

THE OKLAHOMA COLLEGE SAVINGS PLAN – DIRECT PLAN



DIRECT PLAN DISCLOSURE BOOKLET AND PARTICIPATION AGREEMENT

October 1, 2010

TRUSTEE:

**THE BOARD OF TRUSTEES OF THE
OKLAHOMA COLLEGE SAVINGS PLAN**

**DIRECT PLAN MANAGER:
TIAA-CREF TUITION FINANCING, INC.**



**FINANCIAL SERVICES
FOR THE GREATER GOOD®**

No security issued by the Oklahoma College Savings Plan has been registered with or approved by the United States Securities and Exchange Commission or any state securities commission.

Please read and retain this Disclosure Booklet and the Participation Agreement with your other records about the Oklahoma College Savings Plan – Direct Plan (the “**Direct Plan**”). This Disclosure Booklet is also available on the Direct Plan’s website at www.ok4saving.org. You should read and understand this Disclosure Booklet before you make contributions to the Direct Plan.

No person has been authorized by the State of Oklahoma (the “**State**”) or the Board of Trustees of the Oklahoma College Savings Plan (the “**Board**”) to give any information or to make any representations other than those contained in this document and, if given or made, such other information or representations must not be relied upon as having been authorized by the State or the Board. The information in this Disclosure Booklet is subject to change without notice.

This Disclosure Booklet does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of a security in the Direct Plan by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The Direct Plan is intended to be used only to save for qualified higher education expenses. The Direct Plan is not intended to be used, nor should it be used, by any taxpayer for the purpose of evading federal or state taxes or tax penalties. The tax information contained in this Disclosure Booklet was written to support the promotion and marketing of the Direct Plan and was neither written nor intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding tax penalties. Taxpayers should seek tax advice from an independent tax advisor based on their own particular circumstances.

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Introduction to the Direct Plan

The Oklahoma College Savings Plan (the “**Program**”), the higher education qualified tuition savings program created by the State, is designed to help people save for the costs of higher education. The Program consists of two components – the Direct Plan, which is offered directly by the State, and an advisor plan (the “**Advisor Plan**”), which can be purchased only through financial advisors. The Direct Plan was implemented by and is administered as part of the Program by the Board. The Program, including the Direct Plan, is intended to meet the requirements of a qualified tuition program under Internal Revenue Code (“**IRC**”) Section 529 (“**Section 529**”).

The Program is authorized by the statute that provides for the creation of the Oklahoma College Savings Plan, codified at sections 3970.1 to 3970.12 of Title 70 of the Oklahoma Statutes, entitled the “Oklahoma College Savings Plan Act,” as amended (the “**Statute**”). No other qualified tuition program has been established under the Statute. Under the Statute, the Board has the power and authority to retain professional services and adopt guidelines and procedures (the “**Guidelines and Procedures**”) to implement and administer the Program, and establish investment policies for the Program. The Guidelines and Procedures set forth the standards and objectives for the Program. For additional information, see “Oversight of the Direct Plan.”

TIAA-CREF Tuition Financing, Inc. (“**TFI**”) manages the Direct Plan under the direction of the Board, pursuant to a contract (the “**Management Agreement**”) that it has entered into with the Board. For additional information, see “The Direct Plan Manager.”

This Disclosure Booklet is only intended for use in connection with an Account opened in the Direct Plan. It is not intended for use by an individual who opens an account in the Advisor Plan. The Advisor Plan, which is described in a separate disclosure booklet, offers investment options different from those offered under the Direct Plan, typically has higher fees and expenses, and includes compensation to financial advisors.

Please note that after you open your Account, you may access information about your Account through the toll-free, automated telephone number for the Direct Plan at 1.877.ok4saving (1.877.654.7284). If you are an individual Account Owner, you may access your Account information on a password-protected section of the Direct Plan’s website. In addition to accessing your Account information, you may change your physical address, bank information and your e-mail address in the password-protected section of the Direct Plan website.

To obtain forms related to your Account and the Direct Plan (“**Direct Plan Forms**”) or to request additional information, you can: (1) visit the Direct Plan’s website at www.ok4saving.org; (2) call the Direct Plan toll-free at 1.877.ok4.saving (1.877.654.7284); or (3) write to the Oklahoma College Savings Plan at P.O. Box 8193, Boston, MA 02266-8193.

Key Features of the Direct Plan

This section provides summary information about certain key features of the Direct Plan, but it is important that you read the entire Disclosure Booklet and Participation Agreement for more detailed information about the Direct Plan. Capitalized terms used in this section are defined in “Important Defined Terms” or elsewhere in the Disclosure Booklet.

Feature	Description	Additional Information
State Administrator	The Board of Trustees of the Oklahoma College Savings Plan (the “ Board ”)	<i>Oversight of the Direct Plan</i> , page 30.
Direct Plan Manager	TIAA-CREF Tuition Financing, Inc. (“ TFI ”)	<i>The Direct Plan Manager</i> , page 30.
Eligible Account Owner	<p>Any U.S. citizen or resident alien with a Social Security Number or federal Taxpayer Identification Number (“TIN”) who is at least 18 years of age.</p> <p>Accounts may also be opened by the following, although additional restrictions may apply:</p> <ul style="list-style-type: none"> • Corporations, trusts, and certain other types of entities with a TIN; • State of Oklahoma or local governments (or agencies or instrumentalities) or organizations described in Section 501(c)(3) of the IRC with a TIN; and • Custodians for minors under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act (collectively, “UGMA/UTMA”) with a TIN. 	<i>Getting Started</i> , page 8.
Eligible Beneficiary	Any U.S. citizen or resident alien with a Social Security Number or TIN, including the Account Owner. (No Beneficiary is required to be designated for Accounts established by government agencies or certain organizations described in Section 501(c)(3) of the IRC.)	<i>Getting Started</i> , page 8.
Minimum Contribution	The minimum initial contribution is \$100 per Investment Option. The minimum subsequent contribution to your Account is \$15 per Investment Option per pay period via payroll deduction or \$25 minimum contribution per Investment Option via all other payment methods.	<i>Contributing to Your Account</i> , page 10.
Current Maximum Account Balance Limit	The Maximum Account Balance Limit is \$300,000 per Beneficiary. No new contributions may be made to any Account if, at the time of a proposed contribution, the aggregate account balance of the Account and all other accounts in the Program (including all accounts in the Advisor Plan) for the same Beneficiary has a market value equal to or in excess of this limit. Accounts that have reached the Maximum Account Balance Limit may continue to accrue earnings.	<i>Contributing to Your Account</i> , page 10.
Withdrawals	<ul style="list-style-type: none"> • Qualified Withdrawals must be used to pay for tuition, certain room and board expenses, fees, and the costs of books, supplies and equipment required for the enrollment or attendance of the Beneficiary at an Eligible Educational Institution. • Taxable Withdrawals, as defined for federal income tax purposes, are certain withdrawals due to the Beneficiary’s death, the permanent disability of the Beneficiary, the 	<i>Withdrawals</i> , page 28; <i>Tax Information</i> , page 31.

Feature	Description	Additional Information
	<p>Beneficiary's receipt of a scholarship award or certain other tax-free amounts, or the Beneficiary's attendance at a Military Academy. A Taxable Withdrawal will be subject to applicable federal and state income tax on earnings, if any, but will not be subject to the 10% additional federal tax on earnings (the "Additional Tax").</p> <ul style="list-style-type: none"> • A Rollover to another qualified tuition program for the same Beneficiary that is free from federal income tax or a Rollover to another Account or another qualified tuition program for a person who is a Member of the Family of the Beneficiary that is free from federal income tax may occur under certain circumstances. • Nonqualified Withdrawals, as defined for federal income tax purposes, are withdrawals that do not fall into any of the categories above. Nonqualified Withdrawals will be subject to applicable federal and state income tax on earnings, if any, and the Additional Tax. • Additional state tax consequences of withdrawals are discussed in the Oklahoma Tax Benefits section below. 	
Investment Options	<ul style="list-style-type: none"> • Three age-based options: The Moderate Managed Allocation Option (called the Managed Allocation Option until October 1, 2010), the Conservative Managed Allocation Option, and the Aggressive Managed Allocation Option. Amounts allocated to the age-based options are automatically moved from riskier to more conservative portfolios ("Age Bands") as the Beneficiary ages. • Four multi-fund options: The Diversified Equity Option, the Global Equity Index Option (called the 100% Equity Option until October 1, 2010), the Balanced Option, and the Fixed Income Option. • One single fund option: The U.S. Equity Index Option. • One principal protection option: The Guaranteed Option. 	<i>Investment Options, page 18; Transferring Funds, page 11.</i>
Transfers Among Investment Options	<p>The Account Owner may move funds from one Investment Option to another once per calendar year or at any time upon a change in Beneficiary to a Member of the Family. Certain restrictions apply. A transfer between Investment Options in the Direct Plan and investment options in the Advisor Plan is considered a transfer among investment options for purposes of the limitation on transfers.</p>	<i>Transferring Funds, page 11.</i>
Federal Tax Benefits	<ul style="list-style-type: none"> • Qualified Withdrawals and Rollovers are not subject to federal income tax (including the Additional Tax). • Taxable Withdrawals are subject to federal income tax but not the Additional Tax. • No federal gift tax on contributions of up to \$65,000 (single filer) and \$130,000 (married couple) if prorated over 5 years. • Contributions are generally considered completed gifts to the Beneficiary for federal gift and estate tax purposes. 	<i>Tax Information, page 31.</i>
Oklahoma Tax Benefits	<ul style="list-style-type: none"> • Qualified Withdrawals are not subject to Oklahoma income tax. • Net contributions are deductible for Oklahoma income tax purposes up to \$10,000 per year for a single return or 	<i>Tax Information, page 31.</i>

Feature	Description	Additional Information
	<p>\$20,000 per year for a joint return.</p> <ul style="list-style-type: none"> Contributions and Rollovers are deductible for a particular tax year if they are made during the tax year or up to April 15 of the succeeding tax year, or by the due date of the taxpayer's State income tax return, excluding extensions, whichever is later. In certain circumstances, where a contribution is rolled over to another state's qualified tuition program or the taxpayer makes a Nonqualified Withdrawal, as defined by Oklahoma law (see <i>State of Oklahoma Income Tax Treatment—Oklahoma Terms</i>, below), a deduction for contributions will be limited, and future deductions recaptured. Oklahoma tax benefits are available only to Oklahoma taxpayers. <i>If you or your Beneficiary reside in, or have taxable income in, a state other than Oklahoma, see pages 34-35 for important information about potential consequences of investing in an out-of-state Section 529 program. Consult a qualified advisor or contact your home state's Section 529 program for more information about that program.</i> 	
<p>Current Fees and Expenses</p>	<p>For the services it provides to the Direct Plan, the Direct Plan pays TFI a Direct Plan management fee (the "Direct Plan Manager Fee") at an annual rate of 0.40% of the average daily net assets of the Direct Plan (excluding any assets in the Guaranteed Option). The Direct Plan Manager Fee will be reduced when total assets in the Direct Plan reach certain breakpoint levels.</p> <p>The estimated underlying fund expenses range from 0.09% to 0.55%.</p> <p>The Guaranteed Option does not pay a Direct Plan Manager Fee.</p>	<p><i>Fees and Expenses, page 13.</i></p>
<p>Performance</p>	<p>Performance data for the Investment Options will be updated on a monthly basis and can be obtained by visiting the Direct Plan's website or by calling the Direct Plan's toll-free number. Past performance is not necessarily indicative of future results. Your investment results may be better or worse than the performance shown.</p>	<p><i>Past Performance, page 24.</i></p>
<p>Risks of Investing in the Direct Plan</p>	<ul style="list-style-type: none"> The value of your Account may decrease. You could lose money, including the principal you invest. Federal or state tax law changes could negatively affect participation in the Direct Plan. Certain changes could be made to the Direct Plan which could make it less favorable to investors, including an increase in existing fees and expenses and/or the addition of new fees and expenses. The Board may change the Direct Plan Manager, terminate, merge or add Investment Options, change underlying investment vehicles and/or change allocations. Contributions to an Account may adversely affect the Account Owner or Beneficiary's eligibility for financial aid or other benefits. 	<p><i>Risks of Investing in the Direct Plan, page 26.</i></p>

Feature	Description	Additional Information
	<ul style="list-style-type: none"> • Neither the Federal Deposit Insurance Corporation nor any other government agency or entity provides any insurance or guarantee to Account Owners. • Investment returns may be less than the rate of increase in the costs of higher education. 	
Contact Information	Call the Direct Plan toll-free at 1.877.ok4.saving (1.877.654.7284), visit the Direct Plan website at www.ok4saving.org . or write to the Direct Plan at Oklahoma College Savings Plan, P.O. Box 8193, Boston, MA 02266-8193.	<i>Introduction to the Direct Plan, page 1; Back Cover.</i>

Important Defined Terms

The Disclosure Booklet and Participation Agreement are intended to be as clear and understandable as possible. However, certain words and terms used throughout the Disclosure Booklet do carry special meanings in connection with the Direct Plan. This Glossary of certain terms is included here for your convenience. Refer to the text throughout the Disclosure Booklet for a more complete discussion of these terms.

Account	An account in the Direct Plan opened by an Account Owner to receive contributions and to provide funds for the Qualified Higher Education Expenses of the Beneficiary.
Account Owner/You	The owner of an Account in the Direct Plan.
Additional Tax	A 10% additional federal tax imposed on the earnings portion of Nonqualified Withdrawals.
Beneficiary	The beneficiary for an Account in the Direct Plan as designated by the Account Owner.
Board	The Board of Trustees of the Oklahoma College Savings Plan.
Direct Plan	The direct plan in the Program offered directly by the State.
Direct Plan Manager	TIAA-CREF Tuition Financing, Inc. (“TFI”).
Eligible Educational Institutions	Accredited, postsecondary educational institutions offering credit toward a bachelor’s degree, an associate’s degree, a graduate level or professional degree or another recognized postsecondary credential, including certain proprietary institutions and postsecondary technical and vocational schools and certain institutions in foreign countries, which are eligible to participate in a financial aid program under Title IV of the Higher Education Act of 1965.
Investment Options	The investment options in which you may invest your contributions to the Direct Plan.
IRC	The Internal Revenue Code of 1986, as amended.
Management Agreement	The contract pursuant to which the Board has engaged TFI to serve as the Direct Plan Manager.
Member of the Family	A person related to the Beneficiary as follows: (1) a child or a descendant of a child; (2) a brother, sister, stepbrother or stepsister; (3) the father or mother, or an ancestor of either; (4) a stepfather or stepmother; (5) a son or daughter of a brother or sister; (6) a brother or sister of the father or mother; (7) a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law; (8) the spouse of any of the foregoing individuals or the spouse of the Beneficiary; or (9) a first cousin of the Beneficiary. For this purpose, a child includes a legally adopted child and a stepson or stepdaughter, and a brother or sister includes a half-brother or half-sister.
Military Academy	The United States Military Academy, the United States Naval Academy, the United States Air Force Academy, the United States Coast Guard Academy, or the United States Merchant Marine Academy.

Mutual Funds	Currently, the Institutional Class of certain of the TIAA-CREF Funds.
Nonqualified Withdrawal	Any withdrawal from your Account that is not: (1) a Qualified Withdrawal; (2) a Taxable Withdrawal; or (3) a Rollover.
Participation Agreement	The agreement executed by and between an Account Owner and the Board setting forth certain terms and conditions governing an Account.
Program	The Oklahoma College Savings Plan established by the Board. The Program includes the Direct Plan, which is described in this Disclosure Booklet. References to the Program include the Direct Plan and the Advisor Plan unless otherwise indicated.
Qualified Higher Education Expenses	Generally, tuition, certain room and board expenses, fees and the cost of books, supplies and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution.
Qualified Withdrawal	Any withdrawal from your Account that is used to pay the Qualified Higher Education Expenses of the Beneficiary.
Rollover	See "Transferring Funds" on page 11 for a complete definition of Rollover.
State	The State of Oklahoma.
Taxable Withdrawal	Any withdrawal from your Account: (1) paid to a beneficiary of, or the estate of, the Beneficiary on or after the Beneficiary's death or attributable to the permanent disability of the Beneficiary; (2) made on account of the receipt by the Beneficiary of a scholarship award or veterans' or other nontaxable educational assistance (other than gifts or inheritances), but only to the extent of such scholarship or assistance; (3) made on account of the Beneficiary's attendance at a Military Academy, but only to the extent of the costs of education attributable to such attendance; or (4) equal to the amount of the Beneficiary's relevant Qualified Higher Education Expenses taken into account in determining the Beneficiary's federal Hope Scholarship Credit or Lifetime Learning Credit.
Unit	An interest in an Investment Option.

