



UBS Global Asset
Management

UBS Select Prime Preferred Fund
UBS Select Treasury Preferred Fund
UBS Select Tax-Free Preferred Fund
Semiannual Report
October 31, 2010

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

December 15, 2010

Dear shareholder,

We present you with the semiannual report for the UBS Select Preferred Series of Funds, namely UBS Select Prime Preferred Fund, UBS Select Treasury Preferred Fund, and UBS Select Tax-Free Preferred Fund (the "Funds") for the six-months ended October 31, 2010.

Performance

The seven-day current yields for the Funds (after fee waivers/expense reimbursements) were as follows:

- **UBS Select Prime Preferred Fund:** 0.20% as of October 31, 2010 versus 0.16% as of April 30, 2010.
- **UBS Select Treasury Preferred Fund:** 0.07% as of October 31, 2010, unchanged from April 30, 2010.
- **UBS Select Tax-Free Preferred Fund:** 0.15% as of October 31, 2010 versus 0.16% as of April 30, 2010.

For detailed information on the Funds' performance, refer to "Yields and characteristics at a glance" on page 9.

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

Investment goals (both Funds):

Maximum current income consistent with liquidity and capital preservation

Portfolio Manager:

Robert Sabatino
UBS Global Asset Management (Americas) Inc.

Commencement:

August 28, 2007

Dividend payments:

Monthly

UBS Select Tax-Free Preferred Fund

Investment goal:

Maximum current income exempt from federal income tax consistent with liquidity and the preservation of capital

Portfolio Managers:

Elbridge T. Gerry III
Ryan Nugent
Erin O. Houston
UBS Global Asset Management (Americas) Inc.

Commencement:

August 28, 2007

Dividend payments:

Monthly

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

An interview with the Portfolio Managers

Q. How would you describe the economic environment during the reporting period?

- A. Even though the economy continued to expand, certain economic data moderated toward the end of the reporting period. The Commerce Department's revised estimate for third quarter growth was 2.5%, as exports, and consumer and government spending came in stronger than expected. However, as the period drew to a close, economic growth appeared to have moderated somewhat as the labor market remained weak along with an expectation among investors of further quantitative easing.

Despite the continued expansion of the economy, the Fed remained concerned about continued high unemployment. As a result, the Fed maintained its highly accommodative monetary policy, keeping the federal funds rate within a range of 0.00% to 0.25%—a historic low. (The federal funds rate, or "fed funds" rate, is the rate that banks charge one another for funds they borrow on an overnight basis.)

At its meeting in September 2010, the Fed stated that the Committee will continue to monitor the economic outlook and financial developments and is prepared to provide additional accommodation if needed to support the economic recovery.

It was no surprise, in November 2010 (after the reporting period ended), when the Fed took additional action in an attempt to stimulate the economy. Saying that "the pace of recovery in output and employment continues to be slow," the Fed launched another round of quantitative easing that called for purchasing an additional \$600 billion of longer-term US Treasury securities by the end of the second quarter of 2011.

Q. Given that the Funds are "feeder funds," how were the portfolios in which they invest managed during the reporting period?

- A. Each fund is a "feeder fund," investing all of its assets in "Master Funds"—the Prime Master Fund, the Treasury Master Fund and the Tax-Free Master Fund, respectively. As always, quality and liquidity remained paramount in our management process for the Master Funds.
- For the Prime Master Fund in which **UBS Select Prime Preferred Fund** invests, its weighted average maturity was 35 days when the

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

reporting period began. At that time, the European debt crisis was intensifying, and we continued to be conservatively positioned on a relative basis. This was particularly true with respect to our European bank exposure, given liquidity concerns related to some of these banks. Although we continued to be cautious through the end of the reporting period, we extended the Master Fund's weighted average maturity to 47 days as we became more comfortable with the level of stability in the region and in order to lock in relatively higher yields.

At the issuer level, we maintained a greater-than-usual level of diversification over the six-month period by generally investing in smaller positions (approximately 1%), with the goal of reducing risk and keeping the Master Fund highly liquid. As the economic environment improved over the period, however, we slightly increased our single issuer exposure, typically purchasing up to 3% in single nongovernment issuers by the end of the reporting period. The Master Fund is generally able to hold up to 5% in any one issuer (subject to certain exceptions).

At the security level, we increased the Master Fund's exposure to certificates of deposit, US government and agency obligations and a US master note. In addition, we decreased the Fund's exposure to commercial paper, repurchase agreements, short-term corporate obligations and time deposits. (Repurchase agreements are transactions that require the seller of a security to buy it back at a predetermined time and price, or upon demand.)

- For the Treasury Master Fund in which **UBS Select Treasury Preferred Fund** invests, we continued to emphasize repurchase agreements backed by Treasury obligations, since their yields were generally higher than those offered through direct investments in Treasuries and they often have the added advantage of providing increased liquidity. We also maintained a meaningful allocation to direct Treasury obligations.
- For the Tax-Free Master Fund in which **UBS Select Tax-Free Preferred Fund** invests, its weighted average maturity was 14 days when the reporting period began. As the reporting period progressed the weighted average maturity was increased to 23 days as opportunities

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

became available during the large note issuance season that occurs every summer. We focused our purchases on high quality municipal issuances of both state and local general obligation debt, as well as essential service revenue obligations. Additionally, we invested in tax-free commercial paper in the 90 day range to enhance yield in a relatively flat municipal yield curve environment.

Q. What factors do you believe will affect the Funds over the coming months?

- A. While the worst of the global recession appears to be over, a number of questions remain regarding the sustainability of the economic recovery. Unemployment remains high, and there remains a great deal of uncertainty among investors surrounding the extension or expansion of any stimulus programs. Given this environment, we believe that yields on money market securities could remain low, and there could be periods of increased market volatility.

Q. How have regulatory changes announced earlier this year impacted the availability of Fund information?

- A. In response to revisions to the US Securities and Exchange Commission's rules governing money market funds, beginning on October 7, 2010, the Funds began disclosing, on a monthly basis: (a) a complete schedule of each Master Fund's portfolio holdings; and (b) information regarding each Master Fund's weighted average maturity and weighted average life. This information is available on UBS's Web site at the following Internet address: www.ubs.com/usmoneymarketfundsholdings. This information will be updated monthly.

Shareholders can find more details on the posting of this information by accessing the supplement to the Fund's prospectus, which is also available at the above Web site.

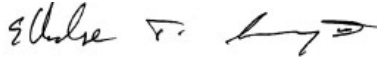
UBS Select Prime Preferred Fund
UBS Select Treasury Preferred Fund
UBS Select Tax-Free Preferred Fund

We thank you for your continued support and welcome any comments or questions you may have. For additional information on the UBS family of funds,* please contact your financial advisor, or visit us at www.ubs.com/globalam-us.

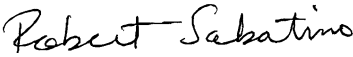
Sincerely,



Mark E. Carver
President—UBS Money Series
UBS Select Prime Preferred Fund
UBS Select Treasury Preferred Fund
UBS Select Tax-Free Preferred Fund
Managing Director
UBS Global Asset Management
(Americas) Inc.



Elbridge T. Gerry III
Portfolio Manager—
UBS Select Tax-Free Preferred Fund
Managing Director
UBS Global Asset Management
(Americas) Inc.



Robert Sabatino
Portfolio Manager—
UBS Select Prime Preferred Fund
UBS Select Treasury Preferred Fund
Managing Director
UBS Global Asset Management
(Americas) Inc.



Ryan Nugent
Portfolio Manager—
UBS Select Tax-Free Preferred Fund
Director
UBS Global Asset Management
(Americas) Inc.



Erin O. Houston
Portfolio Manager—
UBS Select Tax-Free Preferred Fund
Associate Director
UBS Global Asset Management (Americas) Inc.

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

This letter is intended to assist shareholders in understanding how the Funds performed during the six months ended October 31, 2010. The views and opinions in the letter were current as of December 15, 2010. They are not guarantees of performance or investment results and should not be taken as investment advice. Investment decisions reflect a variety of factors, and we reserve the right to change our views about individual securities, sectors and markets at any time. As a result, the views expressed should not be relied upon as a forecast of the Fund's future investment intent. We encourage you to consult your financial advisor regarding your personal investment program.

** Mutual funds are sold by prospectus only. You should read it carefully and consider a fund's investment objectives, risks, charges, expenses and other important information contained in the prospectus before investing. Prospectuses for most of our funds can be obtained from your financial advisor, by calling UBS Funds at 800-647 1568 or by visiting our Web site at www.ubs.com/globalam-us.*

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

Understanding your Fund's expenses (unaudited)

As a shareholder of a Fund, you incur ongoing costs, including management fees and other Fund expenses. These examples are intended to help you understand your ongoing costs (in dollars) of investing in a Fund and to compare these costs with the ongoing costs of investing in other mutual funds. Since each Fund is a "feeder fund" that invests in a corresponding "master fund," the expense information below reflects the combined effect of the two levels of expenses and not just those imposed directly at the feeder fund level.

The examples below are based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, May 1, 2010 to October 31, 2010.

Actual expenses

The first line in the table below for each Fund provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over a 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 line under the heading entitled "Expenses paid during period" to estimate the expenses you paid on your account during this period.

Hypothetical example for comparison purposes

The second line in the table below for each Fund 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. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare these 5% hypothetical examples with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs. Therefore, the second line in the table for each Fund is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds, if those other funds impose transactional costs—for example, exchange fees. In addition, if those transactional costs were included, your costs for those other funds would have been higher.

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

Understanding your Fund's expenses (unaudited) (concluded)⁽¹⁾

UBS Select Prime Preferred Fund

| | Beginning account value May 1, 2010 | Ending account value October 31, 2010 | Expenses paid during period ⁽²⁾ 05/01/10 to 10/31/10 | Expense ratio during the period |
|---|---|--|--|---------------------------------------|
| Actual | \$1,000.00 | \$1,001.10 | \$0.50 | 0.10% |
| Hypothetical (5% annual return before expenses) | 1,000.00 | 1,024.70 | 0.51 | 0.10 |

UBS Select Treasury Preferred Fund

| | Beginning account value May 1, 2010 | Ending account value* October 31, 2010 | Expenses paid during period ⁽²⁾ 05/01/10 to 10/31/10 | Expense ratio during the period |
|---|---|---|--|---------------------------------------|
| Actual | \$1,000.00 | \$1,000.40 | \$0.71 | 0.14% |
| Hypothetical (5% annual return before expenses) | 1,000.00 | 1,024.50 | 0.71 | 0.14 |

UBS Select Tax-Free Preferred Fund

| | Beginning account value May 1, 2010 | Ending account value October 31, 2010 | Expenses paid during period ⁽²⁾ 05/01/10 to 10/31/10 | Expense ratio during the period |
|---|---|--|--|---------------------------------------|
| Actual | \$1,000.00 | \$1,000.70 | \$0.71 | 0.14% |
| Hypothetical (5% annual return before expenses) | 1,000.00 | 1,024.50 | 0.71 | 0.14 |

(1) The expenses for the Funds reflect the expenses of the corresponding master funds in which they invest in addition to their own direct expenses.

(2) Expenses are equal to the Fund's annualized net expense ratio, multiplied by the average account value over the period, multiplied by 184 divided by 365 (to reflect the one-half year period).

* "Actual—Ending account value" may not be reflective of a shareholder's actual investment experience during periods of very low interest rates. While the Fund declares dividends daily and pays them monthly, the amounts are rounded to the nearest \$0.01 on a daily basis with respect to each investor's account. As a result, investors whose Fund account balances earn daily dividends that total less than one half a cent on any given day will not accrue any dividends on that day.

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

Yields and characteristics at a glance (unaudited)

UBS Select Prime Preferred Fund

| Yields and characteristics | 10/31/10 | 04/30/10 | 10/31/09 |
|--|------------|-----------|-----------|
| Seven-day current yield ⁽¹⁾ | 0.20% | 0.16% | 0.13% |
| Seven-day effective yield ⁽¹⁾ | 0.20 | 0.17 | 0.13 |
| Weighted average maturity ⁽²⁾ | 47 days | 35 days | 54 days |
| Net assets (mm) | \$11,180.7 | \$9,898.7 | \$4,783.9 |

UBS Select Treasury Preferred Fund

| Yields and characteristics | 10/31/10 | 04/30/10 | 10/31/09 |
|--|-----------|-----------|-----------|
| Seven-day current yield ⁽¹⁾ | 0.07% | 0.07% | 0.01% |
| Seven-day effective yield ⁽¹⁾ | 0.07 | 0.07 | 0.01 |
| Weighted average maturity ⁽²⁾ | 38 days | 40 days | 54 days |
| Net assets (mm) | \$2,659.5 | \$2,322.2 | \$1,614.0 |

UBS Select Tax-Free Preferred Fund

| Yields and characteristics | 10/31/10 | 04/30/10 | 10/31/09 |
|--|----------|----------|----------|
| Seven-day current yield ⁽¹⁾ | 0.15% | 0.16% | 0.09% |
| Seven-day effective yield ⁽¹⁾ | 0.15 | 0.16 | 0.09 |
| Weighted average maturity ⁽²⁾ | 23 days | 14 days | 15 days |
| Net assets (mm) | \$498.0 | \$576.2 | \$315.6 |

⁽¹⁾ Yields will fluctuate and reflect fee waivers. Performance data quoted represents past performance. Past performance does not guarantee future results. Current performance may be higher or lower than the performance data quoted.

⁽²⁾ Weighted average maturity provided is that of the related master fund, which is actively managed and its weighted average maturity will differ over time.

An investment in UBS Select Prime Preferred Fund, UBS Select Treasury Preferred Fund, and UBS Select Tax-Free Preferred Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although each Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

UBS Select Prime Preferred Fund

Statement of assets and liabilities—October 31, 2010 (unaudited)

Assets:

| | |
|--|------------------|
| Investment in Prime Master Fund ("Master"), at value (cost—\$11,182,485,498 which approximates cost for federal income tax purposes) | \$11,182,485,498 |
| Receivable from affiliate | 17,160 |
| Total assets | 11,182,502,658 |

Liabilities:

| | |
|-----------------------------------|-----------|
| Dividends payable to shareholders | 1,845,396 |
|-----------------------------------|-----------|

Net assets:

| | |
|---|------------------|
| Shares of beneficial interest—\$0.001 par value per share, unlimited amount authorized; 11,180,621,708 outstanding | 11,180,621,708 |
| Accumulated net realized gain | 35,554 |
| Net assets | \$11,180,657,262 |
| Net asset value per share | \$1.00 |

See accompanying notes to financial statements

UBS Select Treasury Preferred Fund

Statement of assets and liabilities—October 31, 2010 (unaudited)

Assets:

| | |
|--|-----------------|
| Investment in Treasury Master Fund ("Master"), at value (cost—\$2,659,726,670 which approximates cost for federal income tax purposes) | \$2,659,726,670 |
|--|-----------------|

Liabilities:

| | |
|-----------------------------------|---------|
| Dividends payable to shareholders | 149,862 |
| Payable to affiliates | 84,445 |
| Total liabilities | 234,307 |

Net assets:

| | |
|--|-----------------|
| Shares of beneficial interest—\$0.001 par value per share, unlimited amount authorized; 2,659,486,015 outstanding | 2,659,486,015 |
| Accumulated net realized gain | 6,348 |
| Net assets | \$2,659,492,363 |
| Net asset value per share | \$1.00 |

See accompanying notes to financial statements

UBS Select Tax-Free Preferred Fund

Statement of assets and liabilities—October 31, 2010 (unaudited)

Assets:

| | |
|--|---------------|
| Investment in Tax-Free Master Fund ("Master"), at value (cost—\$498,043,017 which approximates cost for federal income tax purposes) | \$498,043,017 |
|--|---------------|

Liabilities:

| | |
|-----------------------------------|--------|
| Dividends payable to shareholders | 58,703 |
| Payable to affiliates | 13,178 |
| Total liabilities | 71,881 |

Net assets:

| | |
|--|---------------|
| Shares of beneficial interest—\$0.001 par value per share, unlimited amount authorized; 497,950,344 outstanding | 497,950,299 |
| Accumulated net realized gain | 20,837 |
| Net assets | \$497,971,136 |
| Net asset value per share | \$1.00 |

See accompanying notes to financial statements

UBS Select Prime Preferred Fund

Statement of operations

For the six
months ended
October 31, 2010
(unaudited)

Investment income:

| | |
|---|--------------|
| Interest income allocated from Master | \$16,893,494 |
| Expenses allocated from Master | (5,213,853) |
| Net investment income allocated from Master | 11,679,641 |

Expenses:

| | |
|--|--------------|
| Administration fees | 4,140,347 |
| Trustees' fees | 30,355 |
| | 4,170,702 |
| Less: Fee waivers by administrator | (4,170,702) |
| Net expenses | — |
| Net investment income | 11,679,641 |
| Net realized gain allocated from Master | 13,500 |
| Net increase in net assets resulting from operations | \$11,693,141 |

See accompanying notes to financial statements

UBS Select Treasury Preferred Fund

Statement of operations

| | For the six months ended October 31, 2010 (unaudited) |
|--|--|
| Investment income: | |
| Interest income allocated from Master | \$2,858,531 |
| Expenses allocated from Master | (1,370,708) |
| Net investment income allocated from Master | 1,487,823 |
| Expenses: | |
| Administration fees | 1,083,791 |
| Trustees' fees | 12,694 |
| | 1,096,485 |
| Less: Fee waivers by administrator | (551,247) |
| Net expenses | 545,238 |
| Net investment income | 942,585 |
| Net realized loss allocated from Master | (4,828) |
| Net increase in net assets resulting from operations | \$937,757 |

See accompanying notes to financial statements

UBS Select Tax-Free Preferred Fund

Statement of operations

For the six
months ended
October 31, 2010
(unaudited)

Investment income:

| | |
|---|-----------|
| Interest income allocated from Master | \$663,940 |
| Expenses allocated from Master | (237,868) |
| Net investment income allocated from Master | 426,072 |

Expenses:

| | |
|--|-----------|
| Administration fees | 182,696 |
| Trustees' fees | 7,581 |
| | 190,277 |
| Less: Fee waivers by administrator | (95,138) |
| Net expenses | 95,139 |
| Net investment income | 330,933 |
| Net increase in net assets resulting from operations | \$330,933 |

