



# CollegeBound 529

January 22, 2025

Not a Deposit | Not FDIC Insured | Not Guaranteed by the Bank |  
May Lose Value | Not Insured by any Federal Government Agency



# Agenda

- **Investment Overview**
  - **Personnel**
  - **Investment Philosophy**
  - **Positioning and Outlook**
- **Distribution Overview**
  - **Personnel**
  - **Accounts and Assets**
  - **Sales Results and Key Accomplishments**

# CollegeBound 529 Investment Overview

# CollegeBound Investment Team (Invesco Solutions)

Leverages the full resources of Invesco with a team-oriented investment approach



**Alessio de Longis, CFA**

Senior Portfolio Manager  
and Head of Investments

20 years of experience



**Jeff Bennett, CFA**

Senior Portfolio Manager  
and Head of Manager  
Selection

22 years of experience



**Scott Hixon, CFA<sup>1</sup>**

Senior Portfolio Manager  
and Head of Research

32 years of experience



**Scott Yasharian, CFA**

Investment Strategist

31 years of experience



**Sarah Fox, CFA**

Portfolio Manager,  
Manager Research

12 years of experience



**Jung Hwang,  
PhD, CFA<sup>1</sup>**

Senior Analyst,  
Portfolio Implementation

13 years of experience



**Preston Oklejas, CFA**

Senior Analyst,  
Manager Research

9 years of experience



**Debbie Li, CFA**

Senior Analyst,  
Investment Research

8 years of experience



**Meirambek Idrissov**

Senior Analyst,  
Manager Research

5 years of experience



**Joseph Hubner**

Analyst,  
Investment Research

2 years of experience



**Jared Greenberg**

Analyst,  
Investment Research

1 year of experience

<sup>1</sup> Member of Multi-Asset Strategies team

Source: Invesco. Data as of December 31, 2024. Subject to change without notice.

# Our Approach to CollegeBound

## Consider investment challenges specific to college savers

Limited time horizon (roughly 18 years)	Rigid costs set by Colleges & Universities
Difficult to overcome challenging performance periods and meet goals	Need to keep pace with rising cost of education Higher Education Price Index (HEPI)

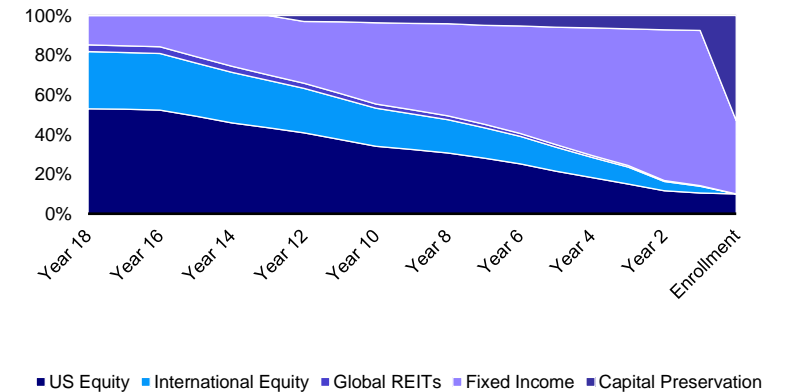
## Apply Invesco Solutions' investment design philosophy

Seeks to preserve capital and minimize shortfalls	Intelligent "gliding" (Progressive glide path)
Focus on risk-adjusted returns in excess of education inflation vs. total returns	Cost-conscious investment options

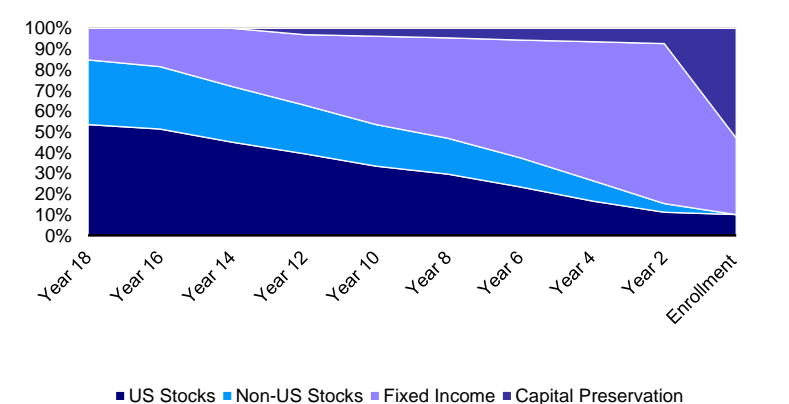
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Seeks to construct a glide path that defines its return target as the growth in the purchasing power of college savings

