OKLAHOMA PUBLIC SCHOOL LIQUID ASSET POOL

INFORMATION STATEMENT

July 1, 2019

A Comprehensive Investment Service
Exclusively for Oklahoma Public School Districts

OKLAHOMA PUBLIC SCHOOL INVESTMENT PROGRAM IS SPONSORED BY:

Oklahoma State School Boards Association
Cooperative Council of Oklahoma School Administration
Organization of Rural Oklahoma Schools
Oklahoma Association of School Business Officials

An Investment in the Pool is not insured or guaranteed. Although the Pool seeks to maintain a stable value of $1.00 per share, it is possible to lose money by investing in the Pool. So far, the value of the Pool shares have never deviated from $1.00 and the Pool has not had to reduce the number of shares held by investors to maintain a stable value of $1.00 per share.

This Information Statement provides detailed information about the investment objectives, organization, structure and operations of the Oklahoma Public School Investment Interlocal (the "Interlocal") and its investment opportunities. Prospective investors should read it carefully before investing and retain it for future reference. In addition, prospective investors should read the Interlocal Cooperative Agreement creating the Interlocal and the Investment Policies of the Interlocal (the Interlocal Cooperative Agreement and the Investment Policies of the Interlocal shall constitute the "Governing Documents" of the Interlocal). This Information Statement is qualified in its entirety by the Governing Documents, and if there is any conflict between this Information Statement and the Governing Documents, the Governing Documents prevail.

No person or entity has been authorized to give any information or to make any representations other than those contained in this Information Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the Interlocal, its board of Directors or agents.

The date of this Information Statement is July 1, 2019.

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BACKGROUND

The Oklahoma Public School Liquid Asset Pool (the "Pool") is a program created by the Oklahoma Public School Investment Interlocal, an interlocal cooperative organized and existing under the laws of the State of Oklahoma. The Interlocal was established for the purpose of allowing Oklahoma school districts to pool their investment funds to obtain competitive interest rates, while maintaining liquidity, preserving capital and complying with Oklahoma law governing investment of school funds. The Interlocal was established on July 25, 1996, by the approval of the Board of Education of the State of Oklahoma of the Interlocal Cooperative Agreement (the "Interlocal Agreement").

The Program is sponsored by:
Oklahoma State School Boards Association
Cooperative Council of Oklahoma School Administration
Organization of Rural Oklahoma Schools
Oklahoma Association of School Business Officials

The address of the Interlocal is 2801 N. Lincoln Boulevard, Oklahoma City, OK 73105.

To receive specific information about the Interlocal and its Board of Directors, write to: Oklahoma Public School Liquid Asset Pool, 2801 North Lincoln Blvd., Oklahoma City, OK 73105.

FOR INFORMATION REGARDING THE RISKS OF INVESTING IN THE PROGRAM, SEE "CERTAIN RISKS OF INVESTMENT IN THE INTERLOCAL" ON PAGES 14 TO 17 OF THIS INFORMATION STATEMENT.

ELIGIBLE PARTICIPANTS

All Oklahoma school districts shall be eligible to become members of the Interlocal and participate in its programs. In addition, the Interlocal may accept funds: (1) Held by a trustee bank from the issuance of bonds, notes or other evidences of indebtedness by a public trust on behalf of a school district, and subject to the terms of a Bond Indenture and other related documents thereto; (2) held by insurance companies/associations/trusts formed for the specific purpose of providing insurance/risk management services for Oklahoma school districts through the offices/sponsorship of the Oklahoma State School Boards Association, the Cooperative Council of Oklahoma School Administrators, or the Association of Organization of Rural Oklahoma Schools and which, in the performance of providing such insurance protection/risk management services for school districts, are maintaining funds received from participating school districts through the payment of premiums/contributions; and (3) held on behalf of school districts in the Oklahoma State School Boards Association's Unemployment Compensation Fund. The Board of Directors (the "Board") shall have authority to approve the participation of eligible participants upon such participants taking the actions required under the Governing Documents.

INVESTMENT OBJECTIVES AND POLICIES

The Pool's investment objective is to provide a means for all participants (the "Participants") to achieve a competitive rate of return while preserving capital and maintaining liquidity. The Pool seeks to attain its investment objective through professionally managed investment programs with the investment policies and restrictions described below.

Permitted investments. The Pool's investments will consist of instruments which are suitable for the short term investment needs of school districts in Oklahoma. These investments (the "Permitted Investments") currently include:

(i) direct obligations of the United States Government to the payment of which the full faith and credit of the United States is pledged, or obligations to the payment of which the full faith and credit of the State of Oklahoma is pledged;

(ii) bonds, notes, debentures, or any other debt obligations issued by or guaranteed by a federal government agency or instrumentality, including but not limited to the following to the extent that they remain federal government agencies or instrumentalities: Federal National Mortgage Associations, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation and government National Mortgage Association. All federal agency securities shall be direct issuances of federal agencies or intstrumentalities;