Getting Started

Opening Your Account. To open an Account, you must first complete and sign an application (the “**Application**”). The Application incorporates the Participation Agreement and this Disclosure Booklet by reference. You will be asked on your Application to designate a Beneficiary and select the Investment Option(s) in which you want to invest contributions. If you are an individual Account Owner, you may designate a contingent Account owner (the “**Contingent Account Owner**”) on your Application.

You may obtain an Application and enrollment kit by contacting the Direct Plan or by accessing the Direct Plan’s website. You may complete and submit the Application online on the Direct Plan’s website (for individual Account Owners), or you may mail your completed Application to the following address: Oklahoma College Savings Plan, P.O. Box 8193, Boston, MA 02266-8193. Once the Direct Plan receives your completed Application in good order with a check or other authorization for your initial contribution, an Account will generally be opened for you.

By signing the Application, you agree that your Account is subject to the terms and conditions set forth in the Participation Agreement, which is in this Disclosure Booklet. Any amendments to the Statute, to the Guidelines and Procedures adopted by the Board, to federal and/or Oklahoma tax law or to the operating procedures and policies of the Direct Plan, will automatically amend the Participation Agreement when such amendments become effective. You will be notified of any material changes in the terms governing your Account.

When you open an Account, you will be asked for your name, address, date of birth, Social Security Number and other information that will allow the Direct Plan to identify you, such as your home telephone number. Until you provide the information needed, the Direct Plan will not be able to open your Account or effect any transactions for you.

Account Ownership. To be eligible as an Account Owner, you must be:

- A U.S. citizen or resident alien with a valid Social Security Number or TIN who is at least 18 years of age-- this includes parents, grandparents, or friends of the Beneficiary, and also includes the Beneficiary;
- A corporation, trust, or certain other type of entity with a TIN;
- An organization described in Section 501(c)(3) of the IRC with a TIN;
- A state or local government (or agency or instrumentality); or
- A custodian for minors under UGMA/UTMA with a valid Social Security Number or TIN.

Accounts opened by entities, Section 501(c)(3) organizations, trusts and custodians are subject to additional restrictions and will be required to provide documentation evidencing the legal status of the entity and the authorization of the representative to open an Account and to conduct transactions on behalf of the Account. Each trust representative opening an Account must have a valid Social Security Number or TIN, and must present a trust instrument and certificate of incumbency documentation upon establishing the Account. Additionally, depending on the transaction, and as set forth on the applicable Direct Plan Form, an entity Account or an Account wherein an individual is acting in a legal capacity as a representative of the Account Owner, may need to provide this documentation to a third party in order to obtain a medallion signature guarantee (a “**Medallion Signature Guarantee**”) or a signature validation program stamp (“**Signature Validation Program Stamp**”) on the Direct Plan Form. Medallion Signature Guarantees and Signature Validation Program Stamps are available from banks or trust companies, savings and loan associations or members of a national stock exchange and warrant that the signer is the appropriate person to provide the instruction. A notary public cannot provide a Medallion Signature

Guarantee or a Signature Validation Program Stamp. UGMA/UTMA custodians are also subject to certain limitations on their ability to make changes to, and transfers to and from, their Accounts. These restrictions and limitations are set forth in the Participation Agreement. UGMA/UTMA custodians and trust representatives should consult a tax advisor about the tax consequences of opening and holding Accounts in the Direct Plan, as well as legal counsel regarding their rights and responsibilities as custodians and representatives. The Board may refuse to open an Account if you do not meet the eligibility requirements.

You have certain rights as an Account Owner. Your rights generally include the right to:

- Select and change a Beneficiary;
- Select and change the Investment Options in which your Account will invest;
- Name a Contingent Account Owner (for an individual Account Owner only);
- Change the Account Owner; and
- Make a withdrawal.

Naming Your Beneficiary. To complete the Application, you generally must name an Account Beneficiary. Anyone with a valid Social Security Number or TIN who is a U.S. citizen or resident alien can be named a Beneficiary. Each Account may have only one Beneficiary. If you wish to make contributions for more than one Beneficiary, you must complete a separate Application and open a separate Account for each Beneficiary.

A Beneficiary need not be designated for a scholarship Account opened by a state or local government (or agency or instrumentality) or organization described in Section 501(c)(3) of the IRC, but each person who receives an interest in the Account as a scholarship will be treated as a Beneficiary for that portion of the Account awarded to him or her.

After you open an Account, you may change your Beneficiary by completing the applicable Direct Plan Form. You may not change the Beneficiary of an UGMA/UTMA account. A Beneficiary change will not be subject to federal income tax or the Additional Tax only if the new Beneficiary is a Member of the Family of the previous Beneficiary. Otherwise, the earnings, if any, on your Account will be subject to federal taxation, including the Additional Tax. The Participation Agreement that governs your Account will continue in force even after a change in Beneficiary. See "Tax Information" for information concerning income, gift, estate and generation-skipping tax consequences of changing the Beneficiary.

Choosing Investment Options. The Board has established multiple Investment Options for the Direct Plan. To complete your Application, you must select the Investment Option(s) to which your contributions will be allocated. You may select any one or a combination of the Investment Options, subject to certain minimum contribution limits per Investment Option. See "Investment Options" for summaries of the Investment Options offered under the Direct Plan.

After you open an Account, you may revise your Investment Option election(s) by: (1) adding new Investment Options; (2) stopping contributions to an Investment Option that you previously selected; or (3) increasing or decreasing future contributions to an Investment Option that you previously selected. You may also transfer funds, subject to certain limits, to another Investment Option or to investment options in the Advisor Plan, subject to certain restrictions. See "Transferring Funds" for more information.

If you choose to change your Investment Option selections, you must provide the Direct Plan Manager with appropriate instructions clearly identifying each change and the amount of your contributions to be allocated to each Investment Option. You must also notify the Direct Plan in writing if you are using

payroll deduction or the automatic contribution plan and you wish to change your allocation or stop your contributions to any Investment Option. Direct Plan Forms are available for these purposes.

Naming a Contingent Account Owner. By completing the appropriate section of the Application, an individual Account Owner may name a Contingent Account Owner to become the owner of the Account in the event of the Account Owner's death. A Contingent Account owner must be 18 years of age or older. If you did not designate a Contingent Account Owner when you established your Account or you wish to change your designation, you may do so by completing the applicable Direct Plan Form. Entity Account Owners and custodians may not designate a Contingent Account Owner. You should consult with a legal advisor regarding the possible estate law consequences for your Account.

Changing Account Ownership. You may change ownership of your Account to another individual or entity that is eligible to be an Account Owner by submitting the applicable Direct Plan Form. When you transfer ownership of your Account, you are not required to change the Beneficiary. Account Owners with custodial Accounts are subject to special limitations on their ability to transfer ownership of the Account. A change in Account ownership may have federal or state tax consequences, and Account Owners are urged to consult their own tax advisors prior to requesting any such change.

A transfer of the ownership of an Account will be effective only if the assignment: (1) is irrevocable; and (2) transfers all ownership, reversionary rights, powers of appointment and powers to direct the withdrawal of funds. Unless you have a Medallion Signature Guarantee on the applicable Direct Plan Form, the transfer will result in a 30-day hold on withdrawals from the Account.

Contributing to Your Account

Who Can Contribute. Anyone (including your friends and family) may make a contribution to your Account. However, any contribution to an Account may have gift or other tax consequences to the contributor or the Account Owner. Persons making such a contribution, other than the Account Owner, will not retain any rights with respect to such contribution — for example, only the Account Owner may give directions regarding allocations to Investment Options and/or withdrawals from an Account.

Minimum Contributions. The minimum initial contribution to an Account is \$100 per Investment Option. The minimum subsequent contribution is \$25 per Investment Option. However, if your employer allows payroll deduction, the minimum subsequent contributions to your Account may be as low as \$15 per Investment Option per pay period.

How You Can Contribute to Your Account. Your ability to contribute to your Account is limited to the following methods: (1) by check; (2) through the automatic contribution plan; (3) by payroll deduction (if your employer provides for it and you complete a payroll deduction form); and (4) by electronic funds transfer (including the electronic purchase option described below). Contributions of any type by methods not mentioned here will not be permitted.

Checks should be made payable to the Oklahoma College Savings Plan. Contributions by check must be drawn on a banking institution located in the United States in U.S. dollars. Personal checks, bank drafts, teller's checks, and checks issued by a financial institution or brokerage firm payable to the Account Owner and endorsed over to the Direct Plan by the Account Owner are permitted, as are third-party personal checks up to \$10,000 that are endorsed over to the Direct Plan. The Direct Plan does not permit contributions by money order, starter checks, traveler's checks, credit card convenience checks or cashier's checks. You must provide written instructions to the Direct Plan with respect to the allocation of your contribution among Investment Options whenever you make a new contribution by check.

The electronic purchase option enables you to make contributions over the Internet through a secure, password-protected section of the Direct Plan website, by telephone with a customer service representative, or through the automated telephone system. By providing banking information to the Direct Plan, you will automatically be enrolled in the electronic purchase option. You may opt out of that option on your Application or by completing and submitting the appropriate Direct Plan Form.

If your method of payment is payroll deduction, you can change the amount of your contributions, stop payroll deduction or reallocate future contributions among Investment Options or multiple Accounts by following the instructions on the applicable Direct Plan Form. You may also need to contact your employer to make changes to your payroll deduction instructions.

If your method of payment is the automatic contribution plan, you can stop your participation in the automatic contribution plan, or you can stop or change the timing and amount of your contributions to any Investment Option that you selected for your Account, by making these changes online at the Direct Plan website, by completing and submitting the appropriate Direct Plan Form or by calling the Direct Plan.

If your method of payment is by a transfer of funds from an Account or account in the Program or a Rollover, complete the appropriate section of the Application and/or the applicable Direct Plan Form.

Maximum Account Balance Limit. Contributions will be rejected and returned to the extent they cause the aggregate market value of all accounts in the Program (including all accounts in the Direct Plan and the Advisor Plan) for the same Beneficiary to exceed the maximum account balance limit, which is set by the Board (the “**Maximum Account Balance Limit**”). The Maximum Account Balance Limit is currently \$300,000, but may change in the future. Accounts that have reached the Maximum Account Balance Limit may continue to accrue earnings.

Transferring Funds

You may make the following transfers:

- Transfers, subject to certain limits, among Investment Options (see “Getting Started” above);
- Transfers of funds between Accounts; and
- Rollovers.

Certain of these transfers may be subject to different federal and state tax consequences. See “Withdrawals” and “State of Oklahoma Income Tax Treatment” for additional information.

You may transfer all or any portion of the funds already invested in a particular Investment Option, subject to certain limits, to another Investment Option once per calendar year or upon a change of the Beneficiary of your Account to a Member of the Family of the Beneficiary. A transfer between Investment Options in the Direct Plan and investment options in the Advisor Plan is considered a transfer among investment options for purposes of the limitation on transfers. A transfer of funds to another Investment Option for the same Beneficiary can be requested through the Direct Plan’s secure website or by completing the appropriate Direct Plan Form.

A Rollover (“**Rollover**”) is a transfer of funds by any of the following methods:

Rollovers into the Direct Plan

- A direct transfer from an account in another qualified tuition program to an Account for (1) the same Beneficiary (provided that you have not made a similar transfer to any qualified tuition program for the benefit of that Beneficiary within the previous 12 months), or (2) a person who is a Member of the Family of that Beneficiary; or
- A withdrawal of funds from an account in another qualified tuition program, followed within 60 days of that withdrawal by a contribution of those funds to an Account for (1) the same Beneficiary (provided that you have not made a similar transfer to any qualified tuition program for the benefit of that Beneficiary within the previous 12 months), or (2) a person who is a Member of the Family of that Beneficiary.

Rollovers out of the Direct Plan

- A direct transfer from your Account to an account in another qualified tuition program for (1) the same Beneficiary (provided that you have not made a similar transfer to any qualified tuition program for the benefit of that Beneficiary within the previous 12 months), or (2) a person who is a Member of the Family of that Beneficiary; or
- A withdrawal of funds from your Account, followed within 60 days of that withdrawal by a contribution of those funds to an account in another qualified tuition program for (1) the same Beneficiary (provided that you have not made a similar transfer to any qualified tuition program for the benefit of that Beneficiary within the previous 12 months), or (2) a person who is a Member of the Family of that Beneficiary.

Intra-Program Rollovers

- A direct transfer from your Account in the Direct Plan or your account in the Advisor Plan for a Beneficiary to an Account in the Direct Plan or an account in the Advisor Plan for a person who is a Member of the Family of that Beneficiary; or
- A withdrawal of funds from your Account in the Direct Plan or your account in the Advisor Plan for a Beneficiary, followed within 60 days of that withdrawal by a contribution of those funds to an Account in the Direct Plan or an account in the Advisor Plan for a person who is a Member of the Family of that Beneficiary.

Subject to the limitations set forth above, you may transfer funds to either an Account that is owned by you or an Account that is owned by another Account Owner. A transfer of funds from your Account to an Account that is owned by another Account Owner may have federal or state tax consequences, and Account Owners are urged to consult their own tax advisors prior to requesting any such transfer. If a transfer of funds causes the aggregate market value of all accounts in the Program (including all accounts in the Direct Plan and the Advisor Plan) for the same Beneficiary to exceed the Maximum Account Balance Limit, the excess amount will be rejected and returned.

If you are transferring funds from another qualified tuition program to an Account in the Direct Plan, the program from which you are transferring funds may restrict or prohibit such transfer or impose charges, so you should investigate this change thoroughly before requesting such a transfer.

Unit Value

Contributions to your Account purchase Units of the Investment Option(s) you select (other than the Guaranteed Option). The Direct Plan will process Account transaction requests (e.g., contributions, withdrawals, and transfers) at the Unit value of the applicable Investment Option determined on the day your Account transaction request and any required paperwork are received in good order if they are received before the close of regular trading (usually 4:00 p.m., Eastern time) on the New York Stock Exchange (“**NYSE**”) and are accepted by the Direct Plan. Account transaction requests received after the close of regular trading or on a day when the NYSE is not open will be processed by the Direct Plan at the Unit value determined on the next day of regular trading on the NYSE. The Direct Plan will not process Account transaction requests on holidays or other days when the NYSE is closed.

The value of a Unit in each Investment Option other than the Guaranteed Option (for purposes of this discussion, each Age Band in the Moderate Managed Allocation Option, the Conservative Managed Allocation Option and the Aggressive Managed Allocation Option is considered a separate Investment Option) is computed by dividing the Investment Option’s assets minus its liabilities by the number of outstanding Units of such Investment Option.

The value of the portion of your Account that is invested in the Guaranteed Option is equal to (a) contributions allocated to the Guaranteed Option; plus (b) guaranteed interest credited to your Account accumulation in the Guaranteed Option on a daily basis at an annual rate then in effect; plus (c) any

additional interest credited to your Account in excess of the guaranteed interest as declared in advance by TIAA-CREF Life Insurance Company (“**TIAA-CREF Life**”); less (d) any state and local premium tax incurred by TIAA-CREF Life applicable to your contributions allocated to the Guaranteed Option; less (e) the amount of any withdrawals, rollovers and/or transfers of funds you request from this Investment Option.

Use of Your Account

No Pledging of Account Assets. Neither you nor your Beneficiary may use any part of any Account or other interest in the Direct Plan as security for a loan.