CollegeBound 529 Glide Path



CollegeBound Saver Glide Path



Source: Invesco. For illustrative purposes only.

# CollegeBound 529 Investment Enhancements

## ✓ All items approved by the SIC in December 2023 were successfully implemented in Q4 2024

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- ✓ Optimize the Year of Enrollment and Target Risk Portfolios within the Program while maintaining existing fee levels by the following actions:
  - ✓ Removal of the Invesco S&P 500 Pure Value ETF (RPV), the Invesco S&P 500 Pure Growth ETF (RPG), and the Invesco S&P 500 Low Volatility ETF (SPLV) and reallocate USA static factor allocations into the Invesco Russell 1000 Dynamic Multifactor ETF (OMFL)
  - ✓ Removal of the Invesco S&P International Developed Low Volatility ETF (IDLV) and reallocate non-USA developed market static factor allocations into the Invesco International Developed Dynamic Multifactor ETF (IMFL)
  - ✓ Removal of the Invesco Taxable Municipal Bond ETF (BAB) and reallocate into the Invesco Equal Weight 0-30 Year Treasury ETF (GOVI)
  - ✓ Removal of the Invesco Fundamental High Yield Corporate Bond ETF (PHB) and reallocate into the Invesco High Yield Fund (HYIFX)
  
- ✓ Enhance the Individual Portfolio lineup by the following actions:
  - ✓ Addition of two dynamic multi-factor ETFs: the Invesco Russell 1000 Dynamic Multifactor ETF (OMFL) and the Invesco International Developed Dynamic Multifactor ETF (IMFL)
  - ✓ Removal of the Invesco Fundamental High Yield Corporate Bond Portfolio and move existing assets to a newly created Invesco High Yield Portfolio.
  
- ✓ Reweight the Program's Strategic Asset Allocation once per annum to more closely align with Invesco's current Capital Market Assumptions and resultant Strategic Asset Allocation, subject to the constraint that aggregate expense ratios remain within +/- 3 bps<sup>1</sup> of current expense ratios.