See accompanying notes to financial statements

UBS Select Prime Preferred Fund

Statement of changes in net assets

| | For the six months ended October 31, 2010 (unaudited) | For the year ended April 30, 2010 |
|---|--|---|
| From operations: | | |
| Net investment income | \$11,679,641 | \$12,222,218 |
| Net realized gain | 13,500 | 49,087 |
| Net increase in net assets resulting from operations | 11,693,141 | 12,271,305 |
| Dividends and distributions to shareholders from: | | |
| Net investment income | (11,679,641) | (12,222,218) |
| Net realized gain | — | (59,688) |
| Total dividends and distributions to shareholders | (11,679,641) | (12,281,906) |
| Net increase in net assets from beneficial interest transactions | 1,281,977,692 | 6,260,462,374 |
| Net increase in net assets | 1,281,991,192 | 6,260,451,773 |
| Net assets: | | |
| Beginning of period | 9,898,666,070 | 3,638,214,297 |
| End of period | \$11,180,657,262 | \$9,898,666,070 |
| Accumulated undistributed net investment income | \$— | \$— |

See accompanying notes to financial statements

UBS Select Treasury Preferred Fund

Statement of changes in net assets

| | For the six months ended October 31, 2010 (unaudited) | For the year ended April 30, 2010 |
|--|--|---|
| From operations: | | |
| Net investment income | \$942,585 | \$1,594,353 |
| Net realized gain (loss) | (4,828) | 34,831 |
| Net increase in net assets resulting from operations | 937,757 | 1,629,184 |
| Dividends and distributions to shareholders from: | | |
| Net investment income | (942,585) | (1,594,353) |
| Net realized gain | — | (23,655) |
| Total dividends and distributions to shareholders | (942,585) | (1,618,008) |
| Net increase (decrease) in net assets from beneficial interest transactions | 337,290,858 | (516,293,816) |
| Net increase (decrease) in net assets | 337,286,030 | (516,282,640) |
| Net assets: | | |
| Beginning of period | 2,322,206,333 | 2,838,488,973 |
| End of period | \$2,659,492,363 | \$2,322,206,333 |
| Accumulated undistributed net investment income | \$— | \$— |

See accompanying notes to financial statements

UBS Select Tax-Free Preferred Fund

Statement of changes in net assets

| | For the six months ended October 31, 2010 (unaudited) | For the year ended April 30, 2010 |
|--|--|---|
| From operations: | | |
| Net investment income | \$330,933 | \$432,625 |
| Net realized gain | — | 25,154 |
| Net increase in net assets resulting from operations | 330,933 | 457,779 |
| Dividends and distributions to shareholders from: | | |
| Net investment income | (330,933) | (432,625) |
| Net realized gain | — | (13,733) |
| Total dividends and distributions to shareholders | (330,933) | (446,358) |
| Net increase (decrease) in net assets from beneficial interest transactions | (78,234,858) | 315,628,214 |
| Net increase (decrease) in net assets | (78,234,858) | 315,639,635 |
| Net assets: | | |
| Beginning of period | 576,205,994 | 260,566,359 |
| End of period | \$497,971,136 | \$576,205,994 |
| Accumulated undistributed net investment income | \$— | \$— |

See accompanying notes to financial statements

UBS Select Prime Preferred Fund

Financial highlights

Selected data for a share of beneficial interest outstanding throughout each period is presented below:

| | Six months ended October 31, 2010 (unaudited) | Years ended April 30, | | For the period August 28, 2007 ⁽¹⁾ to April 30, 2008 |
|--|---|------------------------|-------------|---|
| | | 2010 | 2009 | |
| Net asset value, | | | | |
| beginning of period | \$1.00 | \$1.00 | \$1.00 | \$1.00 |
| Net investment income | 0.001 | 0.002 | 0.020 | 0.029 |
| Dividends from net investment income | (0.001) | (0.002) | (0.020) | (0.029) |
| Distributions from net realized gain | — | (0.000) ⁽²⁾ | — | — |
| Total dividends and distributions | (0.001) | (0.002) | (0.020) | (0.029) |
| Net asset value, | | | | |
| end of period | \$1.00 | \$1.00 | \$1.00 | \$1.00 |
| Total investment return⁽³⁾ | 0.11% | 0.23% | 1.99% | 2.96% |
| Ratios/supplemental data: | | | | |
| Net assets, end of period (000's) | \$11,180,657 | \$9,898,666 | \$3,638,214 | \$947,468 |
| Expenses to average net assets, before fee waivers by advisor/administrator ⁽⁴⁾ | 0.18% ⁽⁵⁾ | 0.18% | 0.19% | 0.18% ⁽⁵⁾ |
| Expenses to average net assets, net of fee waivers by advisor/administrator ⁽⁴⁾ | 0.10% ⁽⁵⁾ | 0.12% | 0.15% | 0.14% ⁽⁵⁾ |
| Net investment income to average net assets ⁽⁴⁾ | 0.22% ⁽⁵⁾ | 0.20% | 1.64% | 3.95% ⁽⁵⁾ |

(1) Commencement of operations.

(2) Amount represents less than \$0.0005 per share.

(3) Total investment return is calculated assuming a \$10,000 investment on the first day of each period reported, reinvestment of all dividends and other distributions, if any, at net asset value on the payable dates, and a sale at net asset value on the last day of each period reported.

Total investment return for the period of less than one year has not been annualized. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions.

(4) Ratios include the Fund's share of income and expenses allocated from the Master.

(5) Annualized.

See accompanying notes to financial statements

UBS Select Treasury Preferred Fund

Financial highlights

Selected data for a share of beneficial interest outstanding throughout each period is presented below:

| | Six months ended October 31, 2010 (unaudited) | Years ended April 30, 2010 2009 | | For the period August 28, 2007 ⁽¹⁾ to April 30, 2008 |
|--|---|---|------------------------|---|
| Net asset value, beginning of period | \$1.00 | \$1.00 | \$1.00 | \$1.00 |
| Net investment income | 0.000 ⁽²⁾ | 0.001 | 0.009 | 0.022 |
| Dividends from net investment income | (0.000) ⁽²⁾ | (0.001) | (0.009) | (0.022) |
| Distributions from net realized gain | — | (0.000) ⁽²⁾ | (0.000) ⁽²⁾ | — |
| Total dividends and distributions | (0.000) ⁽²⁾ | (0.001) | (0.009) | (0.022) |
| Net asset value, end of period | \$1.00 | \$1.00 | \$1.00 | \$1.00 |
| Total investment return⁽³⁾ | 0.04% | 0.07% | 0.91% | 2.27% |
| Ratios/supplemental data: | | | | |
| Net assets, end of period (000's) | \$2,659,492 | \$2,322,206 | \$2,838,489 | \$1,095,975 |
| Expenses to average net assets, before fee waivers by advisor/administrator ⁽⁴⁾ | 0.18% ⁽⁵⁾ | 0.19% | 0.20% | 0.18% ⁽⁵⁾ |
| Expenses to average net assets, net of fee waivers by advisor/administrator ⁽⁴⁾ | 0.14% ⁽⁵⁾ | 0.15% | 0.16% | 0.14% ⁽⁵⁾ |
| Net investment income to average net assets ⁽⁴⁾ | 0.07% ⁽⁵⁾ | 0.07% | 0.67% | 2.72% ⁽⁵⁾ |

(1) Commencement of operations.

(2) Amount represents less than \$0.0005 per share.

(3) Total investment return is calculated assuming a \$10,000 investment on the first day of each period reported, reinvestment of all dividends and other distributions, if any, at net asset value on the payable dates, and a sale at net asset value on the last day of each period reported. Total investment return for periods of less than one year has not been annualized. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions.

(4) Ratios include the Fund's share of income and expenses allocated from the Master.

(5) Annualized.

See accompanying notes to financial statements

UBS Select Tax-Free Preferred Fund

Financial highlights

Selected data for a share of beneficial interest outstanding throughout each period is presented below:

| | Six months ended October 31, 2010 (unaudited) | Years ended April 30, 2010 2009 | | For the period August 28, 2007 ⁽¹⁾ to April 30, 2008 |
|--|---|---|------------------------|---|
| Net asset value, beginning of period | \$1.00 | \$1.00 | \$1.00 | \$1.00 |
| Net investment income | 0.001 | 0.001 | 0.010 | 0.020 |
| Dividends from net investment income | (0.001) | (0.001) | (0.010) | (0.020) |
| Distributions from net realized gain | — | (0.000) ⁽²⁾ | (0.000) ⁽²⁾ | — |
| Total dividends and distributions | (0.001) | (0.001) | (0.010) | (0.020) |
| Net asset value, end of period | \$1.00 | \$1.00 | \$1.00 | \$1.00 |
| Total investment return⁽³⁾ | 0.07% | 0.14% | 1.31% | 1.99% |
| Ratios/supplemental data: | | | | |
| Net assets, end of period (000's) | \$497,971 | \$576,206 | \$260,566 | \$63,623 |
| Expenses to average net assets, before fee waivers by advisor/administrator ⁽⁴⁾ | 0.18% ⁽⁵⁾ | 0.20% | 0.22% | 0.08% ⁽⁵⁾ |
| Expenses to average net assets, net of fee waivers by advisor/administrator ⁽⁴⁾ | 0.14% ⁽⁵⁾ | 0.15% | 0.13% | 0.04% ⁽⁵⁾ |
| Net investment income to average net assets ⁽⁴⁾ | 0.14% ⁽⁵⁾ | 0.13% | 1.32% | 3.05% ⁽⁵⁾ |

(1) Commencement of operations.

(2) Amount represents less than \$0.0005 per share.

(3) Total investment return is calculated assuming a \$10,000 investment on the first day of each period reported, reinvestment of all dividends and other distributions, if any, at net asset value on the payable dates, and a sale at net asset value on the last day of each period reported. Total investment return for periods of less than one year has not been annualized. Returns do not reflect the deduction of taxes that a shareholder could pay on Fund distributions.

(4) Ratios include the Fund's share of income and expenses allocated from the Master.

(5) Annualized.

See accompanying notes to financial statements

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

Notes to financial statements (unaudited)

Organization and significant accounting policies

UBS Select Prime Preferred Fund ("Prime Preferred Fund"), UBS Select Treasury Preferred Fund ("Treasury Preferred Fund"), and UBS Select Tax-Free Preferred Fund ("Tax-Free Preferred Fund") (each a "Fund", collectively, the "Funds") are each registered with the Securities and Exchange Commission ("SEC") under the Investment Company Act of 1940, as amended ("1940 Act"), as a diversified series of UBS Money Series (the "Trust"), an open-end management investment company organized as a Delaware statutory trust on April 29, 1998. Each of the Funds commenced operations on August 28, 2007. The Trust is a series mutual fund with fourteen series. The financial statements for the other series of the Trust are not included herein.

Prime Preferred Fund, Treasury Preferred Fund, and Tax-Free Preferred Fund are "feeder funds" that invest substantially all of their assets in "master funds"—Prime Master Fund, Treasury Master Fund and Tax-Free Master Fund, respectively (each a "Master Fund" and each a diversified series of Master Trust, an open-end investment company registered with the SEC under the 1940 Act). The feeder funds and their respective Master Funds have the same investment objectives. The performance of each Fund is directly affected by the performance of the corresponding Master Fund. The value of such investments reflects the Fund's proportionate interest in the net assets of its corresponding Master Fund (51.97% for Prime Preferred Fund, 33.38% for Treasury Preferred Fund and 30.61% for Tax-Free Preferred Fund at October 31, 2010). All of the net investment income and realized and unrealized gains and losses from investment activities of a Master Fund are allocated pro rata, based on respective ownership interests, among the corresponding Fund and other investors in the Master Fund (e.g., other feeder funds) at the time of such determination. The financial statements of the Master Funds, including the Statement of net assets, are included elsewhere in this report and should be read in connection with the Fund's financial statements.

The Trust accounts separately for the assets, liabilities and operations of each series. Expenses directly attributable to each series are charged to that series' operations; expenses which are applicable to all series are allocated among them on a pro rata basis.

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

Notes to financial statements (unaudited)

In the normal course of business the Funds may enter into contracts that contain a variety of representations or that provide indemnification for certain liabilities. The Funds' maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds that have not yet occurred. However, the Funds have not had prior claims or losses pursuant to these contracts and expect the risk of loss to be remote.

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") is the exclusive reference of authoritative US generally accepted accounting principles ("GAAP") recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The Funds' financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates. The following is a summary of significant accounting policies:

Valuation of investments—Each Fund records its investment in its corresponding Master Fund at value. Securities held by the Master Funds are valued as indicated in the Master Funds' Notes to financial statements, which are included elsewhere in this report.

Dividends and distributions—Dividends and distributions to shareholders are recorded on the ex-dividend date. The amount of dividends and distributions is determined in accordance with federal income tax regulations, which may differ from GAAP. These "book/tax" differences are either considered temporary or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal tax-basis treatment; temporary differences do not require reclassification.

Concentration of risk

The ability of the issuers of the debt securities held by the Master Funds to meet their obligations may be affected by economic and political developments, including those particular to a specific industry, country, state or region.

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

Notes to financial statements (unaudited)

Administrator

UBS Global Asset Management (Americas) Inc. ("UBS Global AM") serves as administrator to each Fund pursuant to an Administration Agreement approved by the Trust's board. In accordance with the Administration Agreement, each Fund pays UBS Global AM an administration fee, which is accrued daily and paid monthly, at the annual rate of 0.08% of each Fund's average daily net assets. At October 31, 2010, Prime Preferred Fund, Treasury Preferred Fund and Tax-Free Preferred Fund owed UBS Global AM \$744,946, \$183,455, and \$34,699, respectively, for administrative services.

In exchange for these fees, UBS Global AM has agreed to bear all of the Funds' expenses other than interest, taxes, extraordinary costs and the cost of securities purchased and sold by the Funds, including any transaction costs. Although UBS Global AM is not obligated to pay the fees and expenses of the Funds' independent trustees, it is contractually obligated to reduce its fee in an amount equal to those fees and expenses. UBS Global AM estimates that these fees and expenses will be less than 0.01% of each Fund's average daily net assets. At October 31, 2010, UBS Global AM owed \$17,160, \$7,283 and \$4,172 for independent trustees fees to Prime Preferred Fund, Treasury Preferred Fund and Tax-Free Preferred Fund, respectively.

The Funds and UBS Global AM have entered into a written fee waiver agreement pursuant to which UBS Global AM is contractually obligated to waive 0.04% of its administrative fees through August 31, 2011. At October 31, 2010, UBS Global AM owed Prime Preferred Fund, Treasury Preferred Fund and Tax-Free Preferred Fund \$372,473, \$91,727 and \$17,349, respectively. For the six months ended October 31, 2010, UBS Global AM was contractually obligated to waive \$2,085,351, \$548,246 and \$95,138, respectively. During the period May 1, 2010, through October 31, 2010, UBS Global AM voluntarily waived an additional 0.04% of administration fees for Prime Preferred Fund; this additional voluntary waiver has been extended until at least January 31, 2011. After this time, the waiver will either be extended further, or be phased out by decreasing 0.01% per week until the voluntary waiver expires. At October 31, 2010, UBS Global AM owed Prime Preferred Fund \$372,473 for fee waivers. For the six months ended October 31, 2010, UBS Global

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

Notes to financial statements (unaudited)

AM voluntarily waived \$2,085,351 for Prime Preferred Fund. In addition, UBS Global AM has undertaken to waive fees in the event that current fund yields drop below a certain level. This additional undertaking is voluntary and not contractual and may be terminated at any time. At October 31, 2010 UBS Global AM did not owe Treasury Preferred Fund and Tax-Free Preferred Fund for fee waivers. For the six months ended October 31, 2010, UBS Global AM voluntarily waived an additional \$3,001 for Treasury Preferred Fund.

Shares of beneficial interest

There is an unlimited amount of \$0.001 par value shares of beneficial interest authorized. Transactions in shares of beneficial interest, at \$1.00 per share, were as follows:

| Prime Preferred Fund | For the six months ended October 31, 2010 | For the year ended April 30, 2010 |
|------------------------------------|--|--|
| Shares sold | 44,008,799,182 | 55,018,209,629 |
| Shares repurchased | (42,733,841,353) | (48,767,124,518) |
| Dividends reinvested | 7,019,863 | 9,377,263 |
| Net increase in shares outstanding | 1,281,977,692 | 6,260,462,374 |

| Treasury Preferred Fund | For the six months ended October 31, 2010 | For the year ended April 30, 2010 |
|---|--|--|
| Shares sold | 6,072,993,124 | 9,866,181,709 |
| Shares repurchased | (5,736,469,215) | (10,383,845,477) |
| Dividends reinvested | 766,949 | 1,369,952 |
| Net increase (decrease) in shares outstanding | 337,290,858 | (516,293,816) |

| Tax-Free Preferred Fund | For the six months ended October 31, 2010 | For the year ended April 30, 2010 |
|---|--|--|
| Shares sold | 477,902,371 | 1,678,109,624 |
| Shares repurchased | (556,441,343) | (1,362,898,643) |
| Dividends reinvested | 304,114 | 417,233 |
| Net increase (decrease) in shares outstanding | (78,234,858) | 315,628,214 |

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

Notes to financial statements (unaudited)

Federal tax status

Each Fund intends to distribute all of its income and to comply with the other requirements of the Internal Revenue Code applicable to regulated investment companies. Accordingly, no provision for federal income taxes is required. In addition, by distributing during each calendar year substantially all of their net investment income, net realized capital gains and certain other amounts, if any, each Fund intends not to be subject to a federal excise tax.

The tax character of distributions paid to shareholders by Prime Preferred Fund and Treasury Preferred Fund during the year ended April 30, 2010, was ordinary income. The tax character of distributions paid to shareholders by Tax-Free Preferred Fund during the year ended April 30, 2010, was 96.90% tax exempt income, 2.15% ordinary income and 0.95% long-term capital gain.

The tax character of distributions and components of accumulated earnings (deficit) on a tax basis will be determined at the end of the Funds' fiscal year ending April 30, 2011.

As of and during the period ended October 31, 2010, the Funds did not have any liabilities for any unrecognized tax positions. The Funds recognize interest and penalties, if any, related to unrecognized tax positions as income tax expense in the Statement of operations. During the six months ended October 31, 2010, the Funds did not incur any interest or penalties.

Each of the tax years in the three year period ended April 30, 2010, remains subject to examination by the Internal Revenue Service and state taxing authorities.

UBS Select Prime Preferred Fund

UBS Select Treasury Preferred Fund

UBS Select Tax-Free Preferred Fund

General information (unaudited)

Quarterly Form N-Q portfolio schedule and monthly portfolio holdings reports

The Funds and Master Funds will file their complete schedules of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Funds' and Master Funds' Forms N-Q are available on the SEC's Web site at <http://www.sec.gov>. The Funds' and Master Funds' Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC 0330. Additionally, you may obtain copies of Forms N-Q from the Funds and Master Funds upon request by calling 1-800-647 1568.

In addition, each Fund discloses, on a monthly basis: (a) a complete schedule of each Master Fund's portfolio holdings; and (b) information regarding each Master Fund's weighted average maturity and weighted average life on UBS's Web site at the following internet address: www.ubs.com/usmoneymarketfundsholdings.

