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This brochure provides information about the qualifications and business practices of Upromise Investment Advisors, LLC (“UIA”). Questions about the contents of this brochure may be addressed directly with the firm by phone at 617-454-6400. Where this brochure may reference the firm’s status as being registered, registration by itself does not require any qualification. The information in this brochure has not been approved or verified by the SEC or by any state securities regulatory authority. Additional information about the firm is also available on the US Securities and Exchange Commission’s (“SEC”) Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

Item 2: Material Changes

The information contained within this document was last updated in May 2011. The firm's business activities and practices have not changed materially since the time of that update. However, this brochure reflects changes to better describe the existing business activities and practices and, as a result, contains certain new information that the previously issued brochures did not include. Accordingly, readers of this document are strongly encouraged to review it in its entirety prior to engaging in any business with Upromise and/or its affiliates.

Where the structure of this document may differ from that supplied by other investment advisers, readers should note that this brochure has been designed to meet State and Federal disclosure requirements. These requirements call for a narrative format to this brochure and plain, simple-to-understand English. Questions and/or concerns regarding any terminology used within this brochure may be addressed directly with firm personnel.

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Item 4: Advisory Business

Introduction: Upromise Investment Advisors, LLC (“UIA”) provides investment management services for several State government administered qualified tuition programs. These programs are more commonly known as 529 Plans. Where the general public, as participants/investors may seek to invest for future educational expenses, 529 Plans are often recommended due to certain tax advantages they provide¹. Each 529 Plan is administered by a State sanctioned body or official (hereafter referred to as “State Administrators”) such as a State Treasurer’s Office or State Board of Trustees. Such Administrators are empowered under a State enabling statute to administer the 529 Plan(s) and the assets therein. UIA carries out its advisory services responsibilities in accordance with each State 529 Plan portfolio’s investment objectives, its policies, and any restrictions as set forth in the then-current offering document for the 529 Plan. The firm is also subject to any rules and regulations adopted by the applicable State Administrators and/or any other policies or directives that said Administrators may establish or issue and communicate in writing, as well as, applicable law and related regulations, including but not limited to, the Investment Advisers Act of 1940.

Investment Management: UIA’s advisory services are limited to providing non-discretionary investment-related services to the aforementioned State Administrators. UIA, in tandem with its mutual fund firm partners and their affiliates, works with each State Administrator and their investment counsel, where applicable, to build an appropriate set of investment selections that incorporate different levels of risk tolerance and time horizon. The investment mix can consist of individual investment options and/or asset allocation portfolios. These investment selections are then offered to the underlying college saving participant (“participants”). Final decisions relative to the selection of any investment manager(s), investment strategies and/or asset allocations are made by the respective State Administrators.

Where a particular 529 Plan is subject to the firm’s oversight, UIA provides investment monitoring and additional review on a routine basis to help ensure that the performance of the underlying investments meets the established expectations and risk profiles. The firm will also work with various investment managers and/or investment advisers (collectively “investment managers”) to make recommendations to the State Administrator where such recommendations may help improve the 529 Plan. Any change(s) to the underlying investment selections and/or asset allocations remain the State Administrator’s exclusive domain. UIA does not engage in any trading, wrapped/bundled fee arrangements, or provide discretionary authority or asset management services.

Recordkeeping and Administrative Services: UIA and its affiliates provide certain recordkeeping, reporting, and offer other services in accordance with the written agreement between the firm, the State Administrator and/or certain business partners. Such services may include the preparation and delivery of periodic statements to participants, direct communication with participants regarding their accounts, and other related initiatives. All fee arrangements, specified service offerings, and other contractual provisions remain subject to negotiation between the firm and the State Administrator of record. Unless negotiated otherwise, each agreement remains non-transferrable. UIA is an affiliate of Upromise Investments, Inc, a Financial Industry Regulatory Authority (“FINRA”) registered broker-dealer. Further information about the broker-dealer and any other affiliates may be found in Item 10 of this document.