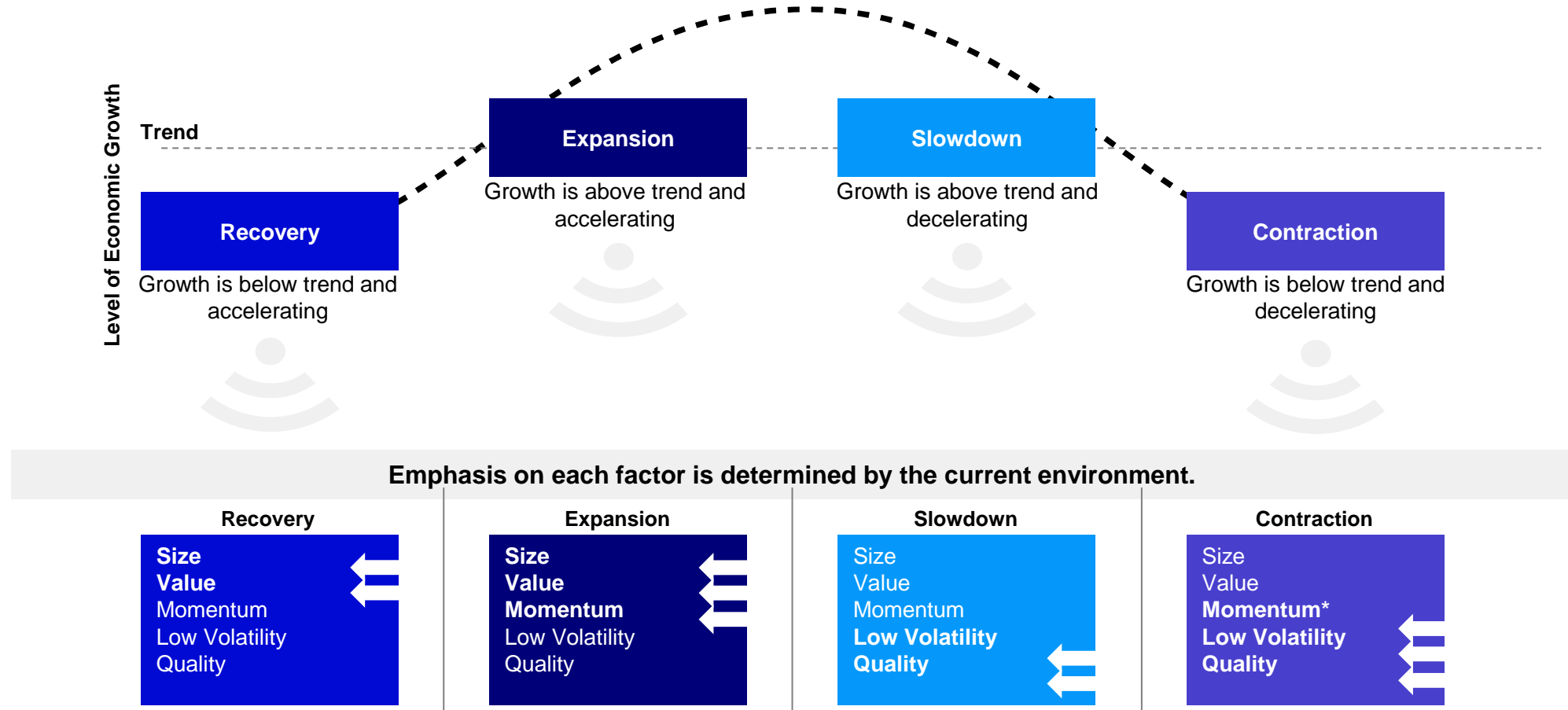
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1. A basis point (bps) is 0.01%

# Macro Regimes and Factor Cyclicity Driving the Dynamic Multifactor ETFs (OMFL & IMFL)

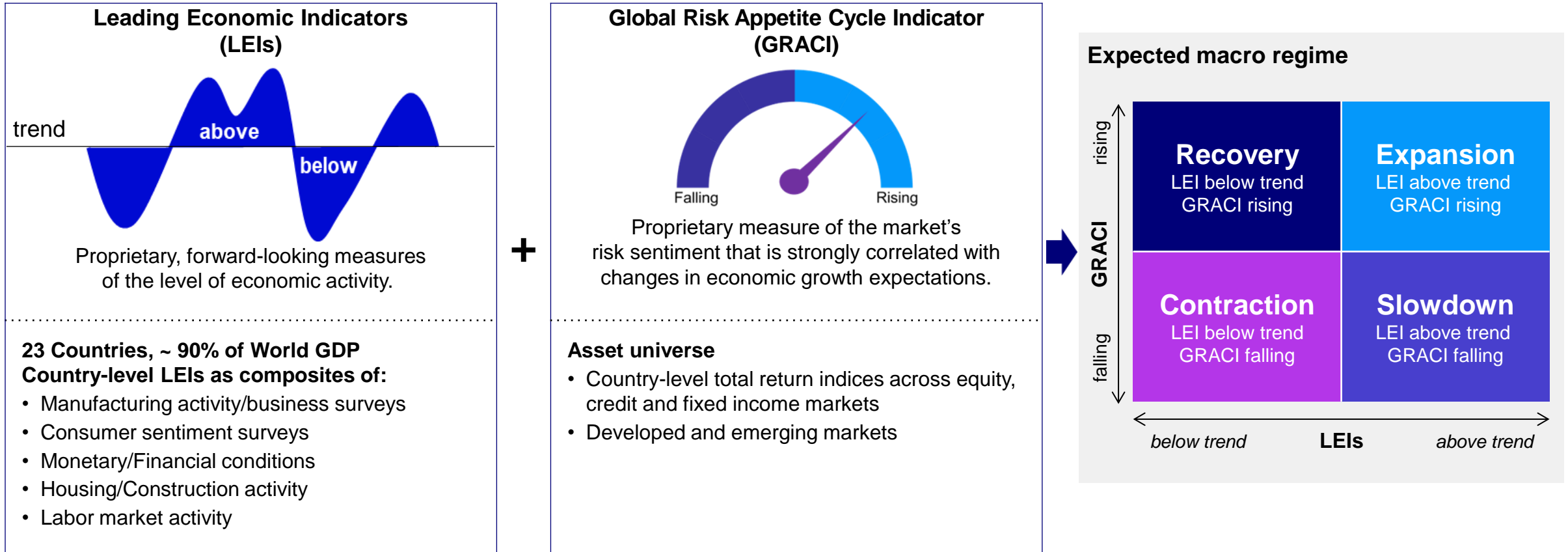
Factor returns vary under different macro environments