Proxy voting policies, procedures and record

You may obtain a description of each Fund's (and corresponding Master Fund's) (1) proxy voting policies, (2) proxy voting procedures and (3) information regarding how a fund voted any proxies related to portfolio securities during the most recent 12-month period ended June 30 for which an SEC filing has been made, without charge, upon request by contacting a Fund directly at 1-800-647 1568, online on UBS's Web site: www.ubs.com/ubsglobalam-proxy, or on the EDGAR Database on the SEC's Web site (<http://www.sec.gov>).

Other tax information

Pursuant to Section 871(k)(2)(C) of the Internal Revenue Code, each Fund designates 100% of its "qualified short-term gains" (as defined in Section 871(k)(2)(D)) related to the distribution made in December 2010 as short-term capital gain dividends.

UBS Select Treasury Preferred Fund intends to report the percentage of dividends that qualify as "interest related dividends" paid to non-U.S. shareholders for the calendar year 2010 in the annual supplemental tax brochure to shareholders expected to be available at the end of January 2011.

Prime Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|----------------|---------------|
| US government and agency obligations—17.49% | | |
| Federal Farm Credit Bank | | |
| 0.161%, due 11/18/10 ⁽¹⁾ | \$137,000,000 | \$137,000,000 |
| 0.270%, due 12/15/10 ⁽¹⁾ | 115,000,000 | 115,000,000 |
| 0.270%, due 01/12/11 ⁽¹⁾ | 109,000,000 | 108,989,697 |
| 0.340%, due 01/14/11 ⁽²⁾ | 150,000,000 | 149,895,167 |
| Federal Home Loan Bank | | |
| 0.300%, due 11/01/10 ⁽¹⁾ | 135,000,000 | 135,000,000 |
| 0.310%, due 11/01/10 ⁽¹⁾ | 100,000,000 | 100,000,000 |
| 0.430%, due 11/04/10 | 167,500,000 | 167,500,519 |
| 0.280%, due 12/29/10 ⁽¹⁾ | 177,000,000 | 177,000,000 |
| 0.375%, due 01/19/11 | 27,615,000 | 27,615,000 |
| 0.500%, due 05/17/11 ⁽²⁾ | 115,000,000 | 114,685,347 |
| 0.580%, due 05/27/11 | 110,000,000 | 110,000,000 |
| 0.300%, due 11/08/11 | 96,500,000 | 96,495,175 |
| Federal Home Loan Mortgage Corp.* | | |
| 0.250%, due 01/03/11 ⁽²⁾ | 215,000,000 | 214,905,938 |
| 0.270%, due 02/22/11 ⁽²⁾ | 175,000,000 | 174,851,688 |
| 0.330%, due 02/22/11 ⁽²⁾ | 71,850,000 | 71,775,575 |
| Federal National Mortgage Association* | | |
| 0.240%, due 01/18/11 ⁽²⁾ | 105,000,000 | 104,945,400 |
| 0.300%, due 01/18/11 ⁽²⁾ | 150,000,000 | 149,902,500 |
| 0.240%, due 01/19/11 ⁽²⁾ | 200,000,000 | 199,894,667 |
| 0.240%, due 04/01/11 ⁽²⁾ | 100,000,000 | 99,899,333 |
| 0.250%, due 09/06/11 ⁽²⁾ | 200,000,000 | 199,570,833 |
| US Treasury Notes | | |
| 0.875%, due 12/31/10 | 300,000,000 | 300,316,957 |
| 0.875%, due 02/28/11 | 449,300,000 | 450,191,702 |
| 0.875%, due 03/31/11 | 100,000,000 | 100,167,559 |
| 4.875%, due 04/30/11 | 138,000,000 | 141,123,975 |
| 4.875%, due 05/31/11 | 112,900,000 | 115,920,060 |
| Total US government and agency obligations (cost—\$3,762,647,092) | | 3,762,647,092 |
| Certificates of deposit—17.44% | | |
| Banking-non-US—17.44% | | |
| Abbey National Treasury Services PLC | | |
| 0.439%, due 01/18/11 ⁽¹⁾ | 210,000,000 | 210,000,000 |
| Bank of Montreal | | |
| 0.270%, due 11/15/10 | 200,000,000 | 200,000,000 |

Prime Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|---------------|---------------|
| Certificates of deposit—(concluded) | | |
| Banking-non-US—(concluded) | | |
| Bank of Nova Scotia | | |
| 0.260%, due 11/01/10 ⁽¹⁾ | \$182,000,000 | \$182,000,000 |
| 0.266%, due 11/17/10 ⁽¹⁾ | 175,000,000 | 174,999,578 |
| Bank of Tokyo-Mitsubishi UFJ Ltd. | | |
| 0.320%, due 11/12/10 | 200,000,000 | 200,000,000 |
| BNP Paribas SA | | |
| 0.439%, due 01/18/11 ⁽¹⁾ | 95,000,000 | 95,000,000 |
| Credit Agricole CIB | | |
| 0.320%, due 01/31/11 | 205,000,000 | 205,000,000 |
| Deutsche Bank AG | | |
| 0.280%, due 01/18/11 | 200,000,000 | 200,000,000 |
| KBC Bank NV | | |
| 0.300%, due 11/15/10 | 197,000,000 | 197,000,000 |
| Lloyds TSB Bank PLC | | |
| 0.289%, due 01/19/11 ⁽¹⁾ | 119,000,000 | 119,000,000 |
| Mitsubishi UFJ Trust & Banking Corp. | | |
| 0.345%, due 12/16/10 | 200,000,000 | 199,913,825 |
| Mizuho Corporate Bank Ltd. | | |
| 0.240%, due 11/04/10 | 200,000,000 | 200,000,000 |
| National Australia Bank Ltd. | | |
| 0.355%, due 11/29/10 ⁽¹⁾ | 175,000,000 | 175,000,000 |
| 0.309%, due 01/19/11 ⁽¹⁾ | 44,250,000 | 44,241,142 |
| Natixis | | |
| 0.390%, due 11/01/10 ⁽¹⁾ | 203,000,000 | 203,000,000 |
| 0.530%, due 11/01/10 ⁽¹⁾ | 172,500,000 | 172,500,000 |
| Royal Bank of Canada | | |
| 0.430%, due 11/01/10 ⁽¹⁾ | 175,000,000 | 175,000,000 |
| Royal Bank of Scotland PLC | | |
| 0.490%, due 11/01/10 | 200,000,000 | 200,000,000 |
| 0.288%, due 01/25/11 ⁽¹⁾ | 240,500,000 | 240,500,000 |
| Svenska Handelsbanken | | |
| 0.270%, due 11/24/10 | 264,000,000 | 264,000,843 |
| Westpac Banking Corp. | | |
| 0.380%, due 11/04/10 ⁽¹⁾ | 95,000,000 | 95,000,000 |
| Total certificates of deposit (cost—\$3,752,155,388) | | 3,752,155,388 |

Prime Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|----------------|---------------|
| Commercial paper⁽²⁾—47.75% | | |
| Asset backed-banking—2.21% | | |
| Atlantis One Funding | | |
| 0.290%, due 01/31/11 | \$300,000,000 | \$299,780,083 |
| 0.370%, due 02/11/11 | 175,000,000 | 174,816,542 |
| | | 474,596,625 |
| Asset backed-miscellaneous—15.21% | | |
| Amsterdam Funding Corp. | | |
| 0.240%, due 11/02/10 | 200,000,000 | 199,998,667 |
| 0.240%, due 11/03/10 | 125,000,000 | 124,998,333 |
| 0.240%, due 11/23/10 | 80,000,000 | 79,988,267 |
| Atlantic Asset Securitization LLC | | |
| 0.240%, due 11/10/10 | 90,000,000 | 89,994,600 |
| 0.250%, due 11/19/10 | 100,000,000 | 99,987,500 |
| 0.280%, due 12/02/10 | 127,750,000 | 127,719,198 |
| 0.270%, due 01/06/11 | 70,000,000 | 69,965,350 |
| Bryant Park Funding LLC | | |
| 0.240%, due 11/01/10 | 100,000,000 | 100,000,000 |
| 0.230%, due 11/02/10 | 154,310,000 | 154,309,014 |
| Falcon Asset Securitization Corp. | | |
| 0.240%, due 11/10/10 | 108,000,000 | 107,993,520 |
| 0.270%, due 01/11/11 | 75,000,000 | 74,960,063 |
| 0.280%, due 02/07/11 | 75,000,000 | 74,942,833 |
| Jupiter Securitization Co. LLC | | |
| 0.235%, due 11/09/10 | 85,000,000 | 84,995,561 |
| 0.240%, due 11/15/10 | 50,013,000 | 50,008,332 |
| 0.230%, due 12/01/10 | 50,000,000 | 49,990,417 |
| Liberty Street Funding LLC | | |
| 0.240%, due 11/01/10 | 187,000,000 | 187,000,000 |
| LMA Americas LLC | | |
| 0.240%, due 11/09/10 | 128,000,000 | 127,993,173 |
| 0.260%, due 11/26/10 | 78,700,000 | 78,685,790 |
| 0.260%, due 11/30/10 | 70,500,000 | 70,485,234 |
| 0.290%, due 01/26/11 | 50,000,000 | 49,965,361 |
| Old Line Funding Corp. | | |
| 0.280%, due 11/15/10 | 100,323,000 | 100,312,076 |
| Regency Markets No. 1 LLC | | |
| 0.250%, due 11/05/10 | 92,000,000 | 91,997,444 |

Prime Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|----------------|---------------|
| Commercial paper⁽²⁾—(continued) | | |
| Asset backed-miscellaneous—(concluded) | | |
| Salisbury Receivables Co. LLC | | |
| 0.240%, due 11/15/10 | \$50,000,000 | \$49,995,333 |
| Sheffield Receivables Corp. | | |
| 0.270%, due 11/01/10 | 68,000,000 | 68,000,000 |
| 0.260%, due 12/03/10 | 43,250,000 | 43,240,004 |
| 0.270%, due 01/10/11 | 85,000,000 | 84,955,375 |
| Thames Asset Global Securitization No. 1 | | |
| 0.240%, due 11/10/10 | 57,422,000 | 57,418,555 |
| 0.240%, due 11/15/10 | 75,000,000 | 74,993,000 |
| Thunderbay Funding | | |
| 0.230%, due 11/03/10 | 80,019,000 | 80,017,978 |
| 0.240%, due 11/15/10 | 71,315,000 | 71,308,344 |
| 0.250%, due 11/18/10 | 36,096,000 | 36,091,739 |
| Variable Funding Capital Corp. | | |
| 0.235%, due 11/04/10 | 90,000,000 | 89,998,238 |
| 0.270%, due 01/04/11 | 100,000,000 | 99,952,000 |
| 0.270%, due 01/14/11 | 200,000,000 | 199,889,000 |
| Windmill Funding Corp. | | |
| 0.240%, due 11/03/10 | 121,582,000 | 121,580,379 |
| | | 3,273,730,678 |
| Asset backed-securities—3.72% | | |
| Clipper Receivables Co. LLC | | |
| 0.240%, due 11/17/10 | 90,000,000 | 89,990,400 |
| 0.280%, due 12/16/10 | 235,000,000 | 234,917,750 |
| Grampian Funding LLC | | |
| 0.320%, due 12/09/10 | 60,000,000 | 59,979,733 |
| 0.330%, due 12/15/10 | 90,000,000 | 89,963,700 |
| 0.330%, due 12/17/10 | 100,000,000 | 99,957,834 |
| 0.320%, due 01/14/11 | 225,000,000 | 224,852,000 |
| | | 799,661,417 |
| Banking-non-US—3.29% | | |
| ANZ National International Ltd. | | |
| 0.280%, due 02/07/11 | 200,000,000 | 199,847,556 |
| Banque et Caisse d'Epargne de L'Etat | | |
| 0.260%, due 11/10/10 | 150,000,000 | 149,990,250 |
| 0.280%, due 01/21/11 | 50,000,000 | 49,968,500 |
| 0.290%, due 01/24/11 | 100,000,000 | 99,932,333 |

Prime Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|----------------|--------------|
| Commercial paper⁽²⁾—(continued) | | |
| Banking-non-US—(concluded) | | |
| Commonwealth Bank of Australia | | |
| 0.336%, due 11/08/10 ^{(1),(3)} | \$95,000,000 | \$94,990,954 |
| 0.394%, due 11/08/10 ⁽¹⁾ | 27,500,000 | 27,499,760 |
| Westpac Securities NZ Ltd. | | |
| 0.370%, due 11/01/10 ^{(1),(3)} | 25,000,000 | 25,000,000 |
| 0.336%, due 11/22/10 ^{(1),(3)} | 60,000,000 | 60,000,000 |
| | | 707,229,353 |
| Banking-US—19.80% | | |
| ABN Amro Funding USA LLC | | |
| 0.320%, due 12/07/10 | 168,000,000 | 167,946,240 |
| 0.320%, due 01/03/11 | 150,000,000 | 149,916,000 |
| 0.320%, due 01/06/11 | 50,000,000 | 49,970,667 |
| BNP Paribas Finance | | |
| 0.340%, due 01/24/11 | 200,000,000 | 199,841,333 |
| 0.540%, due 02/04/11 | 155,000,000 | 154,779,125 |
| Danske Corp. | | |
| 0.270%, due 11/04/10 | 151,000,000 | 150,996,603 |
| 0.250%, due 11/16/10 | 250,000,000 | 249,973,958 |
| 0.255%, due 12/02/10 | 200,000,000 | 199,956,083 |
| Deutsche Bank Financial LLC | | |
| 0.260%, due 11/09/10 | 94,000,000 | 93,994,569 |
| Dexia Delaware LLC | | |
| 0.345%, due 11/01/10 | 285,000,000 | 285,000,000 |
| 0.340%, due 11/02/10 | 130,000,000 | 129,998,772 |
| 0.340%, due 11/03/10 | 200,000,000 | 199,996,222 |
| ING (US) Funding LLC | | |
| 0.340%, due 11/04/10 | 150,000,000 | 149,995,750 |
| 0.300%, due 01/20/11 | 195,000,000 | 194,870,000 |
| 0.560%, due 02/11/11 | 175,000,000 | 174,722,333 |
| 0.380%, due 04/21/11 | 100,000,000 | 99,819,500 |
| JPMorgan Chase & Co. | | |
| 0.275%, due 11/08/10 | 150,000,000 | 149,991,979 |
| Natixis US Finance Co. LLC | | |
| 0.530%, due 11/02/10 | 210,000,000 | 209,996,908 |
| Nordea N.A., Inc. | | |
| 0.250%, due 12/01/10 | 285,000,000 | 284,940,625 |

Prime Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|---------------|----------------|
| Commercial paper⁽²⁾—(concluded) | | |
| Banking-US—(concluded) | | |
| 0.250%, due 12/17/10 | \$100,925,000 | \$100,892,760 |
| 0.275%, due 02/10/11 | 67,850,000 | 67,797,652 |
| Societe Generale N.A., Inc. | | |
| 0.380%, due 11/02/10 | 195,000,000 | 194,997,942 |
| 0.330%, due 01/10/11 | 208,500,000 | 208,366,213 |
| 0.410%, due 04/07/11 | 193,000,000 | 192,654,905 |
| State Street Bank & Trust Co. | | |
| 0.280%, due 11/18/10 | 200,000,000 | 199,973,556 |
| | | 4,261,389,695 |
| Brokerage—0.88% | | |
| RBS Holdings USA, Inc. | | |
| 0.310%, due 01/11/11 | 190,000,000 | 189,883,836 |
| Finance-captive automotive—1.83% | | |
| Toyota Motor Credit Corp. | | |
| 0.300%, due 11/17/10 | 150,000,000 | 149,980,000 |
| 0.340%, due 02/23/11 | 150,000,000 | 149,838,500 |
| 0.340%, due 02/24/11 | 95,000,000 | 94,896,819 |
| | | 394,715,319 |
| Insurance-life—0.81% | | |
| Prudential PLC | | |
| 0.240%, due 11/08/10 | 75,000,000 | 74,996,500 |
| 0.250%, due 11/15/10 | 100,000,000 | 99,990,278 |
| | | 174,986,778 |
| Total commercial paper (cost—\$10,276,193,701) | | 10,276,193,701 |
| US master note—3.79% | | |
| Brokerage—3.79% | | |
| Banc of America Securities LLC | | |
| 0.370%, due 11/01/10 ^{(1),(4)} (cost—\$816,000,000) | 816,000,000 | 816,000,000 |
| Short-term corporate obligations—1.59% | | |
| Banking-non-US—0.48% | | |
| Commonwealth Bank of Australia | | |
| 0.275%, due 11/22/10 ^{(1),(3)} | 53,000,000 | 53,000,000 |
| National Australia Bank Ltd. | | |
| 0.362%, due 11/19/10 ^{(1),(3)} | 50,000,000 | 49,994,459 |
| | | 102,994,459 |

Prime Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|----------------|--------------|
| Short-term corporate obligations—(concluded) | | |
| Finance-captive automotive—0.18% | | |
| Toyota Motor Credit Corp. 0.256%, due 11/10/10 ⁽¹⁾ | \$40,000,000 | \$40,000,000 |
| Supranational—0.93% | | |
| International Bank for Reconstruction & Development 0.410%, due 11/01/10 ⁽²⁾ | 200,000,000 | 200,000,000 |
| Total short-term corporate obligations (cost—\$342,994,459) | | 342,994,459 |
| Repurchase agreements—10.01% | | |
| Repurchase agreement dated 10/29/10 with Banc of America Securities, 0.210% due 11/01/10, collateralized by \$109,220,000 Federal Home Loan Bank obligations, 5.500% due 07/15/36, \$113,371,000 Federal Home Loan Mortgage Corp. obligations, zero coupon to 4.500% due 01/15/14 to 01/02/19, \$196,306,000 Federal National Mortgage Association obligations, 1.000% to 5.800% due 04/25/14 to 02/09/26 and \$1,690,000 US Treasury Notes, 2.500% due 06/30/17; (value—\$459,000,101); proceeds: \$450,007,875 | 450,000,000 | 450,000,000 |
| Repurchase agreement dated 10/29/10 with Barclays Bank PLC, 0.210% due 11/01/10, collateralized by \$129,185,000 Federal Home Loan Bank obligations, zero coupon due 04/29/11 and \$330,123,000 Federal Home Loan Mortgage Corp. obligations, zero coupon due 03/28/11 to 04/11/11; (value—\$459,000,638); proceeds: \$450,007,875 | 450,000,000 | 450,000,000 |
| Repurchase agreement dated 10/29/10 with Deutsche Bank Securities, Inc., 0.210% due 11/01/10, collateralized by \$140,690,000 Federal Home Loan Bank obligations, zero coupon to 1.125% due 12/31/10 to 12/09/11, \$315,093,000 Federal Home Loan Mortgage Corp. obligations, zero coupon to 2.125% due 05/25/11 to 11/30/12 and \$234,009,300 US Treasury Bonds, 3.875% due 08/15/40; (value—\$687,586,863); proceeds: \$674,111,797 | 674,100,000 | 674,100,000 |
| Repurchase agreement dated 10/29/10 with Goldman Sachs & Co., 0.220% due 11/01/10, collateralized by \$456,557,000 Federal Home Loan Mortgage Corp. obligations, 1.150% due 10/07/13; (value—\$459,000,848); proceeds: \$450,008,250 | 450,000,000 | 450,000,000 |