The firm currently provides 529 Plan management, distribution, administrative, and/or recordkeeping services for thirty-one (31) State-administered 529 Plans with approximately \$31B in assets and over 2.5M participants. The firm provides investment management services to fifteen (15) distinct 529 Plans with approximately \$28B in assets. These values were calculated in March of 2012. Established in 2002, UIA is wholly-owned by SLM Corporation, commonly known as Sallie Mae.

¹ “529 Plans” are *Qualified Tuition Programs* and thus exempt from federal income tax pursuant to Section 529 of the Internal Revenue Code.

Item 5: Fees and Compensation

In consideration for its advisory services, UIA is paid a negotiated fee by each State Administrator. Such fees may be refunded where and when appropriate. The firm reserves the right to negotiate such terms at the onset of each relationship. Where the firm may offer services in tandem with one or more of its affiliated companies, each fee arrangement is subject to negotiation and annual review with respect to the underlying services offered. 529 Plans administered by certain State Administrators may require more service offerings than others. Such arrangements may require the firm to utilize its recordkeeping and/or 529 Plan administration services where other 529 Plans might call for a different suite of services. Each 529 Plan and the required service therein are reviewed in detail prior to engagement and an appropriate fee is then negotiated with the respective State Administrator.

The advisory fee is based on a percentage of the value of the underlying 529 Plans' assets under administration by the firm. This fee includes UIA's advisory services as well as other services provided by the firm and/or its affiliates, including the aforementioned recordkeeping and 529 Plan administration services. Fees are generally calculated on a daily basis and paid monthly via direct invoice or automatic deduction from an account held by the respective 529 Plan. UIA may also receive administrative service and recordkeeping fees from mutual funds and investment managers.

Where the underlying investment selections consist of no-load or load-waived shares of mutual funds (or other investments without sales charges), there are no additional brokerage fees charged to the 529 Plan in connection with the investment transactions. However, as a shareholder in mutual funds or other investments, each 529 Plan does bear its proportionate share of the fees and expenses of the mutual funds or other investments in which it invests. For further information regarding brokerage, please see Item 12 of this document.

Item 6: Performance Based Fees and Side-by-Side Management

UIA does not charge any performance fees or manage accounts on a side-by-side basis. Where certain investment advisers experience conflicts of interest in connection with the side-by-side management of accounts with different fee structures, such arrangements do not pertain to those services offered by UIA.

Item 7: Types of Clients

UIA's investment advisory clients consist solely of the various State Administrators, as previously described in Item 4. UIA does not maintain a firm/client relationship with 529 Plan participants or maintain any minimum account value requirements.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

On a routine basis, the firm evaluates the performance of the underlying investment selections and that of any State Administrator-selected third party investment manager(s). UIA analyzes publicly available information, third-party databases, as well as information provided by the investment managers. With the goal of delivering a low-cost solution in an easy-to-understand structure, the firm works to create a matrix of underlying investment options with allocation percentages that meet those investment goals established by the State Administrators for their respective 529 Plan participants. The 529 Plan investment options generally fall into four categories:

1. **Age-Based Options:** The asset allocation of money invested in any of the Age-Based Options is automatically adjusted over time to hold more conservative investments as the 529 Plan beneficiary approaches college age.
2. **Target-Based Allocation:** A target enrollment portfolio allows the investor to select a targeted enrollment year and is automatically adjusted over time to hold more conservative investments as the targeted enrollment year approaches.

3. **Individual Portfolios:** The asset allocation of money invested in any of the individual portfolios is static. The allocation does not change over time.
4. **Risk-Based Asset Allocation Portfolios:** A blend of investments based upon the established risk tolerance of the investor. Unlike the Age or Target-based options, these portfolios do not adjust over time.

