



URGENT

**RETIREMENT PROGRAM PARTICIPANT NOTICE
UPAL REAL ESTATE POOLED FUND
PRINCIPAL WITHDRAWAL LIMITATION**

The UPAL U.S. Real Estate Fund is managed by Principal Life Insurance Company through a separate investment account. This is an \$8-billion fund invested in commercial properties such as warehouses, office buildings, apartments and retail properties throughout the U.S.

Unlike public securities sold on an exchange, the assets held by the fund are sold in private transactions that take time and readily available credit facilities to consummate. The current turmoil in the financial markets has resulted in a slowdown in the sale of commercial real estate.

Due to compelling market forces, Principal has instituted a fund withdrawal limitation.

This withdrawal limitation does ***not*** affect redemptions made for purposes of death, disability, retirement at normal Plan-specified retirement age, hardship, age 70½ required minimum distributions, plan terminations, loan calculations (only funding) or scheduled regular monthly distribution amounts.

Following a conference call with Principal representatives today, the managers of Bank of Oklahoma (trustee of the pooled fund), Gerber-Taylor Associates (independent investment advisor to the Program) and UPAL (Program sponsor) concluded it was in the best interest of Program participants invested in the fund to take the following immediate actions:

- File to redeem all fund holdings which will likely be satisfied in a series of payments over time.
- Suspend all future contributions to the fund.
- Remove real estate fund allocations from the conservative and balance asset allocation models.
- Replace the model real estate allocation with an equally-weighted allocation to money market (Vanguard Institutional).
- Research new commercial real estate investment strategies for the future.
- Revise all affected Web site and printed fund and asset allocation materials.

If you have any questions about these actions, please call Lea Ann Nunley, Vice President, Retirement Plan Services, 918/747-5585.