Prime Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|---------------|------------------|
| Repurchase agreements—(concluded) | | |
| Repurchase agreement dated 10/29/10 with Morgan Stanley & Co., 0.200% due 11/01/10, collateralized by \$101,704,000 Federal National Mortgage Association obligations, 1.000% to 2.250% due 11/19/12 to 03/28/16; (value—\$102,000,193); proceeds: \$100,001,667 | \$100,000,000 | \$100,000,000 |
| Repurchase agreement dated 10/29/10 with State Street Bank & Trust Co., 0.010% due 11/01/10, collateralized by \$29,008,017 US Treasury Notes, 1.375% due 05/15/13; (value—\$29,840,547); proceeds: \$29,253,024 | 29,253,000 | 29,253,000 |
| Total repurchase agreements (cost—\$2,153,353,000) | | 2,153,353,000 |
| Total investments (cost—\$21,103,343,640 which approximates cost for federal income tax purposes)—98.07% | | 21,103,343,640 |
| Other assets in excess of liabilities—1.93% | | 415,400,204 |
| Net assets—100.00% | | \$21,518,743,844 |

- * On September 7, 2008, the Federal Housing Finance Agency placed the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation into conservatorship, and the US Treasury guaranteed the debt issued by those organizations.
- (1) Variable rate security. The maturity date reflects earlier of reset dates or stated maturity dates. The interest rate shown is the current rate as of October 31, 2010, and resets periodically.
 - (2) Interest rates shown are the discount rates at date of purchase.
 - (3) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities, which represent 1.32% of net assets as of October 31, 2010, are considered liquid and may be resold in transactions exempt from registration, normally to qualified institutional buyers.
 - (4) The security detailed in the table below, which represents 3.79% of net assets, is considered liquid and restricted as of October 31, 2010.

| Restricted security | Acquisition date ⁽⁵⁾ | Acquisition cost | Acquisition cost as a percentage of net assets | Value | Value as a percentage of net assets |
|---|---------------------------------|------------------|--|---------------|-------------------------------------|
| Banc of America Securities LLC, 0.370%, 11/01/10 | 10/29/10 | \$816,000,000 | 3.79% | \$816,000,000 | 3.79% |

- (5) Acquisition date represents most recent interest rate reset date on variable rate securities.

Prime Master Fund

Statement of net assets—October 31, 2010 (unaudited)

The following is a summary of the fair valuations according to the inputs used as of October 31, 2010 in valuing the Fund's investments.

| | Unadjusted quoted prices in active markets for identical investments (Level 1) | Other significant observable inputs (Level 2) | Unobservable inputs (Level 3) | Total |
|---|---|---|-------------------------------------|-------------------------|
| US government and agency obligations | \$— | \$3,762,647,092 | \$— | \$3,762,647,092 |
| Certificates of deposit | — | 3,752,155,388 | — | 3,752,155,388 |
| Commercial paper | — | 10,276,193,701 | — | 10,276,193,701 |
| US master note | — | 816,000,000 | — | 816,000,000 |
| Short-term corporate obligations | — | 342,994,459 | — | 342,994,459 |
| Repurchase agreements | — | 2,153,353,000 | — | 2,153,353,000 |
| Total | \$— | \$21,103,343,640 | \$— | \$21,103,343,640 |

At October 31, 2010, there were no transfers between Level 1 and Level 2.

Issuer breakdown by country of origin

| | Percentage of total investments |
|----------------|---------------------------------|
| United States | 74.6% |
| United Kingdom | 5.4 |
| Japan | 4.9 |
| Canada | 3.5 |
| France | 3.2 |
| Australia | 3.0 |
| Luxemburg | 1.4 |
| Sweden | 1.3 |
| Germany | 0.9 |
| New Zealand | 0.9 |
| Belgium | 0.9 |
| Total | 100.0% |

Weighted average maturity—47 days

See accompanying notes to financial statements

Treasury Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|----------------|---------------|
| US government obligations—25.96% | | |
| US Treasury Bills | | |
| 0.190%, due 03/31/11 ⁽¹⁾ | \$100,000,000 | \$99,920,833 |
| 0.291%, due 07/28/11 ⁽¹⁾ | 75,000,000 | 74,836,919 |
| US Treasury Notes | | |
| 0.875%, due 12/31/10 | 175,000,000 | 175,164,218 |
| 0.875%, due 01/31/11 | 630,000,000 | 631,079,412 |
| 5.000%, due 02/15/11 | 90,000,000 | 91,242,659 |
| 0.875%, due 02/28/11 | 300,000,000 | 300,585,463 |
| 0.875%, due 03/31/11 | 75,000,000 | 75,125,669 |
| 0.875%, due 04/30/11 | 235,000,000 | 235,674,363 |
| 4.875%, due 04/30/11 | 100,000,000 | 102,263,750 |
| 4.875%, due 05/31/11 | 275,000,000 | 282,356,214 |
| Total US government obligations (cost—\$2,068,249,500) | | 2,068,249,500 |
| Repurchase agreements—70.98% | | |
| Repurchase agreement dated 10/29/10 with Banc of America Securities LLC, 0.210% due 11/01/10, collateralized by \$63,906,043 US Treasury Bonds Coupon Strips, 8.125% due 11/15/20, \$517,909,100 US Treasury Bonds Principal Strips, 3.500% to 11.250% due 02/15/15 to 08/15/40, \$1,860,568,526 US Treasury Bonds Strips, zero coupon due 2/15/10 to 08/15/40, \$44,642,800 US Treasury Inflation Index Bonds, 1.750% to 3.375% due 01/15/26 to 04/15/32, \$135,886,700 US Treasury Inflation Index Notes, 1.250% to 2.625% due 04/15/11 to 07/15/20, \$25,000,000 US Treasury Notes, 3.375% due 11/15/19, \$63,480,600 US Treasury Notes Principal Strips, 1.375% to 5.125% due 11/15/10 to 08/15/18 and \$468,400 US Treasury Notes Strips, zero coupon due 10/31/10 to 12/31/13; (value—\$1,683,000,000); proceeds: \$1,650,028,875 | | |
| | 1,650,000,000 | 1,650,000,000 |
| Repurchase agreement dated 10/29/10 with Barclays Bank PLC, 0.210% due 11/01/10, collateralized by \$1,463,538,800 US Treasury Bonds, 4.375% to 8.750% due 08/15/20 to 05/15/40 and \$113,625,000 US Treasury Notes, 4.000% due 08/15/18; (value—\$1,836,000,113); proceeds: \$1,800,031,500 | | |
| | 1,800,000,000 | 1,800,000,000 |

Treasury Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|-----------------|-----------------|
| Repurchase agreements—(concluded) | | |
| Repurchase agreement dated 10/29/10 with Deutsche Bank Securities, Inc., 0.210% due 11/01/10, collateralized by \$2,043,337,380 US Treasury Bonds Coupon Strips, zero coupon due 08/15/18 to 05/15/27, \$903,211,400 US Treasury Bonds Principal Strips, 4.500% to 7.500% due 11/15/24 to 08/15/39 and \$136,133,000 US Treasury Bonds Strips, zero coupon due 11/15/23; (value—\$1,637,202,000); proceeds: \$1,605,128,089 | \$1,605,100,000 | \$1,605,100,000 |
| Repurchase agreement dated 10/29/10 with Goldman Sachs & Co., 0.140% due 11/01/10, collateralized by \$27,319,100 US Treasury Bills, zero coupon due 12/16/10 and \$258,717,500 US Treasury Notes, 1.125% to 4.500% due 1/15/12 to 11/15/15; (value—\$306,000,073); proceeds: \$300,003,500 | 300,000,000 | 300,000,000 |
| Repurchase agreement dated 10/29/10 with Morgan Stanley & Co., 0.200% due 11/01/10, collateralized by \$248,919,700 US Treasury Inflation Index Notes, 1.250% to 1.875% due 07/15/13 to 01/15/15; (value—\$306,000,096); proceeds: \$300,005,000 | 300,000,000 | 300,000,000 |
| Repurchase agreement dated 10/29/10 with State Street Bank & Trust Co., 0.010% due 11/01/10, collateralized by \$275,000 US Treasury Notes, 1.375% due 05/15/13; (value—\$282,893); proceeds: \$274,000 | 274,000 | 274,000 |
| Total repurchase agreements (cost—\$5,655,374,000) | | 5,655,374,000 |
| Total investments (cost—\$7,723,623,500 which approximates cost for federal income tax purposes)—96.94% | | 7,723,623,500 |
| Other assets in excess of liabilities—3.06% | | 243,653,643 |
| Net assets—100.00% | | \$7,967,277,143 |

(1) Interest rates shown are the discount rates at date of purchase.

Treasury Master Fund

Statement of net assets—October 31, 2010 (unaudited)

The following is a summary of the fair valuations according to the inputs used as of October 31, 2010 in valuing the Fund's investments:

| | Unadjusted quoted prices in active markets for identical investments (Level 1) | Other significant observable inputs (Level 2) | Unobservable inputs (Level 3) | Total |
|---------------------------|---|--|--|-----------------|
| US government obligations | \$— | \$2,068,249,500 | \$— | \$2,068,249,500 |
| Repurchase agreements | — | 5,655,374,000 | — | 5,655,374,000 |
| Total | \$— | \$7,723,623,500 | \$— | \$7,723,623,500 |

At October 31, 2010, there were no transfers between Level 1 and Level 2.