## Four Regimes



\*Momentum combined with the quality and low volatility factors using a bottom-up framework has the potential to act defensively in contractionary periods. Momentum investing are stocks that rise or fall in price tend to continue rising or falling in price. The FTSE Russell Factor definition: Cumulative 11-month return (last 12 months excluding the most recent month) For Illustrative Purposes Only and does not constitute a recommendation of the suitability of any investment strategy for a particular investor. Factor investing is an investment strategy in which securities are chosen based on certain characteristics and attributes that may explain differences in returns. Factor investing may underperform cap-weighted benchmarks and increase portfolio risk.

# Invesco Macro Regime Identification



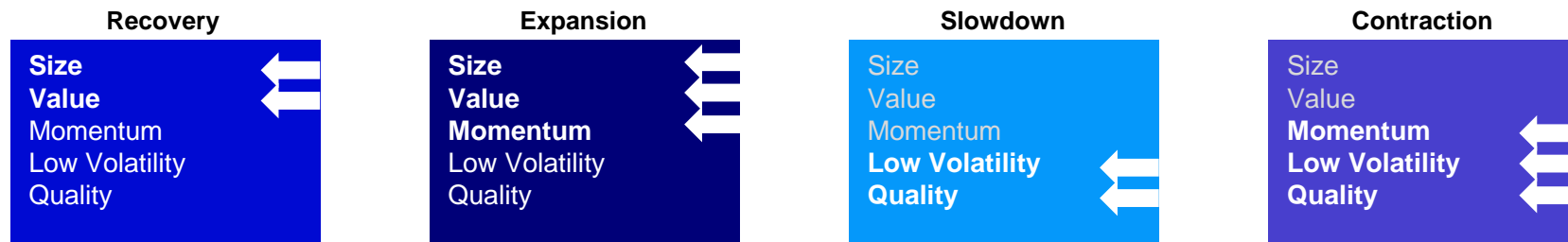
Source: de Longis, Alessio, "Dynamic Asset Allocation Through the business Cycle: A Macro Regime Approach", *Invesco Investment Solutions Manuscript* (2019).  
 de Longis, Alessio and Dianne Ellis, "Market Sentiment and the Business Cycle: Identifying Macro Regimes Through Investor Risk Appetite", *Invesco Investment Solutions Manuscript* (2019).  
 Polk, Haghbin, de Longis. "Time-Series Variation in Factor Premia: The Influence of the Business Cycle." *Journal of Investment Management* 18, no. 1 (2020): 69–89



# FTSE's Unique Dynamic Multi-Factor Approach at the Factor Level

On a monthly basis, this IIS macro signal is used to identify a regime, which is used to overweight/underweight equity factors within the Russell 1000 and Russell 2000 universe.

