federated Services Company; held various financial management positions within The Mercy Hospital of Pittsburgh; Auditor, Arthur Andersen & Co.

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**Richard B. Fisher**

Birth Date: May 17, 1923  
VICE PRESIDENT  
Began serving: October 1988

**Principal Occupations:** Vice Chairman or Vice President of some of the Funds in the Federated Fund Family; Vice Chairman, Federated Investors, Inc.; Chairman, Federated Securities Corp.

**Previous Positions:** President and Director or Trustee of some of the Funds in the Federated Fund Family; Executive Vice President, Federated Investors, Inc.; Director and Chief Executive Officer, Federated Securities Corp.

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**Brian P. Bouda**

Birth Date: February 28, 1947  
SENIOR VICE PRESIDENT AND  
CHIEF COMPLIANCE OFFICER  
Began serving: August 2004

**Principal Occupations:** Senior Vice President and Chief Compliance Officer of the Federated Fund Family; Vice President and Chief Compliance Officer of Federated Investors, Inc. and Chief Compliance Officer of its subsidiaries. Mr. Bouda joined Federated in 1999 and is a member of the American Bar Association and the State Bar Association of Wisconsin.

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**Deborah A. Cunningham**

Birth Date: September 15, 1959  
CHIEF INVESTMENT OFFICER  
Began serving: May 2004

**Principal Occupations:** Deborah A. Cunningham has been the Fund's Portfolio Manager since July 1991. Ms. Cunningham was named Chief Investment Officer of money market products in 2004. She joined Federated in 1981 and has been a Senior Portfolio Manager since 1997 and an Executive Vice President of the Fund's Adviser since 2009. Ms. Cunningham has received the Chartered Financial Analyst designation and holds an M.S.B.A. in Finance from Robert Morris College.

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**Mary Jo Ochson**

Birth Date: September 12, 1953  
CHIEF INVESTMENT OFFICER  
Began serving: May 2004

**Principal Occupations:** Mary Jo Ochson was named Chief Investment Officer of tax-exempt, fixed-income products in 2004 and Chief Investment Officer of Tax-Free Money Markets in 2010. She joined Federated in 1982 and has been a Senior Portfolio Manager and a Senior Vice President of the Fund's Adviser since 1996. Ms. Ochson has received the Chartered Financial Analyst designation and holds an M.B.A. in Finance from the University of Pittsburgh.

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Name	Birth Date	Positions Held with Trust Date Service Began	Principal Occupation(s) for Past Five Years and Previous Position(s)
<b>Susan R. Hill</b>	Birth Date: June 20, 1963	VICE PRESIDENT	<b>Principal Occupations:</b> Susan R. Hill is Vice President of the Trust. Ms. Hill joined Federated in 1990 and has been a Senior Portfolio Manager since 2003 and a Senior Vice President of the Fund's Adviser since 2005. Ms. Hill was a Portfolio Manager from 1994 until 2003 and served as Vice President of the Fund's Adviser from 1997 until 2004 and an Assistant Vice President of the Fund's Adviser from 1994 until 1997. Ms. Hill has received the Chartered Financial Analyst designation and holds an M.S. in Industrial Administration from Carnegie Mellon University.
<b>Jeff A. Kozemchak</b>	Birth Date: January 15, 1960	VICE PRESIDENT	<b>Principal Occupations:</b> Jeff A. Kozemchak is Vice President of the Trust. Mr. Kozemchak joined Federated in 1987 and has been a Senior Portfolio Manager since 1996 and a Senior Vice President of the Fund's Adviser since 1999. He was a Portfolio Manager until 1996 and a Vice President of the Fund's Adviser from 1993 to 1998. Mr. Kozemchak has received the Chartered Financial Analyst designation and an M.S. in Industrial Administration from Carnegie Mellon University in 1987.
<b>Paige M. Wilhelm</b>	Birth Date: May 28, 1962	VICE PRESIDENT	<b>Principal Occupations:</b> Paige M. Wilhelm has been the Fund's Portfolio Manager since July 2003. She is Vice President of the Fund. Ms. Wilhelm joined Federated in 1985 and has been a Senior Vice President of the Fund's Adviser since January 2006 and a Senior Portfolio Manager since January 2004. She is responsible for portfolio management and research in the fixed-income area concentrating on taxable money market instruments. Previous associations include Senior Credit Analyst, Federated Investors; Performance Analysis Supervisor; Performance Analyst, Federated Investment Counseling. Ms. Wilhelm is a member of the CFA Society of Pittsburgh and received her B.S. from Indiana University and her M.B.A. from Duquesne University.