UIA utilizes asset allocation models with age and risk-based investment options which seek to provide performance consistent with their respective asset class. Investment analysis methods employed by UIA include long-term performance review, review of investment management tenure, peer group comparison, active return relative to benchmark, asset allocation and expense ratio. For mutual funds and exchange-traded funds, the firm's analysis generally includes a review of the fund's management team, the fund's historical risk and return characteristics, the fund's exposure to sectors and individual issuers, its fee structure, and any other factors considered relevant.

529 Plan Risks

Potential Future Changes to a 529 Plan: Each State Administrator reserves the right, at its sole discretion, to discontinue a 529 Plan or to change any aspect of a 529 Plan. For example, the State Administrator may, without prior notice, change a 529 Plan's fees and charges; add or merge portfolios; close a portfolio to new investors; or change the underlying investment(s) or target asset allocations of a portfolio. Depending on the nature of the change, participants may be required to participate in, or be prohibited from participating in, the change with respect to accounts established before the change.

On occasion, a State Administrator may change the investment guidelines for a 529 Plan or a portfolio therein. If required, a State Administrator will cause a portfolio to divest itself of ownership of shares of one or more underlying investments or of its investments altogether. During the transition from one underlying investment to another, a portfolio may be temporarily un-invested, therefore lacking market exposure to an asset class. During such a transition period, a portfolio may temporarily hold a basket of securities to the extent that the underlying investment from which it redeems chooses to satisfy the portfolio's redemption out of such investment on an in-kind basis. In such an event, a State Administrator will seek to liquidate the securities received from the underlying investment as promptly as possible to ensure that the proceeds are promptly invested in the replacement investment. The transaction costs associated with such liquidation, as well as any market impact on the value of the securities being liquidated will be borne by the portfolio and the accounts invested in such portfolio. An underlying investment from which a portfolio redeems may impose certain redemption fees. In such an event, the portfolio, and accounts invested therein, will bear such redemption costs.

Change in Status of Federal and State Law and Regulations Governing a 529 Plan: Federal and state law and any underlying regulations therein that govern the administration of 529 Plans are subject to change. It is possible that Congress, the Treasury Department, the IRS, and/or federal or state courts may take action that will affect the tax treatment of 529 Plan contributions, earnings, withdrawals, or the availability of state tax deductions. In addition, federal and state laws on related matters, such as the funding of higher education expenses, treatment of financial aid, and tax rules, are subject to change. It is unknown what effect these kinds of changes could have on 529 Plans.

529 Plan Portfolio Risks

Securities Investment Related Risks: Each portfolio has its own principal investment strategy and, as a result, its own risk and performance characteristics. A portfolio's risk and potential return are functions of its relative weightings of equity, fixed income, and money market or short-term investments. In general, greater exposure to equity investments creates a higher risk (especially short-term volatility) to the potential for higher returns over the long-term. The more exposure a portfolio has to fixed income and money market or short-term investments, the lower its risk and its potential long-term returns. There are also variations in risk/return levels within the equity and fixed income categories. For example, international equities typically

have higher risk levels than domestic equities.

No Guarantee of Principal or Earnings; Not Insured: The value of a 529 Plan account may increase or decrease over time based on the performance of the portfolio(s) selected. It is possible that, at any given time, a 529 Plan account's value may be less than the total amount contributed. Neither the 529 Plan nor any of its associated persons make any guarantee of, or have any legal obligations to ensure, a particular level of investment return. However, where investment is made within certain Savings Portfolio options, these portfolios will carry FDIC deposit insurance benefits. Further information regarding such portfolios and the respective coverage therein may be reviewed within the applicable 529 Plan disclosure statement.

Limited Investment Direction: A participant or contributor may not direct the underlying investments of a portfolio. The ongoing money management is the responsibility of the respective State Administrator.

Limited Liquidity: Investments in a 529 Plan, are considered less liquid than other types of investments (for example, investments in mutual fund shares), because the circumstances in which a participant may withdraw money from a 529 Plan account without a penalty or adverse tax consequences are significantly more limited. There is no guarantee that a portfolio's respective investment manager will continue to provide the underlying investments for a 529 Plan.