Factor Overweights for Given Regime					
	Low Volatility	Size	Value	Momentum	Quality
(1) Recovery	0	2	2	0	0
(2) Expansion	0	1	1	2	0
(3) Slowdown	2	0	0	0	2
(4) Contraction	2	0	0	2	2
Factor Overweights for Other Russell Indices					
Russell 1000	0	0	0	0	0
Russell 1000 Comprehensive Factor	1	1	1	1	1



For illustrative purposes only

# CollegeBound 529 Distribution Overview

# CollegeBound 529 Distribution Team



**Chris Werner, CIMA®, Senior Director of Education Savings**

As Senior Director, Chris and his team manage distribution of the CollegeBound 529 program. In addition to the distribution of CollegeBound 529, he has responsibilities in relationship management with Ascensus, Rhode Island, operational partners and Broker Dealers. In his previous roles, Chris was responsible for the Oppenheimer 529 college savings plans with NM, IL, State Farm and Private College 529. Chris has over 25 years of industry experience and resides in Houston, TX.



**Andrew Brown, CIMA®, Education Savings Consultant (West Region)**

Andrew is the external 529 Plan Consultant covering the Western Region. Prior to taking on this role, Andrew worked as a sales consultant for 9 years at Invesco covering Wires, Independents, and Regional Channels. Andrew works to consult and partner with financial professionals to help deepen connections with the households they serve. Andrew leverages his experience and relationships to educate financial professionals on the need to plan for college savings, and the path to do so with CollegeBound 529. Prior to working at Invesco, Andrew worked as a financial professional for 3 years. Andrew is based out of Dallas, TX.



**Arun Nanjappa, CIMA®, Director of Education Savings**

Arun serves as the Director of Education Savings for the CollegeBound 529 plan. He works very closely with both internal and external business partners to position the plan for continued success. His main areas of focus include relationship management, business development, and project management. In his previous roles at Invesco, Arun was the lead Business Development Manager for the Wire and Broker Dealer channels and prior to that worked as an analyst within the Risk Management Department. Arun entered the investment management industry in 2006 and resides in Houston, TX.



**Heather Holliday, Product Operations Manager**

Heather is a Product Operations Manager currently working with the CollegeBound 529 plan. Heather has over 20 years of experience in the investment management industry serving in a variety of leadership roles. In her current role, she is responsible for working with both internal and external business partners on projects regarding updates and maintenance of the CollegeBound 529 plan. Prior to joining the team, Heather worked in a similar role for the Oppenheimer Scholar's Edge 529 plan. Heather resides in Denver, CO.



**Tony Bamonte, Education Savings Consultant (East Region)**

Tony is the external 529 plan consultant covering the Eastern Region. In his role, he consults with financial professionals to help them implement effective college saving strategies for their professional practices and identifies innovative solutions to address their clients' college savings needs. Prior to joining the team, Tony served in a similar role for 6 years for the Oppenheimer Scholar's Edge 529 plan. Tony also served as a Morgan Stanley financial professional for 9 years. Tony resides in Minnesota.