# EVALUATION AND APPROVAL OF ADVISORY CONTRACT – MAY 2010

## **FEDERATED PRIME OBLIGATIONS FUND (THE “FUND”) (formerly, Prime Obligations Fund)**

The Fund’s Board reviewed the Fund’s investment advisory contract at meetings held in May 2010. The Board’s decision regarding the contract reflects the exercise of its business judgment on whether to continue the existing arrangements.

In this connection, the Federated funds’ Board had previously appointed a Senior Officer, whose duties include specified responsibilities relating to the process by which advisory fees are to be charged to a Federated fund. The Senior Officer has the authority to retain consultants, experts, or staff as may be reasonably necessary to assist in the performance of his duties, reports directly to the Board, and may be terminated only with the approval of a majority of the independent members of the Board. The Senior Officer prepared and furnished to the Board an independent, written evaluation that covered topics discussed below. The Board considered that evaluation, along with other information, in deciding to approve the advisory contract.

During its review of the contract, the Board considered compensation and benefits received by the Adviser. This included the fees received for services provided to the Fund by other entities in the Federated organization and research services (if any) received by the Adviser from brokers that execute Federated fund trades, as well as advisory fees. The Board is also familiar with and considered judicial decisions concerning allegedly excessive investment advisory fees, which have indicated that the following factors may be relevant to an Adviser’s fiduciary duty with respect to its receipt of compensation from a fund: the nature and quality of the services provided by the Adviser, including the performance of the fund; the Adviser’s cost of providing the services; the extent to which the Adviser may realize “economies of scale” as a fund grows larger; any indirect benefits that may accrue to the Adviser and its affiliates as a result of the Adviser’s relationship with a fund; performance and expenses of comparable funds; and the extent to which the independent Board members are fully informed about all facts the Board deems relevant bearing on the Adviser’s services and fees. The Board further considered management fees (including any components thereof) charged to institutional and other clients of the Adviser for what might be viewed as like services, and the cost to the Adviser and its affiliates of supplying services pursuant to the management fee agreements, excluding any intra-corporate profit and profit margins of the Adviser and its affiliates for supplying such services. The Board was aware of these factors and was guided by them in its review of the Fund’s advisory contract to the extent it considered them to be appropriate and relevant, as discussed further below.

The Board considered and weighed these circumstances in light of its substantial accumulated experience in governing the Fund and working with Federated on matters relating to the Federated funds, and was assisted in its deliberations by independent legal counsel. Throughout the year, the Board has requested and received substantial and detailed information about the Fund and the Federated organization that was in addition to the extensive materials that comprise and accompany the Senior Officer's evaluation. Federated provided much of this information at each regular meeting of the Board, and furnished additional reports in connection with the particular meeting at which the Board's formal review of the advisory contract occurred. Between regularly scheduled meetings, the Board also received information on particular matters as the need arose. Thus, the Board's consideration of the advisory contract included review of the Senior Officer's evaluation, accompanying data and additional reports covering such matters as: the Adviser's investment philosophy, revenue, profitability, personnel and processes; investment and operating strategies; the Fund's short- and long-term performance (in absolute terms, both on a gross basis and net of expenses, as well as in relationship to its particular investment program and certain competitor or "peer group" funds and/or other benchmarks, as appropriate), and comments on the reasons for performance; the Fund's investment objectives; the Fund's expenses (including the advisory fee itself and the overall expense structure of the Fund, both in absolute terms and relative to similar and/or competing funds, with due regard for contractual or voluntary expense limitations); the use and allocation of brokerage commissions derived from trading the Fund's portfolio securities (if any); and the nature, quality and extent of the advisory and other services provided to the Fund by the Adviser and its affiliates. The Board also considered the preferences and expectations of Fund shareholders and their relative sophistication; the continuing state of competition in the mutual fund industry and market practices; the range of comparable fees for similar funds in the mutual fund industry; the Fund's relationship to the Federated family of funds which include a comprehensive array of funds with different investment objectives, policies and strategies which are available for exchange without the incurrence of additional sales charges; compliance and audit reports concerning the Federated funds and the Federated companies that service them (including communications from regulatory agencies), as well as Federated's responses to any issues raised therein; and relevant developments in the mutual fund industry and how the Federated funds and/or Federated are responding to them. The Board's evaluation process is evolutionary. The criteria considered and the emphasis placed on relevant criteria change in recognition of changing circumstances in the mutual fund marketplace.