(iii) collateralized or insured certificates of deposit of savings and loan associations, savings banks and credit unions located in the State of Oklahoma, where the certificates of deposit are secured by acceptable collateral as provided by Section of Title 62, Oklahoma Statutes, or fully insured certificates of deposit at banks, savings banks, savings and loan associations and credit unions located outside the State of Oklahoma;

(iv) savings accounts or savings certificates of savings and loan associations, banks and credit unions, to the extent that the accounts or certificates are fully insured by the Federal Deposit Insurance Corporation;

(v) county, municipal and school district general obligation bonds secured by ad valorem taxes, or bond and revenue anticipation notes, money judgments against a county, municipality or school district ordered by a court of record bonds or bond and revenue anticipation notes issued by a public trust for which a county, municipality or school district is the beneficiary thereof;

(vi) repurchase agreements that have underlying collateral consisting of those items specified in paragraphs (i) through (iii), above; and

(vii) money market funds regulated by the Securities and Exchange Commission and which investments consist of those items specified in paragraphs (i) through (iv), above.

Investment Restrictions and Policies. In order to secure the safety of the Pool's investments, while still maintaining a competitive rate of return, the Board has implemented additional, more stringent investment restrictions. The investment programs, at all times, will consist solely of Permitted Investments that also meet the investment restrictions and policies adopted by the Board (the "Investment Restrictions").

Accordingly, the Pool may only buy and sell, and enter into agreements to buy and sell, Permitted Investments subject to the following investment restrictions and policies.

Restrictions. The Pool:

(i) may not make any investments other than investments authorized by Section 5-115 of Title 70 of the Oklahoma Statutes, the Oklahoma School Code and other provisions of Oklahoma law applicable to the investment of funds by Oklahoma school districts, as the same may be amended from time to time;

(ii) may not purchase any securities issued by the United States Government, its agencies or instrumentalities which have a maturity date more than 397 calendar days from the date of the purchase thereof, unless subject at the time of such purchase to an irrevocable agreement, on the part of a person listed on the United States Treasury Department list of Primary Dealers or any equivalent successor to such list (a "Responsible Party"), to purchase such Permitted Investment from the Pool within two years;

(iii) may not purchase any Permitted Investment, other than those listed in preceding paragraph (ii), which has a maturity date more than one year from the date of the Pool's purchase thereof, unless subject at the time of such purchase of an irrevocable agreement, on the part of a Responsible Party, to purchase such Permitted Investment from the Pool within one year;

(iv) may not purchase any Permitted Investment if the effect of such purchase by the Pool would be to make the dollar weighted average maturity of the Pool greater than 60 days, provided, however, that in making such determination any Permitted Investment which is subject to an irrevocable agreement of the nature referred to in the preceding paragraphs (ii) and (iii) shall be deemed to mature on the date established by such irrevocable agreement;

(v) may not purchase any Permitted Investment if the effect of such purchase by the Pool would be to make the average dollar weighted life of Pool greater than 120 days, provided, however, that in making such determination any Permitted Investment which is subject to an irrevocable agreement of the nature referred to in the preceding paragraphs (ii) and (iii) shall be deemed to mature on the date established by such irrevocable agreement;

(vi) may not purchase securities or shares of investment companies or any entities similar to the Pool, except for government money market mutual funds, as permitted under Oklahoma law, to be used for short term cash investment purposes;

(vii) may not enter into repurchase agreements unless the issuer of the repurchase agreements

is a Responsible Party and complies with the operating procedures established by the Program's Board of Directors;

(viii) may not invest more than 10% of the Pool assets in a single entity (not including the United States Government, its agencies and instrumentalities); and

(ix) preceding paragraph (ii) notwithstanding, may not invest more than 10% of the Pool assets in securities issued by the United States Government, its agencies or instrumentalities which have a maturity date more than one year from the date of the Pool's purchase thereof, unless subject at the time of such purchase by the Pool to an irrevocable agreement, on the part of a Responsible Party, to repurchase such Permitted Investment from the Pool within two years.

Policies. The Pool will:

(i) maintain a dollar weighted average maturity appropriate to the objective of maintaining a stable net asset value of beneficial interest of $1.00 and which will not exceed 60 days;

(ii) not borrow money or incur indebtedness whether or not the proceeds thereof are intended to be used to purchase Permitted Investments, except as a temporary measure to facilitate the transfer of funds to the Participants where such transfers might otherwise require unscheduled dispositions of the Pool's investment(s) but, even then, only to the extent permitted by law; and

(iii) not make loans, provided however, that the Pool may make Permitted Investments.

These restrictions and policies are considered to be fundamental to the operation and activities of the Pool and may not be changed without the affirmative vote of a majority of the Directors.

POOL INVESTMENTS

The Oklahoma Public School Liquid Asset Pool consists of Permitted Investments which tend to be short-term and liquid in nature. The Pool seeks to maintain a dollar weighted average maturity less than 60 days and a constant net asset value per share of beneficial interest of $1.00. The Pool has a $1.00 minimum balance requirement and no minimum amount requirements on deposits and withdrawals. A Participant may withdraw funds from the Pool on a daily basis in any amount not in excess of its account balance in the Pool. The Permitted Investments in which the Pool is invested are selected by the investment adviser for the Pool (the "Investment Adviser").