Bankruptcy and Related Matters. The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 expressly excludes from an individual debtor’s bankruptcy estate (and, therefore, will not be available for distribution to such individual’s creditors), certain funds paid or contributed by such individual to an Account. The bankruptcy protection for these types of Accounts, however, is limited. To be protected, the Beneficiary of the Account must be a child, stepchild, grandchild or step-grandchild of such individual during the year of such contribution and the funds must have been contributed at least 365 days prior to a bankruptcy filing. The bankruptcy protection also imposes a cap on the amount of funds that may be excluded from such individual’s bankruptcy estate. The maximum amount entitled to the bankruptcy exclusion is \$5,475 for payments or contributions made by such individual to the Account and all other accounts in the Program for the same Beneficiary during the period between 365 and 720 days prior to the bankruptcy filing. This information is not meant to be individual advice, and Account Owners should consult with their own advisors concerning their individual circumstances.

Fees and Expenses

The following table describes the Direct Plan’s fees and expenses. The Board reserves the right to change the current fees, or to impose new or additional fees, expenses, charges or penalties in the future.

For purposes of this section, each of the Age Bands in the Moderate Managed Allocation Option, the Conservative Managed Allocation Option and the Aggressive Managed Allocation Option is considered a separate Investment Option.

Fee Table

Investment Option	Estimated Underlying Mutual Fund Expenses ⁽¹⁾	Direct Plan Manager Fee ^{(2) (3) (4)}	State Fee	Total Annual Asset-Based Fees ⁽⁵⁾
Moderate Managed Allocation Option				
Age Band 1 (0-3 Years)	0.15%	0.40%	None	0.55%
Age Band 2 (4-7 Years)	0.16%	0.40%	None	0.56%
Age Band 3 (8-11 Years)	0.16%	0.40%	None	0.56%
Age Band 4 (12-14 Years)	0.17%	0.40%	None	0.57%
Age Band 5 (15-17 Years)	0.18%	0.40%	None	0.58%
Age Band 6 (18 and Over)	0.19%	0.40%	None	0.59%
Conservative Managed Allocation Option				
Age Band 1 (0-3 Years)	0.16%	0.40%	None	0.56%
Age Band 2 (4-7 Years)	0.16%	0.40%	None	0.56%
Age Band 3 (8-11 Years)	0.17%	0.40%	None	0.57%
Age Band 4 (12-14 Years)	0.18%	0.40%	None	0.58%
Age Band 5 (15-17 Years)	0.19%	0.40%	None	0.59%
Age Band 6 (18 and Over)	0.20%	0.40%	None	0.60%
Aggressive Managed Allocation Option				
Age Band 1 (0-3 Years)	0.15%	0.40%	None	0.55%
Age Band 2 (4-7 Years)	0.15%	0.40%	None	0.55%
Age Band 3 (8-11 Years)	0.16%	0.40%	None	0.56%
Age Band 4 (12-14 Years)	0.16%	0.40%	None	0.56%
Age Band 5 (15-17 Years)	0.17%	0.40%	None	0.57%
Age Band 6 (18 and Over)	0.18%	0.40%	None	0.58%
Diversified Equity Option	0.55%	0.40%	None	0.95%
U.S. Equity Index Option	0.09%	0.40%	None	0.49%
Global Equity Index Option	0.15%	0.40%	None	0.55%

Investment Option	Estimated Underlying Mutual Fund Expenses ⁽¹⁾	Direct Plan Manager Fee ^{(2) (3) (4)}	State Fee	Total Annual Asset-Based Fees ⁽⁵⁾
Balanced Option	0.40%	0.40%	None	0.80%
Fixed Income Option	0.20%	0.40%	None	0.60%
Guaranteed Option ⁽⁶⁾	None	None	None	None

- (1) For each Investment Option that invests in multiple underlying Mutual Funds, the figures in this column are based on a weighted average of the expenses of each underlying Mutual Fund's expense ratio as reported in the applicable Mutual Funds' most recent prospectus available prior to the date of this Disclosure Booklet, in accordance with the Investment Option's asset allocation among its underlying Mutual Funds. For each Investment Option that invests in a single Mutual Fund, the figures in the column represent the underlying Mutual Fund's expense ratio as reported in the Mutual Fund's most recent prospectus available prior to the date of this Disclosure Booklet. Each Investment Option (other than the Guaranteed Option) indirectly bears its pro rata portion of the underlying Mutual Funds' expenses because when fees are deducted from an underlying Mutual Fund's assets, the value of the underlying Mutual Fund's shares is reduced.
- (2) The Direct Plan Manager Fee is the only fee deducted from Direct Plan assets. The Direct Plan Manager Fee may change at any time. Although there are no fees that are deducted from your Account, when you invest in the Direct Plan, you indirectly bear a pro rata portion of the Direct Plan expenses because when fees are deducted from Direct Plan assets, the value of the Units is reduced.
- (3) For its services as Direct Plan Manager, each Investment Option (with the exception of the Guaranteed Option) pays TFI a Direct Plan Manager Fee equal to the stated percentage of the average daily net assets held by that Investment Option.
- (4) The Direct Plan Manager Fee indicated applies on total assets in the Direct Plan up to \$1 billion. The Direct Plan Manager Fee will be reduced by 0.05% when total assets in the Direct Plan reach \$1 billion and above.
- (5) The Total Annual Asset-Based Fees equal the Estimated Underlying Mutual Fund Expenses plus the Direct Plan Manager Fee. You should refer to the Investment Cost Example below for the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.
- (6) The Guaranteed Option does not pay a Direct Plan Manager Fee. The assets in this Investment Option are allocated to a funding agreement (the "**Funding Agreement**") issued by TIAA-CREF Life to the Direct Plan, which is the policyholder under the Funding Agreement. TIAA-CREF Life pays to TFI an annual asset-based fee for the services that TFI provides for this Investment Option. TIAA-CREF Life takes this fee, among many other factors, into consideration when determining the interest credited to the Direct Plan on Funding Agreement accumulations.

Investment Cost Example. The example in the following table is intended to help you compare the cost of investing in the different Investment Options over various periods of time. This example assumes that:

- You invest \$10,000 in an Investment Option for the time periods shown below.
- Your investment has a 5% compounded return each year, except for the Guaranteed Option, which is assumed to have a 3% compounded return each year.
- You withdraw the assets from the Investment Option at the end of the specified periods for Qualified Higher Education Expenses.
- Total annual asset-based fees remain the same as those shown in the Fee Table above.
- The example does not consider the impact of any potential state or federal taxes on the withdrawal.

Although your actual costs may be higher or lower, based on the above assumptions your costs would be:

INVESTMENT OPTIONS	APPROXIMATE COST OF \$10,000 INVESTMENT			
	1 Year	3 Years	5 Years	10 Years
Moderate Managed Allocation Option				
Age Band 1 (0-3 Years)	\$56	\$177	\$308	\$691
Age Band 2 (4-7 Years)	\$57	\$180	\$314	\$703
Age Band 3 (8-11 Years)	\$57	\$180	\$314	\$703
Age Band 4 (12-14 Years)	\$58	\$183	\$319	\$715
Age Band 5 (15-17 Years)	\$59	\$186	\$325	\$727
Age Band 6 (18 and Over)	\$60	\$190	\$330	\$740
Conservative Managed Allocation Option				
Age Band 1 (0-3 Years)	\$57	\$180	\$314	\$703
Age Band 2 (4-7 Years)	\$57	\$180	\$314	\$703
Age Band 3 (8-11 Years)	\$58	\$183	\$319	\$715
Age Band 4 (12-14 Years)	\$59	\$186	\$325	\$727
Age Band 5 (15-17 Years)	\$60	\$190	\$330	\$740
Age Band 6 (18 and Over)	\$62	\$193	\$336	\$752

INVESTMENT OPTIONS	APPROXIMATE COST OF \$10,000 INVESTMENT			
	1 Year	3 Years	5 Years	10 Years
Aggressive Managed Allocation Option				
Age Band 1 (0-3 Years)	\$56	\$177	\$308	\$691
Age Band 2 (4-7 Years)	\$56	\$177	\$308	\$691
Age Band 3 (8-11 Years)	\$57	\$180	\$314	\$703
Age Band 4 (12-14 Years)	\$57	\$180	\$314	\$703
Age Band 5 (15-17 Years)	\$58	\$183	\$319	\$715
Age Band 6 (18 and Over)	\$59	\$186	\$325	\$727
Diversified Equity Option	\$97	\$304	\$528	\$1171
U.S. Equity Index Option	\$50	\$158	\$275	\$617
Global Equity Index Option	\$56	\$177	\$308	\$619
Balanced Option	\$82	\$256	\$446	\$993
Fixed Income Option	\$62	\$193	\$336	\$752
Guaranteed Option	\$0	\$0	\$0	\$0

Investment Options

Choosing Your Investment Options and How the Investment Options Are Invested. This section describes the types of Investment Options offered under the Direct Plan, the risks associated with investing in an Investment Option, and the type of investor for whom each Investment Option may be appropriate.

The Investment Options, their underlying investment vehicles and the allocations to those underlying investment vehicles are authorized by the Board. The Board may add or remove Investment Options and change the investment allocations of, or the investments held by, an Investment Option at any time. The Direct Plan will have a commercially reasonable period to implement any such changes. You may allocate your contributions to a single Investment Option or you may choose to allocate your contributions to multiple Investment Options. You should consider a periodic assessment of and, as appropriate, adjustment to your Investment Option selections in accordance with your current investment time horizon, risk tolerance and investment objectives. Although Account Owners may select the Investment Options in which to invest, neither Account Owners nor Beneficiaries may direct the investment of any Investment Option. See “Getting Started” and “Transferring Funds” above for information about changing Investment Option elections.

Summaries of the underlying investments of the Investment Options appear in Appendix I to this Disclosure Booklet. Please note that your investment in an Investment Option in the Direct Plan is not an investment in any underlying Mutual Fund(s).

Age-Based Investment Options

Moderate Managed Allocation Option (Risk level shifts from Aggressive to Conservative as the Beneficiary ages)

Prior to October 1, 2010, this Investment Option was called the “Managed Allocation Option.” On October 1, 2010, the name of this Investment Option will change to the “Moderate Managed Allocation Option.” This Investment Option seeks to match the investment objective and level of risk to the investment horizon by taking into account the Beneficiary’s current age and the number of years before the Beneficiary turns 18 and is expected to enter college. Depending on the Beneficiary’s age, allocations to this Investment Option will be placed in one of six Age Bands, each of which has a different investment objective and investment strategy. The Age Bands for younger Beneficiaries seek a favorable long-term return by investing primarily in Mutual Funds that invest in equity or real estate-related securities, each of which has a higher level of risk, but greater potential for returns than more conservative investments. As a Beneficiary nears college age, the Age Bands allocate less to Mutual Funds that invest in equity and real estate-related securities and allocate more heavily to Mutual Funds that invest in fixed-income and money market securities to preserve capital. Effective as of October 1, 2010, each Age Band in the Moderate Managed Allocation Option will increase the allocations of its assets to Mutual Funds that are passively managed to track a particular index and will proportionately decrease its allocation to actively managed Mutual Funds.

As the Beneficiary ages, assets in your Account that are attributable to this Investment Option are moved from one Age Band to the next on the first “Rolling Date” following the Beneficiary’s fourth, eighth, twelfth, fifteenth and eighteenth birthdays. The Rolling Dates are March 20, June 20, September 20 and December 20 (or the first business day thereafter).

Asset Allocations for the Moderate Managed Allocation Option (previously named the Managed Allocation Option)

The following table provides the percentage of assets of each Age Band within the Moderate Managed Allocation Option allocated to each Mutual Fund. Note that contributions received on or after the date of this Disclosure Booklet will be allocated accordingly.

Age Band	Age of Beneficiary	Large-Cap Growth Index Fund	Large-Cap Value Index Fund	Small-Cap Blend Index Fund	Real Estate Securities Fund	International Equity Index Fund	Bond Index Fund	Inflation-Linked Bond Fund	Short-Term Bond Fund	Money Market Fund
1	0-3	23.18%	23.18%	4.04%	5.60%	24.00%	15.00%	5.00%	0.00%	0.00%
2	4-7	20.29%	20.29%	3.52%	4.90%	21.00%	22.50%	7.50%	0.00%	0.00%
3	8-11	15.94%	15.94%	2.77%	3.85%	16.50%	33.75%	11.25%	0.00%	0.00%
4	12-14	13.04%	13.04%	2.27%	3.15%	13.50%	41.25%	13.75%	0.00%	0.00%
5	15-17	8.69%	8.69%	1.52%	2.10%	9.00%	37.50%	12.50%	8.00%	12.00%
6	18 and over	5.80%	5.80%	1.00%	1.40%	6.00%	21.00%	7.00%	22.00%	30.00%

Conservative Managed Allocation Option (Risk level shifts from Aggressive to Conservative as the Beneficiary ages)

The Conservative Managed Allocation Option works the same way and invests in the same Mutual Funds as the Moderate Managed Allocation Option described above. The Age Bands for younger Beneficiaries seek a favorable long-term return by investing primarily in Mutual Funds that invest in equity or real estate-related securities, each of which has a higher level of risk, but greater potential for returns than more conservative investments. As a Beneficiary nears college age, the Age Bands allocate less to Mutual Funds that invest in equity and real estate-related securities and allocate more heavily to Mutual Funds that invest in fixed-income and money market securities to preserve capital. However, the Age Bands in the Conservative Managed Allocation Option, even for younger Beneficiaries, will always be more heavily weighted toward Mutual Funds that invest in fixed-income and money market securities than the Age Bands under the Moderate Managed Allocation Option.

As the Beneficiary ages, assets in your Account that are attributable to this Investment Option are moved from one Age Band to the next on the first "Rolling Date" following the Beneficiary's fourth, eighth, twelfth, fifteenth and eighteenth birthdays. The Rolling Dates are March 20, June 20, September 20 and December 20 (or the first business day thereafter).

Asset Allocations for the Conservative Managed Allocation Option

The following table provides the percentage of assets of each Age Band within the Conservative Managed Allocation Option allocated to each Mutual Fund. Note that contributions received on or after the date of this Disclosure Booklet will be allocated accordingly.

Age Band	Age of Beneficiary	Large-Cap Growth Index Fund	Large-Cap Value Index Fund	Small-Cap Blend Index Fund	Real Estate Securities Fund	International Equity Index Fund	Bond Index Fund	Inflation-Linked Bond Fund	Short-Term Bond Fund	Money Market Fund
1	0-3	18.84%	18.84%	3.27%	4.55%	19.50%	26.25%	8.75%	0.00%	0.00%
2	4-7	15.94%	15.94%	2.77%	3.85%	16.50%	33.75%	11.25%	0.00%	0.00%
3	8-11	13.04%	13.04%	2.27%	3.15%	13.50%	41.25%	13.75%	0.00%	0.00%
4	12-14	8.69%	8.69%	1.52%	2.10%	9.00%	37.50%	12.50%	8.00%	12.00%
5	15-17	4.35%	4.35%	0.75%	1.05%	4.50%	25.50%	8.50%	19.00%	32.00%
6	18 and over	0.00%	0.00%	0.00%	0.00%	0.00%	18.75%	6.25%	25.00%	50.00%

Aggressive Managed Allocation Option (Risk level shifts from Aggressive to Conservative as the Beneficiary ages)

The Aggressive Managed Allocation Option works the same way and invests in the same Mutual Funds as the Moderate Managed Allocation Option described above. The Age Bands for younger Beneficiaries seek a favorable long-term return by investing primarily in Mutual Funds that invest in equity or real estate-related securities, each of which has a high level of risk, but greater potential for returns than more conservative investments. As a Beneficiary nears college age, the Age Bands allocate less to Mutual Funds that invest in equity and real estate-related securities and allocate more heavily to Mutual Funds that invest in fixed-income and money market securities to preserve capital. However, the Age Bands in the Aggressive Managed Allocation Option, even for older Beneficiaries, will always be more heavily weighted toward Mutual Funds that invest in equity and real estate-related securities than the Age Bands under the Moderate Managed Allocation Option.

As the Beneficiary ages, assets in your Account that are attributable to this Investment Option are moved from one Age Band to the next on the first "Rolling Date" following the Beneficiary's fourth, eighth, twelfth, fifteenth and eighteenth birthdays. The Rolling Dates are March 20, June 20, September 20 and December 20 (or the first business day thereafter).

Asset Allocations for the Aggressive Managed Allocation Option

The following table provides the percentage of assets of each Age Band within the Aggressive Managed Allocation Option allocated to each Mutual Fund. Note that contributions received on or after the date of this Disclosure Booklet will be allocated accordingly.