With respect to the Fund's performance and expenses in particular, the Board has found the use of comparisons to other mutual funds with comparable investment programs to be relevant, given the high degree of competition in the mutual fund business. The Board focused on comparisons with other similar

mutual funds more heavily than non-mutual fund products or services because it is believed that they are more relevant. For example, other mutual funds are the products most like the Fund, they are readily available to Fund shareholders as alternative investment vehicles, and they are the type of investment vehicle in fact chosen and maintained by the Fund's investors. The range of their fees and expenses therefore appears to be a generally reliable indication of what consumers have found to be reasonable in the precise marketplace in which the Fund competes. The Fund's ability to deliver competitive performance when compared to its peer group was a useful indicator of how the Adviser is executing the Fund's investment program, which in turn assisted the Board in reaching a conclusion that the nature, extent, and quality of the Adviser's investment management services were such as to warrant continuation of the advisory contract. In this regard, the Senior Officer has reviewed Federated's fees for providing advisory services to products outside the Federated family of funds (e.g., institutional and separate accounts). He concluded that mutual funds and institutional accounts are inherently different products. Those differences include, but are not limited to, different types of targeted investors; being subject to different laws and regulations; different legal structures; different average account sizes; different associated costs; different portfolio management techniques made necessary by different cash flows; and portfolio manager time spent in review of securities pricing. The Senior Officer did not consider these fee schedules to be determinative in judging the appropriateness of mutual fund advisory contracts.

The Senior Officer reviewed reports compiled by Federated, using data supplied by independent fund ranking organizations, regarding the performance of, and fees charged by, other mutual funds, noting his view that comparisons to fund peer groups are relevant in judging the reasonableness of proposed fees.

The Fund's performance was above the median of the relevant peer group for the one-year period covered by the report.

The Board also received financial information about Federated, including reports on the compensation and benefits Federated derived from its relationships with the Federated funds. These reports covered not only the fees under the advisory contracts, but also fees received by Federated's subsidiaries for providing other services to the Federated funds under separate contracts (e.g., for serving as the Federated funds' administrator). The reports also discussed any indirect benefit Federated may derive from its receipt of research services from brokers who execute Federated fund trades. In addition, the Board considered the fact that, in order for a fund to be competitive in the marketplace, Federated and its affiliates frequently waived fees and/or reimbursed expenses and have disclosed to fund investors and/or indicated to the Board their intention to do so in the future, where appropriate. Moreover, the Board receives regular reports regarding the institution or elimination of these voluntary waivers.

Federated furnished reports, requested by the Senior Officer, that reported revenues on a fund-by-fund basis and made estimates of the allocation of expenses on a fund-by-fund basis, using allocation methodologies specified by the Senior Officer. The Senior Officer noted that, although they may apply consistent allocation processes, the inherent difficulties in allocating costs (and the unavoidable arbitrary aspects of that exercise) and the lack of consensus on how to allocate those costs may render such allocation reports unreliable. The allocation reports were considered in the analysis by the Board but were determined to be of limited use.

The Board and the Senior Officer also reviewed a report compiled by Federated comparing profitability information for Federated to other publicly held fund management companies. In this regard, the Senior Officer noted the limited availability of such information, but nonetheless concluded that Federated's profit margins did not appear to be excessive and the Board agreed.