Yield and Income on the Liquid Asset Pool. The yield provided by the Pool is computed daily. The yield is computed on a 365 day basis and is expected to vary daily. Net income is credited to a Participant's account monthly.

ADDITIONAL PROGRAMS

From time to time various parties such as the Investment Adviser, Administrator and/or Marketing Agent may, at the request of the Board, make other services or programs available to members of the Pool. Participants are advised that these additional services and programs are separate from the investment program adopted by the Pool. The parties offering such programs are solely responsible for them, and questions regarding any such program should be directed to the party offering it.

Fixed-term Investment Instruments. Currently, the Directors have requested the Fixed Income Investment Program provider make available to Participants a Fixed-Rate/Fixed-Term investment Program. This program allows Participants to individually invest monies in certificates of deposit issued by banks and thrift institutions, certain securities issued by the United States Government or its agencies and instrumentalities, certain obligations of the State of Oklahoma, repurchase agreements collateralized in Permitted Investments, and certain other fixed-term investments. The banks, thrift institutions and other issuers whose obligations are available for purchase in the Fixed-Rate/Fixed-Term accounts are regularly reviewed by the Fixed Income Investment Program provider to insure that each meets the criteria established by the Board.

Certificates of deposit available through this program in an amount less than $250,000 are held in the name of the school district purchaser and, within the limits and to the extent of insurance provided by the FDIC, may be separately insured by the FDIC from the certificates of deposit held by the Pool.

Through the Fixed Income Program, Participants can purchase eligible investments through the Fixed Income Investment Program provider using monies from their Pool account to pay for the investment. As a convenience to simplify Participant's recordkeeping requirements, all principal and interest from purchased investments are credited to a Participant's Pool account as follows:

1. Principal is credited at maturity.
2. Interest is credited when received by the custodian.
3. Principal and interest is credited on the next business day if a crediting date falls on a non-business day.

Because interest is credited in the manner described above, a Participant who purchases a security will have use of the interest earned on the security, including the opportunity for reinvestment of interest earned, on the date interest is credited to the Participant's Pool account.

Investors purchasing securities through the Fixed Income Investment Program pay a fee to the Fixed Income Investment Program provider of up to an annualized 0.25% of the principal amount of each security purchased. Investors purchasing securities of the United States government and its agencies and instrumentalities, commercial paper and bankers' acceptances through this Program pay a servicing fee to the Fixed Income Investment Program provider of up to an annualized 0.15% of the principal amount of each such investment, with a minimum fee of $50 per transaction.

BOARD OF DIRECTORS AND OFFICERS

The Board has authority to perform such acts as in their judgment and discretion are necessary and proper for conducting the affairs of the Pool and promoting the investment return potential of the member school districts. In managing the affairs of the Pool, the Board may contract for services with, and contract for the payment of fees to, financial or investment advisors, fund administrators, certified public accountants, attorneys, and other desired professionals, and enter into contracts with financial institutions in the State of Oklahoma to serve district investment needs. The Board may exercise the powers designated by the Board, provided however, that any such powers must be those authorized or required by law to be performed by Oklahoma school districts; shall be within the powers, privileges, or authority exercised or capable of being exercised by Oklahoma school districts; and, shall not include the levy or collection of taxes, the application for or receipt of State Aid moneys, or the issuance of bonds.

The Board is responsible for the general policies and programs of the Interlocal, including, but not limited to the investment policies of the Pool and the Fixed-Rate/Fixed-Term Accounts. The Board is also responsible for the general supervision and administration of the business and affairs of the Interlocal. The Board is not required to devote their entire time to the affairs of the Interlocal, and are not required to personally conduct all of the business of the Interlocal. Accordingly, the Board has appointed an administrator, investment advisor, marketing agent, marketing support provider, a fixed income investment program provider, and a custodian bank to which the Board shall assign such duties as it deems appropriate.

There are currently fourteen (14) Directors selected by the member districts, which number may be increased or decreased by the Board. The Directors are:

The Executive Director of the Oklahoma State School Boards Association (OSSBA);

The Executive Director of the Cooperative Council of Oklahoma School Administration (CCOSA);

The Executive Director of the Oklahoma Association of School Business Officials (OASBO);

The Executive Director of the Organization of Rural Oklahoma Schools (OROS);

Three Directors selected by the Cooperative Council of Oklahoma School Administration from that organization's membership;

Three Directors selected by the Oklahoma State School Boards Association from that organization's membership;

Two Directors selected by the Organization of Rural Oklahoma Schools from that organization's membership; and

Two Directors selected by the Oklahoma Association of School Business Officials from that organization's membership.

The term of the four Directors who serve as a result of their positions as executive directors of an educational association is four years. The remaining directors serve for three years.

Any vacancy occurring will be filled by a majority vote of the Board. The replacement Director shall serve the remainder of the term of the vacant position. An appointment to fill a vacancy shall occur within 60 days from the date of the vacancy.