Item 9: Disciplinary Information

UIA and its employees have not been involved in any legal or disciplinary events that might be deemed material to one's evaluation of UIA or the integrity of its personnel. However, the firm's affiliates have been subject to prior regulatory activity as it relates to their marketing of student loans and related practices. Further information regarding these issues may be reviewed by visiting the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov or FINRA's Brokercheck website at <http://brokercheck.finra.org>.

Item 10: Other Financial Industry Activities and Affiliations

UIA is affiliated with the following entities:

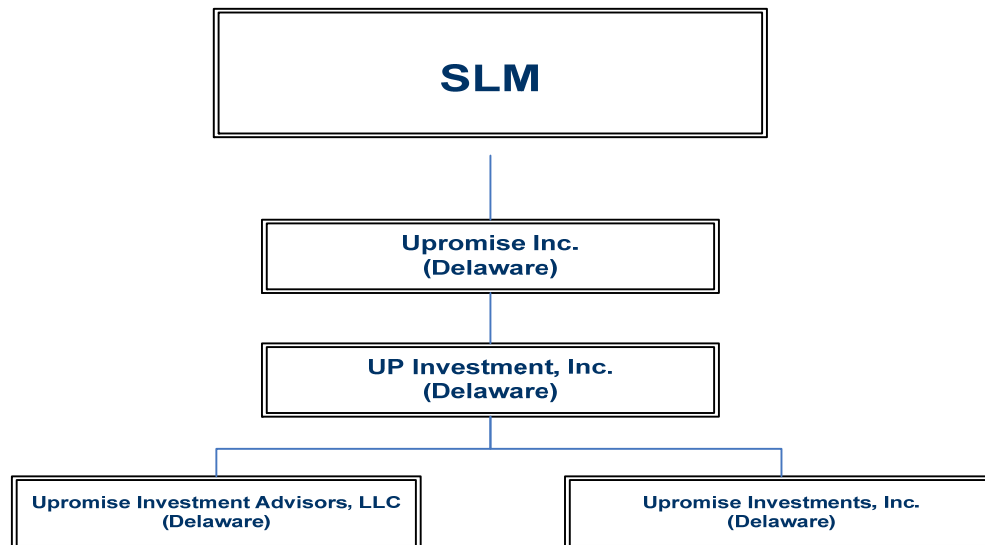
Upromise Investments, Inc. ("UII"): is a FINRA registered broker-dealer, a member of the Municipal Securities Rulemaking Board ("MSRB"), the Securities Investor Protection Corporation ("SIPC"), and National Securities Clearing Corporation ("NSCC"). UII is authorized to engage in the business of a municipal securities broker with respect to the sale of securities issued by Internal Revenue Code Section 529 Plans, which are pooled investment funds established as trusts by state or local government entities and higher education savings plan trusts established by states. UII is also authorized to conduct an investment company securities business but does not engage in such business currently.

UP Investment, Inc. ("UPI") is wholly owned by Upromise, Inc. UPI is the holding company for the investment services division of Upromise, Inc. comprised of UII and UIA.

Upromise, Inc. is wholly owned by SLM Corporation. Upromise, Inc. provides loyalty marketing services that help over families nationally save for college. Consumers enroll in the Upromise Rewards Service by visiting Upromise, Inc.'s website and registering their credit, grocery, and other loyalty cards.

SLM Corporation (NYSE: SLM), commonly known as *Sallie Mae*, is the nation's only financial services company specializing in education. Sallie Mae's saving programs, planning resources and financing options helps people make the investment in higher education. Sallie Mae offers services to a range of institutional clients, including colleges and universities, student loan guarantors and state and federal agencies. SLM Corporation and its subsidiaries are not sponsored by or agencies of the United States of America.

The following flowchart represents the current ownership structure of UIA.



Where the firm may recommend the services of certain third party investment managers, such arrangements do not carry any additional fee arrangements or pose any known conflicts of interest.

