



IMPORTANT NOTICE OF CHANGES

UPAL ASSET ALLOCATION MODELS AND FUND NAME EFFECTIVE JULY, 2011

PLEASE READ THIS NOTICE

It contains important information concerning changes to the UPAL Asset Allocation Models and a UPAL Fund Name Change

Background

As you may know, UPAL retains the services of Sovereign Investment Advisors, LLC, an independent, outside investment advisor, to provide advice and counsel regarding the UPAL Pooled Funds and Asset Allocation Models. Sovereign monitors the performance of UPAL investment managers to insure they are achieving the investment goals for which each was hired. Sovereign advisors have over 65 years of financial industry experience.

Sovereign has an association with The Independent Advisor Group, a division of Callan Associates. Callan is an acknowledged leader in the investment consulting industry, having over 35 years of experience providing guidance to institutional investors with nearly \$1 trillion in assets. Sovereign is able to leverage Callan's quality research, deep specialty consulting resources and collaborative support for the benefit of clients such as UPAL.

Model Changes

NO ACTION IS NECESSARILY REQUIRED BY YOU.

Based on the advisors views that conditions in the current environment warrant over-weighting stocks, under-weighting fixed income (bonds) and neutral-weighting real estate and alternative investments, significant changes are being made to the Pooled Fund allocations underlying the Models.

Sovereign has recommended several changes to the UPAL Asset Allocation Models offered as part of the UPAL Retirement Program. The UPAL Financial Management Committee and Board of Directors have adopted these recommendations, and in turn, have requested that the trustee, Bank of Oklahoma, consider implementation of these changes effective July 7, 2011.

- The UPAL Moderate Aggressive Model will be renamed Aggressive Model and the underlying investment allocation will be significantly changed with the Model **becoming 87% invested in stocks.**
- The underlying allocations of **all** Models will change. See the attached chart which shows the current allocation by Fund by Model and the **new** allocation by Fund by Model.

Fund Name Change

Sovereign has also recommended a name change of the UPAL Real Return Fund to the UPAL Absolute Return Fund effective July 1, 2011. This is a name change only – the underlying investments of the Fund will not be altered.

Contact

Please Call Lea Ann Nunley, Vice President, Retirement Plan Services at 918-747-5585 with any questions.

New Model Allocations

Effective July 7, 2011

➤ **Overweight equity, underweight fixed income**

	Fixed Income		Conservative		Balanced		Aggressive	
	Current	New	Current	New	Current	New	Current	New
UPAL Pooled Funds								
UPAL S&P 500 Indexed Equity	0%	0%	4%	5%	9%	11%	13%	16%
UPAL Large Cap Growth Fund	0%	0%	2%	3%	7%	8%	9%	12%
UPAL Large Cap Value Fund	0%	0%	2%	3%	7%	8%	9%	12%
UPAL Small/Mid Cap Equity	0%	0%	4%	5%	10%	11%	14%	17%
UPAL Int'l Equity	0%	0%	5%	9%	14%	20%	19%	30%
% Equity	0%	0%	17%	25%	47%	58%	64%	87%
UPAL Core Bond Fund	80%	90%	62%	60%	29%	30%	11%	3%
UPAL Short Term Fixed Income Fund	15%	5%	10%	5%	2%	0%	2%	0%
UPAL Money Market Fund	5%	5%	0%	0%	0%	0%	0%	0%
% Fixed Income	100%	100%	72%	65%	31%	30%	13%	3%
UPAL Global Public Real Estate Fund	0%	0%	2%	2%	7%	3%	5%	3%
UPAL Absolute Return Fund	0%	0%	9%	8%	15%	9%	18%	7%
% Real Estate & Alternative Investments	0%	0%	11%	10%	22%	12%	23%	10%

Past performance of any fund, model or allocation is not a guarantee of future results. Investment returns and principal value will fluctuate, so that investors' units, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited in the past. See current performance data on the UPAL Web site under Investments to compare the most recent investment performance of all UPAL Funds, Models and Target Date Funds. The views and opinions of Sovereign Investment Advisors, LLC as to re-allocation of any Model or the retention of any investment manager is Program advice and it does not constitute individual investment advice.