The Board of Directors has elected a President, Vice President and Clerk. All officers are elected in the manner designated by applicable policies and bylaws approved by the Board. The Board shall serve without compensation, but they are reimbursed for reasonable travel and other out-of-pocket expenses incurred in connection with their duties as Directors.

THE INVESTMENT ADVISER

The Board has appointed Miles Capital, Inc., an investment adviser registered under the Investment Company Act of 1940, as the Investment Adviser for the Interlocal's Pool. The firm's principal business has been providing continuous investment management to insurance companies, public agencies, endowments and charitable institutions, high-net worth individuals and others.

Duties. Subject to the supervision of the Board of Directors, the Investment Adviser continuously supervises the Pool, determines what investment instruments shall be purchased or sold and arranges for the purchase and sale of investment instruments for the Pool.

Investment Adviser Agreement. The Interlocal has entered into an agreement with the Investment Adviser, which may be renewed on a fiscal-year by fiscal-year basis. The agreement is not assignable and may be terminated without penalty on sixty (60) days written notice at the option of the Interlocal or the Investment Adviser.

THE ADMINISTRATOR

Miles Capital, Inc.also serves as the OLAP Administrator.

Duties. The Administrator, subject to the supervision of the Board of Directors, provides the administrative services necessary for the operation of the Interlocal, including daily account services to Participants; determines and allocates income of OLAP; provides all participant transaction confirmations and monthly account summaries; provides administrative personnel, equipment and office space to OLAP; determines the net asset value of OLAP on a daily basis; and performs all related administrative services for OLAP.

Administration Agreement. The Interlocal has entered into an agreement with the Administrator, which may be renewed on a fiscal year by fiscal year basis. The agreement is not assignable and may be terminated without penalty on sixty (60) days written notice at the option of the Interlocal or the Administrator.

THE MARKETING AGENT

Stephen H. McDonald & Associates ("Stephen McDonald") at 2200 McKown Drive, Norman, Oklahoma 73072, is the Interlocal's distribution agent. Stephen H. McDonald & Associates, Inc. was established in 1995 to specialize in general obligation bond issues for Oklahoma school districts. With centralized offices in Norman, Oklahoma, the firm provides personalized and professional services to many of the school districts across Oklahoma. In addition to assistance with issuing general obligation bonds, Stephen McDonald provides a broad range of financial advisory service to its public school clients. These services include representing the Oklahoma Liquid Asset Pool, a pooled investment service, assistance with lease/purchase financing alternatives and cash management programs.

Duties. Pursuant to a Marketing Agreement, Stephen McDonald engages in marketing efforts, assists Participants in completing and submitting registration forms, assists in the preparation and dissemination of information with respect to the existence and operation of the Interlocal, and bears certain expenses of the Interlocal relating to the marketing of the Interlocal's services and programs, and acts as the Interlocal's marketing agent. It provides the Interlocal with all necessary office facilities and personnel for rendering this service.

Marketing Agreement. The Interlocal has entered into an agreement with the Marketer, which may be renewed on a fiscal year by fiscal year basis. The agreement is not assignable and may be terminated without penalty on sixty (60) days written notice at the option of the Interlocal or the Marketing Agent.

THE MARKETING SUPPORT PROVIDER

Miles Capital, Inc. also serves as the OLAP Marketing Support Provider.

Duties. The Marketing Support Provider, subject to the supervision of the Board of Directors, supports the Marketing Agent with support tools and activity, including, but not limited to building and maintaining a Program website, creating customized marketing and branding packages with communications designed for the Program, and conference booth presence.

Marketing Support Agreement. The Interlocal has entered into an agreement with the Marketing Support Provider, which may be renewed on a fiscal year by fiscal year basis. The agreement is not assignable and may be terminated without penalty on sixty (60) days written notice at the option of the Interlocal or the Administrator.

THE FIXED INCOME INVESTMENT PROGRAM PROVIDER

PMA Financial Network offers fixed income deposit products to OLAP participants. Securities, municipal advisory investment and public finance services and institutional brokerage services are offered through PMA Securities, Inc., a broker-dealer and municipal advisor registered with the SEC and MSRB, and is a member of FINRA and SIPC.

Duties. Pursuant to a Fixed Income Investment Agreement, PMA makes available to Participants a Fixed-Rate/Fixed-Term investments allowing Participants to individually invest monies in certain fixed-term investments. The banks and other issuers whose obligations are available for purchase are regularly reviewed by the Fixed Income Investment Program provider to insure that each meets the criteria established by the Board.

Fixed Income Investment Agreement. The Interlocal has entered into an agreement with the Fixed Income Investment program provider, which may be renewed on a fiscal year by fiscal year basis. The agreement is not assignable and may be terminated without penalty on sixty (60) days written notice at the option of the Interlocal or the Fixed Income Investment Agreement.

THE CUSTODIAN

The Directors have appointed BancFirst, as the custodian bank (the "Custodian") for the Pool.