The Senior Officer's evaluation also discussed the notion of possible realization of "economies of scale" as a fund grows larger. The Board considered in this regard that the Adviser has made significant and long-term investments in areas that support all of the Federated funds, such as personnel and processes for the portfolio management, compliance, and risk management functions; and systems technology; and that the benefits of these efforts (as well as any economies, should they exist) were likely to be enjoyed by the fund complex as a whole. Finally, the Board also noted the absence of any applicable regulatory or industry guidelines on this subject, which (as discussed in the Senior Officer's evaluation) is compounded by the lack of any common industry practice or general pattern with respect to structuring fund advisory fees with "breakpoints" that serve to reduce the fee as the fund attains a certain size. The Senior Officer did not recommend institution of breakpoints in pricing Federated's fund advisory services at this time.

It was noted in the materials for the Board meeting that for the period covered by the report, the Fund's investment advisory fee, after waivers and expense reimbursements, if any, was below the median of the relevant peer group. The Board reviewed the fees and other expenses of the Fund with the Adviser and was satisfied that the overall expense structure of the Fund remained competitive.

The Senior Officer's evaluation noted his belief that the information and observations contained in his evaluation supported a finding that the proposed management fees are reasonable, and that Federated appeared to provide appropriate administrative services to the Fund for the fees paid. Under these circumstances, no changes were recommended to, and no objection was raised to, the continuation of the Fund's advisory contract. The Board concluded that the nature, quality and scope of services provided the Fund by the Adviser and its affiliates were satisfactory.

In its decision to continue an existing investment advisory contract, the Board was mindful of the potential disruptions of the Fund's operations and various risks, uncertainties and other effects that could occur as a result of a decision to terminate or not renew an advisory contract. In particular, the Board recognized that many shareholders have invested in the Fund on the strength of the Adviser's industry standing and reputation and with the expectation that the Adviser will have a continuing role in providing advisory services to the Fund. Thus, the Board's approval of the advisory contract reflected the fact that it is the shareholders who have effectively selected the Adviser by virtue of having invested in the Fund.

The Board based its decision to approve the advisory contract on the totality of the circumstances and relevant factors and with a view to past and future long-term considerations. Not all of the factors and considerations identified above were necessarily relevant to the Fund, nor did the Board consider any one of them to be determinative. With respect to the factors that were relevant, the Board's decision to approve the contract reflects its determination that Federated's performance and actions provided a satisfactory basis to support the decision to continue the existing arrangements.

## VOTING PROXIES ON FUND PORTFOLIO SECURITIES

A description of the policies and procedures that the Fund uses to determine how to vote proxies, if any, relating to securities held in the Fund's portfolio is available, without charge and upon request, by calling 1-800-341-7400. A report on "Form N-PX" of how the Fund voted any such proxies during the most recent 12-month period ended June 30 is available from Federated's website at FederatedInvestors.com. To access this information from the "Products" section of the website, click on the "Prospectuses and Regulatory Reports" link under "Related Information," then select the appropriate link opposite the name of the Fund; or select the name of the Fund and from the Fund's page, click on the "Prospectuses and Regulatory Reports" link. Form N-PX filings are also available at the SEC's website at [www.sec.gov](http://www.sec.gov).

## QUARTERLY PORTFOLIO SCHEDULE

The Fund files with the SEC a complete schedule of its portfolio holdings, as of the close of the first and third quarters of its fiscal year, on "Form N-Q." These filings are available on the SEC's website at [www.sec.gov](http://www.sec.gov) and may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. (Call 1-800-SEC-0330 for information on the operation of the Public Reference Room.) You may also access this information from the "Products" section of Federated's website at FederatedInvestors.com by clicking on "Portfolio Holdings" under "Related Information," then selecting the appropriate link opposite the name of the Fund; or select the name of the Fund and from the Fund's page, click on the "Portfolio Holdings" link.

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Mutual funds are not bank deposits or obligations, are not guaranteed by any bank and are not insured or guaranteed by the U.S. government, the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency. Investment in mutual funds involves investment risk, including the possible loss of principal. Although money market funds seek to maintain a stable net asset value of \$1.00 per share, there is no assurance that they will be able to do so.

This Report is authorized for distribution to prospective investors only when preceded or accompanied by the Fund's Prospectus, which contains facts concerning its objective and policies, management fees, expenses and other information.

# Federated<sup>®</sup>

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Contact us at **FederatedInvestors.com**  
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