Weighted average maturity—38 days

See accompanying notes to financial statements

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|-------------|-------------|
| Municipal bonds and notes—85.66% | | |
| Alabama—1.17% | | |
| Birmingham Special Care Facilities Financing Authority Revenues Refunding (Methodist Home Aging), 0.310%, VRD | \$5,725,000 | \$5,725,000 |
| Infirmiry Health System Special Care Facilities Financing Authority of Mobile Revenue (Infirmiry Health System, Inc.), Series B, 0.250%, VRD | 8,300,000 | 8,300,000 |
| Mobile Downtown Redevelopment Authority Revenue (Austal USA LLC Project), 0.270%, VRD | 5,000,000 | 5,000,000 |
| | | 19,025,000 |
| Alaska—0.30% | | |
| Borough of North Slope, Series A, 2.000%, due 06/30/11 | 4,800,000 | 4,852,221 |
| Arizona—2.68% | | |
| AK-Chin Indian Community Revenue 0.300%, VRD | 7,250,000 | 7,250,000 |
| Apache County Industrial Development Authority Industrial Development Revenue (Tucson Electric Power Co.), Series 83C, 0.260%, VRD | 18,000,000 | 18,000,000 |
| Arizona Board of Regents University Systems Revenue Refunding, Series A, 0.230%, VRD | 10,590,000 | 10,590,000 |
| Pima County Industrial Development Authority Industrial Revenue (Tucson Electric Power Co.), 0.290%, VRD | 3,750,000 | 3,750,000 |
| Pima County Industrial Development Authority Industrial Revenue (Tucson Electric Power Co.-Irvington Project), 0.270%, VRD | 300,000 | 300,000 |
| Salt River Project Agricultural Improvement & Power District Electric Systems Revenue (Barclays Capital Municipal Trust Receipts, Series 9W), 0.290%, VRD ^{(1),(2)} | 3,750,000 | 3,750,000 |
| | | 43,640,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|----------------|-------------|
| Municipal bonds and notes—(continued) | | |
| California—0.92% | | |
| California Infrastructure & Economic Development Bank Revenue (Santa Barbara Performing Arts), 0.320%, VRD | \$2,200,000 | \$2,200,000 |
| Metropolitan Water District Southern California Refunding, Series A, 0.210%, VRD | 8,200,000 | 8,200,000 |
| Metropolitan Water District Southern California Waterworks Revenue Refunding, Series A-1, 0.240%, VRD | 2,740,000 | 2,740,000 |
| San Diego County Certificates of Participation (San Diego Foundation), 0.310%, VRD | 1,900,000 | 1,900,000 |
| | | 15,040,000 |
| Colorado—2.09% | | |
| Aurora Water Improvement Revenue (JP Morgan PUTTERS, Series 2010) (AMBAC Insured), 0.330%, VRD ^{(1),(2)} | 12,065,000 | 12,065,000 |
| Colorado Educational & Cultural Facilities Authority Revenue (National Jewish Federation Board Program), Series C-6, 0.280%, VRD | 5,190,000 | 5,190,000 |
| Denver City & County Certificates of Participation Refunding, Series A1, 0.270%, VRD | 10,820,000 | 10,820,000 |
| Series A3, 0.270%, VRD | 6,000,000 | 6,000,000 |
| | | 34,075,000 |
| Connecticut—1.21% | | |
| Connecticut State Health & Educational Facilities Authority Revenue (Yale University), Series U, 0.220%, VRD | 7,300,000 | 7,300,000 |
| Connecticut State Housing Finance Authority (CIL Realty, Inc.), 0.250%, VRD | 1,550,000 | 1,550,000 |
| Connecticut State (JP Morgan PUTTERS, Series 1170) (FGIC Insured), 0.330%, VRD ^{(1),(2)} | 10,820,000 | 10,820,000 |
| | | 19,670,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|-------------|-------------|
| Municipal bonds and notes—(continued) | | |
| District of Columbia—0.50% | | |
| District of Columbia Tax & Revenue Anticipation Notes, 2.000%, due 09/30/11 | \$8,000,000 | \$8,117,765 |
| Florida—3.64% | | |
| Gainesville Utilities System Revenue, Series A, 0.240%, VRD | 2,490,000 | 2,490,000 |
| Hillsborough County School Board Certificates of Participation (Master Lease Program), Series A (NATL-RE Insured), 0.300%, VRD | 19,190,000 | 19,190,000 |
| Series C (NATL-RE Insured), 0.300%, VRD | 4,980,000 | 4,980,000 |
| Jacksonville Sales Tax (Bank of America Austin Certificates, Series 2008-3005X) (NATL-RE Insured), 0.330%, VRD ^{(1),(2)} | 8,975,000 | 8,975,000 |
| JEA Electric System Revenue, Series Three-C-3, 0.250%, VRD | 2,990,000 | 2,990,000 |
| JEA Water & Sewer Revenue System, Subseries B-1, 0.250%, VRD | 2,180,000 | 2,180,000 |
| Orange County School Board Certificates of Participation, Series E, 0.300%, VRD | 12,345,000 | 12,345,000 |
| Orlando Utilities Commission Utility System Revenue, 0.290%, VRD | 2,600,000 | 2,600,000 |
| Pinellas County Health Facilities Authority Revenue (Health System Baycare Health), Series A1, 0.280%, VRD | 3,400,000 | 3,400,000 |
| | | 59,150,000 |
| Georgia—4.25% | | |
| Forsyth County Water & Sewer Authority Revenue (JP Morgan PUTTERS, Series 2253) (AGM Insured), 0.280%, VRD ^{(1),(2)} | 9,750,000 | 9,750,000 |
| Fulton County General Fund Tax Anticipation Notes, 2.000%, due 12/31/10 | 10,000,000 | 10,028,342 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|--------------|--------------|
| Municipal bonds and notes—(continued) | | |
| Georgia—(concluded) | | |
| Gainesville & Hall County Hospital Authority Revenue Certificates of Participation (Northeast Georgia Health System), Series A, 0.300%, VRD | \$14,600,000 | \$14,600,000 |
| Macon-Bibb County Hospital Authority Revenue Anticipation Certificates (Medical Center Control), 0.300%, VRD | 4,000,000 | 4,000,000 |
| Metropolitan Atlanta Rapid Transit Authority Sales Tax Revenue, Series B, 0.260%, VRD | 12,000,000 | 12,000,000 |
| Municipal Electric Authority (Project One), Subseries B, 0.310%, VRD | 2,000,000 | 2,000,000 |
| Private Colleges & Universities Authority Revenue (Emory University), Series B-2, 0.220%, VRD | 3,300,000 | 3,300,000 |
| Series C-3, 0.220%, VRD | 1,700,000 | 1,700,000 |
| Series C-4, 0.220%, VRD | 7,900,000 | 7,900,000 |
| Thomasville Hospital Authority Revenue Anticipation Certificates (John Archbold), Series B, 0.300%, VRD | 3,835,000 | 3,835,000 |
| | | 69,113,342 |
| Idaho—0.34% | | |
| Idaho Tax Anticipation Notes, 2.000%, due 06/30/11 | 5,500,000 | 5,557,499 |
| Illinois—3.60% | | |
| Chicago Board of Education Refunding (Dedicated Revenues), Series A-2, 0.280%, VRD | 5,900,000 | 5,900,000 |
| Series B, 0.270%, VRD | 2,900,000 | 2,900,000 |
| Chicago Board of Education Refunding, Series B, 0.270%, VRD | 12,900,000 | 12,900,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|-------------|-------------|
| Municipal bonds and notes—(continued) | | |
| Illinois—(concluded) | | |
| Chicago (Neighborhoods Alive 21), Series B, 0.280%, VRD | \$8,900,000 | \$8,900,000 |
| Chicago Wastewater Transmission Revenue Refunding, Subseries C-3, 0.270%, VRD | 700,000 | 700,000 |
| Chicago Water Revenue (Second Lien), Subseries 2000-1, 0.290%, VRD | 1,300,000 | 1,300,000 |
| Illinois Development Finance Authority Revenue (Lyric Opera Chicago Project), 0.250%, VRD | 5,700,000 | 5,700,000 |
| Illinois Educational Facilities Authority Revenues (ACI/Cultural Pooled Financing), 0.400%, VRD | 6,680,000 | 6,680,000 |
| Illinois Finance Authority Revenue (Rehab Institute Chicago), Series C, 0.240%, VRD | 2,175,000 | 2,175,000 |
| McHenry County (Bank of America Austin Certificates, Series 2008-3025X) (AGM Insured), 0.300%, VRD ^{(1),(2)} | 6,600,000 | 6,600,000 |
| Quad Cities Regional Economic Development Authority Revenue (Two Rivers YMCA Project), 0.290%, VRD | 4,830,000 | 4,830,000 |
| | | 58,585,000 |
| Indiana—1.35% | | |
| Indiana Municipal Power Agency Power Supply Systems Revenue Refunding, Series A, 0.290%, VRD | 4,440,000 | 4,440,000 |
| Marshall County Economic Development Revenue (Culver Educational Foundation Project), 0.300%, VRD | 8,400,000 | 8,400,000 |
| Purdue University Revenues (Student Facilities System), Series A, 0.260%, VRD | 9,175,000 | 9,175,000 |
| | | 22,015,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|----------------|-------------|
| Municipal bonds and notes—(continued) | | |
| Iowa—0.18% | | |
| Iowa Finance Authority Private College Revenue Facilities (Morningside College Project), 0.290%, VRD | \$2,880,000 | \$2,880,000 |
| Kansas—0.23% | | |
| Kansas State Department of Transportation Highway Revenue, Series A-5, 0.240%, VRD | 3,800,000 | 3,800,000 |
| Kentucky—2.20% | | |
| Breckinridge County Lease Program Revenue (Kentucky Association Leasing Trust), Series A, 0.270%, VRD | 9,025,000 | 9,025,000 |
| Christian County Association of County's Leasing Trust Lease Program, Series A, 0.270%, VRD | 2,235,000 | 2,235,000 |
| Series B, 0.270%, VRD | 785,000 | 785,000 |
| Shelby County Lease Revenue, Series A, 0.270%, VRD | 10,615,000 | 10,615,000 |
| Trimble County Association of Counties Leasing Trust Lease Program Revenue, Series A, 0.270%, VRD | 8,225,000 | 8,225,000 |
| Williamstown League of Cities Funding Trust Lease Revenue, Series A, 0.270%, VRD | 4,835,000 | 4,835,000 |
| | | 35,720,000 |
| Maryland—1.91% | | |
| Easton Revenue (William Hill Manor), Series C, 0.300%, VRD | 3,305,000 | 3,305,000 |
| Maryland Health & Higher Educational Facilities Authority Revenue (John Hopkins University), Series B, 0.240%, VRD | 8,805,000 | 8,805,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|--------------|--------------|
| Municipal bonds and notes—(continued) | | |
| Maryland—(concluded) | | |
| Washington Suburban Sanitation District Bond Anticipation Notes, Series A, | | |
| 0.280%, VRD | \$12,315,000 | \$12,315,000 |
| Series A-7, | | |
| 0.280%, VRD | 6,700,000 | 6,700,000 |
| | | 31,125,000 |
| Massachusetts—6.98% | | |
| Massachusetts Department of Transportation Metropolitan Highway System Revenue (Contract Assistance), Series A5, | | |
| 0.250%, VRD | 3,400,000 | 3,400,000 |
| Massachusetts Development Finance Agency Revenue (Boston University), Series U-6E, | | |
| 0.230%, VRD | 2,800,000 | 2,800,000 |
| Massachusetts Development Finance Agency Revenue Refunding (Higher Education-Smith College), 0.240%, VRD | | |
| | 11,311,000 | 11,311,000 |
| Massachusetts Development Finance Agency Revenue (Simmons College), Series G, | | |
| 0.280%, VRD | 13,500,000 | 13,500,000 |
| Massachusetts Health & Educational Facilities Authority Revenue (Citigroup ROCS RR-II-R-11585), 0.280%, VRD ^{(1),(2)} | | |
| | 10,000,000 | 10,000,000 |
| Massachusetts Health & Educational Facilities Authority Revenue (Harvard University), Series BB, | | |
| 0.200%, VRD | 1,600,000 | 1,600,000 |
| Massachusetts Health & Educational Facilities Authority Revenue (Henry Heywood), Series C, | | |
| 0.290%, VRD | 2,970,000 | 2,970,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|----------------|-------------|
| Municipal bonds and notes—(continued) | | |
| Massachusetts—(concluded) | | |
| Massachusetts Health & Educational Facilities Authority Revenue (Partners Healthcare Systems), Series F3, 0.260%, VRD | \$4,040,000 | \$4,040,000 |
| Series I-1, 0.240%, VRD | 2,000,000 | 2,000,000 |
| Massachusetts Health & Educational Facilities Authority Revenue (Pooled Loan Program), Series N, 0.290%, VRD | 11,225,000 | 11,225,000 |
| Massachusetts Health & Educational Facilities Authority Revenue (Williams College), Series I, 0.240%, VRD | 10,000,000 | 10,000,000 |
| Series J, 0.270%, VRD | 12,700,000 | 12,700,000 |
| Massachusetts Revenue Anticipation Notes, Series C, 2.000%, due 06/23/11 | 10,000,000 | 10,107,671 |
| Massachusetts Water Resources Authority Refunding (General Multi-Modal), Subseries C, 0.290%, VRD | 6,000,000 | 6,000,000 |
| Massachusetts Water Resources Authority Refunding (General), Series A, 0.290%, VRD | 11,990,000 | 11,990,000 |
| | | 113,643,671 |
| Michigan—1.05% | | |
| Green Lake Township Economic Development Corp. Revenue Refunding (Interlochen Center Project), 0.270%, VRD | 1,400,000 | 1,400,000 |
| Michigan Finance Authority State Aid Notes, Series D-1, 2.000%, due 08/19/11 | 5,000,000 | 5,047,447 |
| Michigan State Hospital Finance Authority Revenue (Ascension Health Senior Credit Group), Subseries F-5, 0.250%, VRD | 10,700,000 | 10,700,000 |
| | | 17,147,447 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|-------------|-------------|
| Municipal bonds and notes—(continued) | | |
| Minnesota—0.70% | | |
| Midwest Consortium of Municipal Utilities Revenue (Draw Down-Association Financing Program), Series B, 0.270%, VRD | \$1,445,000 | \$1,445,000 |
| Rochester Health Care Facilities Revenue (Mayo Clinic), Series B, 0.230%, VRD | 9,950,000 | 9,950,000 |
| | | 11,395,000 |
| Mississippi—2.70% | | |
| Jackson County Pollution Control Revenue Refunding (Chevron USA, Inc. Project), 0.230%, VRD | 4,000,000 | 4,000,000 |
| Mississippi Business Finance Corp. Gulf Opportunity Zone (Chevron USA, Inc. Project), Series D, 0.250%, VRD | 10,000,000 | 10,000,000 |
| 0.270%, VRD | 10,000,000 | 10,000,000 |
| Series F, 0.210%, VRD | 10,000,000 | 10,000,000 |
| Series G, 0.230%, VRD | 5,400,000 | 5,400,000 |
| Mississippi Development Bank Special Obligation (Jackson County Industrial Water System), 0.230%, VRD | 4,600,000 | 4,600,000 |
| | | 44,000,000 |
| Missouri—1.60% | | |
| Missouri State Health & Educational Facilities Authority Educational Facilities Revenue (De Smet Jesuit High School), 0.290%, VRD | 4,530,000 | 4,530,000 |
| Missouri State Health & Educational Facilities Authority Educational Facilities Revenue (Washington University), Series C, 0.270%, VRD | 12,200,000 | 12,200,000 |
| Missouri State Health & Educational Facilities Authority Health Facilities Revenue (BJC Health Systems), Series E, 0.220%, VRD | 1,500,000 | 1,500,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|-------------|-------------|
| Municipal bonds and notes—(continued) | | |
| Missouri—(concluded) | | |
| University of Missouri Revenue (System Facilities), | | |
| Series A, 0.270%, VRD | \$2,725,000 | \$2,725,000 |
| Series B, 0.270%, VRD | 5,100,000 | 5,100,000 |
| | | 26,055,000 |
| Montana—0.79% | | |
| Forsyth Pollution Control Revenue Refunding (PacifiCorp Project), | | |
| 0.290%, VRD | 10,000,000 | 10,000,000 |
| Montana Facility Finance Authority Revenue | | |
| (Sisters of Charity Health Systems), 0.280%, VRD | 2,900,000 | 2,900,000 |
| | | 12,900,000 |
| Nebraska—0.60% | | |
| Lancaster County Hospital Authority No.1 Hospital Revenue | | |
| Refunding (Bryanlgh Medical Center), | | |
| Series B-1, 0.290%, VRD | 9,700,000 | 9,700,000 |
| New Jersey—0.34% | | |
| New Jersey Health Care Facilities Financing Authority Revenue | | |
| (Princeton Healthcare), | | |
| Series B, 0.230%, VRD | 5,000,000 | 5,000,000 |
| Toms River, | | |
| 2.000%, due 06/15/11 | 450,000 | 454,590 |
| | | 5,454,590 |
| New Mexico—0.31% | | |
| New Mexico Tax & Revenue Anticipation Notes, | | |
| 2.000%, due 06/30/11 | 5,000,000 | 5,055,906 |
| New York—7.45% | | |
| Erie County Fiscal Stability Authority Bond Anticipation Notes, | | |
| 1.250%, due 07/29/11 | 7,000,000 | 7,044,962 |
| Essex County Bond Anticipation Notes, | | |
| 2.000%, due 11/19/10 | 1,000,000 | 1,000,577 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|-------------|-------------|
| Municipal bonds and notes—(continued) | | |
| New York—(continued) | | |
| Metropolitan Transportation Authority Dedicated Tax Fund Refunding, Subseries B-1, 0.250%, VRD | \$7,410,000 | \$7,410,000 |
| Subseries B-2, 0.250%, VRD | 4,100,000 | 4,100,000 |
| New York City Housing Development Corp. Multi-Family Mortgage Revenue (The Crest), Series A, 0.290%, VRD | 13,000,000 | 13,000,000 |
| New York City Municipal Finance Authority Water & Sewer Systems Revenue (Citigroup ROCS, Series RR-II-R-11264), 0.280%, VRD ^{(1),(2)} | 5,455,000 | 5,455,000 |
| New York City Municipal Water Finance Authority Water & Sewer Systems Revenue (2nd Generation Resolution), Series AA-3, 0.350%, VRD | 39,950,000 | 39,950,000 |
| New York City Transitional Finance Authority (New York City Recovery), Series 3, Subseries 3-G, 0.240%, VRD | 5,360,000 | 5,360,000 |
| New York City Transitional Finance Authority Revenue (Future Tax Secured), Series A, 0.270%, VRD | 3,900,000 | 3,900,000 |
| Series A-2, 0.280%, VRD | 1,200,000 | 1,200,000 |
| New York Dormitory Authority Revenues (Citigroup ROCS, Series RR-II-R-11560), 0.280%, VRD ^{(1),(2)} | 2,070,000 | 2,070,000 |
| New York State Housing Finance Agency Revenue (Normandie Court I Project), 0.270%, VRD | 7,100,000 | 7,100,000 |
| New York State Housing Finance Agency Revenue (North End), Series A (FNMA Insured), 0.250%, VRD | 5,700,000 | 5,700,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|----------------|-------------|
| Municipal bonds and notes—(continued) | | |
| New York—(concluded) | | |
| Suffolk County Industrial Development Agency Civic Facilities Revenue (Touro College Project), 0.270%, VRD | \$8,000,000 | \$8,000,000 |
| Triborough Bridge & Tunnel Authority Revenues Bond Anticipation Notes, 2.000%, due 11/15/10 | 10,000,000 | 10,005,839 |
| | | 121,296,378 |
| North Carolina—5.17% | | |
| Charlotte-Mecklenburg Hospital Authority Health Care Systems Revenue Refunding (Carolinas Healthcare), Series B, 0.270%, VRD | 2,480,000 | 2,480,000 |
| Charlotte Water & Sewer System Revenue Refunding, Series C, 0.280%, VRD | 5,000,000 | 5,000,000 |
| Charlotte Water & Sewer System Revenue, Series B, 0.270%, VRD | 13,700,000 | 13,700,000 |
| Guilford County, Series B, 0.300%, VRD | 1,855,000 | 1,855,000 |
| Mecklenburg County, Series B, 0.270%, VRD | 10,770,000 | 10,770,000 |
| New Hanover County (School), 0.270%, VRD | 2,835,000 | 2,835,000 |
| North Carolina Capital Facilities Finance Agency Educational Facilities Revenue (Campbell University), 0.300%, VRD | 5,850,000 | 5,850,000 |
| North Carolina Educational Facilities Finance Agency Revenue (Duke University Project), Series A, 0.200%, VRD | 1,000,000 | 1,000,000 |
| North Carolina Medical Care Commission Hospital Revenue (Duke University Hospital Project), Series A, 0.230%, VRD | 9,800,000 | 9,800,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|----------------|--------------|
| Municipal bonds and notes—(continued) | | |
| North Carolina—(concluded) | | |
| Union County, Series A, 0.230%, VRD | \$19,145,000 | \$19,145,000 |
| Wake County, Series B, 0.280%, VRD | 11,700,000 | 11,700,000 |
| | | 84,135,000 |
| Ohio—1.19% | | |
| Columbus (Sanitation Sewer), Series 1, 0.240%, VRD | 2,820,000 | 2,820,000 |
| Columbus Sewer Revenue (JP Morgan PUTTERS, Series 2456), 0.280%, VRD ^{(1),(2)} | 2,800,000 | 2,800,000 |
| Columbus Sewer Revenue, Series B, 0.240%, VRD | 3,530,000 | 3,530,000 |
| Cuyahoga County Housing Revenue (Euclid Avenue Housing Corp.), Series A, 0.250%, VRD | 6,000,000 | 6,000,000 |
| Ohio Higher Educational Facilities Commission Revenue (JP Morgan PUTTERS, Series 3244Z), 0.280%, VRD ^{(1),(2)} | 3,695,000 | 3,695,000 |
| Ohio University General Receipts, Series B, 0.240%, VRD | 565,000 | 565,000 |
| | | 19,410,000 |
| Oklahoma—0.85% | | |
| Oklahoma City Industrial & Cultural Facilities Trust Educational Facilities Revenue (Oklahoma City University Project), 0.290%, VRD | 13,800,000 | 13,800,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|----------------|-------------|
| Municipal bonds and notes—(continued) | | |
| Oregon—0.57% | | |
| Oregon Health Sciences University Revenue, Series B-1, 0.270%, VRD | \$5,960,000 | \$5,960,000 |
| Series B-2, 0.260%, VRD | 3,275,000 | 3,275,000 |
| | | 9,235,000 |
| Pennsylvania—4.33% | | |
| Allegheny County Higher Education Building Authority University Revenue (Carnegie Mellon University), 0.270%, VRD | 5,850,000 | 5,850,000 |
| Allegheny County Higher Education Building Authority University Revenue Refunding (Carnegie Mellon University), 0.270%, VRD | 5,900,000 | 5,900,000 |
| Allegheny County Hospital Development Authority Revenue (University of Pittsburgh Medical Center), Series B-2, 0.210%, VRD | 12,500,000 | 12,500,000 |
| Emmaus General Authority Revenue, Subseries F-22, 0.280%, VRD | 2,400,000 | 2,400,000 |
| Geisinger Authority Health System (Geisinger Health System), Series B, 0.250%, VRD | 9,100,000 | 9,100,000 |
| Series C, 0.270%, VRD | 5,260,000 | 5,260,000 |
| Montgomery County, Series A, 0.270%, VRD | 1,500,000 | 1,500,000 |
| Pennsylvania Higher Educational Facilities Authority College & University Revenues (St. Joseph's University), Series A, 0.250%, VRD | 7,000,000 | 7,000,000 |
| Philadelphia School District Refunding, Series C (Assured Guaranty Insured), 0.230%, VRD | 3,000,000 | 3,000,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|-------------|-------------|
| Municipal bonds and notes—(continued) | | |
| Pennsylvania—(concluded) | | |
| Pittsburgh Water & Sewer Authority Water & Sewer Systems Revenue (1st Lien), Series B2, 0.250%, VRD | \$6,600,000 | \$6,600,000 |
| University of Pittsburgh of the Commonwealth Systems of Higher Education, 2.000%, due 05/31/11 | 6,000,000 | 6,052,847 |
| Westmoreland County Industrial Development Authority Revenue (Excela Health Project), Series B, 0.270%, VRD | 5,300,000 | 5,300,000 |
| | | 70,462,847 |
| South Carolina—0.81% | | |
| Charleston County School District Tax Anticipation Notes (SCSDE Insured), 2.000%, due 04/01/11 | 5,000,000 | 5,034,999 |
| South Carolina Jobs Economic Development Authority Hospital Revenue Refunding (Anmed Health Project), Series C, 0.260%, VRD | 2,000,000 | 2,000,000 |
| Series D, 0.300%, VRD | 3,055,000 | 3,055,000 |
| South Carolina Jobs Economic Development Authority Hospital Revenue Refunding (Regional Medical Center of Orangeburg), 0.290%, VRD | 3,150,000 | 3,150,000 |
| | | 13,239,999 |
| Tennessee—2.64% | | |
| Metropolitan Government of Nashville & Davidson County Health & Educational Facilities Board Revenue (Vanderbilt University), Series A, 0.230%, VRD | 4,835,000 | 4,835,000 |
| Series A-1, 0.230%, VRD | 7,150,000 | 7,150,000 |
| Metropolitan Government of Nashville & Davidson County Industrial Development Board Revenue (YMCA Projects), 0.400%, VRD | 4,500,000 | 4,500,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|----------------|-------------|
| Municipal bonds and notes—(continued) | | |
| Tennessee—(concluded) | | |
| Montgomery County Public Building Authority Pooled Financing Revenue (Tennessee County Loan Pool), 0.300%, VRD | \$2,550,000 | \$2,550,000 |
| Sevier County Public Building Authority (Local Government Public Improvement), Series B-1, 0.300%, VRD | 4,865,000 | 4,865,000 |
| Shelby County Refunding, Series C, 0.330%, VRD | 18,980,000 | 18,980,000 |
| | | 42,880,000 |
| Texas—11.09% | | |
| Alamo Community College District (Citigroup ROCS), Series RR-II-R-11406 (BHAC-CR NATL-RE Insured), 0.280%, VRD ^{(1),(2)} | 9,575,000 | 9,575,000 |
| Series RR-II-R-883WF (FGIC Insured), 0.270%, VRD ^{(1),(2)} | 7,750,000 | 7,750,000 |
| Austin Water & Wastewater Systems Revenue Refunding, 0.300%, VRD | 7,490,000 | 7,490,000 |
| Frisco Certificates of Obligation (Barclays Capital Municipal Trust Receipts, Series 188) (AGM Insured), 0.290%, VRD ^{(1),(2)} | 5,300,000 | 5,300,000 |
| Harris County Cultural Education Facilities Finance Corp. Revenue (Methodist Hospital), Series C-2, 0.270%, VRD | 9,900,000 | 9,900,000 |
| Subseries C-2, 0.270%, VRD | 4,100,000 | 4,100,000 |
| Harris County Health Facilities Development Corp. Revenue Refunding (Methodist Hospital Systems), Series A-1, 0.270%, VRD | 17,600,000 | 17,600,000 |
| Harris County Tax Anticipation Notes, 2.000%, due 02/28/11 | 10,000,000 | 10,053,966 |
| Houston Higher Education Finance Corp. Higher Education Revenue (Rice University Project), Series A, 0.280%, VRD | 2,855,000 | 2,855,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|---|-------------|-------------|
| Municipal bonds and notes—(continued) | | |
| Texas—(continued) | | |
| Houston Utility System Revenue Refunding (First Lien), Series B-1, 0.280%, VRD | \$4,000,000 | \$4,000,000 |
| Series B-6, 0.240%, VRD | 2,600,000 | 2,600,000 |
| Mesquite Independent School District (School Building), Series A (PSF-GTD), 0.250%, VRD | 17,450,000 | 17,450,000 |
| Port Arthur Navigation District Refunding (Texaco, Inc. Project), 0.300%, VRD | 4,200,000 | 4,200,000 |
| San Antonio Electric & Gas (Systems-Junior Lien), 0.290%, VRD | 4,000,000 | 4,000,000 |
| San Antonio Hotel Occupancy Revenue Refunding (Sub Lien), 0.270%, VRD | 4,250,000 | 4,250,000 |
| Tarrant County Cultural Education Facilities Finance Corp. Revenue (Texas Health Resources), Series B, 0.250%, VRD | 5,325,000 | 5,325,000 |
| Texas (Citigroup ROCS, Series RR-II-R-11184), 0.280%, VRD ^{(1),(2)} | 6,205,000 | 6,205,000 |
| Texas (JP Morgan PUTTERS, Series 3238), 0.280%, VRD ^{(1),(2)} | 2,165,000 | 2,165,000 |
| Texas State (Bank of America Austin Certificates, Series 2008-1053), 0.300%, VRD ^{(1),(2)} | 6,670,000 | 6,670,000 |
| Texas State (Barclays Capital Municipal Trust Receipts, Series 55B), 0.290%, VRD ^{(1),(2)} | 2,050,000 | 2,050,000 |
| Texas State Transportation Commission Revenue (JP Morgan PUTTERS, Series 2563), 0.280%, VRD ^{(1),(2)} | 3,330,000 | 3,330,000 |
| Texas State (Veterans), Series C, 0.270%, VRD | 10,000,000 | 10,000,000 |
| Texas Tax & Revenue Anticipation Notes, 2.000%, due 08/31/11 | 20,000,000 | 20,275,025 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|----------------|-------------|
| Municipal bonds and notes—(continued) | | |
| Texas—(concluded) | | |
| Texas Water Development Board Revenue Refunding (State Revolving-Sub Lien), Series A, 0.290%, VRD | \$2,000,000 | \$2,000,000 |
| University of Texas Permanent University Fund System, Series A, 0.200%, VRD | 2,270,000 | 2,270,000 |
| University of Texas University Revenues (Financing Systems), Series B, 0.210%, VRD | 9,055,000 | 9,055,000 |
| | | 180,468,991 |
| Vermont—1.64% | | |
| Vermont Educational & Health Buildings Financing Agency Revenue (Middlebury College Project), Series A, 0.500%, VRD | 4,350,000 | 4,350,000 |
| Series B 0.500%, VRD | 5,300,000 | 5,300,000 |
| Winooski Special Obligation Refunding, Series A, 0.300%, VRD | 17,000,000 | 17,000,000 |
| | | 26,650,000 |
| Virginia—1.60% | | |
| Loudoun County Industrial Development Authority Revenue (Howard Hughes Medical), Series D, 0.250%, VRD | 5,000,000 | 5,000,000 |
| Norfolk Economic Development Authority Hospital Facilities Revenue Refunding (Sentara Healthcare), Series A (Mandatory Put 05/13/11 @100), 0.480%, due 05/13/11 | 10,000,000 | 10,000,000 |
| University of Virginia University Revenues (General), Series A, 0.200%, VRD | 2,190,000 | 2,190,000 |
| Virginia University Health System Authority Revenue (General), Series C, 0.240%, VRD | 8,875,000 | 8,875,000 |
| | | 26,065,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|----------------|-------------|
| Municipal bonds and notes—(continued) | | |
| Washington—5.77% | | |
| Central Puget Sound Regional Transportation Authority Sales & Use Tax Revenue (JP Morgan PUTTERS, Series 2643Z), 0.280%, VRD ^{(1),(2)} | \$4,995,000 | \$4,995,000 |
| Energy Northwest Electric Revenue (JP Morgan PUTTERS, Series 1282) (AMBAC-TCRs Insured), 0.330%, VRD ^{(1),(2)} | 15,540,000 | 15,540,000 |
| King County Sewer Revenue (Junior Lien), Series A, 0.320%, VRD | 43,475,000 | 43,475,000 |
| Seattle Water System Revenue (Morgan Stanley Floater Certificates, Series 2170) (AGM Insured), 0.270%, VRD ^{(1),(2)} | 5,085,000 | 5,085,000 |
| Washington (Citigroup ROCS, Series RR-II-R-11145) (AGM Insured), 0.280%, VRD ^{(1),(2)} | 6,740,000 | 6,740,000 |
| Washington Housing Finance Commission Multifamily Housing Revenue Refunding (New Haven Apartments), (FNMA Insured), 0.260%, VRD | 3,900,000 | 3,900,000 |
| Washington Housing Finance Commission Multifamily Housing Revenue Refunding (Washington Terrace), 0.270%, VRD | 3,750,000 | 3,750,000 |
| Washington (JP Morgan PUTTERS, Series 2650Z) (AGM Insured), 0.290%, VRD ^{(1),(2)} | 3,995,000 | 3,995,000 |
| Washington State (Citigroup ROCS, Series RR-II-R-11298) (AGM Insured), 0.280%, VRD ^{(1),(2)} | 4,945,000 | 4,945,000 |
| Washington State Refunding (Various Purpose), Series R-2011B, 5.000%, due 01/01/11 | 1,400,000 | 1,410,895 |
| | | 93,835,895 |
| West Virginia—0.32% | | |
| Cabell County University Facilities Revenue (Provident Group Marshall Properties), Series A, 0.300%, VRD | 5,150,000 | 5,150,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|----------------|---------------|
| Municipal bonds and notes—(concluded) | | |
| Wisconsin—0.24% | | |
| Wisconsin Health & Educational Facilities Authority Revenue (Meriter Hospital, Inc.), Series A, 0.290%, VRD | \$3,840,000 | \$3,840,000 |
| Wyoming—0.35% | | |
| Sweetwater County Pollution Control Revenue Refunding (PacifiCorp Project), Series A, 0.240%, VRD | 5,100,000 | 5,100,000 |
| Series B, 0.270%, VRD | 600,000 | 600,000 |
| | | 5,700,000 |
| Total municipal bonds and notes (cost—\$1,393,886,551) | | 1,393,886,551 |
| Tax-exempt commercial paper—13.95% | | |
| Florida—1.11% | | |
| Florida Local Government, 0.300%, due 12/08/10 | 18,000,000 | 18,000,000 |
| Georgia—1.51% | | |
| Atlanta Airport, 0.300%, due 12/13/10 | 5,000,000 | 5,000,000 |
| Emory University, 0.280%, due 11/01/10 | 3,125,000 | 3,125,000 |
| Metropolitan Atlanta Rapid Transit, 0.330%, due 11/04/10 | 16,500,000 | 16,500,000 |
| | | 24,625,000 |
| Illinois—0.61% | | |
| Illinois Educational Facilities Authority Revenue, 0.300%, due 11/01/10 | 10,000,000 | 10,000,000 |
| Kentucky—1.05% | | |
| Pendleton County Multi-County, 0.370%, due 11/08/10 | 17,000,000 | 17,000,000 |
| Maryland—2.20% | | |
| Baltimore County, 0.330%, due 11/10/10 | 30,400,000 | 30,400,000 |
| Montgomery County, 0.320%, due 11/03/10 | 5,400,000 | 5,400,000 |
| | | 35,800,000 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