Duties. The Custodian acts as a safekeeping agent and depository for the investments made by the Pool. It also serves as the depository in connection with the direct investment and withdrawal mechanisms made available to Participants in the Pool. The Custodian does not participate in the Pool's investment decision-making process.

Custodian Agreement. The Interlocal has entered into an agreement with the Custodian, which may be renewed on a fiscal-year by fiscal-year basis. The agreement is not assignable and may be terminated without penalty on 60 days written notice at the option of the Interlocal or the Custodian.

The Directors may in their discretion employ one or more custodians in addition to the Custodian. Any such additional custodians must be banks or trust companies organized under the laws of the United States, any state or the District of Columbia, which have capital and surplus aggregating at least $100,000,000.

THE SPONSORS

The Oklahoma State School Boards Association, The Cooperative Council of Oklahoma School Administration, Organization of Rural Oklahoma Schools and Oklahoma Association of School Business Officials serve as the Sponsors of the Interlocal pursuant to a Consulting agreement. The Sponsors provide consulting services to the Interlocal and assist the Interlocal in the preparation and dissemination of information with respect to the existence of the Interlocal. The Sponsors receive a fee

from the Interlocal for the services they provide.

EXPENSES OF THE POOL

Under its agreement, the Interlocal pays various fees for the services provided by the Administrator, Investment Adviser, Marketing Agent, and Marketing Support Provider to the Pool. Specifically, the Interlocal pays the following fees, which are calculated daily and paid monthly:

(i) an investment adviser fee computed at an annual rate equal to (i) 0.09% of the first $150,000,000 of the average daily net assets; (ii) 0.07% of the average daily net assets between $150,000,001 and $250,000,000; (iii) 0.05% of the average daily net assets above $250,000,000;

(ii) an administration fee computed at an annual rate equal to (i) 0.10% of the first $150,000,000 of the average daily net assets; (ii) 0.09% of the average daily net assets between $150,000,001 and $250,000,000; (iii) 0.08% of the average daily net assets above $250,000,000;

(iii) a marketing agent fee at an annual rate of 9.5 basis points of the Pool's average daily net assets;

(iv) a marketing support fee computed at an annual rate equal to (i) 0.03% of the first $150,000,000 of the average daily net assets; (ii) 0.02% of the average daily net assets above $150,000,000; and

(v) A consulting fee computed at an annual rate equal to 0.02% on assets over $150,000,000. This fee is allocated between Sponsors as follows: CCOSA 32%, OROS 18%, OASBO 18%, OSSBA 32%.

At any time, service provider and sponsorship fees can temporarily be waived partially or in its entirety. The waiver may be eliminated at any time.

DAILY INCOME ALLOCATIONS

All net income of the Pool is determined as of the close of business on each Oklahoma banking day (or at such other times as the Board may determine) and is allocated pro rata to each Participant's account. Net income which has thus accrued is converted, as of the close of business of each calendar month, into additional shares (full and fractional) of beneficial interest at the rate of one share for each $1.00 accrued. These additional shares are then credited to each Participant's account(s). These additional shares may be withdrawn by the Participant anytime thereafter.

Net income for each period consists of (i) all accrued interest income on Pool assets, (ii) all realized gains or losses on Pool assets and (iii) any amortized purchase discount or premium, (iv) less accrued and paid expenses of the Pool applicable to that income period.

Since net income is allocated among the Participants each time it is determined, the net asset

value per share of beneficial interest remains at $1.00. The Pool anticipates net income each day. However, if for any reason there is a net loss on any day, the Pool will reduce the accrued net income for the month in an amount necessary to maintain the net asset value per share of beneficial interest at a value of $1.00. To the extent that accrued net income for the month is insufficient, then the Pool will cancel outstanding shares of beneficial interest in the amount required to maintain the net asset value per share of beneficial interest at $1.00; with each Participant contributing its pro rata portion of the total number of shares to be canceled. Each Participant will be deemed to have agreed to such a contribution in these circumstances by its investment of monies in the Pool.

COMPUTATION OF YIELD

A seven-day average yield for the Pool may, from time to time, be quoted in reports, literature and information published by the Pool. The seven day average yield is computed in connection with an identified seven day period with respect to a hypothetical Participant account having a balance of exactly $1.00 at the beginning of such seven day period. The unannualized seven day period return is the actual dollar change in the value of the hypothetical account during the period (including accrued and earned investment income and realized capital gains and losses, but excluding unrealized appreciation and depreciation, plus or minus any amortized purchase discount or premium, less all expenses incurred) divided by $1.00. The seven day average yield is then calculated by multiplying the unannualized seven day period return by 365 and dividing by 7. The Pool may also prepare an effective annual yield which is computed by adding 1 to the unannualized seven day period return, raising the sum to a power equal to 365 divided by 7, and subtracting 1 from the result. For the information and convenience of the Participants, the Pool may also quote the yield on other bases.