Item 11: Code of Ethics/Participation/Interest in Client Transactions/Personal Trading

UIA and its employees may buy or sell securities identical to those contained within the various 529 Plan portfolios. Pursuant to Rule 204A-1 of the Investment Advisers Act of 1940, the firm has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the firm. The Code of Ethics describes the firm's fiduciary duties and obligations to clients, and sets forth the firm's practice of supervising the personal securities transactions of employees who maintain access to client information. The firm collects and maintains records of such personal securities holdings and any transactions made by employees. The firm's compliance department reviews the personal trading practices of its employees to identify and resolve any potential or realized conflicts of interest. A copy of the Code of Ethics is available for review by request.

Item 12: Brokerage Practices

UIA does not select or recommend broker-dealers to those responsible for the administration of any 529 Plan. The selection of any brokers or dealers remains incumbent upon the State Administrator and their selected investment manager(s). Where the majority of securities transactions for a 529 Plan involve open-end investment company (mutual fund) shares, such transactions are often a major operational component of the selected investment manager and/or any vendors it has contracted with. Accordingly, UIA cannot make recommendations relative to execution or cost per share basis. Where the underlying funds will incur various administrative and other service-based fees, each 529 Plan is expected to absorb such costs. UIA will not benefit in any way from such charges or costs. UIA does not receive research or participate in any transaction-based exchange for services (*soft dollars*) with any selected investment manager and/or others. As mentioned previously, any and all brokerage arrangements remain the exclusive domain of the State Administrator and/or the selected investment manager(s) of record.

Item 13: Review of Accounts

Each 529 Plan portfolio is monitored and reviewed on a regular basis by UIA's Director of Investment Analysis. These portfolios are reviewed in detail on an annual basis or more often as necessary. The firm will also hold regular meetings with the respective State Administrators on any necessary changes/concerns. On a quarterly basis, the Director of Investment Analysis will review a number of reports designed to identify those portfolios that are outside the expected ranges for returns, those that have exposure to asset classes,

and those with exposure to certain industry sectors. Additional portfolio review may be triggered if the market, political, or economic environment changes materially. The firm will also conduct additional review (if necessary) at the request of a State Administrator.

Review of Asset Allocations and Portfolios: On an annual basis, UIA reviews the percentage allocations for each 529 Plan portfolio (as defined in the applicable 529 Plan management agreement) and the selection of underlying funds (also as defined in the applicable 529 Plan management agreements). After performing such reviews, UIA recommends to the State Administrator changes, if appropriate, to the percentage allocations for each portfolio and/or the addition, retention or elimination of specific underlying funds. In particular, UIA, in cooperation with the relevant investment managers, conducts a quantitative and qualitative evaluation of the underlying funds, which may include, among other things, their composition, performance, asset classes, fees and charges. UIA may also conduct a review of the selected investment managers/advisers' skills, knowledge, experience, personnel, capital and financial condition. After each evaluation of an underlying fund, UIA determines whether to recommend changes to the matrix of underlying funds for each portfolio in light of the investment objective(s) of the portfolio. UIA also evaluates current market conditions to determine whether to recommend changes to the percentage allocations for each portfolio. All recommendations are proposed to the State Administrators of record for approval.

Monitoring and Review of Performance and Underlying Funds: UIA conducts periodic review of underlying fund performance and monitors underlying funds for any significant or material events. If any unpredicted activity is detected, the underlying fund will be put under more extensive watch and scrutiny to help ensure that said fund is managed according to its prospectus and is a good fit with the 529 Plan. UIA will promptly inform the applicable State Administrator of any findings and make recommendation(s) on what actions to take to remedy the issues.

Review Industry Trends: UIA periodically reviews industry trends in terms of fee structure and available investment options and reports the findings to the State Administrator, if warranted.

Rebalancing: Taking into account any factors that it deems appropriate, UIA may rebalance a 529 Plan's portfolios in accordance with the approved allocations provided by the State Administrator. All recommendations are subject to the State Administrator's approval.

