

## UPAL Conservative Asset Allocation Fund

### ASSET ALLOCATION CHANGES EFFECTIVE JANUARY 1, 2009

Asset Class/Investment Strategy	Current Allocation	+/-	After Re-allocation
<i>U.S. Equity</i>	13.0%	0.0%	13.0%
S&P 500 Indexed Equity	8.0%	5.0%	13.0%
Large Cap Growth Equity	5.0%	-5.0%	0.0%
<i>International Equity</i>	5.0%	0.0%	5.0%
<i>Short-Term Fixed Income</i>	25.0%	0.0%	25.0%
<i>Intermediate-Term Fixed Income</i>	29.0%	0.0%	29.0%
<i>Multi-Alternative Asset</i>	13.0%	3.0%	16.0%
<i>Money Market</i>	15.0%	-3.0%	12.0%
<b>Total</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>

**Comment:** The recommended changes seek to eliminate the bias toward large cap growth stocks in the U.S. equity segment. Large cap growth stocks are no longer as attractively valued relative to value stocks, thus we would like to focus on diversified, large cap equities. The Multi-Alternative Asset Fund fell sharply well below its historical returns as several investment strategies (i.e. TIPS, emerging market bonds) declined due to what appears to be forced selling. It has a 700 bps yield advantage over the Money Market Fund.

## ASSET ALLOCATION CHANGES EFFECTIVE JANUARY 1, 2009

Asset Class/Investment Strategy	Current	+/-	After
	Allocation		Re-allocation
<i>U.S. Equity</i>	30.0%	5.0%	35.0%
S&P 500 Indexed Equity	15.0%	12.0%	27.0%
Small/MidCap Equity	5.0%	3.0%	8.0%
Large Cap Growth Equity	10.0%	-10.0%	0.0%
<i>International Equity</i>	20.0%	-5.0%	15.0%
<i>Intermediate-Term Fixed Income</i>	25.0%	0.0%	25.0%
<i>Multi-Alternative Asset</i>	15.0%	3.0%	18.0%
<i>Money Market</i>	10.0%	-3.0%	7.0%
<b>Total</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>

**Comment:** The recommended changes seek to eliminate the bias toward large cap growth stocks and reduce international equities in favor of US equities. Large cap growth stocks are no longer as attractively valued relative to value stocks or small cap stocks. While international equities are cheaper than US equities, the economic and currency outlooks may be worse. Despite difficult quarters ahead, we believe the U.S. is further along in dealing with the global recession and financial crises. The Multi-Alternative Asset Fund declined sharply well below its historical returns as several investment strategies (i.e. TIPS, emerging market bonds) declined due to what appears to be forced selling. It has a 700 bps yield advantage over the Money Market Fund.

## ASSET ALLOCATION CHANGES EFFECTIVE JANUARY 1, 2009

Asset Class/Investment Strategy	Current Allocation	+/-	After Re-allocation
<i>U.S. Equity</i>	40.0%	5.0%	45.0%
S&P 500 Indexed Equity	0.0%	15.0%	15.0%
Small/MidCap Equity	5.0%	5.0	10.0%
Large Cap Value Equity	10.0%	0.0%	10.0%
Large Cap Growth Equity	25.0%	-15.0%	10.0%
<i>International Equity</i>	25.0%	-5.0%	20.0%
<i>Intermediate-Term Fixed Income</i>	15.0%	0.0%	15.0%
<i>Multi-Alternative Asset</i>	20.0%	0.0%	20.0%
<b>Total</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>

**Comment:** The recommended changes seek to eliminate the bias toward large cap growth stocks and reduce international equities in favor of US equities. Large cap growth stocks are no longer as attractively valued relative to value stocks or small cap stocks. While international equities are cheaper than US equities, the economic and currency outlooks may be worse. Despite difficult quarters ahead, we believe the U.S. is further along in dealing with the global recession and financial crises. The Multi-Alternative Asset Fund fell sharply well below its historical returns as several investment strategies (i.e. TIPS, emerging market bonds) declined due to what appears to be forced selling. It has a 400 bps yield advantage over the Intermediate-Term Fixed Income Fund.

## UPAL Aggressive Growth Asset Allocation Fund

### ASSET ALLOCATION CHANGES EFFECTIVE JANUARY 1, 2009

Asset Class/Investment Strategy	Current Allocation	+/-	After Re-allocation
<i>U.S. Equity</i>	65.0%	10.0%	75.0%
S&P 500 Indexed Equity	0.0%	18.0%	18.0%
Small/MidCap Equity	10.0%	7.0%	17.0%
Large Cap Value Equity	20.0%	0.0%	20.0%
Large Cap Growth Equity	35.0%	-15.0%	20.0%
<i>International Equity</i>	35.0%	-10.0%	25.0%
<b>Total</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>

**Comment:** The recommended changes seek to eliminate the bias toward large cap growth stocks and reduce international equities in favor of US equities. Large cap growth stocks are no longer as attractively valued relative to value stocks or small cap stocks. While international equities are cheaper than US equities, the economic and currency outlooks may be worse. We believe the U.S. is further along in dealing with the global recession.