The yields quoted from time to time should not be considered a representation of the anticipated, future yield of the Pool since the yields are not fixed. Actual yields will depend not only on the type, quality and maturities of the investments held by the Pool and changes in interest rates on such investments, but also on changes in the Pool's expenses. Yield information may be useful in reviewing the performance of each Series and in providing a basis for comparison with other investment alternatives. In this regard, it should be noted that the yield for the Pool will fluctuate, unlike certain other investments which normally pay a fixed yield for a stated period of time.

DETERMINATION OF NET ASSET VALUE

For the purpose of calculating the price at which shares are issued and redeemed, the net asset value per share for the Pool is determined by the Administrator as of the close of business of each banking day. Such determination is accomplished by taking the value of the assets, subtracting the amount of the applicable liabilities and then dividing the remainder by the number of outstanding shares.

In making these computations, the Administrator values investments using the amortized cost method. The amortized cost method of valuation involves valuing an investment instrument at its cost at the time of purchase and thereafter assuming a constant amortization to maturity of any discount or

premium, regardless of the impact of fluctuating interest rates on the market value of the instrument. While this method provides certainty in valuation, it may result in periods during which the value of a particular investment, as determined by amortized cost, is higher or lower than the price that the Pool would receive if it sold that investment. During such periods the yield to Participants may differ somewhat from that which would be obtained if the Pool used the market value method for valuing its investments. Thus, for example, in a period of declining interest rates the use of amortized cost will result in a lower aggregate value on a particular day, giving a prospective Participant a somewhat higher yield than would result if the Pool used the market value method. The purpose of this method of calculation is to attempt to maintain a constant net asset value per share of beneficial interest of $1.00.

The Board has adopted certain procedures with respect to the Pool's use of the amortized cost method. These procedures include requiring the Administrator to perform a weekly valuation of the Pool using the market value method. The Board periodically reviews the valuation investments using the amortized cost method as compared to the valuation of each Series investments using the market value method. This review is conducted in such manner as the Directors deem appropriate and at such intervals as are reasonable in light of current market conditions. In the event there is a difference of more than 1/2 of 1% between the two methods of valuation, the Board will determine what steps, if any at all, should be taken to minimize any material dilution or other unfair results which might arise from differences between the two methods of valuation.

POOL TRANSACTIONS

Subject to the general supervision of the Board, the Investment Adviser is responsible for the investment decisions, as well as the placing of the purchase and sale orders. These transactions occur primarily with major dealers in liquid and government instruments acting as principals. Such transactions are normally done on a net basis which does not involve payment of brokerage commissions, and these transactions normally reflect the spread between bid and asked prices.

Although the Pool does not ordinarily seek to make profits through short-term trading, the Investment Adviser may, on behalf of the Pool, dispose of any investment prior to its maturity if it believes such disposition is advisable. The Pool's policy of generally investing in instruments with maturities of less than one year is expected to result in high investment turnover. However, since brokerage commissions are not normally paid on these types of investments which the Pool will acquire, any turnover resulting from such investments should not adversely affect the net asset value of beneficial interest or net income of the Pool.

The Investment Adviser seeks to obtain the best net price and the most favorable execution of order for the purchase and sale of securities. Where price and execution offered by more than one dealer are comparable, the Investment Adviser may, in its discretion, purchase and sell investments through dealers which provide research, statistical and other information to the Investment Adviser or to the Pool. Such supplemental information received from a dealer is part of the services required to be performed by the Investment Adviser. However, the expenses of the Investment Adviser will not necessarily be reduced as a result of the receipt of such information.

REPORTS TO PARTICIPANTS

For each day that a Participant's account has activity, the Administrator will send that Participant a daily confirmation reflecting an opening balance, activity and a closing balance for that account. After the end of each month, Participants will be sent a monthly statement reflecting an opening balance, all transactions for the month and a closing balance for each of their accounts, regardless of activity. In addition, the statement will reflect the net income received by each account for that month, as well as for the fiscal year to date.

After the close of each fiscal year, Participants will receive the Pool's audited annual financial statements.

Inquiries. The Administrator answers all inquiries from Participants concerning the status of their accounts and the current yields available through the Pool. Such inquiries can be made by telephoning, toll-free, Phone: 866-472-6527 or Fax: 866-260-0246, during normal business hours (Mon. - Fri., 8:00 am - 5:00 p.m., C.S.T), or by visiting OLAP at www.olaponline.org on the internet.

GOVERNING DOCUMENTS

Each potential participant in the Interlocal is entitled to a copy of the Interlocal Agreement and the Investment Policies of the Interlocal before it becomes a Participant. Certain portions of the Interlocal Policies are summarized in this Information Statement. However, these summaries are qualified in their entirety by reference to the text of the Governing Documents.

Description of Shares. Pursuant to the Governing Documents, the Pool allows for the issuance of an unlimited number of non-transferable shares, which may be used to represent the proportionate allocation among Participants of beneficial interest in the Pool. These shares do not entitle Participants to preference, conversion, exchange or preemptive rights. No shares may be assigned or transferred to any person other than the Pool itself at the time of redemption. Furthermore, shares may not be pledged, hypothecated or otherwise encumbered by a Participant. These shares of beneficial interest only represent a Participant's investments in the Pool.