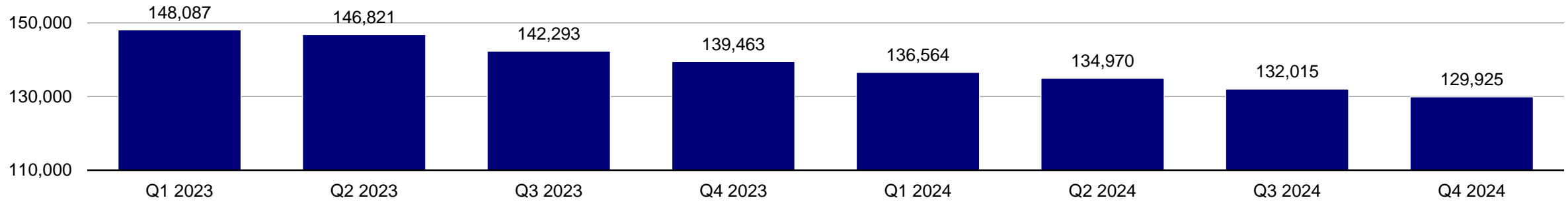


**Shelby Watson, Senior Marketer, Retirement and 529 Marketing**

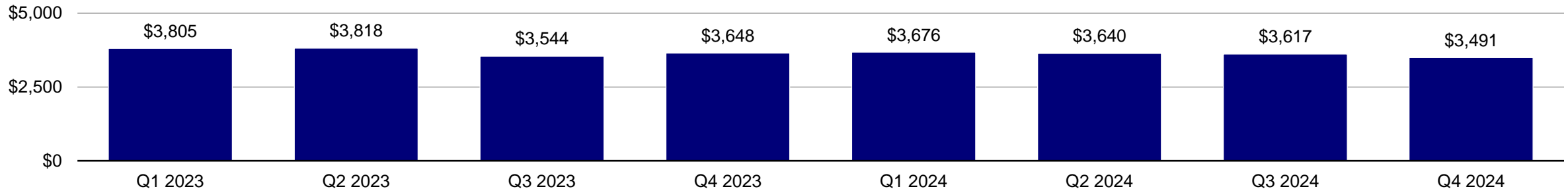
Shelby is the Senior Marketer for 529 at Invesco. She has been with the firm for over 3 years and has been working with 529 plans since 2017. She is responsible for the marketing and advertising of the CollegeBound 529 campaigns and programs such as: website management, search engine ads, social media ads, third party sponsorships, and management over regular blog articles. Shelby resides in Atlanta, GA and has 12 years of marketing experience.

# Snapshot of Program Accounts and Assets

## Program Accounts (Active Accounts)



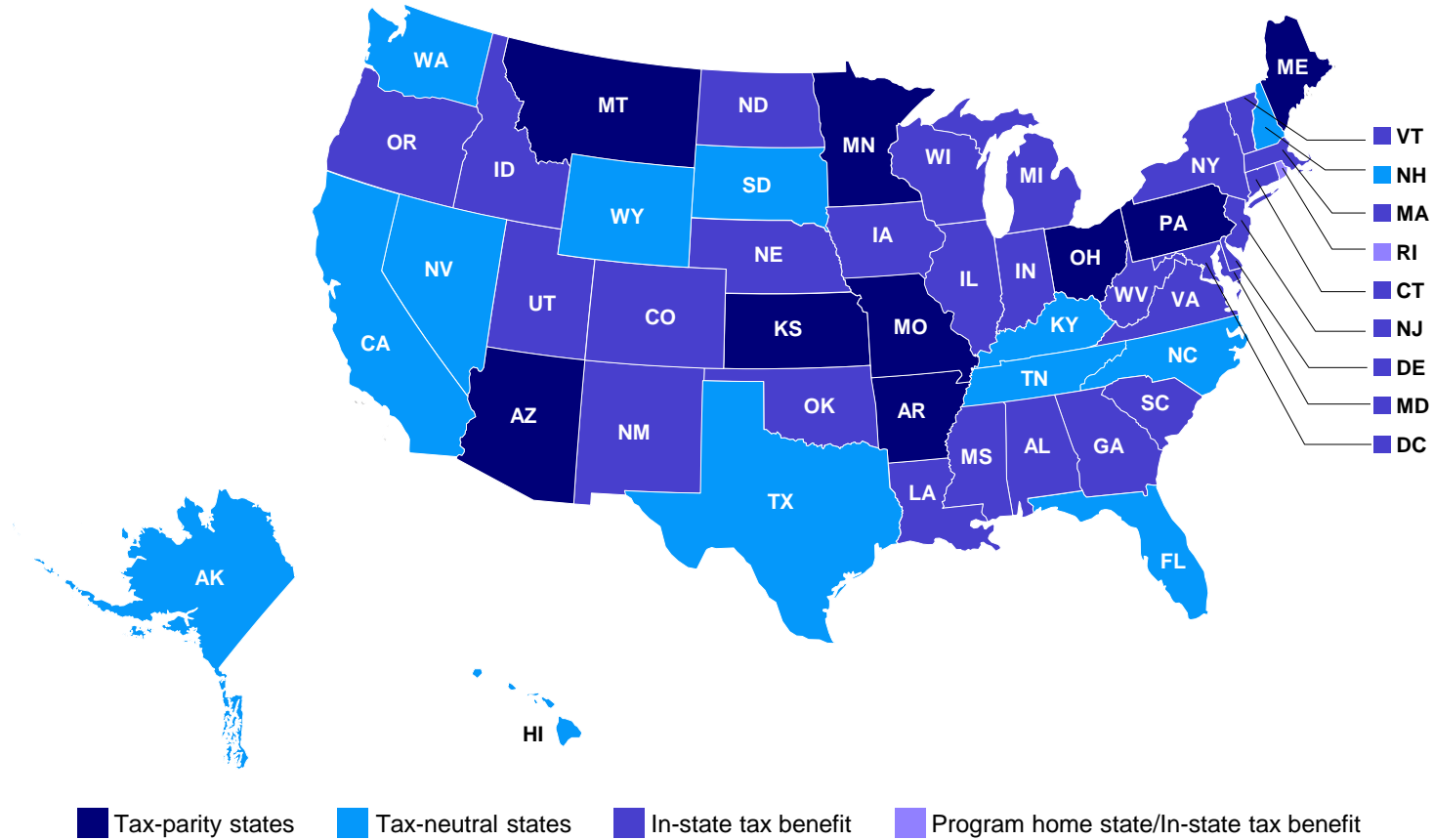
## Program Assets (\$M)