| Security description | Face amount | Value |
|--|--------------|-----------------|
| Tax-exempt commercial paper—(concluded) | | |
| Massachusetts—0.61% | | |
| Harvard University, 0.250%, due 11/04/10 | \$10,000,000 | \$10,000,000 |
| Michigan—0.92% | | |
| Trinity Health Credit Group, 0.300%, due 12/06/10 | 15,000,000 | 15,000,000 |
| Minnesota—1.91% | | |
| Mayo Clinic, 0.280%, due 11/01/10 | 5,000,000 | 5,000,000 |
| 0.280%, due 12/07/10 | 16,000,000 | 16,000,000 |
| 0.300%, due 12/07/10 | 10,000,000 | 10,000,000 |
| | | 31,000,000 |
| Tennessee—0.61% | | |
| Vanderbilt University, 0.300%, due 05/23/11 | 10,000,000 | 10,000,000 |
| Texas—2.54% | | |
| Harris County, Series D, 0.300%, due 11/08/10 | 5,000,000 | 5,000,000 |
| Houston Combined Utility System, 0.300%, due 12/09/10 | 7,100,000 | 7,100,000 |
| 0.340%, due 12/09/10 | 3,500,000 | 3,500,000 |
| Houston Hotel Occupancy Tax, 0.300%, due 11/04/10 | 5,000,000 | 5,000,000 |
| Methodist Hospital, 0.430%, due 12/08/10 | 12,000,000 | 12,000,000 |
| San Antonio Electric & Gas, 0.290%, due 11/04/10 | 8,700,000 | 8,700,000 |
| | | 41,300,000 |
| Wyoming—0.88% | | |
| PacificCorp., 0.320%, due 11/01/10 | 14,225,000 | 14,225,000 |
| Total tax-exempt commercial paper (cost—\$226,950,000) | | 226,950,000 |
| Total investments (cost—\$1,620,836,551 which approximates cost for federal income tax purposes)—99.61% | | 1,620,836,551 |
| Other assets in excess of liabilities—0.39% | | 6,301,458 |
| Net assets—100.00% | | \$1,627,138,009 |

Tax-Free Master Fund

Statement of net assets—October 31, 2010 (unaudited)

- (1) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities, which represent 9.85% of net assets as of October 31, 2010, are considered liquid and may be resold in transactions exempt from registration, normally to qualified institutional buyers.
- (2) The Fund does not directly own the municipal security indicated; the Fund owns an interest in a special purpose entity that, in turn, owns the underlying municipal security. The special purpose entity permits the Fund to own interests in underlying assets, but in a manner structured to provide certain advantages not inherent in the underlying bonds (e.g., enhanced liquidity, yields linked to short-term rates).

| | |
|---------|---|
| AGM | Assured Guaranty Municipal Corporation |
| AMBAC | American Municipal Bond Assurance Corporation |
| BHAC | Berkshire Hathaway Assurance Corporation |
| CR | Custodial Receipts |
| FGIC | Financial Guaranty Insurance Company |
| FNMA | Federal National Mortgage Association |
| GTD | Guaranteed |
| NATL-RE | National Reinsurance |
| PSF | Permanent School Fund |
| PUTTERS | Puttable Tax-Exempt Receipts |
| ROCS | Reset Option Certificates |
| SCSDE | South Carolina School District Enhancement |
| TCRs | Transferable Custodial Receipts |
| VRD | Variable rate demand notes are payable on demand. The interest rates shown are the current rates as of October 31, 2010 and reset periodically. |

The following is a summary of the fair valuations according to the inputs used as of October 31, 2010 in valuing the Fund's investments:

| | Unadjusted quoted prices in active markets for identical investments (Level 1) | Other significant observable inputs (Level 2) | Unobservable inputs (Level 3) | Total |
|--------------------------------|---|--|--|------------------------|
| Municipal bonds and notes | \$— | \$1,393,886,551 | \$— | \$1,393,886,551 |
| Tax-exempt commercial paper | — | 226,950,000 | — | 226,950,000 |
| Total | \$— | \$1,620,836,551 | \$— | \$1,620,836,551 |

At October 31, 2010, there were no transfers between Level 1 and Level 2.

Weighted average maturity—23 days

See accompanying notes to financial statements

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

(Note: The expense information provided in this section is relevant for direct investors in the Master Funds. Investors in related “feeder funds” should instead focus on separate expense examples relevant to the particular feeder funds; the expense examples for the feeder funds will reflect their proportionate share of the corresponding Master Funds’ expenses.)

Understanding a Master Fund’s expenses (unaudited)

As an owner of a Master Fund, an investor such as a feeder fund incurs ongoing costs, including management fees and other Master Fund expenses. These examples are intended to help you understand a Master Fund investor’s ongoing costs (in dollars) of investing in a Master Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The examples below are based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, May 1, 2010 to October 31, 2010.

Actual expenses

The first line in the table below for each Master Fund provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over a 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 line under the heading entitled “Expenses paid during period” to estimate the expenses you paid on your account during this period.

Hypothetical example for comparison purposes

The second line in the table below for each Master Fund provides information about hypothetical account values and hypothetical expenses based on the Master Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Master Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Master Fund and other funds. To do so, compare these 5% hypothetical examples with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Understanding a Master Fund's expenses (unaudited) (continued)

Please note that the expenses shown in the table are meant to highlight your ongoing costs. Therefore, the second line in the table for each Master Fund is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds, if those other funds impose transactional costs—for example, exchange fees. In addition, if those transactional costs were included, your costs for those other funds would have been higher.

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Understanding a Master Fund's expenses (unaudited) (concluded)

Prime Master Fund

| | Beginning account value May 1, 2010 | Ending account value October 31, 2010 | Expenses paid during period⁽¹⁾ 05/01/10 to 10/31/10 | Expense ratio during the period |
|---|--|--|---|--|
| Actual | \$1,000.00 | \$1,001.10 | \$0.50 | 0.10% |
| Hypothetical (5% annual return before expenses) | 1,000.00 | 1,024.70 | 0.51 | 0.10 |

Treasury Master Fund

| | Beginning account value May 1, 2010 | Ending account value October 31, 2010 | Expenses paid during period⁽¹⁾ 05/01/10 to 10/31/10 | Expense ratio during the period |
|---|--|--|---|--|
| Actual | \$1,000.00 | \$1,000.60 | \$0.50 | 0.10% |
| Hypothetical (5% annual return before expenses) | 1,000.00 | 1,024.70 | 0.51 | 0.10 |

Tax-Free Master Fund

| | Beginning account value May 1, 2010 | Ending account value October 31, 2010 | Expenses paid during period⁽¹⁾ 05/01/10 to 10/31/10 | Expense ratio during the period |
|---|--|--|---|--|
| Actual | \$1,000.00 | \$1,000.90 | \$0.50 | 0.10% |
| Hypothetical (5% annual return before expenses) | 1,000.00 | 1,024.70 | 0.51 | 0.10 |

⁽¹⁾ Expenses are equal to the Master Fund's annualized net expense ratio, multiplied by the average account value over the period, multiplied by 184 divided by 365 (to reflect the one-half year period).

Prime Master Fund

Portfolio characteristics at a glance (unaudited)

| Characteristics | 10/31/10 | 04/30/10 | 10/31/09 |
|--|---------------|--------------------|---------------|
| Weighted average maturity ⁽¹⁾ | 47 days | 35 days | 54 days |
| Net assets (bln) | \$21.5 | \$22.6 | \$19.6 |
| Portfolio composition ⁽²⁾ | 10/31/10 | 04/30/10 | 10/31/09 |
| Commercial paper | 47.8% | 50.6% | 51.3% |
| US government and agency obligations | 17.5 | 16.2 | 18.3 |
| Certificates of deposit | 17.4 | 12.5 | 12.3 |
| Repurchase agreements | 10.0 | 12.8 | 12.9 |
| US master note | 3.8 | 3.6 | 3.0 |
| Short-term corporate obligations | 1.6 | 3.3 | 1.8 |
| Time deposit | — | 1.0 | 1.4 |
| Other assets less liabilities | 1.9 | 0.0 ⁽³⁾ | (1.0) |
| Total | 100.0% | 100.0% | 100.0% |

(1) The Master Fund is actively managed, and its weighted average maturity will differ over time.

(2) Weightings represent percentages of the Master Fund's net assets as of the date indicated. The Master Fund's portfolio is actively managed, and its composition will vary over time.

(3) Weighting represents less than 0.05% of net assets as of the date indicated.

An investment in Prime Master Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment so that the shares of each related feeder fund are at \$1.00 per share, it is possible to lose money by investing in the Fund.

Treasury Master Fund

Portfolio characteristics at a glance (unaudited)

| Characteristics | 10/31/10 | 04/30/10 | 10/31/09 |
|--|----------|----------|----------|
| Weighted average maturity ⁽¹⁾ | 38 days | 40 days | 54 days |
| Net assets (bln) | \$8.0 | \$7.3 | \$7.6 |

| Portfolio composition ⁽²⁾ | 10/31/10 | 04/30/10 | 10/31/09 |
|--------------------------------------|---------------|---------------|---------------|
| Repurchase agreements | 71.0% | 75.4% | 62.8% |
| US government obligations | 26.0 | 24.5 | 37.0 |
| Other assets less liabilities | 3.0 | 0.1 | 0.2 |
| Total | 100.0% | 100.0% | 100.0% |

(1) The Master Fund is actively managed, and its weighted average maturity will differ over time.

(2) Weightings represent percentages of the Master Fund's net assets as of the date indicated. The Master Fund's portfolio is actively managed, and its composition will vary over time.

An investment in Treasury Master Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment so that the shares of each related feeder fund are at \$1.00 per share, it is possible to lose money by investing in the Fund.

Tax-Free Master Fund

Portfolio characteristics at a glance (unaudited)

| Characteristics | 10/31/10 | 04/30/10 | 10/31/09 |
|--|----------|----------|----------|
| Weighted average maturity ⁽¹⁾ | 23 days | 14 days | 15 days |
| Net assets (bln) | \$1.6 | \$1.9 | \$2.1 |

| Portfolio composition ⁽²⁾ | 10/31/10 | 04/30/10 | 10/31/09 |
|--------------------------------------|---------------|---------------|--------------------|
| Municipal bonds and notes | 85.7% | 89.5% | 93.4% |
| Tax-exempt commercial paper | 13.9 | 11.3 | 5.9 |
| Money market funds | — | — | 0.7 |
| Other assets less liabilities | 0.4 | (0.8) | 0.0 ⁽³⁾ |
| Total | 100.0% | 100.0% | 100.0% |

(1) The Master Fund is actively managed, and its weighted average maturity will differ over time.

(2) Weightings represent percentages of the Master Fund's net assets as of the date indicated. The Master Fund's portfolio is actively managed, and its composition will vary over time.

(3) Weighting represents less than 0.05% of net assets as of the date indicated.