Interaction with State Administrators: As part of its responsibilities, UIA periodically consults with the State Administrator regarding the percentage allocations for each of its 529 Plan's portfolios and the condition and outlook of each underlying fund. In addition, UIA, when requested, will prepare and deliver operational performance measurement reports for the preceding calendar quarter and a similar report for the preceding 529 Plan year.

Item 14: Client Referrals and Other Compensation

UIA does not receive any economic benefits from non-clients in connection with the provision of investment advice or other advisory services to State Administrators. The firm does not compensate any third parties for client referrals.

Item 15: Custody

All 529 Plan assets for which UIA provides advisory and/or other services are held in custody by unaffiliated banks and other financial institutions ("qualified custodians") pursuant to a custodial agreement. Where UIA may act as an agent on behalf of the 529 Plan's State Administrator and can direct the movement of funds in support of the recordkeeping and administrative responsibilities delegated to it under the applicable 529 Plan management agreement, UIA is considered to have custody of client assets. Accordingly, assets held in such a fashion are subject to a surprise examination by an independent public accounting firm on an annual basis. Both the accounting firm and UIA are subject to statutory and ethical constraints which require the upmost care and concern with respect to the assets under management. Accordingly, the firm requires each qualified

custodian and any other participating entities to prepare and send account statements on quarterly basis. These statements and any other reporting should be reviewed carefully and compared to other account information for consistency. Questions and/or concerns regarding such material may be addressed directly with the firm.

Item 16: Investment Discretion

All management authority regarding the underlying 529 Plan remains the exclusive responsibility of the State Administrator. UIA does not and will not express any discretionary authority over any aspect of the 529 Plan. All decisions relative to any investment strategies, 529 Plan portfolio design, construction of asset allocation portfolios, and underlying funds are made by the respective State Administrators.

Item 17: Voting Client Securities

In accordance with its fiduciary duty to its State Administrator clients and Rule 206(4)-6 of the Investment Advisers Act (1940), UIA has adopted and implemented written policies and procedures governing the voting of securities held within the various 529 Plan. All proxies received by UIA are treated in accordance with these policies and procedures. State Administrators generally reserve the right to vote their own proxies. It is UIA's general policy that the decisions on voting of shares of all underlying funds in the 529 Plan's portfolios are made by the respective State Administrators. In the event that UIA does not receive direction from a State Administrator, UIA will contact the Administrator for clarification.

Upon a written request from the Administrator or their designee, UIA shall provide consultation with respect to specific matters relating to the exercise of voting. In some instances, UII will physically vote the proxies for securities held in a 529 Plan per the State Administrator's specific instruction. In such cases, UIA will provide an annual report to the State Administrator or its designee within 30 days of the end of each calendar year detailing how the proxies were voted for securities held in the 529 Plan during that year. UIA will only vote after consultation with the investment manager in whose mutual funds the 529 Plan is invested. State Administrator clients may request reporting relative to how their respective 529 Plan's proxies were voted. With such notice, State Administrators can also take responsibility for voting their own proxies, or provide the firm with further instruction as to how to vote their respective shares. The firm will provide a copy of its proxy voting policies and procedures upon request.

Item 18: Financial Information

UIA has never filed for bankruptcy and is not aware of any financial condition that is expected to impair its ability to administer 529 Plan assets.

Miscellaneous

UIA has mandated several policies regarding the treatment of accounts and the security of any non-public or personal information therein. UIA prohibits the release of any client-related non-public or personal information to third parties unless authorized by the client or as otherwise required by law. In addition to this policy, the firm has also implemented a business continuity plan to help ensure the rapid resumption of business in the event of a disruptive event. The firm remains committed to its advisory business and welcomes any requests regarding copies of the firm's privacy and/or business continuity planning practices.

This document has been prepared in accordance with State and Federal disclosure requirements. Questions and/or concerns regarding its content or requests for further information about the firm or its personnel may be addressed directly with the firm.