**CollegeBound 529 has a large concentration of assets and accounts among college-age and near college-age beneficiaries who are utilizing their accounts for the intended purpose: qualified educational distributions. (Accounts close when total assets in an account are withdrawn.)**

Source: Ascensus, as of December 31, 2024.

# Top States by Assets: CollegeBound 529



State	Assets	% of Total AUM
California	\$560M	16%
Texas	\$379M	11%
New Jersey	\$355M	10%
Florida	\$243M	7%
New York	\$237M	7%
Massachusetts	\$187M	5%
Pennsylvania	\$178M	5%
Rhode Island	\$143M	4%
Illinois	\$122M	3%
Minnesota	\$93M	3%

Source: Ascensus, as of December 31, 2024.

# 2024 Sales Results



	2024 Results	Year over year (YoY) change from 2023
New Accounts:	6,417	+6%
Overall contributions:	\$174.8 Million	+2%
New Account % for beneficiaries ages 0-5	37%	+3%

Source: Ascensus, as of December 31, 2024.

# Key Accomplishments for CollegeBound 529

## 2023 through 2024 Key Accomplishments

- Over 12,000 new accounts and \$330 million in contributions over last two-year period
- 5,000+ new accounts opened for beneficiaries aged 0 through 5 in last two years
- Investment enhancements recently implemented resulted in a reduction in fees across the majority of Year of Enrollment & Target Risk Portfolios
- Modified the individual fund lineup to further meet investor demand. In Q4 of 2024, three new individual funds were introduced (2 new and one replacement)
- Rewrite of CollegeBound 529 Program Description completed in 2024 and sent to all account owners

Source: Ascensus, as of December 31, 2024.

# Disclosures

**Not a Deposit | Not FDIC Insured | Not Guaranteed by the Bank | May Lose Value | Not Insured by any Federal Government Agency**

**Before investing or sending money for your client, consider whether their or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program. For more information about CollegeBound 529, call 877-615-4116 or visit to obtain a Program Description, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing. Invesco Distributors, Inc. is the distributor of CollegeBound 529.**

CollegeBound 529 is administered by the Rhode Island Office of the General Treasurer and the Rhode Island State Investment Commission. Ascensus College Savings Recordkeeping Services, LLC, the Program Manager, and its affiliates, have overall responsibility for the day-to-day operations of CollegeBound 529 including recordkeeping and administrative services. Invesco Advisors, Inc. serves as the Investment Manager. Invesco Distributors, Inc. markets and distributes CollegeBound 529.

An investment in the Portfolios is subject to risks including: investment risks of the Portfolios which are described in the Program Description; the risk (a) of losing money over short or even long periods; (b) of changes to CollegeBound 529, including changes in fees; (c) of federal or state tax law changes; and (d) that contributions to CollegeBound 529 may adversely affect the eligibility of the Beneficiary or the Account Owner for financial aid or other benefits. For a detailed description of the risks associated with CollegeBound 529, and the risks associated with the Portfolios and the Underlying Funds, please refer to the Program Description.

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