Age Band	Age of Beneficiary	Large-Cap Growth Fund	Large-Cap Value Fund	Small-Cap Blend Fund	Real Estate Securities Fund	International Equity Index Fund	Bond Index Fund	Inflation-Linked Bond Fund	Short-Term Bond Fund	Money Market Fund
1	0-3	28.98%	28.98%	5.04%	7.00%	30.00%	0.00%	0.00%	0.00%	0.00%
2	4-7	23.18%	23.18%	4.04%	5.60%	24.00%	15.00%	5.00%	0.00%	0.00%
3	8-11	20.29%	20.29%	3.52%	4.90%	21.00%	22.50%	7.50%	0.00%	0.00%
4	12-14	15.94%	15.94%	2.77%	3.85%	16.50%	33.75%	11.25%	0.00%	0.00%
5	15-17	13.04%	13.04%	2.27%	3.15%	13.50%	41.25%	13.75%	0.00%	0.00%
6	18 and over	8.69%	8.69%	1.52%	2.10%	9.00%	37.50%	12.50%	8.00%	12.00%

Multi-Fund Investment Options

Each multi-fund Investment Option has a different investment objective and investment strategy, which is described in more detail below. The allocations to the underlying Mutual Funds in the multi-fund Investment Options do not change automatically as the Beneficiary ages as they do in the age-based Investment Options described above. Investments will remain in the multi-fund Investment Options until the Account Owner instructs the Direct Plan to move them to another Investment Option. The Board may change the asset allocations and underlying Mutual Funds for these Investment Options (as well as for the other Investment Options) at any time.

Diversified Equity Option (Risk level — Aggressive)

This Investment Option seeks to provide a favorable long-term total return, mainly from capital appreciation, by allocating to a diversified portfolio of Mutual Funds that include actively-managed domestic and international equity funds and a real estate-related securities fund. Given the higher volatility of this Investment Option, the risk of loss may be greater over a shorter investment horizon. However, this Investment Option may provide greater investment return opportunities over the long term. This Investment Option may be appropriate for you if you already have substantial college savings from less volatile investments (e.g., fixed-income investments) or you have a long investment horizon and you can tolerate a higher level of risk. Effective as of October 1, 2010, the Diversified Equity Option will allocate its assets to actively managed Mutual Funds and will no longer allocate to Mutual Funds that are passively managed to track a particular index. In addition, the Diversified Equity Option will increase the allocations of its assets to Mutual Funds that focus on international investment and will proportionately decrease its allocations to Mutual Funds that focus on domestic investment.

Asset Allocations for the Diversified Equity Option

The following table provides the percentage of assets of the Diversified Equity Option allocated to each Mutual Fund. Note that contributions received on or after the date of this Disclosure Booklet will be allocated accordingly.

Large-Cap Growth Fund	Large-Cap Value Fund	Growth & Income Fund	Mid-Cap Growth Fund	Mid-Cap Value Fund	Small-Cap Equity Fund	Real Estate Securities Fund	International Equity Fund
7.56%	7.56%	37.80%	2.52%	2.52%	5.04%	7.00%	30.00%

Global Equity Index Option (Risk level — Aggressive)

Prior to October 1, 2010, this Investment Option was called the “100% Equity Option.” On October 1, 2010, the name of this Investment Option will change to the “Global Equity Option.” This Investment Option allocates to a portfolio of Mutual Funds that include domestic and international equity index funds and a real estate-related securities fund. Given the higher volatility of this Investment Option, the risk of loss can be greater over a shorter investment horizon. However, this Investment Option may provide greater investment return opportunities over the long term. This Investment Option may be appropriate for you if you already have substantial college savings from less volatile investments (e.g., fixed-income investments) or you have a long investment horizon and you can tolerate a higher level of risk. Effective as of October 1, 2010, the Global Equity Index Option will increase the allocations of its assets to Mutual Funds that are passively managed to track a particular index and will proportionately decrease its allocations to actively managed Mutual Funds. In addition, this Investment Option will increase the allocation of its assets to Mutual Funds that focus on international investment and will proportionately decrease its allocations to Mutual Funds that focus on domestic investment.

Asset Allocations for the Global Equity Index Option

The following table provides the percentage of assets of the Global Equity Index Option allocated to each Mutual Fund. Note that contributions received on or after the date of this Disclosure Booklet will be allocated accordingly.

Large-Cap Growth Index Fund	Large-Cap Value Index Fund	Small-Cap Blend Index Fund	Real Estate Securities Fund	International Equity Index Fund
28.98%	28.98%	5.04%	7.00%	30.00%

Balanced Option (Risk level — Moderate)

This Investment Option seeks to provide a favorable long-term total return that reflects the broad investment performance of the financial markets by allocating to a diversified portfolio of Mutual Funds that include a mix of equity funds, a bond index fund, other fixed-income funds and a real estate-related securities fund. Because of the exposure to domestic and foreign equities, and the corresponding degree of risk, this Investment Option may be appropriate for you if you can tolerate a moderate degree of volatility in exchange for potentially higher returns over time. Effective as of October 1, 2010, the Balanced Option will increase the allocation of its fixed-income assets to Mutual Funds that are passively managed to track a particular index and will proportionately decrease its allocations to actively managed fixed-income Mutual Funds. In addition, the Balanced Option will allocate all of its equity investment to actively managed Mutual Funds. Furthermore, the Balanced Option will increase the allocations of its assets to Mutual Funds that focus on international investment and will proportionately decrease its allocations to Mutual Funds that focus on domestic investment.

Asset Allocations for the Balanced Option

The following table provides the percentage of assets of the Balanced Option allocated to each Mutual Fund. Note that contributions received on or after the date of this Disclosure Booklet will be allocated accordingly.

Growth & Income Fund	Mid-Cap Growth Fund	Mid-Cap Value Fund	Small-Cap Equity Fund	Real Estate Securities Fund	International Equity Fund	Bond Index Fund	Inflation-Linked Bond Fund
30.24%	2.27%	2.27%	3.02%	4.20%	18.00%	30.00%	10.00%

Fixed Income Option (Risk level — Moderate)

This Investment Option seeks to provide preservation of capital along with a moderate rate of return through a diversified mix of fixed-income investments. This Investment Option may be appropriate for you if you have a medium-term investment horizon and can tolerate a moderate level of risk. Effective as of October 1, 2010, the Fixed Income Option will allocate a majority of its assets to Mutual Funds that are passively managed to track a particular index, rather than to actively managed Mutual Funds.

Asset Allocations for the Fixed Income Option

The following table provides the percentage of assets of the Fixed Income Option allocated to each Mutual Fund. Note that contributions received on or after the date of this Disclosure Booklet will be allocated accordingly.

Bond Index Fund	Inflation-Linked Bond Fund	High-Yield Fund
70.00%	20.00%	10.00%

Single Fund Investment Option

A single fund Investment Option is invested solely in shares of a single underlying Mutual Fund. Therefore, its performance is entirely reliant on the performance of that underlying Mutual Fund and may be more volatile than the age-based Investment Options or the multi-fund Investment Options. You should be aware that Account Owners do not own shares of the underlying Mutual Fund directly. The single fund Investment Option is described in more detail below.

U.S. Equity Index Option (Risk level — Aggressive)

This Investment Option seeks to provide favorable long-term growth, mainly from capital appreciation. The U.S. Equity Index Option invests 100% of its assets in the TIAA-CREF Equity Index Fund, which employs a “passive management” – or indexing – strategy and seeks a diversified portfolio selected to track the overall market for common stocks publicly traded in the United States, as represented by a broad stock market index. Because of the high exposure to equity investments, and the corresponding high degree of risk, this Investment Option may be appropriate for you if you already have substantial college savings from less volatile investments (e.g., fixed-income investments) or you have a long investment horizon and you can tolerate a higher level of risk.

Principal Protection Investment Option

Guaranteed Option (Risk level — Conservative)

This Investment Option seeks to preserve capital and provide a stable return. It may be appropriate for you if you have a short investment horizon and are looking for a conservative investment with a low level of risk. The assets in this Investment Option are allocated to the Funding Agreement issued by TIAA-CREF Life to the Direct Plan, which is the policyholder under the agreement. The Funding Agreement provides for a return of principal plus a guaranteed rate of interest and allows for the possibility that additional interest may be credited as declared periodically by TIAA-CREF Life. The interest rate guarantee is made to the Direct Plan only, and not to Account Owners or Beneficiaries. The rate of any additional interest is declared in advance for a period of up to 12 months and is not guaranteed for any future periods.

For more information on the Funding Agreement, please see “Summary of the TIAA-CREF Life Insurance Company Funding Agreement” in Appendix I.

Past Performance

The tables below show the returns of each Investment Option over the time period(s) indicated, calculated from the day on which funds were first invested in each Age Band or Investment Option (the **"Inception Date"**). (For purposes of this discussion, each Age Band in the Moderate Managed Allocation Option (previously named the Managed Allocation Option) is considered a separate Investment Option.) The tables compare those returns to the returns of a customized index benchmark (**"Blended Index"**). A Blended Index combines the benchmarks for each of the underlying Mutual Funds held by an Investment Option during the relevant time period weighted according to the allocations to those Mutual Funds and adjusted to reflect any changes in the allocations and the benchmarks during the relevant time period.

The performance data shown below for each Blended Index does not reflect deductions of any fees or expenses. The performance data shown below for each Investment Option, however, is quoted net of all fees and expenses. All figures in the tables represent the average annual compound rate of return.

No performance data is included for the Conservative Managed Allocation Option, the Aggressive Managed Allocation Option and the U.S. Equity Index Option because those Investment Options are new and have no operating histories.

Total returns and the principal value of investments in your Account will fluctuate based on the investment performance of the Mutual Funds in which the Investment Options (other than the Guaranteed Option) have been invested, so your investment may be worth more or less than its original value when you withdraw your money. Past performance is not necessarily indicative of future results. Performance may be substantially affected over time by changes in the allocations and in the underlying investments.

For the most current performance information, which is updated monthly, visit the Direct Plan's website or call the Direct Plan.

Moderate Managed Allocation Option (previously called the Managed Allocation Option)

**Average Annual Total Returns
For the Period Ended July 31, 2010**

Age Band	Age of Beneficiary	1 Year	3 Year	5 Year	Since Inception	Inception Date
1	0-3	14.19%	-3.87%	1.36%	3.01%	January 16, 2004
	Blended Index	15.54%	-3.63%	2.00%	3.87%	
2	4-7	13.74%	-2.84%	1.78%	3.28%	January 16, 2004
	Blended Index	14.85%	-2.14%	2.60%	4.18%	
3	8-11	12.61%	-0.67%	2.62%	3.75%	January 16, 2004
	Blended Index	13.74%	0.04%	3.43%	4.60%	
4	12-14	12.01%	0.64%	3.10%	3.99%	January 16, 2004
	Blended Index	12.96%	1.47%	3.97%	4.89%	
5	15-17	9.00%	1.59%	3.27%	3.85%	January 16, 2004
	Blended Index	10.30%	2.90%	4.34%	4.84%	
6	18 and over	5.85%	1.65%	3.10%	3.36%	January 16, 2004
	Blended Index	6.65%	2.20%	3.65%	3.90%	

Additional Investment Options

Average Annual Total Returns For The Period Ended July 31, 2010

Option	1 Year	3 Year	5 Year	Since Inception	Inception Date
Global Equity Index Option (previously called the 100% Equity Option)	15.71%	-7.26%	-0.11%	0.71%	April 27, 2001
Blended Index	16.84%	-6.70%	0.72%	1.77%	
Diversified Equity Option	16.89%	-7.68%	N/A	-1.50%	July 19, 2006
Blended Index	16.84%	-6.72%	N/A	-1.02%	
Balanced Option	13.72%	-1.49%	N/A	2.07%	July 19, 2006
Blended Index	14.11%	-0.65%	N/A	2.65%	
Fixed Income Option	8.65%	6.09%	N/A	5.57%	July 28, 2006
Blended Index	9.09%	7.48%	N/A	7.02%	
Guaranteed Option	2.75%	3.07%	3.21%	3.53%	May 1, 2001

Risks of Investing in the Direct Plan

Prospective Account Owners should carefully consider, along with other matters referred to in this Disclosure Booklet, the following risks of investing in the Direct Plan.

Investment Risks. With any Investment Option, there is a possibility that the investment returns over the applicable investment period will be less than the rate of increase in the costs of higher education during that period. There is a risk that you could lose part or all of the value of your Account.

No Guarantee of Attendance or Expense. There is no guarantee that a Beneficiary will be accepted for admission to any institution of higher education, including an Eligible Educational Institution, or if admitted, will graduate or receive a degree, or otherwise be permitted to continue to attend an Eligible Educational Institution. Increases in Qualified Higher Education Expenses could exceed the rate of return of the Investment Options under the Direct Plan over the same time period. Even if the combination of all accounts in the Program (including all accounts in the Advisor Plan), held for a Beneficiary reaches the Maximum Account Balance Limit, those funds may not be sufficient to pay all Qualified Higher Education Expenses of the Beneficiary.

Changes in Law. The Program is established pursuant to the Statute and Section 529 of the IRC. Changes to Section 529, the Statute, Oklahoma tax laws or federal or Oklahoma securities laws may affect the continued operation of the Program as contemplated in this Disclosure Booklet. Congress could also amend Section 529 of the IRC or other federal law in a manner that would materially change or eliminate the federal tax treatment described in this Disclosure Booklet. The State of Oklahoma could also make changes to Oklahoma tax law that could materially affect the state tax treatment of the Program or make changes to the Statute that could terminate or otherwise adversely affect the Program. Certain proposed federal tax regulations that have been issued under Section 529 of the IRC provide guidance, but only for the establishment and operation of certain aspects of the Program. Final

regulations or other administrative guidance or court decisions might be issued that could adversely impact the tax consequences or requirements with respect to the Program or contributions to, withdrawals from or other transactions related to Accounts.

Risks Related to Illiquidity. Investment in the Direct Plan involves the risk of limited liquidity because the circumstances under which funds may be withdrawn from your Account without incurring adverse tax consequences are limited. Additionally, in certain circumstances, your ability to withdraw funds may be restricted for up to 30 days. See “Withdrawals” and “Tax Information” below and “Getting Started” above for further information about these restrictions. Contributions must be on deposit for at least 10 days before being withdrawn.

Limitations on Transfers. You may transfer funds among Investment Options in the Direct Plan, or between Investment Options in the Direct Plan and investment options in the Advisor Plan only once per calendar year, and at any time upon a change in the Beneficiary of the Account to a Member of the Family of the Beneficiary being replaced. You may not direct the investment of any Investment Option or of any underlying Mutual Fund. In addition, no part of an Account may be assigned, transferred or pledged as security for a loan or otherwise, except from transfers described above under “Transferring Funds.”

Not a Direct Investment in Mutual Funds or Registered Securities. Although contributions to your Account will be invested (with the exception of contributions to the Guaranteed Option) in Investment Options that invest in Mutual Funds, none of the Direct Plan’s Investment Options is a mutual fund. An investment in the Direct Plan is considered an investment in “municipal fund securities” that are issued and offered by the Direct Plan. These securities are not registered with the U.S. Securities and Exchange Commission (“SEC”) or any state, nor are the Direct Plan or any of the Direct Plan’s Investment Options registered as investment companies with the SEC.

Potential Change of the Direct Plan Manager and Other Direct Plan Changes. The Board may change the Direct Plan Manager in the future. If this happens (or even if it does not), there is no assurance that you would not experience a material change to certain terms and conditions of your Participation Agreement, including the fees charged under the Direct Plan and the investment options available. If TFI ceases to be the Direct Plan Manager, you may be automatically transferred to new investment options or you may have to open a new Account in the Direct Plan with the successor plan manager in order to make future contributions on behalf of your Beneficiary. There is also no guarantee that the Investment Options offered by the Direct Plan in the future would correspond exactly with those described in this Disclosure Booklet. There is also no guarantee that such a transfer will not have tax implications. Transactions associated with a change in Direct Plan Manager, as described above, could result in the assets of the Direct Plan being temporarily held in cash. Such transactions could also result in the incurrence of additional expenses or a negative impact on one or more of the new investment options.