An investment in Tax-Free Master Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment so that the shares of each related feeder fund are at \$1.00 per share, it is possible to lose money by investing in the Fund.

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Statement of operations

For the six months ended
October 31, 2010
(unaudited)

Prime Master Fund

Investment income:

| | |
|----------|--------------|
| Interest | \$35,450,126 |
|----------|--------------|

Expenses:

| | |
|---|------------|
| Investment advisory and administration fees | 10,909,735 |
|---|------------|

| | |
|----------------|--------|
| Trustees' fees | 49,295 |
|----------------|--------|

| | |
|--------------|------------|
| Net expenses | 10,959,030 |
|--------------|------------|

| | |
|-----------------------|------------|
| Net investment income | 24,491,096 |
|-----------------------|------------|

| | |
|-------------------|--------|
| Net realized gain | 25,770 |
|-------------------|--------|

| | |
|--|--------------|
| Net increase in net assets resulting from operations | \$24,516,866 |
|--|--------------|

Treasury Master Fund

Investment income:

| | |
|----------|-------------|
| Interest | \$8,483,729 |
|----------|-------------|

Expenses:

| | |
|---|-----------|
| Investment advisory and administration fees | 4,041,185 |
|---|-----------|

| | |
|----------------|--------|
| Trustees' fees | 21,889 |
|----------------|--------|

| | |
|--------------|-----------|
| Net expenses | 4,063,074 |
|--------------|-----------|

| | |
|-----------------------|-----------|
| Net investment income | 4,420,655 |
|-----------------------|-----------|

| | |
|-------------------|----------|
| Net realized loss | (13,571) |
|-------------------|----------|

| | |
|--|-------------|
| Net increase in net assets resulting from operations | \$4,407,084 |
|--|-------------|

Tax-Free Master Fund

Investment income:

| | |
|----------|-------------|
| Interest | \$2,433,699 |
|----------|-------------|

Expenses:

| | |
|---|---------|
| Investment advisory and administration fees | 862,473 |
|---|---------|

| | |
|----------------|--------|
| Trustees' fees | 10,019 |
|----------------|--------|

| | |
|--------------|---------|
| Net expenses | 872,492 |
|--------------|---------|

| | |
|-----------------------|-----------|
| Net investment income | 1,561,207 |
|-----------------------|-----------|

| | |
|--|-------------|
| Net increase in net assets resulting from operations | \$1,561,207 |
|--|-------------|

See accompanying notes to financial statements

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Statement of changes in net assets

| | For the six months ended October 31, 2010 (unaudited) | For the year ended April 30, 2010 |
|--|--|---|
| Prime Master Fund | | |
| From operations: | | |
| Net investment income | \$24,491,096 | \$52,534,490 |
| Net realized gain | 25,770 | 201,183 |
| Net increase in net assets resulting from operations | 24,516,866 | 52,735,673 |
| Net increase (decrease) in net assets from beneficial interest transactions | (1,097,642,096) | 2,931,246,583 |
| Net increase (decrease) in net assets | (1,073,125,230) | 2,983,982,256 |
| Net assets: | | |
| Beginning of period | 22,591,869,074 | 19,607,886,818 |
| End of period | \$21,518,743,844 | \$22,591,869,074 |
| Treasury Master Fund | | |
| From operations: | | |
| Net investment income | \$4,420,655 | \$10,317,114 |
| Net realized gain (loss) | (13,571) | 132,304 |
| Net increase in net assets resulting from operations | 4,407,084 | 10,449,418 |
| Net increase (decrease) in net assets from beneficial interest transactions | 627,345,241 | (3,374,821,928) |
| Net increase (decrease) in net assets | 631,752,325 | (3,364,372,510) |
| Net assets: | | |
| Beginning of period | 7,335,524,818 | 10,699,897,328 |
| End of period | \$7,967,277,143 | \$7,335,524,818 |
| Tax-Free Master Fund | | |
| From operations: | | |
| Net investment income | \$1,561,207 | \$4,480,830 |
| Net realized gain | — | 164,409 |
| Net increase in net assets resulting from operations | 1,561,207 | 4,645,239 |
| Net decrease in net assets from beneficial interest transactions | (307,554,713) | (841,553,891) |
| Net decrease in net assets | (305,993,506) | (836,908,652) |
| Net assets: | | |
| Beginning of period | 1,933,131,515 | 2,770,040,167 |
| End of period | \$1,627,138,009 | \$1,933,131,515 |

See accompanying notes to financial statements

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Financial highlights

Selected data for a share of common stock outstanding throughout each period is presented below:

| | Six months ended October 31, 2010 (unaudited) | Years ended April 30, | | For the period August 28, 2007 ⁽¹⁾ to April 30, 2008 |
|---|---|-----------------------|----------------------|---|
| | | 2010 | 2009 | |
| Prime Master Fund | | | | |
| Ratios/supplemental data: | | | | |
| Net assets, end of period (000's) | \$21,518,744 | \$22,591,869 | \$19,607,887 | \$13,948,101 |
| Expenses to average net assets, before fee waivers by advisor | 0.10% ⁽²⁾ | 0.10% ⁽⁴⁾ | 0.10% | 0.10% ⁽²⁾ |
| Expenses to average net assets, net of fee waivers by advisor | 0.10% ⁽²⁾ | 0.10% ⁽⁴⁾ | 0.10% | 0.10% ⁽²⁾ |
| Net investment income to average net assets | 0.22% ⁽²⁾ | 0.25% | 1.90% | 4.28% ⁽²⁾ |
| Treasury Master Fund | | | | |
| Ratios/supplemental data: | | | | |
| Net assets, end of period (000's) | \$7,967,277 | \$7,335,525 | \$10,699,897 | \$6,711,384 |
| Expenses to average net assets, before fee waivers by advisor | 0.10% ⁽²⁾ | 0.10% | 0.10% ⁽⁴⁾ | 0.10% ⁽²⁾ |
| Expenses to average net assets, net of fee waivers by advisor | 0.10% ⁽²⁾ | 0.10% | 0.10% ⁽⁴⁾ | 0.10% ⁽²⁾ |
| Net investment income to average net assets | 0.11% ⁽²⁾ | 0.12% | 0.77% | 2.96% ⁽²⁾ |
| Tax-Free Master Fund | | | | |
| Ratios/supplemental data: | | | | |
| Net assets, end of period (000's) | \$1,627,138 | \$1,933,132 | \$2,770,040 | \$2,642,116 |
| Expenses to average net assets, before fee waivers by advisor | 0.10% ⁽²⁾ | 0.10% ⁽⁴⁾ | 0.10% | 0.10% ⁽²⁾ |
| Expenses to average net assets, net of fee waivers by advisor | 0.10% ⁽²⁾ | 0.10% ⁽⁴⁾ | 0.04% | 0.00% ^{(2),(3)} |
| Net investment income to average net assets | 0.18% ⁽²⁾ | 0.20% | 1.42% | 2.73% ⁽²⁾ |

⁽¹⁾ Commencement of operations.

⁽²⁾ Annualized.

⁽³⁾ Amount represents less than 0.005%.

⁽⁴⁾ Waivers by advisor represent less than 0.005%.

See accompanying notes to financial statements

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Notes to financial statements (unaudited)

Organization and significant accounting policies

Prime Master Fund, Treasury Master Fund and Tax-Free Master Fund (each a "Master Fund", collectively, the "Master Funds") are each registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended ("1940 Act"), as a diversified series of Master Trust (the "Master Trust"), an open-end management investment company organized as a Delaware statutory trust on June 12, 2007.

Each Master Fund commenced operations on August 28, 2007. On August 28, 2007, the Prime Master Fund and Treasury Master Fund received substantially all of the net assets of UBS Select Prime Institutional Fund (then known as UBS Select Money Market Fund) and UBS Select Treasury Institutional Fund (then known as UBS Select Treasury Fund) (open-end registered investment companies affiliated with the Master Funds) in exchange for ownership interests in the respective Master Funds.

In the normal course of business the Master Funds may enter into contracts that contain a variety of representations or that provide indemnification for certain liabilities. The Master Funds' maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Master Funds that have not yet occurred. However, the Master Funds have not had prior claims or losses pursuant to these contracts and expect the risk of loss to be remote.

The Master Trust accounts separately for the assets, liabilities and operations of each series. Expenses directly attributable to each series are charged to that series' operations; expenses which are applicable to all series are allocated among them on a pro rata basis.

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") is the exclusive reference of authoritative US generally accepted accounting principles ("GAAP") recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The Master Funds' financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Notes to financial statements (unaudited)

results could differ from those estimates. The following is a summary of significant accounting policies:

Valuation of investments—Investments are valued at amortized cost unless the Master Trust’s Board of Trustees (the “Master Board”) determines that this does not represent fair value. Periodic review and monitoring of the valuation of securities held by the Master Funds is performed in an effort to ensure that amortized cost approximates market value.

GAAP requires disclosure surrounding the various inputs that are used in determining the value of the Master Fund’s investments. These inputs are summarized into the three broad levels listed below:

Level 1—Unadjusted quoted prices in active markets for identical investments.

Level 2—Other significant observable inputs, including but not limited to, quoted prices for similar investments, interest rates, prepayment speeds and credit risks.

Level 3—Unobservable inputs inclusive of the Master Fund’s own assumptions in determining the fair value of investments.

In accordance with the requirements of GAAP, a fair value hierarchy has been included near the end of the Master Fund’s Statement of net assets.

In January 2010, FASB issued Accounting Standards Update (“ASU”) No. 2010-06 “Improving Disclosures about Fair Value Measurements”. The portions of ASU No. 2010-06 which require reporting entities to prepare new disclosures surrounding amounts and reasons for significant transfers in and out of Level 1 and Level 2 fair value measurements as well as inputs and valuation techniques used to measure fair value for both recurring and nonrecurring fair value measurements that fall in either Level 2 or Level 3 have been adopted by the Master Funds. No significant transfers between Level 1 or Level 2 fair value measurements occurred at October 31, 2010. The remaining portion of ASU No. 2010-06 requires reporting entities to make new disclosures about information on purchases, sales, issuances and settlements on a gross basis in the reconciliation of activity in Level 3 fair value measurements. These new and revised disclosures are required to be implemented for fiscal years beginning after December 15, 2010.

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Notes to financial statements (unaudited)

Management is currently evaluating the impact that the adoption of this remaining portion of ASU No. 2010-06 may have on the Master Funds' financial statement disclosures.

Repurchase agreements—The Master Funds may purchase securities or other obligations from a bank or securities dealer (or its affiliate), subject to the seller's agreement to repurchase them at an agreed upon date (or upon demand) and price. The Master Funds maintain custody of the underlying securities or obligations prior to their repurchase, either through its regular custodian or through a special "tri-party" custodian or sub-custodian that maintains a separate account for both the Master Funds and their counterparty. The underlying collateral is valued daily to ensure that the value, including accrued interest, is at least equal to the repurchase price. In the event of default of the obligation to repurchase, the Master Funds generally have the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. Repurchase agreements involving obligations other than US government securities (such as commercial paper, corporate bonds and mortgage loans) may be subject to special risks and may not have the benefit of certain protections in the event of counterparty insolvency. If the seller (or seller's guarantor, if any) becomes insolvent, the Master Funds may suffer delays, costs and possible losses in connection with the disposition or retention of the collateral. Under certain circumstances, in the event of default or bankruptcy by the other party to the agreement, realization and/or retention of the collateral may be subject to legal proceedings. The Master Funds may participate in joint repurchase agreement transactions with other funds managed, advised or sub-advised by UBS Global Asset Management (Americas) Inc. ("UBS Global AM"). Under certain circumstances, a Master Fund may engage in a repurchase agreement transaction with a yield of zero in order to invest cash amounts remaining in its portfolio at the end of the day in order to avoid having the Master Fund assessed a fee for uninvested cash held in a business account at a bank.

Investment transactions, investment income and expenses—Investment transactions are recorded on the trade date. Realized gains and losses from investment transactions are calculated using the identified cost method. Interest income is recorded on an accrual basis. Discounts are accreted and premiums are amortized as adjustments to interest income and the identified cost of investments.

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Notes to financial statements (unaudited)

Concentration of risk

The ability of the issuers of the debt securities held by the Master Funds to meet their obligations may be affected by economic and political developments, including those particular to a specific industry, country, state or region.

Investment advisor and administrator

The Master Board has approved an investment advisory and administration contract ("Management Contract") with respect to each Master Fund under which UBS Global AM serves as investment advisor and administrator. In accordance with the Management Contract, each Master Fund pays UBS Global AM an investment advisory and administration fee, which is accrued daily and paid monthly, in accordance with the following schedule:

| Average daily net assets | Annual rate |
|--|-------------|
| Up to \$30 billion | 0.1000% |
| In excess of \$30 billion up to \$40 billion | 0.0975 |
| In excess of \$40 billion up to \$50 billion | 0.0950 |
| In excess of \$50 billion up to \$60 billion | 0.0925 |
| Over \$60 billion | 0.0900 |

At October 31, 2010, Prime Master Fund, Treasury Master Fund and Tax-Free Master Fund owed UBS Global AM \$1,811,148, \$676,867 and \$140,523, respectively, for investment advisory and administration fees. In exchange for these fees, UBS Global AM has agreed to bear all of the Master Funds' expenses other than taxes, extraordinary costs and the cost of securities purchased and sold by the Funds, including any transaction costs. Although UBS Global AM is not obligated to pay the fees and expenses of the Master Funds' independent trustees, it is contractually obligated to reduce its management fee in an amount equal to those fees and expenses. UBS Global AM estimates that these fees and expenses will be less than 0.01% of each Master Fund's average daily net assets. UBS Global AM has also reduced its management fee for interest expense related to borrowing. At October 31, 2010, UBS Global AM owed \$27,078, \$12,304 and \$5,643 for the independent trustees fees and interest expense to Prime Master Fund, Treasury Master Fund and Tax-Free Master Fund, respectively.

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Notes to financial statements (unaudited)

Additional information regarding compensation to affiliate of a Board member

Professor Meyer Feldberg serves as a senior advisor to Morgan Stanley, a financial services firm with which the Master Funds may conduct transactions, resulting in him being an interested trustee of the Master Funds. The Master Funds have been informed that Professor Feldberg's role at Morgan Stanley does not involve matters directly affecting any UBS funds. Portfolio transactions are executed through Morgan Stanley based on that firm's ability to provide best execution of the transactions. During the six months ended October 31, 2010, the Master Funds purchased and sold certain securities (e.g., fixed income securities) in principal trades with Morgan Stanley, having aggregate values as follows:

| | |
|----------------------|------------------|
| Prime Master Fund | \$56,335,608,132 |
| Treasury Master Fund | 130,819,944,583 |
| Tax-Free Master Fund | 411,027,000 |

Morgan Stanley received compensation in connection with these trades, which may have been in the form of a "mark-up" or "mark-down" of the price of the securities, a fee from the issuer for maintaining a commercial paper program, or some other form of compensation. Although the precise amount of this compensation is not generally known by the Master Funds' investment advisor, it is believed that under normal circumstances it represents a small portion of the total value of the transactions.

Securities lending

Each Master Fund may lend securities up to 33% of its total assets to qualified broker-dealers or institutional investors. The loans are secured at all times by cash, US government securities or irrevocable letters of credit in an amount at least equal to the market value of the securities loaned, plus accrued interest and dividends, determined on a daily basis and adjusted accordingly. A Master Fund will regain ownership of loaned securities to exercise certain beneficial rights; however, a Master Fund may bear the risk of delay in recovery of, or even loss of rights in, the securities loaned should the borrower fail financially. A Master Fund receives compensation for lending its securities from interest or dividends earned on the cash, US government securities or irrevocable letters of credit held as collateral, net of fee rebates paid to the borrower plus reasonable administrative and

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Notes to financial statements (unaudited)

custody fees. State Street Bank and Trust Company serves as the Master Funds' lending agent. The Funds did not loan any securities during the six months ended October 31, 2010.

Bank line of credit

Tax-Free Master Fund participates with other funds managed, advised or sub-advised by UBS Global AM in a \$100 million credit facility with State Street Bank and Trust Company ("Committed Credit Facility"), to be utilized for temporary financing until the settlement of sales or purchases of portfolio securities, the repurchase or redemption of interests of Tax-Free Master Fund at the request of the interest holders and other temporary or emergency purposes. Under the Committed Credit Facility arrangement, Tax-Free Master Fund has agreed to pay commitment fees, pro rata, based on the relative asset size of the funds in the Committed Credit Facility, which fees are paid by UBS Global AM, not Tax-Free Master Fund, pursuant to the Management Contract. Effective November 12, 2010 interest will be charged to Tax-Free Master Fund at the higher of (a) the overnight federal funds rate in effect at the time of borrowings, plus 1.00% or (b) the reserve-adjusted US-dollar London Interbank Offered Rate ("LIBOR") plus 1.00%. Tax-Free Master Fund did not borrow against the bank line of credit during the six months ended October 31, 2010.

Other liabilities

At October 31, 2010, the Master Funds had the following liabilities outstanding*:

| | Payable for investments purchased |
|-------------------|--|
| Prime Master Fund | \$96,495,175 |

*Excludes investment advisory and administration fees.

Beneficial interest transactions

| Prime Master Fund | For the six months ended October 31, 2010 | For the year ended April 30, 2010 |
|--|--|--|
| Contributions | \$29,118,908,656 | \$42,776,750,451 |
| Withdrawals | (30,216,550,752) | (39,845,503,868) |
| Net increase (decrease) in beneficial interest | \$(1,097,642,096) | \$2,931,246,583 |

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Notes to financial statements (unaudited)

| | For the six months ended October 31, 2010 | For the year ended April 30, 2010 |
|--|--|--|
| Treasury Master Fund | | |
| Contributions | \$7,873,504,453 | \$10,240,126,831 |
| Withdrawals | (7,246,159,212) | (13,614,948,759) |
| Net increase (decrease) in beneficial interest | \$627,345,241 | \$(3,374,821,928) |

| | For the six months ended October 31, 2010 | For the year ended April 30, 2010 |
|-------------------------------------|--|--|
| Tax-Free Master Fund | | |
| Contributions | \$722,138,043 | \$2,552,766,939 |
| Withdrawals | (1,029,692,756) | (3,394,320,830) |
| Net decrease in beneficial interest | \$(307,554,713) | \$(841,553,891) |

Federal tax status

Each Master Fund is considered a non-publicly traded partnership for federal income tax purposes under the Internal Revenue Code; therefore, no federal tax provision is necessary. As such, each investor in a Master Fund is treated as owning its proportionate share of the net assets, income, expenses, and realized and unrealized gains and losses of the Master Fund. Each Master Fund's assets, income and distributions will be managed in such a way that an investor in a Master Fund will be able to continue to qualify as a regulated investment company by investing its net assets through the Master Fund.