Redemptions. Pursuant to a request for redemption of shares from a Participant, the Pool shall cause to be delivered to the Participant the value of the shares redeemed. Participants may make redemptions by email, telephone, or fax request in conformance with the procedures set forth by the Pool and the policies of the Board.

Distributions. In addition to distributions made pursuant to redemptions by Participants, the Board may from time to time also declare and authorize payment to the Participants, in proportion to their respective ownership of shares, such supplementary distributions as they may determine necessary, out of the earnings, profits or assets in the hands of the Board. The declaration and payment of such supplementary distributions and the determination of earnings, profits, and other funds

available for such supplementary distributions or other purposes, shall lie wholly in the discretion of the Board and may be made at such time and in such manner as they, in their sole discretion, determine.

The Board may also allocate to the Participants, in proportion to their respective ownership of shares, additional shares in such manner and on such terms as they may deem proper. Any or all supplementary distributions will be made among the Participants of record at the time of declaring such distribution or among the Participants of record at such other date as the Board shall determine.

Liability of the Interlocal and its Directors. The Interlocal and the Directors shall have all restrictions on liability awards and all exemptions provided for school districts by the Oklahoma Political Subdivision Tort Claims Act

Indemnification. The Interlocal will defend its Directors against alleged liabilities committed within the scope of Director duties and indemnify such Directors as permitted by the Oklahoma Political Subdivision Tort Claims Act.

Termination of the Interlocal Agreement. The Interlocal may be terminated by its school district members or by the State Board of Education.

Amendment of Interlocal Agreement. The Interlocal Agreement may be amended by the Board of Directors or by the State Board of Education.

CERTAIN RISKS OF INVESTMENT IN THE POOL

There are risks associated with investment in the Pool which, before investment, should be considered carefully by each Participant and potential Participant in light of its particular circumstances. The Pool may not be an appropriate investment in certain situations for some Participants and potential Participants. Although the Pool has been designed and is operated with the goal of minimizing risk, each Participant and potential Participant should carefully consider the following discussion in light of its own particular circumstances.

Collateralized Repurchase Agreements. The Pool may purchase Permitted Investments that are subject to agreements which are commonly known as collateralized repurchase agreements. Under such an agreement, the seller agrees to repurchase, and the Pool agrees to resell, the Permitted Investments at a specified time and at an agreed upon price. The difference between the price paid by the Pool at the time of purchase and the price at which the Pool agrees to resell the Permitted Investments back to the seller represents the yield with respect to this transaction. This yield may be more or less than the stated interest rate for the underlying Permitted Investments.

Although the Pool enters into such repurchase agreements only with a Responsible Party, there can be no assurance that the Responsible Party will pay the agreed upon contract repurchase price on the designated date. In the event that the Responsible Party fails to pay the contract price at the specified time, the Pool may suffer a loss resulting from (i) a diminution in value of the underlying

Permitted Investments to an amount which is below the amount of the anticipated repurchase price, (ii) the costs associated with the resale of the Permitted Investments, and (iii) any loss that may result from any delay experienced in foreclosing upon and reselling the Permitted Investments.

Although at the time the Pool enters into a repurchase agreement the underlying Permitted Investments will actually have a market value which is 102% of the price paid by the Pool, there can be no assurance that such market value will continue to exceed that purchase price. In the event the market value of the underlying Permitted Investments falls below the original purchase price, the Responsible Party will be required to deliver additional Permitted Investments to the Pool. However, there can be no assurance that such deliveries of additional Permitted Investments will be made in all circumstances. In the event that such a delivery is not made and the Responsible Party does not pay the contract repurchase price on the specified date, the amount of the Pool loss will be increased as a consequence of such failure of delivery.

Participants should be aware that in most, if not all cases, the repurchase agreements will represent only the contractual obligations of the Responsible Party to repurchase the underlying Permitted Investments at the price and on the date specified in the repurchase agreement. The Pool may suffer substantial losses if the repurchase agreement is made with a Responsible Party which becomes bankrupt or insolvent before such agreement is fulfilled.

In light of these potential risks, the Board has established certain operating procedures which the Investment Adviser must follow when entering into repurchase agreements.

FDIC Insured Certificates of Deposit. Participants should note that in July of 1990, FDIC regulations regarding the coverage of deposits in thrift institutions became effective. These regulations conform to current FDIC regulations regarding the coverage of deposits in insured banks. Certificates of Deposit up to $250,000 are currently insured by the Federal Depository Insurance Company (FDIC). Under these regulations, Participants' deposits in each insured institution are insured up to $250,000 in the aggregate for all time, savings, and demand deposits, regardless of whether the deposits are made through the Pool or directly by a Participant.

Some of the assets of the Pool may be invested in certificates of deposit issued by banks authorized to operate in the State of Oklahoma. Although the Investment Adviser uses the investment criteria established by the Directors when determining which institutions will be used for such investments, no assurance can be given that such an institution will not become insolvent during the life of a Pool investment in it.