The Board may add or remove Investment Options and change the investment allocations of, or the investments held by, an Investment Option at any time. The State of Oklahoma may terminate the Direct Plan by giving written notice to the Account Owner, but the assets in the Account would not be diverted from the exclusive benefit of the Account Owner and Beneficiary.

Potential Impact on Financial Aid and Medicaid Eligibility. The eligibility of your Beneficiary for financial aid will depend upon the circumstances of the Beneficiary’s family at the time the Beneficiary enrolls in school, as well as on the policies of the governmental agencies, school or private organizations to which the Beneficiary and/or the Beneficiary’s family applies for financial assistance. Because saving for college will increase the financial resources available to the Beneficiary, it most likely will have some effect on the Beneficiary’s eligibility. However, because these policies vary at different institutions and can change over time, the Direct Plan cannot say with certainty how any federal, State or private financial aid program, or the school your Beneficiary applies to, will treat your Account.

The eligibility of an Account Owner for Medicaid assistance could be impacted by the Account Owner's ownership of a college savings account in a qualified tuition program. Although the result is not clear and may vary from state to state, it is possible that the assets in an Account Owner's Account may be considered available assets of the Account Owner for determining Medicaid assistance eligibility. Medicaid laws and regulations may change and Account Owners should consult their own financial and/or tax advisors for advice on their own particular situation.

Suitability; Investment Alternatives. The Board, except as required by law, makes no representations regarding the appropriateness of any Investment Option as a college savings investment vehicle. Other types of investments may be more appropriate depending upon your residence, financial status, tax situation, risk tolerance or the age of the Beneficiary. Various qualified tuition programs other than the Direct Plan, including programs designed to provide prepaid tuition, are currently available, as are other investment alternatives. The investments, fees, expenses, eligibility requirements, tax and other consequences and features of these alternatives may differ from those of the Direct Plan. Before investing in the Direct Plan, you may wish to consider these alternatives and should consult a tax or investment advisor.

No Insurance or Guarantee. Amounts in your Account are not insured or guaranteed by the State of Oklahoma (or any agency or instrumentality thereof), the Direct Plan, the Board, the Federal Deposit Insurance Corporation, any federal government agency, the Direct Plan Manager or its affiliates.

Withdrawals

Only you, as the Account Owner, may direct withdrawals from your Account. To request a withdrawal, you must complete the appropriate Direct Plan Form or make a request online through the Direct Plan's secure website (online withdrawals will only be made payable to the Account Owner and sent to the Account Owner's bank of record). You may direct the Direct Plan to pay the proceeds of the withdrawal to you, your Beneficiary or to an Eligible Educational Institution on behalf of the Beneficiary. The Unit value used to calculate the value of a withdrawal from your Account will be the one next computed after a completed withdrawal request is received in good order by the Direct Plan. See "Unit Value" above for more information. If your Account is invested in more than one Investment Option, you must select the Investment Option from which your funds are to be withdrawn to the extent permitted by Section 529 of the IRC. You will not be able to withdraw a contribution until 10 days after receipt of that contribution by the Direct Plan. If you make a change to your mailing address or transfer the Account to a new Account Owner, no withdrawals can be made from the Account for 30 days after the Direct Plan has received the request form unless you have either a Medallion Signature Guarantee or a Signature Validation Program Stamp, as set forth on the applicable Direct Plan Form.

Each withdrawal you make from your Account will fall into one of the following categories:

- (1) A Qualified Withdrawal;
- (2) A Taxable Withdrawal;
- (3) A Rollover; or
- (4) A Nonqualified Withdrawal.

Qualified Withdrawals. A Qualified Withdrawal is a withdrawal from your Account that is used to pay for Qualified Higher Education Expenses of the Beneficiary at an Eligible Educational Institution. By law, such expenses are defined to include tuition, certain room and board expenses, fees, books, supplies and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution. Qualified Higher Education Expenses include certain additional enrollment and attendant costs of special needs beneficiaries. The definition of Qualified Higher Education Expenses has been expanded by federal statute to cover amounts paid in 2010 for the purchase of computer equipment, software (other than software designed for sports, games or hobbies, unless such software is primarily educational in

nature), and/or for Internet access and related services. The purchased equipment, software or services must be used by the Beneficiary (including the Beneficiary's family) during any of the years that the Beneficiary is enrolled at an Eligible Educational Institution.

Unlike other expenses, the cost of room and board may be treated as Qualified Higher Education Expenses only if it is incurred during an academic period during which the Beneficiary is enrolled or accepted for enrollment in a degree, certificate or other program that leads to a recognized educational credential awarded by an Eligible Educational Institution, and during which the Beneficiary is enrolled at least half-time. (Half-time is defined as half of a full-time academic workload for the course of study the Beneficiary is pursuing based on the standard at the Beneficiary's Eligible Educational Institution.) The amount of room and board expenses that may be treated as a Qualified Higher Education Expense is generally limited to the room and board allowance applicable to a student that is included by the Eligible Educational Institution in its "cost of attendance" for purposes of determining eligibility for federal education assistance for that year. For students living in housing owned or operated by the Eligible Educational Institution, if the actual invoice amount charged by the Eligible Educational Institution for room and board is higher than the "cost of attendance" figure, then the actual invoice amount may be treated as qualified room and board costs.

No portion of a Qualified Withdrawal is subject to federal taxation or the Additional Tax.

Taxable Withdrawals. A Taxable Withdrawal is any withdrawal from your Account that is not a Qualified Withdrawal, but that is: (1) paid to a beneficiary of, or the estate of, the Beneficiary on or after the Beneficiary's death or attributable to the permanent disability of the Beneficiary; (2) made on account of the receipt by the Beneficiary of a scholarship award or veterans' or other nontaxable educational assistance (other than gifts or inheritances), but only to the extent of such scholarship or assistance; (3) made on account of the Beneficiary's attendance at a Military Academy, but only to the extent of the costs of education attributable to such attendance; or (4) equal to the amount of the Beneficiary's relevant Qualified Higher Education Expenses taken into account in determining the Beneficiary's federal Hope Scholarship Credit or Lifetime Learning Credit.

The earnings portion of a Taxable Withdrawal is subject to federal taxation, but no portion of a Taxable Withdrawal is subject to the Additional Tax.

Rollovers. A Rollover from an Account includes:

Rollovers out of the Direct Plan

- A direct transfer from your Account to an account in another qualified tuition program for (1) the same Beneficiary (provided that you have not made a similar transfer to any qualified tuition program for the benefit of that Beneficiary within the previous 12 months), or (2) a person who is a Member of the Family of that Beneficiary; or
- A withdrawal of funds from your Account, followed within 60 days of that withdrawal by a contribution of those funds to an account in another qualified tuition program for (1) the same Beneficiary (provided that you have not made a similar transfer to any qualified tuition program for the benefit of that Beneficiary within the previous 12 months), or (2) a person who is a Member of the Family of that Beneficiary.

Intra-Program Rollovers

- A withdrawal of funds from your Account in the Direct Plan or your account in the Advisor Plan for a Beneficiary, followed within 60 days of that withdrawal by a contribution of those funds to an Account in the Direct Plan or an account in the Advisor Plan for a person who is a Member of the Family of that Beneficiary.

No portion of a Rollover from an Account is subject to federal taxation (or the Additional Tax).

Nonqualified Withdrawals. A Nonqualified Withdrawal is any withdrawal that does not meet the requirements of being (1) a Qualified Withdrawal; (2) a Taxable Withdrawal; or (3) a Rollover. The earnings portion of a Nonqualified Withdrawal is subject to federal income taxation and the Additional Tax.

Information regarding the Oklahoma income taxation of withdrawals from an Account may be found in “Tax Information” below. You should consult a qualified tax advisor regarding how both state and federal tax laws may apply to your particular circumstances.

Oversight of the Direct Plan

The primary purpose of the Program (which includes the Direct Plan) is to permit Oklahomans to benefit from tax benefits for qualified college savings programs allowed by federal law, given the cost of higher education, the importance of encouraging savings for tuition, and the correlation of economic growth and education.

The Statute provides that the State Treasurer will serve as the chair of the Board. Additionally, the Board may: (1) develop and implement the Direct Plan in a manner consistent with the Statute through the adoption of guidelines and procedures; (2) retain professional services, including accountants, auditors, consultants and other experts; (3) seek rulings and other guidance from the United States Department of Treasury, the Internal Revenue Service (“IRS”) and the Oklahoma Attorney General relating to the Direct Plan; (4) make changes to the Direct Plan required for the Account Owners to obtain the federal income tax benefits or treatment provided by Section 529 of the IRC; (5) interpret, in policies, guidelines and procedures, the provisions of the Statute broadly in light of its purpose and objectives; (6) develop a schedule of application fees and charges in connection with any agreement, contract or transaction relating to the Direct Plan that is sufficient to offset the administrative and staffing costs associated with the implementation and administration of the Direct Plan; (7) select the financial institution or institutions to act as the depositories or managers of the Accounts in accordance with the Statute; and (8) adopt guidelines and procedures to assist in the administration and implementation of the Statute.

Pursuant to these powers, the Board has engaged TFI to serve as the Direct Plan Manager under the Management Agreement. See “The Direct Plan Manager” below, for additional information about the Direct Plan Manager and the Management Agreement.

The Direct Plan Manager

The Direct Plan Manager is TFI, a wholly owned, indirect subsidiary of Teachers Insurance and Annuity Association of America (“TIAA”). TIAA, together with its companion organization, the College Retirement Equities Fund (“CREF”), forms one of America’s leading financial services organizations and one of the world’s largest pension systems, based on assets under management. Over three million participants are now accumulating future pension benefits with the TIAA-CREF group of companies. While the focus of the TIAA-CREF group of companies has traditionally been institutionally sponsored retirement plans, the organization has offered savings and insurance products to individuals since 1918.

Management Agreement. TFI and the Board have entered into a Management Agreement dated as of June 15, 2010 under which TFI and subcontractors approved by the Board provide investment recommendations, administration, recordkeeping, reporting, marketing and other services for the Direct Plan. References to TFI or the Direct Plan Manager in this Disclosure Booklet include, where applicable, any entity to which TFI subcontracts or delegates its duties as Direct Plan Manager.

TFI’s Term as Direct Plan Manager. Under the Management Agreement, TFI will serve for an initial five-year term ending June 15, 2015 with the possibility to renew for five more years at the sole discretion of the Board. The Management Agreement is subject to the possibility of earlier termination at the

discretion of the Board or TFI under specified circumstances, such as a material breach to the Management Agreement.

Reporting

Account Statements. You will receive quarterly and annual Account statements indicating:

- Contributions to each Investment Option during the period and aggregate contributions year-to-date;
- Withdrawals from each selected Investment Option from your Account made during the period; and
- The total value of your Account at the end of the period.

You may receive your Account statements by mail. Alternatively, you may opt to receive your Account statements electronically, provided that you have established online access and have consented to receive an e-mail notification when such statement is available for viewing and/or download.

Tax Reports. The Direct Plan will report withdrawals and other matters to the IRS, the State of Oklahoma, distributees and other persons, if any, to the extent required pursuant to federal, state or local law, regulation or ruling. Under federal law, a separate report will be filed by the Direct Plan with the IRS reporting withdrawals from an Account to each distributee reflecting, among other information, the earnings portion withdrawn during the calendar year to which the report pertains. By January 31 of the following year, each distributee (which is deemed to be the Account Owner unless the withdrawal is paid directly to the Beneficiary or to an Eligible Educational Institution on behalf of the Beneficiary) will receive a copy of the report or a corresponding statement.

Continuing Disclosure. A Continuing Disclosure Certificate was executed on behalf of the Board pursuant to which certain financial information relating to the Direct Plan and notices of the occurrence of certain events enumerated in the Continuing Disclosure Certificate may be filed with the MSRB.

Financial Statements. Each year, annual financial statements will be prepared for the Direct Plan. A nationally recognized independent certified public accounting firm will audit the annual financial statements in accordance with generally accepted accounting principles. The complete audited financial statements are available to Account Owners on request by calling the Direct Plan Manager toll-free at 1-877-ok4.saving (1.877.654.7284) or writing to the Direct Plan at Oklahoma College Savings Plan, P.O. Box 8193, Boston, MA 02266-8193.

Tax Information

The federal and Oklahoma tax rules applicable to the Program are complex and some of the rules have not yet been finalized. Their application to any particular person may vary according to facts and circumstances specific to that person. You should consult a qualified tax advisor about how the laws apply to your circumstances.

Federal Income Tax Treatment

IRS Announcement 2008-17

On January 17, 2008, the IRS issued an Advance Notice of Proposed Rulemaking (the “**Notice**”), which details issues on which the IRS intends to issue new regulations under IRC Section 529 (the “**New Regulations**”). As described in the Notice, a principal component of the New Regulations will be an anti-abuse rule intended to deny the favorable federal tax treatment provided by Section 529 to the extent that transactions involving an Account are inconsistent with the education-savings purpose of Section 529 (for

example, use of an Account to avoid gift or generation-skipping transfer taxes, as a retirement plan, or for other purposes inconsistent with the intent of Section 529). Although the Notice provides that the New Regulations generally will be prospective in effect, the Notice also states that the anti-abuse rule may be applied retroactively. The following discussion relates to current law and does not further discuss the Notice or the New Regulations.

Contributions

In general, contributions to an Account will not result in taxable income to the Beneficiary. A contributor may not deduct the contribution from income for purposes of determining federal income taxes. If a contribution is made to an Account by a Rollover, the entire contribution will be treated as consisting of earnings unless certain documentation is received by the Program with respect to the originating Account or qualified tuition program. That documentation generally will be automatically provided to the Program if the Rollover involves a direct transfer of funds from the originating Account or qualified tuition program.

Withdrawals

The federal income tax treatment of withdrawals from an Account is described in “Withdrawals” above. Only the earnings portion of a Taxable Withdrawal or a Nonqualified Withdrawal is subject to federal income tax, and only the earnings portion of a Nonqualified Withdrawal is subject to the Additional Tax. All withdrawals are treated as attributable partially to contributions made to the Account and partially to earnings, if any. The proportion of contributions and earnings for each withdrawal is determined by the Program based on the relative portions of total earnings and contributions in all accounts in the Program (including all accounts in the Direct Plan and the Advisor Plan) with the same Beneficiary and Account Owner as of the withdrawal date.

Refunds of Payments of Qualified Higher Education Expenses

If an Eligible Educational Institution refunds to you any portion of an amount previously withdrawn from an Account and treated as a Qualified Withdrawal, you may be required to treat the amount of the refund as a Nonqualified Withdrawal or Taxable Withdrawal (depending on the reason for the refund) for purposes of federal income tax. Different treatment may apply if the refund is withdrawn to pay other Qualified Higher Education Expenses of the Beneficiary or to make a qualifying Rollover. The treatment of refunds for federal income tax purposes is uncertain, and you should consult a qualified tax advisor regarding such treatment.

Coordination with Other Income Tax Incentives for Education

In addition to the income tax benefits provided to Account Owners and Beneficiaries under Section 529, benefits are provided by several other provisions of the IRC for education-related investments or expenditures. These include Coverdell Education Savings Accounts (“**Coverdell ESAs**”), Hope Scholarship Credits, Lifetime Learning Credits, “qualified United States savings bonds” described in IRC Section 135 (“**qualified U.S. savings bonds**”) and deductions for qualified tuition and related expenses under IRC Section 222. Each of these incentives is subject to specific rules and limitations, and there are particular coordination provisions applicable to the interaction of the provisions governing these incentives and Section 529. The treatment of these incentives under Oklahoma income tax law may differ from the treatment under federal income tax law.

In general, if certain requirements are satisfied, amounts derived from Coverdell ESAs and qualified U.S. savings bonds may be used to make contributions to an Account without the imposition of federal income taxes under the provisions applicable to those Coverdell ESAs and qualified U.S. savings bonds. However, some or all of the deferred income taxes may be recognized at the time of a subsequent withdrawal from the Account, depending on whether that withdrawal is a Qualified Withdrawal, a Taxable Withdrawal or a Nonqualified Withdrawal. An Account Owner who intends to make a contribution to an Account from a Coverdell ESA or a qualified U.S. savings bond should consult a qualified tax advisor with respect to the applicable federal and state income tax effects.