As of and during the period ended October 31, 2010, the Master Funds did not have any liabilities for any unrecognized tax positions. The Master Funds recognize interest and penalties, if any, related to unrecognized tax positions as income tax expense in the Statement of operations. During the six months ended October 31, 2010, the Master Funds did not incur any interest or penalties.

Each of the tax years in the three year period ended April 30, 2010, remains subject to examination by the Internal Revenue Service and state taxing authorities.

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

General information (unaudited)

Quarterly Form N-Q portfolio schedule and monthly portfolio holdings reports

The Master Funds will file their complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Master Funds' Forms N-Q are available on the SEC's Web site at <http://www.sec.gov>. The Master Funds' Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC 0330. Additionally, you may obtain copies of Forms N-Q from the Master Funds upon request by calling 1-800-647 1568.

In addition, the Master Funds disclose, on a monthly basis: (a) a complete schedule of their portfolio holdings; and (b) information regarding their weighted average maturity and weighted average life on UBS's Web site at the following internet address: www.ubs.com/usmoneymarketfundsholdings.

Proxy voting policies, procedures and record

You may obtain a description of each Master Fund's (1) proxy voting policies, (2) proxy voting procedures and (3) information regarding how a Master Fund voted any proxies related to portfolio securities during the most recent 12-month period ended June 30 for which an SEC filing has been made, without charge, upon request by contacting a Master Fund directly at 1-800-647 1568, online on UBS's Web site: www.ubs.com/ubsglobalam-proxy, or on the EDGAR Database on the SEC's Web site (<http://www.sec.gov>).

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Board approval of management contract (unaudited)

At a meeting of the board of Master Trust on July 14-15, 2010, the members of the board, including the trustees who are not “interested persons” of Master Trust (“Independent Trustees”), as defined in the Investment Company Act of 1940, as amended (“1940 Act”), approved a management contract (the “Management Contract”) between UBS Global AM and Master Trust with respect to Prime Master Fund (“Prime Master”), Treasury Master Fund (“Treasury Master”), and Tax-Free Master Fund (“Tax-Free Master” and, together with Prime Master and Treasury Master, each a “Master Fund” and together the “Master Funds”). In preparing for the meeting, the board members had requested and received extensive information from UBS Global AM to assist them. The board received and considered a variety of information about UBS Global AM as well as the management arrangements for the Master Funds. The Independent Trustees discussed the materials initially provided by management prior to the scheduled board meeting. The Independent Trustees also met in executive session after management’s presentation was completed to review the disclosure that had been made to them at the meeting. At all of these sessions the Independent Trustees were joined by their independent legal counsel. The Independent Trustees also received a memorandum from their independent legal counsel discussing the duties of board members in considering approval of advisory and administration agreements.

In its consideration of the approval of the Management Contract, the board considered the following factors:

Nature, extent and quality of the services under the management contract—The board received and considered information regarding the nature, extent and quality of management services provided to the Master Funds by UBS Global AM under the Management Contract during the past year. The board also considered the nature, extent and quality of administrative, distribution, and shareholder services performed by UBS Global AM and its affiliates for the Master Funds and the corresponding US SEC-registered “feeder funds” that invest in the Master Funds (the “Feeder Funds”). The board noted that it received information at regular meetings throughout the year regarding the services rendered by UBS Global AM concerning the management of each Master Fund’s and Feeder Fund’s affairs and UBS Global AM’s role in coordinating providers

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Board approval of management contract (unaudited)

of other services to the Master Funds and the Feeder Funds, including custody, accounting and transfer agency services. The board's evaluation of the services provided by UBS Global AM took into account the board's knowledge and familiarity gained as board members of funds in the UBS New York fund complex, including the scope and quality of UBS Global AM's investment advisory and other capabilities and the quality of its administrative and other services. The board observed that the scope of services provided by UBS Global AM had expanded over time as a result of regulatory and other developments, including maintaining and monitoring its own and the Master Funds' and the Feeder Funds' expanded compliance programs.

The board had available to it the qualifications, backgrounds and responsibilities of the Master Funds' and the Feeder Funds' senior personnel and the Master Funds' portfolio managers primarily responsible for day-to-day portfolio management and recognized that many of these persons report to the board regularly and that at each regular meeting the board receives a detailed report on each Master Fund's and corresponding Feeder Fund's performance. The board also considered, based on its knowledge of UBS Global AM and its affiliates, the financial resources available to management and its parent organization, UBS AG. In that regard, the board received extensive financial information regarding UBS Global AM and noted that it was a wholly owned, indirect subsidiary of UBS AG, one of the largest financial services firms in the world. It was also noted that UBS Global AM had approximately \$143 billion in assets under management as of March 31, 2010 and was part of the UBS Global Asset Management Division, which had approximately \$560 billion of assets under management worldwide as of March 31, 2010. The board was also cognizant of, and considered, the regulatory and litigation actions and investigations occurring in the past few years involving UBS AG, UBS Global AM and certain of their affiliates.

The board concluded that, overall, it was satisfied with the nature, extent and quality of services provided (and expected to be provided) under the Management Contract.

Management fees and expense ratios—In conducting its review, the board noted that under the master-feeder structure, each Master Fund

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Board approval of management contract (unaudited)

pays an investment advisory and administration fee (the “Contractual Management Fee”) to UBS Global AM, and, in turn, each Feeder Fund bears its corresponding Master Fund’s expenses in proportion to its investment in its corresponding Master Fund. Therefore, in making its determination regarding each Master Fund’s fees, the board assessed (i) each Master Fund’s Contractual Management Fee, Actual Management Fee and overall expenses, (ii) each Feeder Fund’s portion of its Master Fund’s Contractual Management Fee and Actual Management Fee, as defined below, and (iii) the Feeder Fund’s overall expenses.

In addition to reviewing each Feeder Fund’s portion of its corresponding Master Fund’s Contractual Management Fee, the board also reviewed and considered any fee waiver and/or expense reimbursement arrangement and considered the actual fee rate (after taking any waivers and reimbursements into account) (the “Actual Management Fee”). The board noted that management proposed to extend the contractual fee waiver and/or expense reimbursement arrangements in place for the Prime Preferred Feeder Fund, Treasury Preferred Feeder Fund, Tax-Free Preferred Feeder Fund, Prime Investor Feeder Fund, Treasury Investor Feeder Fund and Tax-Free Investor Feeder Fund through August 31, 2011. The board also noted that management would pass through to the benefit of the Prime Investor Feeder Fund, Treasury Investor Feeder Fund and Tax-Free Investor Feeder Fund certain waivers from financial intermediaries. The board noted that such waiver arrangements are not contractually imposed and can be increased, decreased or terminated by the intermediaries at any time.

The board also received and considered information comparing each Master Fund’s Contractual Management Fee, Actual Management Fee and overall expenses and each Feeder Fund’s portion of its corresponding Master Fund’s Contractual Management Fee and Actual Management Fee and each Feeder Fund’s overall expenses with those of funds in a group of funds selected and provided by Lipper, Inc. (“Lipper”), an independent provider of investment company data (the “Expense Group”). The board also noted that it had received supplemental information relating to net and gross fund yields and certain expense information for UBS money market funds, including the Master Funds, as compared to peers in the respective Expense Group.

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Board approval of management contract (unaudited)

In connection with its consideration of management fees for UBS funds generally, the board also received information from UBS Global AM with respect to fees paid by institutional or separate accounts, but in management's view, such fee information was not very relevant to the Master Funds because, among other reasons, separately managed and institutional accounts with a "cash" mandate were not subject to all of the constraints of Rule 2a-7 under the 1940 Act to which the Master Funds are subject and, therefore, were not comparable. In addition, the board received information on fees charged to other mutual funds managed by UBS Global AM.

Prime Master

Prime Institutional Feeder Fund, Prime Preferred Feeder Fund, Prime Investor Feeder Fund and Prime Capital Feeder Fund

The comparative Lipper information showed that, with the exception of the Prime Institutional Feeder Fund's Actual Management Fee, the Prime Master Fund's Contractual Management Fee, Actual Management Fee and overall expenses were all at or below its Expense Group's median with the related Feeder Funds' fees taken into account. The Prime Institutional Feeder Fund's Contractual Management Fee and total expenses were in the third quintile and its Actual Management Fee was in the fifth quintile in the Prime Institutional Feeder Fund's Expense Group for the comparison periods utilized in the Lipper report (with the first quintile representing that 20% of the funds in the Expense Group with the lowest level of fees or expenses, as applicable, and the fifth quintile representing that 20% of the funds in the Expense Group with the highest level of fees or expenses, as applicable). The Prime Preferred Feeder Fund's Contractual Management Fee was in the third quintile, its Actual Management Fee was in the second quintile and its total expenses were in the first quintile in the Prime Preferred Feeder Fund's Expense Group for the comparison periods utilized in the Lipper report. The Prime Investor Feeder Fund's Contractual Management Fee, Actual Management Fee and total expenses were in the second quintile in the Prime Investor Feeder Fund's Expense Group for the comparison periods utilized in the Lipper report. It was noted that although Prime Capital Feeder Fund had not yet commenced operations, its fee structure paralleled that of Prime Investor Feeder Fund.

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Board approval of management contract (unaudited)

Management noted the discrepancy between the Prime Institutional Feeder Fund's Contractual and Actual Management Fee rankings, explaining that due to the fund's low "unitary" fee structure, whereby the advisor pays for all ordinary expenses, it did not have to engage in the same level of yield floor waiving as did its peers. Management noted that due to the fund's "unitary" fee structure, relative comparisons should be performed on a total expense basis, which was in the third quintile, showing that the fund is in line with its peers.

Treasury Master

Treasury Institutional Feeder Fund, Treasury Preferred Feeder Fund, Treasury Investor Feeder Fund and Treasury Capital Feeder Fund

The comparative Lipper information showed that, with the exception of the Treasury Institutional Feeder Fund's and the Treasury Investor Feeder Fund's Actual Management Fees, the Treasury Master Fund's Contractual Management Fee, Actual Management Fee and overall expenses were all at or slightly above or below its Expense Group's median with the related Feeder Funds' fees taken into account. The Treasury Institutional Feeder Fund's Contractual Management Fee and total expenses were in the third quintile and its Actual Management Fee was in the fifth quintile of the Treasury Institutional Feeder Fund's Expense Group for the comparison periods utilized in the Lipper report. The Treasury Preferred Feeder Fund's Contractual Management Fee and Actual Management Fee were in the third quintile and its total expenses were in the second quintile of the Treasury Preferred Feeder Fund's Expense Group for the comparison periods utilized in the Lipper report. The Treasury Investor Feeder Fund's Contractual Management Fee and total expenses were in the third quintile and its Actual Management Fee was in the fourth quintile of the Treasury Investor Feeder Fund's Expense Group for the comparison periods utilized in the Lipper report. It was noted that although Treasury Capital Feeder Fund had not yet commenced operations, its fee structure paralleled that of Treasury Investor Feeder Fund.

Similar to the Prime Institutional Feeder Fund, management noted that the Treasury Institutional Feeder Fund exhibited a discrepancy where the Contractual Management Fee and total expenses were in line with its

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Board approval of management contract (unaudited)

peers, but due to the fund's low "unitary" fee, its Actual Management Fee ranked in the fifth quintile. Management explained that under the fund's "unitary" fee structure the advisor pays for all ordinary expenses and therefore relative comparisons should be performed on a total expense basis, which shows that the fund is in line with its peers. Finally, management noted that although the Treasury Investor Fund's Actual Management fee ranked in the fourth quintile, it was only slightly above the median.

Tax-Free Master

Tax-Free Institutional Feeder Fund, Tax-Free Preferred Feeder Fund, Tax-Free Investor Feeder Fund and Tax-Free Capital Feeder Fund

The comparative Lipper information showed that the Tax-Free Master Fund's Contractual Management Fee, Actual Management Fee and overall expenses were all at or below its corresponding Expense Group's median with the related Feeder Funds' fees taken into account. The Tax-Free Institutional Feeder Fund's Contractual Management Fee was in the first quintile, its Actual Management Fee was in the third quintile and total expenses were in the second quintile of the Tax-Free Institutional Feeder Fund's Expense Group for the comparison periods utilized in the Lipper report. The Tax-Free Preferred Feeder Fund's Contractual Management Fee, Actual Management Fee and total expenses were in the first quintile of the Tax-Free Preferred Feeder Fund's Expense Group for the comparison periods utilized in the Lipper report. The Tax-Free Investor Feeder Fund's Contractual Management Fee and total expenses were in the second quintile and its Actual Management Fee was in the first quintile of the Tax-Free Investor Feeder Fund's Expense Group for the comparison periods utilized in the Lipper report. It was noted that although Tax-Free Capital Feeder Fund had not yet commenced operations, its fee structure paralleled that of Tax-Free Investor Feeder Fund.

Taking all of the above into consideration, the board determined that the management fees for each of Prime Master, Treasury Master and Tax-Free Master were reasonable in light of the nature, extent and quality of the services provided and proposed to be provided to each Master Fund under the Management Contract.

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Board approval of management contract (unaudited)

Fund performance—In considering each Master Fund’s performance, the board received and considered (a) annualized total return information of each Feeder Fund compared to other funds (the “Performance Universe”) selected by Lipper over the one-, three-, five- and ten-year periods, as applicable to a Feeder Fund, and since inception, in each case ended April 30, 2010 and (b) annualized performance information for each year in the ten-year (or shorter) period ended April 30, 2010. The board was provided with a description of the methodology Lipper used to determine the similarity of each Feeder Fund with the funds included in its Performance Universe. The board noted that each Feeder Fund’s performance is correlated with its corresponding Master Fund’s performance, with the only difference being the administrative, distribution and shareholder service fees or other expenses paid at the Feeder Fund level.

Prime Master

Prime Institutional Feeder Fund, Prime Preferred Feeder Fund and Prime Investor Feeder Fund

The Lipper information showed that the Prime Institutional Feeder Fund’s performance was in the second quintile for the one- and three-year periods and in the first quintile for the five- and ten-year periods and since inception (with the first quintile representing that 20% of the funds in the Performance Universe with the highest performance and the fifth quintile representing that 20% of the funds in the Performance Universe with the lowest performance); the Prime Preferred Feeder Fund’s performance was in the first quintile for the one-year period and since inception; and the Prime Investor Feeder Fund’s performance was in the fourth quintile for the one-year period and in the third quintile since inception.

Treasury Master

Treasury Institutional Feeder Fund, Treasury Preferred Feeder Fund and Treasury Investor Feeder Fund

The Lipper information showed that the Treasury Institutional Feeder Fund’s performance was in the first quintile for the one-, three- and five-year periods and since inception; the Treasury Preferred Feeder Fund’s

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Board approval of management contract (unaudited)

performance was in the first quintile for the one-year period and since inception; and the Treasury Investor Feeder Fund's performance was in the third quintile for the one-year period and in the fourth quintile since inception.

Tax-Free Master

Tax-Free Institutional Feeder Fund, Tax-Free Preferred Feeder Fund and Tax-Free Investor Feeder Fund

The Lipper information showed that the Tax-Free Institutional Feeder Fund was in the third quintile for the one-year period and since inception; the Tax-Free Preferred Feeder Fund's performance was in the second quintile for the one-year period and in the third quintile since inception; and the Tax-Free Investor Feeder Fund's performance was in the fifth quintile for the one-year period and since inception.

Management noted that the Prime Investor Feeder Fund, Treasury Investor Feeder Fund and Tax-Free Investor Feeder Fund each posted below median returns for certain periods reported because the Lipper methodology compares each of the funds to an institutional peer universe; institutional funds typically have lower expense ratios and thus can generate higher levels of yield when compared to retail funds.

Based on its review, the Board concluded that each Master Fund's investment performance was acceptable.

Advisor profitability—The board received and considered a profitability analysis of UBS Global AM and its affiliates in providing services to the Master Funds and the Feeder Funds, as well as information regarding enhancements to UBS Global AM's methodology for determining profitability. The board also received profitability information with respect to the UBS New York fund complex as a whole. UBS Global AM's profitability was considered not excessive in light of the nature, extent and quality of the services provided to the Master Funds and the Feeder Funds.

Economies of scale—The board received and considered information from management regarding whether there have been economies of scale

Prime Master Fund

Treasury Master Fund

Tax-Free Master Fund

Board approval of management contract (unaudited)

with respect to the management of the Master Funds, whether the Master Funds have appropriately benefited from any economies of scale, and whether there is potential for realization of any further economies of scale. The board considered whether economies of scale in the provision of services to the Master Funds were being passed along to the Feeder Funds' shareholders. The board also considered whether alternative fee structures (such as breakpoints) would be more appropriate or reasonable taking into consideration economies of scale or other efficiencies.

The board noted that although each Master Fund's Contractual Management Fee contained breakpoints at higher asset levels, economies of scale might inure more to UBS Global AM because UBS Global AM paid most of each Master Fund's non-management operating expenses under the "unitary" fee structure. Overall, the board considered the sharing of potential economies of scale with the shareholders of the Feeder Funds acceptable.

Other benefits to UBS Global AM—The board considered other potential benefits received by UBS Global AM and its affiliates as a result of its relationship with the Master Funds and the Feeder Funds, including the opportunity to offer additional products and services to the Feeder Funds' shareholders and to others. In light of the costs of providing investment advisory, administrative, and other services to the Master Funds, the costs of providing administrative services to the Feeder Funds and UBS Global AM's ongoing commitment to the Master Funds and the Feeder Funds, the profits and other ancillary benefits that UBS Global AM and its affiliates might receive were considered reasonable.

In light of all of the foregoing, the board approved the Management Contract.

In making its decision, the board identified no single factor as being determinative in approving the Management Contract. The Independent Trustees were advised by separate independent legal counsel throughout the entire process. The board discussed the proposed approval of the Management Contract in a private session with their independent legal counsel at which no representatives of UBS Global AM were present.

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Trustees

Richard Q. Armstrong
Chairman

Alan S. Bernikow

Richard R. Burt

Meyer Feldberg

Bernard H. Garil

Heather R. Higgins

Barry M. Mandinach

Principal Officers

Mark E. Carver
President

Mark F. Kemper
Vice President and Secretary

Elbridge T. Gerry III
Vice President

Erin O. Houston
Vice President

Thomas Disbrow
Vice President and Treasurer

Robert Sabatino
Vice President

Ryan Nugent
Vice President

Administrator (and Manager for the Master Funds)

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Principal Underwriter (for the feeder funds)

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The financial information included herein is taken from the records of the Funds without examination by independent registered public accountants who do not express an opinion thereon.

This report is not to be used in connection with the offering of shares of the Funds unless accompanied or preceded by an effective prospectus.

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