In the event that an institution issuing a certificate of deposit in which the Pool has invested becomes insolvent, or in the event of any other default with respect to such a certificate of deposit, an insurance claim will be filed with the FDIC by the Pool, if appropriate. In such a case, there may be delays before the FDIC, or other financial institution to which the FDIC has arranged for the deposit to be transferred, makes the relevant payments. Such delays may be occasioned by requirements relating to the filing and processing of insurance claims, including requests for additional information by the FDIC. Furthermore, if the defaulted deposit is transferred to another institution, the transferee institution may, instead of paying the insured amount, elect to keep the deposit in existence with or

without changing its original terms. Such changes of terms may include a reduction of the original interest rate paid on the deposit. Any of these actions may have adverse consequences to the Pool.

The amount insured by the FDIC is the principal of the relevant deposit and the interest accrued on the deposit to the date of default, up to $250,000 in the aggregate. There is no insurance with respect to interest on a deposit between the date of the default and the date of the payment of insurance by the FDIC. Accordingly, a default by an institution might result in a delay in the receipt of invested principal and pre-default accrued interest by an affected Participant and a loss of interest relating to the period between the date of the default and the payment of the insurance.

In addition, the FDIC is free to deny any claim that it does not deem to be valid. Any such denial might have to be challenged in judicial or administrative proceedings brought by the Pool and any affected Participant. Furthermore, there can be no assurance that the FDIC will have sufficient assets to pay any or all insurance claims resulting from the insolvency of any institution. In the event that funds are not made available to it by the United States or other sources, Participants could experience a loss due to a full or partial non-payment of insurance claims by the FDIC.

Early Sale Risk. Participants should be aware that all fixed rate investments, including obligations backed by the full faith and credit of the United States and Certificates of Deposit insured by the FDIC have certain early sale and early redemption risk. Should the Pool be required to sell U. S. Government securities prior to their maturity, the Pool may receive an amount less than the principal amount of the securities should interest rates have increased since the purchase of those securities. In addition, should the Pool be required to redeem Certificates of Deposit prior to their stated maturity, a penalty may be assessed in accordance to the laws of the United States by the issuers of the Certificates of Deposit and there is no assurance that the Pool will receive all of the interest and principal to which it would otherwise be due were the Certificates of Deposit held to maturity.

State and Local Obligations. Participants should be aware that certain general obligations of the State of Oklahoma and obligations of municipalities, school districts and counties are Permitted Investments under the Pool. Until the Pool reaches sufficient size, the Investment Adviser has determined not to purchase any of such state and local obligations. In addition, the Investment Adviser has further determined that should such obligations be purchased by the Pool, only high grade bonds, as rated by Standard and Poor's Corporation or Moody's Investors Services (collectively, the "Rating Agencies"), will be purchased and all such purchases will meet the investment policies governing weighted average maturity of the Pool and maximum maturity of investments made by the Pool. However, there is no assurance that the State of Oklahoma or the local issuers of obligations will pay the debt service on the bonds as required or that the ratings on the bonds, as published by the Rating Agencies, will continue in force during the period of time such obligations are held. Should such rating be reduced or withdrawn, the market value of such obligations may be lessened and the Pool may receive less than the principal amount of such obligations, should such obligations need to be sold prior to maturity.

Investment Pool. Participants should note that if for any reason there is a net loss on any day, the Pool will reduce the accrued net income for the month in an amount necessary to maintain the net asset value per share of beneficial interest at a value of $1.00. To the extent that accrued net income

for the month is insufficient, then the Pool will cancel outstanding shares of beneficial interest in the amount required to maintain the net asset value per share of beneficial interest at $1.00; with each Participant contributing its pro rata portion of the total number of shares to be canceled. Each Participant will be deemed to have agreed to such a contribution in these circumstances by its investment of monies in the Interlocal. This may result in a Participant receiving less than its original investment in the Pool at redemption.

LEGAL COUNSEL

The Directors have selected Larry Lewis to serve as the Interlocal's legal counsel.

INDEPENDENT ACCOUNTANTS

The Directors have selected KPMG, LLP to serve as the Pool's independent accountants.

TAXES

Counsel to the Interlocal is of the opinion that the Pool is not subject to Federal or state income tax upon the income realized by it, and that the Participants are likewise not taxable upon distributions to them of such income.

PROCEDURE FOR OPENING ACCOUNTS

For information on how to open an account in the Pool and thereby become a Participant, please contact the Administrator, Miles Capital, Inc. toll-free at 1-866-472-6527 during regular business hours (Mon.-Fri., 8:00 am - 5:00 p.m., C.S.T.), by mail at 1415 28th Street, Suite 200, West Des Moines, Iowa 50266-1461, or at www.olaponline.org on the internet.

FURTHER INFORMATION

The Administrator answers all inquiries from Participants concerning the status of their accounts and the current yields available through the Pool. Such inquiries can be made by calling Miles Capital, Inc. toll-free at 1-866-472-6527 during regular business hours (Mon.-Fri., 8:00 am - 5:00 p.m., C.S.T.) or by mail at 1415 28th Street, Suite 200, West Des Moines, Iowa 50266.