Qualified Higher Education Expenses of a Beneficiary may be paid on a tax-free basis (subject to certain limitations) with funds from an Account, a Coverdell ESA established for the benefit of the Beneficiary, or a qualified U.S. savings bond applicable to the Beneficiary. For purposes of determining what portion of a withdrawal from an Account constitutes a Qualified Withdrawal and is therefore exempt from federal income taxes, the following rules generally apply with regard to the interaction of the federal income tax education-incentive provisions under the IRC:

- The amount of a Beneficiary's Qualified Higher Education Expenses in any tax year will be reduced by the aggregate amount: (1) of the Beneficiary's expenses used for such tax year to qualify for the federal Hope Scholarship Credit and/or Lifetime Learning Credit; and (2) received by the Beneficiary as a result of certain qualified scholarships, allowances or payments (not including amounts derived from the redemption of qualified U.S. savings bonds).
- If the sum of withdrawals from the Program, all other qualified tuition programs and all Coverdell ESAs for the benefit of the Beneficiary in any tax year exceed the Beneficiary's Qualified Higher Education Expenses for the year (after the reduction described above), then the Beneficiary's Qualified Higher Education Expenses generally must be allocated proportionately among the withdrawals to determine the amount of withdrawals that will be treated as used for Qualified Higher Education Expenses. Any amount of withdrawals from an Account in excess of the Qualified Higher Education Expenses allocated to those withdrawals will not be treated as used for the payment of such expenses and therefore will be treated as either a Taxable Withdrawal or a Nonqualified Withdrawal, depending on all the facts. Account Owners should consult a qualified tax advisor regarding the interaction under the IRC of the federal income tax education-incentive provisions concerning Account withdrawals.

Substantiation

The Account Owner and/or the Beneficiary have the responsibility, under federal and Oklahoma income tax law, to substantiate their treatment of contributions to, withdrawals from, and other transactions involving an Account. They should retain receipts, invoices and other documents and information adequate to substantiate their treatment of such transactions and the treatment of education expenses as Qualified Higher Education Expenses.

Federal Gift, Estate and Generation-Skipping Transfer Tax Treatment

Contributions to the Program are generally considered completed gifts for federal tax purposes and therefore are potentially subject to federal gift tax. Generally, if a contributor's contributions to an Account or Accounts for a Beneficiary, together with all other gifts by the contributor to the Beneficiary, are less than the current annual exclusion of \$13,000 per year (\$26,000 for married contributors), no federal gift tax will be imposed on the contributor for gifts to the Beneficiary during that year. This annual exclusion amount is indexed for inflation in \$1,000 increments and may therefore increase in future years.

If a contributor's contributions to an account or accounts for a Beneficiary in the Program (whether in the Direct Plan or the Advisor Plan) in a single year exceed \$13,000 (\$26,000 for married contributors), the contributor may elect to treat up to \$65,000 of the contribution (\$130,000 in the case of a consenting married couple or a community property gift) as having been made ratably over a five-year period. (For purposes of determining the amount of gifts made by the contributor to that Beneficiary in the four-year period following the year of contribution, the contributor will have to take into account the ratable portion of the Account contribution allocated to that year.)

In addition, to the extent not previously used, each contributor has a \$1,000,000 lifetime exemption that will be applied to gifts in excess of the annual exclusion amounts referred to above. A married couple may elect to split gifts and apply their combined exemption of \$2,000,000 to gifts by either of them. Accordingly, while federal gift tax returns are required for gifts in excess of the annual exclusion amounts referred to above (including gifts that the contributor elects to treat as having been made ratably over a

five-year period), no federal gift tax will be due until the lifetime exemption has been used. The top gift tax rate is currently 35%. A potential contributor should consult with his or her own tax advisor regarding the current lifetime exemptions and the gift tax filing requirements.

Amounts in an Account that are considered completed gifts by the contributor generally will not be included in the contributor's gross estate for federal estate tax purposes. However, if the contributor elects to treat the gifts as having been made over a five-year period and dies before the end of the five-year period, the portion of the contribution allocable to the remaining years in the five-year period (not including the year in which the contributor died) would be includible in computing the contributor's gross estate for federal estate tax purposes. Amounts in an Account at the death of a Beneficiary will be included in the Beneficiary's gross estate for federal estate tax purposes to the extent such amounts are distributed to a beneficiary of, or the estate of, the Beneficiary. The estate tax is repealed for 2010. However, absent a change in law, the estate tax will be effective for 2011 and later years. In addition, Congress may enact an estate tax for 2010 that may be retroactive to January 1, 2010.

A change of the Beneficiary of an Account or a transfer of funds from an Account to an Account for another Beneficiary will potentially be subject to federal gift tax if the new Beneficiary is in a younger generation than the generation of the Beneficiary being replaced or is not a Member of the Family of that Beneficiary. In addition, if the new Beneficiary is in a generation two or more generations younger than the generation of the prior Beneficiary, the transfer may be subject to the generation-skipping transfer tax discussed below. Although under the existing Section 529 proposed regulations published in 1998, these taxes are imposed on the prior Beneficiary and not the Account Owner, the treatment of such transactions under the current provisions of Section 529 (some of which were enacted after 1998) is nonetheless unclear. Account Owners should consult their own tax advisors for guidance when considering a change of Beneficiary or a transfer of funds to another Account. Furthermore, prior to a transfer of ownership of an Account from an existing Account Owner to a new Account Owner, the transferor and transferee Account Owners should consult their tax advisors regarding the potential applicability of income tax, gift tax or generation-skipping transfer tax provisions of the IRC to such transfer.

Because contributions to an Account are treated as completed gifts for federal transfer tax purposes, a contributor may also need to be concerned about the generation-skipping transfer tax. This tax may apply to contributions in excess of the amount that may be elected to be ratably spread over the above-referenced five-year period where the Beneficiary is in a generation more than one generation younger than the generation of the contributor. The application of the generation-skipping transfer tax is very complex, and a potential contributor concerned about application of the tax should consult with his or her own tax advisor. The generation-skipping transfer tax is repealed for 2010. However, absent a change in law, the generation-skipping tax will be effective for 2011 and later years.

As noted above, the Economic Growth and Tax Relief Reconciliation Act of 2001 ("**EGTRRA**") repealed the estate tax and the generation-skipping transfer tax (but not the gift tax) for 2010. The pre-EGTRRA estate and generation-skipping transfer tax rules will be reinstated in 2011 unless further legislation is enacted to extend the repeal or to make additional modifications. Congress currently is considering legislation that could change the estate tax and generation-skipping transfer tax rules for 2010 and subsequent years. A potential contributor should consult with a tax advisor regarding applicable federal tax law.

State of Oklahoma Income Tax Treatment

The following discussion applies only with respect to Oklahoma income tax. Oklahoma tax benefits offered in connection with the Direct Plan are available only to Oklahoma taxpayers. You should consult with a qualified tax advisor regarding the application of Oklahoma tax benefits to your particular circumstances.

If you or the Beneficiary of your Account reside in another state or have taxable income in another state, it is important for you to note that if that state has established a qualified tuition program under Section 529 of the IRC, that state's program may offer favorable state income tax benefits or

other benefits that are only available if you invest in that state's program. Those benefits, if any, should be one of the many appropriately weighted factors you consider before making a decision to invest in this Direct Plan. You should consult with a qualified advisor or contact that state's qualified tuition program to find out more about such benefits (including any applicable limitations) and to learn how the features, benefits and limitations of that state's program may apply to your specific circumstances.

Contributions

Contributions to an Account by an Account Owner do not result in Oklahoma taxable income to the Beneficiary. In general, a taxpayer is permitted a contribution deduction from Oklahoma adjusted gross income for contributions to all accounts in the Program up to certain maximum amounts. The maximum amount of total contributions to all Accounts in the Direct Plan and accounts in the Advisor Plan that may be deducted in any tax year is \$10,000 for each individual taxpayer or \$20,000 for taxpayers filing a joint return. Deductions may be taken for contributions made during the tax year or by the later of either April 15 of the next year or the due date of the taxpayer's state income tax return for the particular tax year, excluding extensions. A deduction for the same contribution may not be taken for two (2) different taxable years.

To the extent that a taxpayer does not take a deduction in a tax year for contributions that are made for that taxable year, the taxpayer may carry forward and deduct over the following five tax years the amount of the contribution that was not previously deducted, subject to the annual deduction limit. For taxable years beginning after December 31, 2006, a taxpayer that takes a Rollover or Nonqualified Withdrawal, within the same tax year in which the contribution was made or during the five-year carry-forward period of the contribution deduction, will be subject to a reduction of the contribution deduction, otherwise available, by the amount of the Rollover or Nonqualified Withdrawal.

Withdrawals

Earnings from the investment of contributions to an Account will not be included in computing the Oklahoma taxable income of the Account Owner or Beneficiary of the Account until funds are distributed, in whole or in part, from the Account. Qualified Withdrawals and the earnings thereof are not included in Oklahoma taxable income for either the Account Owner or the Beneficiary. Oklahoma tax law provides that the amount of a Nonqualified Withdrawal and the earnings thereof will be included in computing the Account Owner's taxable income for Oklahoma purposes. See above discussion of Contributions regarding Rollovers and Nonqualified Withdrawals.

Recapture

A taxpayer that executes a Rollover, within one year of the date of the contribution, will be required to include the amount of such Rollover, for which a contribution deduction was received, in adjusted gross income in the taxable year of the Rollover. A taxpayer that executes a Nonqualified Withdrawal will be required to include the amount of such Nonqualified Withdrawal, for which a contribution deduction was received, and any earnings thereon, in adjusted gross income in the taxable year of the Nonqualified Withdrawal.

Oklahoma Terms

Oklahoma defines "Nonqualified Withdrawal" as a withdrawal from the Program other than (i) a qualified withdrawal; (ii) a withdrawal made as a result of the death or disability of the designated beneficiary of an account; (iii) a withdrawal made on account of a scholarship or allowance or a payment described in the Internal Revenue Code (including certain veteran's benefits and payments that are exempt from income taxation under any law of the United States), received by the designated beneficiary to the extent the amount of the withdrawal does not exceed the amount of the scholarship, allowance or payment, or (iv) a rollover, change in designated beneficiary of the account or transfer of funds between accounts.

Oklahoma defines "Rollover" as a transfer of funds from the Program to any other plan under Internal Revenue Code Section 529.

Taxes Imposed by Other Jurisdictions

Prospective Account Owners should consider the potential impact of income taxes imposed by jurisdictions other than the State of Oklahoma. It is possible that other state or local taxes apply to withdrawals from and/or accumulated earnings within the Direct Plan, depending on the residency or domicile or sources of taxable income of the Account Owner or the Beneficiary. Account Owners and Beneficiaries should consult their tax advisors about the applicability, if at all, of state or local taxes imposed by other jurisdictions.

APPENDIX I

to the Disclosure Booklet for the Oklahoma College Savings Direct Plan

SUMMARIES OF THE UNDERLYING INVESTMENTS

Summary of Underlying Mutual Funds

The following provides a summary of the Mutual Funds authorized by the Board as the underlying investment vehicles in which certain of the Investment Options invest. The descriptions are taken from the most recent prospectuses of the Mutual Funds available prior to the date of this Direct Plan Disclosure Booklet and are intended to summarize the respective investment objectives, strategies and risks of each of the Mutual Funds. The investment objectives, strategies and risks of the Mutual Funds are subject to change at any time. Additional information regarding each of the Mutual Funds can be found in the prospectuses, statements of additional information and annual and semi-annual reports for each of the Mutual Funds. You can request a copy of this material for each Mutual Fund by calling 1-800-897-9059 or visiting www.tiaa-cref.org/prospectuses/index.html.

Active Equity Funds	Fund Name	Investment Objective	Principal Investment Strategies
	Large-Cap Growth Fund	The Large-Cap Growth Fund seeks a favorable long-term return, mainly through capital appreciation, primarily from equity securities.	The Large-Cap Growth Fund will invest primarily in large-cap equity securities that the Fund's investment adviser believes present the opportunity for growth. Generally, these equity securities will be those of large capitalized companies in new and emerging areas of the economy and companies with distinctive products or promising markets. The Fund may invest in large, well-known, established companies, particularly when the Fund's investment adviser believes that the companies offer new or innovative products, services, or processes that may enhance their future earnings. The Fund also seeks to invest in companies expected to benefit from prospective acquisitions, reorganizations, corporate restructurings or other special situations. Under normal circumstances, the Large-Cap Growth Fund invests at least 80% of its assets in large-cap equity securities. The Fund may invest up to 20% of its assets in foreign investments.
	Large-Cap Value Fund	The Large-Cap Value Fund seeks a favorable long-term total return, mainly through capital appreciation, primarily from equity securities of large domestic companies.	The Large-Cap Value Fund will invest primarily in equity securities of large domestic companies that the Fund's investment adviser believes appear undervalued by the market based on an evaluation of their potential worth. Under normal circumstances, the Fund invests at least 80% of its assets in large-cap equity securities. The Fund may invest up to 20% of its assets in foreign investments.
	Growth & Income Fund	The Growth & Income Fund seeks a favorable long-term total return, through both capital appreciation and investment income, primarily from income-producing equity securities.	The Growth & Income Fund will primarily invest in equity securities of larger, well-established, mature growth companies that the Fund's investment adviser believes to be attractively valued, show the potential to appreciate faster than the rest of the market and offer a growing stream of dividend income. Under normal circumstances, the Growth & Income Fund invests at least 80% of its assets in income-producing equity securities. The Fund may also invest up to 20% of its assets in foreign investments when the Fund's investment adviser believes these companies offer more attractive investment opportunities.
	Mid-Cap Growth Fund	The Mid-Cap Growth Fund seeks a favorable long-term total return, mainly through capital appreciation, primarily from equity securities of medium-sized domestic companies.	The Mid-Cap Growth Fund will invest primarily in equity securities of medium-sized domestic companies that the Fund's adviser believes present the opportunity for growth. The Fund invests in equity securities of companies that are in new areas of the economy, that have distinctive products or services and that are growing faster than the overall equity market. The Fund may also invest in companies that the Fund's adviser believes to be undervalued based on current earnings, assets or growth prospects. These investments could include companies likely to benefit from prospective acquisitions, reorganizations, corporate restructurings or other special situations. Under normal circumstances, the Fund invests at least 80% of its assets in mid-cap equity securities. The Fund may invest up to 20% of its assets in foreign investments.
	Mid-Cap Value Fund	The Mid-Cap Value Fund seeks a favorable long-term total return, mainly through capital appreciation, primarily from equity securities of medium-sized domestic companies.	The Mid-Cap Value Fund will invest primarily in equity securities of medium-sized domestic companies that the Fund's adviser believes appear undervalued by the market based on an evaluation of their potential worth. Under normal circumstances, the Fund invests at least 80% of its assets in mid-cap equity securities. The Fund may invest up to 20% of its assets in foreign investments.
	Small-Cap Equity Fund	The Small-Cap Equity Fund seeks a favorable long-term total return, mainly through capital appreciation, primarily from equity securities of smaller domestic companies.	The Small-Cap Equity Fund will invest primarily in equity securities of smaller domestic companies across a wide range of sectors, growth rates and valuations that appear to have favorable prospects for significant long-term capital appreciation. Under normal circumstances, the Fund invests at least 80% of its assets in small-cap equity securities.

	Fund Name	Investment Objective	Principal Investment Strategies
	International Equity Fund	The International Equity Fund seeks a favorable long-term total return, mainly through capital appreciation, primarily from equity securities of foreign issuers.	The International Equity Fund has a policy of maintaining investments of equity securities of foreign issuers in at least three countries other than the United States. The Fund may invest in emerging markets to varying degrees, depending on the prevalence of stock specific opportunities. The Fund may sometimes hold a significant amount of stocks of smaller, lesser-known companies. Under normal circumstances, the Fund invests at least 80% of its assets in equity securities of foreign issuers.
Equity Index Funds	Equity Index Fund	The Equity Index Fund seeks a favorable long-term total return, mainly through capital appreciation, by investing primarily in a portfolio of equity securities selected to track the overall U.S. equity markets based on a market index.	The Equity Index Fund is designed to track various U.S. equity markets as a whole or a segment of these markets, and primarily invests its assets in equity securities selected to track a designated stock market index. Under normal circumstances, the Fund invests at least 80% of its assets in equity securities of its benchmark index and in equity securities.
	Large-Cap Growth Index Fund	The Large-Cap Growth Index Fund seeks a favorable long-term total return, mainly through capital appreciation, by investing primarily in a portfolio of equity securities of large domestic growth companies based on a market index.	The Large-Cap Growth Index Fund is designed to track U.S. equity markets as a whole or a segment of these markets, and primarily invests its assets in equity securities selected to track a designated stock market index. Under normal circumstances, the Fund invests at least 80% of its assets in securities of its benchmark index and in large-cap securities.
	Large-Cap Value Index Fund	The Large-Cap Value Index Fund seeks a favorable long-term total return, mainly through capital appreciation, by investing primarily in a portfolio of equity securities of large domestic value companies based on a market index.	The Large-Cap Value Index Fund is designed to track U.S. equity markets as a whole or a segment of these markets, and primarily invests its assets in equity securities selected to track a designated stock market index. Under normal circumstances, the Fund invests at least 80% of its assets in securities of its benchmark index and in large-cap securities.
	Small-Cap Blend Index Fund	The Small-Cap Blend Index Fund seeks a favorable long-term total return, mainly through capital appreciation, by investing primarily in a portfolio of equity securities in smaller domestic companies based on a market index.	The Small-Cap Blend Index Fund is designed to track U.S. equity markets as a whole or a segment of these markets, and primarily invests its assets in equity securities selected to track a designated stock market index. Under normal circumstances, the Fund invests at least 80% of its assets in securities of its benchmark index and in small-cap securities.
	International Equity Index Fund	The International Equity Index Fund seeks a favorable long-term total return, mainly through capital appreciation, by investing primarily in a portfolio of foreign equity investments based on a market index.	The International Equity Index Fund is designed to track foreign equity markets as a whole or a segment of these markets, and primarily invests its assets in equity securities selected to track a designated stock market index. Under normal circumstances, the Fund invests at least 80% of its assets in securities of its benchmark index and in foreign equity securities.
Real Estate Securities Fund	Real Estate Securities Fund	The Real Estate Securities Fund seeks to obtain a favorable long-term total return through both capital appreciation and current income, by investing primarily in equity securities of companies principally engaged in or related to the real estate industry.	Under normal circumstances, the Real Estate Securities Fund invests at least 80% of its assets in the equity securities of companies that are principally engaged in or related to the real estate industry, including those that own significant real estate assets, such as real estate investment trusts. The Fund does not invest directly in real estate. From time to time, the Fund may also invest in debt securities of companies principally engaged in or related to the real estate industry. The Fund also may invest up to 15% of its total assets in real estate securities of foreign issuers and up to 20% of its total assets in equity and debt securities of issuers that are not engaged in or related to the real estate industry.

	<u>Fund Name</u>	<u>Investment Objective</u>	<u>Principal Investment Strategies</u>
Fixed- Income Funds	Bond Index Fund	The Bond Index Fund seeks a favorable long-term total return, mainly from current income, by primarily investing in a portfolio of fixed-income securities that is designed to produce a return that corresponds with the total return of the U.S. investment-grade bond market based on a broad bond index.	Under normal circumstances, the Bond Index Fund invests at least 80% of its assets in bonds within its benchmark and portfolio tracking index. At times the Fund may purchase securities not held in the index, but which its adviser believes have similar investment characteristics to securities held in its index. Generally, the Fund intends to invest in a wide spectrum of public, investment-grade, taxable debt securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed, commercial mortgaged-backed and asset-backed securities. The Fund's investment in mortgage-backed securities may include pass-through securities sold by private, governmental and government-related organizations and collateralized mortgage obligations, to the extent such instruments are held by the index. The Fund will invest in foreign securities only to the extent they are held in the index.
	High-Yield Fund	The High-Yield Fund seeks high current income and, when consistent with its primary objective, capital appreciation.	The High-Yield Fund invests primarily in lower-rated, higher-yielding fixed-income securities, such as domestic and foreign corporate bonds, debentures, loan participations and assignments and notes, as well as convertible securities and preferred stocks. Under normal circumstances, the Fund invests at least 80% of its assets in debt and other fixed-income securities rated lower than investment-grade (and their unrated equivalents) or other high-yielding debt securities. The Fund may invest up to 20% of its assets in the following other types of instruments: payment-in-kind or deferred-interest obligations, defaulted securities, asset-backed securities, securities rated lower than B- or its equivalent by at least two rating agencies, and securities having limited liquidity. The Fund can make foreign investments, but these are not expected to be over 20% of its assets. The Fund can have up to 15% of its assets in illiquid securities. The Fund can also invest in U.S. Treasury and agency securities or other short-term instruments when other suitable investment opportunities are not available, or in order to build the Fund's liquidity.
	Inflation-Linked Bond Fund	The Inflation-Linked Bond Fund seeks a long-term rate of return that outpaces inflation, primarily through investment in inflation-linked bonds.	Under normal circumstances, the Inflation-Linked Bond Fund invests at least 80% of its assets in fixed-income securities whose principal value increases or decreases based on changes in a specified inflation index over the life of the security. Typically, the Fund will invest in U.S. Treasury Inflation-Indexed Securities. The Fund can also invest in (1) other inflation-indexed bonds issued or guaranteed by the U.S. government or its agencies, by corporations and other U.S. domiciled issuers, as well as foreign governments, and (2) money market instruments or other short-term securities. The Fund may also invest in inflation-indexed bonds issued or guaranteed by foreign governments and their agencies, as well as other foreign issuers. Under most circumstances, the Fund's investments in inflation-linked bonds of foreign issuers are generally less than 25% of its total assets. The Fund also may invest in certain other fixed-income securities, provided that no more than 5% of its assets are invested in fixed-income securities rated below investment grade.
	Short-Term Bond Fund	The Short-Term Bond Fund seeks high current income consistent with preservation of capital.	Under normal circumstances, the Short-Term Bond Fund invests at least 80% of its assets in U.S. Treasury and agency securities and investment-grade corporate bonds with maturities of less than 5 years. It can also hold certain other fixed-income securities, which include foreign corporate bonds, debentures and notes, mortgage-backed securities, asset-backed securities, convertible securities and preferred stocks. The Fund also may invest up to 15% of its assets in the securities of foreign issuers.

Money Market Fund	<u>Fund Name</u>	<u>Investment Objective</u>	<u>Principal Investment Strategies</u>
	Money Market Fund	The Money Market Fund seeks high current income consistent with maintaining liquidity and preserving capital.	The Money Market Fund invests primarily in high-quality short-term money market instruments. The Fund limits its investments to securities that present minimal credit risk and are rated in the highest rating categories for short-term instruments. The Fund can also invest up to 30% of its assets in money market and debt instruments of foreign issuers denominated in U.S. dollars. <i>An investment in the Money Market Fund, like the other Funds, 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 a shareholder's investment at \$1 per share, it is possible to lose money by investing in the Fund.</i>

Summary of Risks of the Mutual Funds

RISK CATEGORY	Large-Cap Growth Fund	Large-Cap Value Fund	Growth & Income Fund	Mid-Cap Growth Fund	Mid-Cap Value Fund	Small-Cap Equity Fund	International Equity Fund	Equity Index Fund	Large-Cap Growth Index Fund	Large-Cap Value Index Fund	Small-Cap Blend Index Fund	International Equity Index Fund	Real Estate Securities Fund	Bond Index Fund	High-Yield Fund	Inflation-Linked Bond Fund	Short-Term Bond Fund	Money Market Fund
Active Management Risk	●	●	●	●	●	●	●						●	●	●	●	●	●
Call Risk																		
Company Risk	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Credit Risk																		
Current Income Risk																		
Emerging Markets Risk							●											
Extension Risk																		
Foreign Investment Risk	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Income Volatility Risk																		
Index Risk								●	●	●	●	●	●	●	●	●	●	●
Industry Concentration Risk																		
Interest Rate Risk																		
Large-Cap Risk	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Market Risk	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Market Volatility, Liquidity and Valuation Risk																		
Mid-Cap Risk				●	●			●				●	●	●	●	●	●	●
Non-Investment-Grade Securities Risk																		
Real Estate Investing Risk													●					
Prepayment Risk																		
Quantitative Analysis Risk																		
Small-Cap Risk				●	●	●		●			●		●					
Special Risks for Inflation-Indexed Bonds																●		
Style Risks	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Growth Investing Value Investing																		
Special Situation Risk		●		●	●					●								

Summary Descriptions of Risks of the Mutual Funds

- **Active Management Risk** — The risk that poor securities selection by a Fund's investment adviser could cause the Fund to underperform its benchmark index or mutual funds with similar investment objectives.
- **Call Risk** — The risk that, during periods of falling interest rates, an issuer may call (or repay) a fixed-income security prior to maturity, resulting in a decline in a Fund's income.
- **Company Risk** (often called **Financial Risk**) — The risk that the issuer's earnings prospects and overall financial position will deteriorate, causing a decline in the value of the security over short or extended periods of time.
- **Credit Risk** (a type of **Company Risk**) — The risk that the issuer of bonds may not be able to meet interest or principal payments when the bonds become due.
- **Current Income Risk** — The risk that the income a Fund receives may fall as a result of a decline in interest rates. In a low interest rate environment, the Money Market Fund may not be able to achieve a positive or zero yield or maintain a stable net asset value of \$1.00 per share.
- **Emerging Markets Risks** — The risk of foreign investment often increases in countries with emerging markets. For example, these countries may have more unstable governments than developed countries, and their economies may be based on only a few industries. Because their securities markets may be very small, share prices may be volatile and difficult to determine. In addition, foreign investors such as a Fund are subject to a variety of special restrictions in many such countries.
- **Extension Risk** — The risk that during periods of rising interest rates, borrowers pay off their mortgage loans later than expected, preventing a Fund from reinvesting principal proceeds at higher interest rates and resulting in less income than potentially available.
- **Foreign Investment Risk** — Foreign markets can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, currency, market or economic developments and can result in greater price volatility and perform differently from securities of U.S. issuers. This risk may be heightened in emerging or developing markets.
- **Income Volatility Risk** — The risk that the level of current income from a portfolio of fixed-income securities declines in certain interest rate environments.
- **Index Risk** — The risk that a Fund's performance will not correspond to its benchmark index for any period of time and may underperform such index or the overall stock market.
- **Industry Concentration Risk** — The risk that, because a Fund concentrates its investments in only one industry and holds securities of relatively few issuers, the value of its portfolio is likely to experience greater fluctuations and may be subject to greater risk of loss than the portfolios of other funds.
- **Interest Rate Risk** (a type of **Market Risk**) — The risk that increases in interest rates can cause the prices of fixed-income securities to decline.
- **Large Cap Risk** — The risk that large-capitalization companies are more mature and may grow more slowly than the economy as a whole and tend to go in and out of favor based on market and economic conditions.

- **Market Risk** — The risk that market prices of securities held by a Fund may fall rapidly or unpredictably due to a variety of factors, including changing economic, political or market conditions.
- **Market Volatility, Liquidity and Valuation Risk** (types of **Market Risk**) — The risk that volatile or dramatic reductions in trading activity make it difficult for a Fund to properly value the portfolio securities in which it invests and that the Fund may not be able to purchase or sell a security at an attractive price, if at all.
- **Mid-Cap Risk** — The risk that the stocks of mid-capitalization companies often have greater price volatility, lower trading volume, and less liquidity than the stocks of larger, more established companies.
- **Non-Investment-Grade Securities Risk** — Issuers of non-investment-grade securities, which are usually called “high-yield” or “junk bonds,” are typically in weak financial health and such securities can be harder to value and sell and their prices can be more volatile.
- **Real Estate Investing Risk** — A Fund whose investment objective includes investment in real estate securities is subject to all of the risks associated with the ownership of real estate. These risks include, among others, declines in the value of real estate, negative changes in the climate for real estate, risks related to general and local economic conditions, decreases in property revenues, increases in prevailing interest rates, property taxes and operating expenses, decreases in property revenue, changes in zoning laws and costs resulting from the clean-up of environmental problems.
- **Prepayment Risk** — The risk that during periods of falling interest rates, borrowers pay off their mortgage loans sooner than expected, forcing a Fund to reinvest the unanticipated proceeds at lower interest rates and resulting in a decline in income.
- **Quantitative Analysis Risk** — The risk that stocks selected by a Fund’s investment adviser using quantitative modeling and analysis could perform differently from the market as a whole.
- **Small-Cap Risk** — The risk that the stocks of small-capitalization companies often experience greater price volatility than large- or mid-sized companies because small-cap companies are often newer or less established than larger companies and are likely to have more limited resources, products and markets. Securities of small-cap companies are often less liquid than securities of larger companies as a result of there being a smaller market for their securities.
- **Special Risks for Inflation-Indexed Bonds** – The risk that interest payments on, or market values of, inflation-indexed bonds decline because of a decline in inflation (or deflation) or changes in investors’ inflation expectations.
- **Special Situation Risk** – Stocks of companies involved in reorganizations, mergers and other special situations can involve more risk than ordinary securities.
- **Style Risks** — The risk that use of a particular investing style (such as growth investing or value investing) may fall out of favor in the marketplace for various periods of time and result in underperformance relative to the broader market sector or significant declines in the value of a Fund’s portfolio securities.

Summary of the TIAA-CREF Life Insurance Company Funding Agreement

Contributions to the Guaranteed Option are allocated to the Funding Agreement issued by TIAA-CREF Life to the Direct Plan. TIAA-CREF Life is a wholly owned subsidiary of TIAA that is regulated as a life insurance company by many states, including the State of Oklahoma. TIAA-CREF Life is also an affiliate of the Direct Plan Manager.

The term of the Funding Agreement is intended to correspond with the term of the Management Agreement, subject to earlier termination by the Board. The Direct Plan may make withdrawals up to a certain amount under the Funding Agreement at any time without penalty to cover distributions from Accounts that have invested in the Guaranteed Option.

The Funding Agreement guarantees the Direct Plan a return of principal and a minimum rate of interest per annum on its contract accumulation. This minimum rate will be reset each April 1 and will be neither less than 1% nor greater than 3% at any time. Periodically, TIAA-CREF Life will announce whether it will pay additional interest in excess of the guaranteed interest rate. Any such additional interest rates will be declared in advance by TIAA-CREF Life for a period of up to 12 months and are not guaranteed for future periods. If TIAA-CREF Life is required to pay premium taxes on the Funding Agreement, it may deduct the amount of the premium tax when incurred from any Funding Agreement contract accumulations.

The current declared rate will be posted on the Direct Plan's website. You may also obtain this information by calling the Direct Plan.

There is a risk that TIAA-CREF Life could fail to perform its obligations under the Funding Agreement for financial or other reasons. The Funding Agreement provides the guarantee described above to the Direct Plan, but the guarantee is not made directly to Account Owners or Beneficiaries. Neither the Guaranteed Option nor any Account invested in this Investment Option is guaranteed by the State of Oklahoma or any agency or instrumentality thereof, the Program, the Direct Plan, the Board, the Direct Plan Manager, its affiliates or any other person or entity. The Funding Agreement is not guaranteed or insured by any person or entity other than TIAA-CREF Life.

APPENDIX II

to the Disclosure Booklet for the Oklahoma College Savings Direct Plan

PARTICIPATION AGREEMENT

Each capitalized term used but not defined in this Participation Agreement has the meaning set forth in the Disclosure Booklet, and such meanings are incorporated into this Participation Agreement as if they were set forth herein.

I hereby enter into this Participation Agreement with the Board in order to establish, as the designated Account Owner, or on behalf of the designated Account Owner, an Account in the Direct Plan. I understand that the Account shall represent an interest in the Direct Plan. I understand and agree that this Participation Agreement is subject to and incorporates by reference all of the information set forth in the Disclosure Booklet and Application. I understand that my signature on the Application signifies my acceptance of the terms of this Participation Agreement.

For purposes of this Participation Agreement, "I" or "me" shall refer to the designated Account Owner, or as a duly appointed representative of the Account Owner, as applicable.

A. Agreements, Representations and Warranties of the Account Owner. I hereby agree with, and represent and warrant to the Board, as follows:

1. I certify that I am eligible to be an Account Owner of the Direct Plan as such eligibility is set forth in the Disclosure Booklet.
2. I have received, read and understand the Disclosure Booklet as currently in effect. I acknowledge that there have been no representations or other information about the Direct Plan relied upon in entering into this Participation Agreement, whether oral or written, other than as set forth in the Disclosure Booklet and this Participation Agreement. I understand that this Participation Agreement shall become effective upon the opening of the Account on the records of the Direct Plan.
3. I certify that I am opening this Account in order to provide funds for the Qualified Higher Education Expenses of the Beneficiary, if any, of the Account. I certify that I have full power and authority to enter into and perform under this Participation Agreement either for myself as Account Owner, or on behalf of the individual or entity named in the Application as Account Owner, as applicable. This Participation Agreement constitutes the legal, valid and binding obligation of the Account Owner.
4. I understand that all assets in the Account will be held exclusively for my benefit and the benefit of the Beneficiary, if any. I understand that any contribution, or portion of such contribution, that causes the aggregate account balance of the Account and all other accounts in the Program (including all accounts in the Advisor Plan) for the same Beneficiary to exceed the current applicable Maximum Account Balance Limit will be rejected and returned.
5. I understand that the minimum initial contribution to an Account is \$100 per Investment Option. I understand that the minimum subsequent contribution to an Account is \$25 per Investment Option chosen except for contributions made via payroll deduction, where the minimum is \$15 per Investment Option per pay period.
6. I recognize that the investment of contributions and earnings, if any, in my Account involves certain risks, and I have taken into consideration and understand the risk factors related to these investments, including, but not limited to, those set forth in the Disclosure Booklet. I

understand that neither I nor any Beneficiary is, or will be, permitted to direct the investment of the Account other than through the selection of Investment Options. However, I understand and acknowledge that once invested in a particular Investment Option, contributions and any earnings thereon may only be transferred to another Investment Option once per calendar year or upon a change of the Beneficiary of the Account to a Member of the Family of the Beneficiary being replaced. A transfer between Investment Options in the Direct Plan and investment options in the Advisor Plan is considered a transfer among investment options for purposes of this limitation on transfers.

7. I understand and acknowledge that amounts in my Account are not guaranteed or insured by any person or entity, including but not limited to, the State of Oklahoma, the Board, the Program, the Direct Plan, the Direct Plan Manager and its subcontractors and affiliates, any vendors, contractors, investment advisors, or investment managers selected or approved by the Board or any agents, representatives or successors of the foregoing.
8. I understand and acknowledge that with respect to each Investment Option in the Direct Plan, there is no guarantee or commitment whatsoever from the State of Oklahoma, the Board, the Program, the Direct Plan, the Direct Plan Manager or any other person or entity that: (i) actual Qualified Higher Education Expenses will be equal to projections and estimates provided by the Direct Plan; (ii) the Beneficiary will be admitted to any institution (including an Eligible Educational Institution); (iii) upon admission to an institution, the Beneficiary will be permitted to continue to attend; (iv) upon admission to an institution, state residency will be created for tuition, tax, financial aid eligibility, or any other purpose for the Beneficiary; (v) the Beneficiary will graduate or receive a degree from any institution; or (vi) contributions and investment returns in this Account will be sufficient to cover the Qualified Higher Education Expenses of the Beneficiary.
9. I understand that neither the State of Oklahoma, the Board, the Direct Plan, the Program, the Direct Plan Manager or any affiliate thereof, or any other person or entity makes the guarantee that I will not suffer a loss of any amount invested in my Account or that I will receive a particular return of any amount in my Account. I understand that there is no guarantee that the Direct Plan's investment objectives will be achieved.
10. I understand that TIAA-CREF Tuition Financing, Inc. will not necessarily continue as the Direct Plan Manager for the entire period my Account is open and that the Board may retain, in the future, different plan managers for the Direct Plan. I acknowledge that if this occurs, there is no assurance that I would not experience a material change to certain terms and conditions of the current Agreement, including the Direct Plan Manager Fee. I understand that if TFI ceases to be the Direct Plan Manager, my assets in the Direct Plan may be automatically transferred to new investment options or I may have to open a new Account in the Direct Plan with the successor plan manager in order to make future contributions on behalf of the Beneficiary. I also understand that there is no guarantee that the investment options offered by the Direct Plan in the future would correspond exactly with those described in this Disclosure Booklet.
11. I acknowledge that no part of my Account or any other interest in the Direct Plan can be used by me or my Beneficiary as security for a loan.
12. I understand that I will retain ownership of or custody over, as applicable, contributions made to my Account in the Direct Plan and earnings thereon, if any, until distribution.
13. I understand and acknowledge that I have not been advised by the State of Oklahoma, the Board, the Direct Plan, the Program, or any other agency or instrumentality of Oklahoma, TFI or any of its affiliates to invest or to refrain from investing in a particular Investment Option.

14. I understand that I may cancel this Participation Agreement at any time by written notice to the Direct Plan. I also understand that a cancellation may be accomplished by a Qualified Withdrawal, a Taxable Withdrawal, a Rollover or a Nonqualified Withdrawal and that a Taxable Withdrawal or a Nonqualified Withdrawal will be subject to federal income tax. A Taxable Withdrawal, a Nonqualified Withdrawal, or a Rollover may be subject to state income tax. I understand that if I take a Nonqualified Withdrawal, the Additional Tax referred to below in paragraph C of this Participation Agreement may apply.
15. I understand that only the Account Owner can direct withdrawals from an Account. I also understand that I may direct the Direct Plan to pay the proceeds of a withdrawal from my Account to me, my Beneficiary or to an Eligible Educational Institution on behalf of my Beneficiary.

B. Restrictions on Certain Types of Accounts. I understand that an Account Owner who is a custodian for a minor under UGMA/UTMA or a trustee will be subject to the following additional requirements and restrictions:

- An Account Owner who is a trustee will be required to provide the Direct Plan with an original, signed certificate, a certified copy of material portions of the trust instrument, or a certified copy of a court order, that confirms the creation of a trust naming a minor as the trust beneficiary, identifies the trustee and authorizes the trustee to act on behalf of the trust beneficiary in opening and maintaining an Account.
- An Account Owner who is a custodian for a minor or a trustee is required to sign forms and conduct transactions for the Account in a representative capacity as the custodian or a trustee acting for the benefit of the Beneficiary;
- An Account Owner who is a custodian for a minor or a trustee is not permitted to change the Beneficiary of the Account either directly or by means of a Rollover, including a transfer of funds to another Account for a different Beneficiary;
- An Account Owner who is a custodian for a minor or a trustee is not permitted to name a Contingent Account Owner, or to change ownership of the Account other than to a successor custodian or trustee, without providing the Direct Plan with a court order directing the change (or as otherwise allowed under UGMA/UTMA);
- Any request for a withdrawal from the Account by an Account Owner who is a custodian for a minor or a trustee must be accompanied by a certification that the Account Owner is the custodian of the Account pursuant to UGMA/UTMA or the trustee pursuant to a trust instrument naming a minor as the beneficiary and (except with respect to a withdrawal due to the death of the Beneficiary or a Qualified Withdrawal) that the withdrawal is authorized under UGMA/UTMA or the trust instrument, respectively, and is necessary for the welfare of the Beneficiary; and
- An Account Owner who is a custodian for a minor or a trustee is required to notify the Direct Plan when the Beneficiary has reached the age of majority or is otherwise legally authorized to assume ownership of the Account so that the Beneficiary can be registered as the owner of the Account and take control of the Account.

Any requested transaction conducted on an Account owned by an Account Owner that is an entity Account or an Account wherein an individual is acting in a legal capacity as a representative of the Account Owner must be accompanied by proof of substantiation of the following:

- the legal status of the entity;
- authorization of the transaction by the entity; and

- authorization for the individual conducting the transaction to act on behalf of the entity.

I also understand that depending on the type of transaction and the requirements of the Direct Plan Form, I may need to obtain a Medallion Signature Guarantee or Signature Validation Program Stamp and may need to provide to the guarantor the same type of documentation as set forth above as proof of my authority to act on behalf of the Account.

- C. Penalties and Fees.** I understand and agree that I will be subject to federal income tax and an Additional Tax on the earnings portion of a Nonqualified Withdrawal and that the Additional Tax may be payable through my or my Beneficiary's federal income tax return to the United States Treasury. I acknowledge that the rate of the Additional Tax may be changed, as described in the Disclosure Booklet. I acknowledge and agree that my Account is potentially subject to other fees, charges or penalties in the future, as explained in the Disclosure Booklet. I also understand and agree that I may be subject to state income tax on the earnings portion of a Nonqualified Withdrawal and that deductions may be disallowed or subject to recapture to the extent subsequent withdrawals are Taxable Withdrawals, Nonqualified Withdrawals or Rollovers to another state's qualified tuition program.
- D. Limitations on Certain Distributions from Account.** I acknowledge that if I submit Direct Plan Forms to change the Account Owner of my Account or change my mailing address, and fail to provide a Medallion Signature Guarantee or Signature Validation Stamp of my signature on the Direct Plan Form, no distributions can be made from that Account within 30 days after receipt by the Direct Plan of the applicable Direct Plan Form. I understand that I cannot withdraw a contribution for 10 days after receipt by the Direct Plan of that contribution.
- E. Necessity of Qualification.** I understand that the Direct Plan is intended to be a "qualified tuition program" under Section 529 of the IRC, and the Direct Plan is intended to receive favorable federal and Oklahoma tax treatment. I agree that the State of Oklahoma and the Board may make changes to the Direct Plan, this Agreement and the Disclosure Booklet at any time if it is determined that such changes are necessary for the continuation of the federal income tax treatment provided by Section 529 or the favorable Oklahoma tax treatment provided by Oklahoma law or any similar successor legislation.
- F. Statutes, Policies and Operating Procedures; Amendments.** The Account and this Participation Agreement are subject to, and incorporate by reference, the Statute, any rules adopted for the Direct Plan by the State of Oklahoma, any amendments to the Statute, other applicable statutes or any rules for the Direct Plan as the State of Oklahoma may promulgate in accordance with Oklahoma law, including provisions under the Statute to prevent contributions on behalf of a Beneficiary in excess of the Maximum Account Balance Limit. Any amendments to relevant statutes or to the Guidelines and Procedures automatically amend this Participation Agreement.
- G. Indemnity.** I understand that the establishment of my Account will be based upon the agreements, representations and warranties set forth in this Participation Agreement. I agree to indemnify and hold harmless Oklahoma, its agencies or instrumentalities, the Board, TIAA-CREF Tuition Financing, Inc. and its subcontractors and affiliates, any vendors, contractors, investment advisors or investment managers selected or approved by Oklahoma or the Board, and any agents, representatives or successors of any of the foregoing, from and against any and all loss, damage, liability or expense, including reasonable attorneys' fees, that any of them may incur by reason of, or in connection with, any misstatement or misrepresentation made by me in this Participation Agreement or otherwise with respect to my Account, and any breach by me of any of the agreements, representations or warranties contained in this Participation Agreement. All of my agreements, representations and warranties shall survive the termination of this Participation Agreement.

- H. **Binding Nature; Third-Party Beneficiary.** This Participation Agreement shall survive the death of any individual Account Owner and shall be binding upon any personal representatives, heirs, successors or assigns, as applicable. The Direct Plan Manager is a third-party beneficiary of the agreements, representations and warranties in this Participation Agreement.
- I. **Transfer.** I understand that I may transfer this Account to another Account Owner at any time, as described more fully in the Disclosure Booklet, subject to the rules promulgated for the Direct Plan. Such transfer will not be effective until written notice is received by the Direct Plan.
- J. **Amendment.** I understand that the Direct Plan may, at any time, and from time to time, amend this Agreement or the Disclosure Booklet.
- K. **Termination of the Direct Plan.** I understand that the Direct Plan may be suspended or terminated, but, except as permissible under applicable law, the Account may not thereby be diverted from the exclusive benefit of the Account Owner or the Beneficiary.
- L. **Governing Law.** This Participation Agreement is governed by Oklahoma law.

APPENDIX III

to the Disclosure Booklet for the Oklahoma College Savings Direct Plan

TIAA-CREF Tuition Financing, Inc.'s Privacy Policy

Please read this notice carefully. It gives you important information about how TIAA-CREF Tuition Financing, Inc. ("TFI") handles nonpublic personal information it may receive about you in connection with the Direct Plan. It applies to all past, present and future participants in the Direct Plan.

Information We May Collect

We may obtain this personal information (which may include your Social Security Number) in any of the following ways:

- you provide it on the Direct Plan enrollment form ("**Application**");
- you provide it on other Direct Plan forms;
- you provide it on the Direct Plan website;
- you provide it during consultations; or
- we obtain it to complete your requested transactions.

How Your Information Is Used

TFI does not disclose your personal information to anyone for marketing purposes. TFI discloses your personal information only to those service providers, affiliated and non-affiliated, who need the information to respond to your inquiries and/or to service and maintain your Account. In addition, TFI may be required to disclose your personal information to government agencies and other regulatory bodies (for example, for tax reporting purposes or to report suspicious transactions).

The affiliated and non-affiliated service providers who receive your personal information may use it to:

- process your Direct Plan transactions;
- provide you with Direct Plan materials;
- mail you Direct Plan account statements; and
- enhance your Direct Plan benefits.

These service providers provide services at TFI's direction and include fulfillment companies, printing and mailing facilities.

- Under their agreements with TFI, these service providers are required to keep your personal information confidential and to use it only for providing the contractually required services.

Security of Your Information

TFI protects the personal information you provide against unauthorized access, disclosure, alteration, destruction, loss or misuse. Your personal information is protected by physical, electronic and procedural safeguards in accordance with federal and state standards. These safeguards include appropriate procedures for access and use of electronic data, provisions for the secure transmission of sensitive personal information on the Direct Plan's website, and telephone system authentication procedures.

Changes in Our Privacy Policy

TFI periodically reviews this Privacy Policy and its related practices and procedures. You will be notified of any material amendments to this Privacy Policy.

Notice About Online Privacy

The personal information that you provide through the Direct Plan website is handled in the same way as the personal information that you provide by any other means, as described above. This section of the notice gives you additional information about the way in which personal information that is obtained online is handled.

Online Enrollment, Account Information Access and Online Transactions

When you visit the Direct Plan website, you can go to pages that are open to the general public or log onto protected pages to enroll in the Direct Plan, access information about your Account, or conduct certain transactions on your Account. Once you have opened an Account in the Direct Plan, access to the secure pages of the Direct Plan website is permitted only after you have created a User ID and Password by supplying your Social Security Number or Taxpayer Identification Number and Account Number. The User ID and Password must be supplied each time you want to access your Account information online. This information serves to verify your identity.

When you enter personal data into the Direct Plan website (including your Social Security Number or Taxpayer Identification Number and your Password) to enroll or access your Account information online, you will log into secure pages where we use Secure Sockets Layer (SSL) protocol for protecting information.

To use this section of the Direct Plan website, you need a browser that supports encryption and dynamic Web page construction.

If you provide personal information to effect transactions on the Direct Plan website, a record of the transactions that you have performed while on the site is retained by the Direct Plan.

Other Personal Information Provided by You on the Direct Plan Website

If you decide not to enroll online and you want to request Direct Plan materials to be mailed to you, or you want to subscribe to the Direct Plan e-mail newsletter, you can click on another section of the Direct Plan website to provide your name, mailing address and e-mail address, respectively. The personal information that you provide on that page of the site will be stored and used to market the Direct Plan more effectively. Although that page of the Direct Plan website does not use SSL encryption protocol, your information will be safeguarded in accordance with federal and state privacy laws and industry norms.

The Direct Plan Cares About Your Privacy

We use cookies on the Direct Plan website to measure marketing results for the Direct Plan. This process renders all visitors to the Direct Plan website anonymous and will not personally identify you.

OBTAINING ADDITIONAL INFORMATION

Learn more about the Direct Plan by visiting our website at www.ok4saving.org.

You may reach a customer service representative to answer your questions, to address your complaints, or to request an Application by calling the Direct Plan Manager toll-free at 1.877.ok4.saving (1.877.654.7284). Questions, complaints and requests may also be sent in writing to the Oklahoma College Savings Plan, P.O. Box 8193, Boston, MA 02266-8193.

