



# Capital Cities

INSTITUTIONAL INVESTING MADE PERSONAL



## CollegeBound 529 and CollegeBound Saver Program Review December 6, 2023

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# CollegeBound Program Review

## Summary of Findings

### Investment Menus

- CollegeBound 529 (Advisor Plan) and CollegeBound Saver (Direct Plan) offer comprehensive investment menus, including Age-Based, Target Risk and Individual Portfolios.
- Investment menu enhancements are being proposed by Invesco for the CollegeBound 529 Plan (see Invesco's Investment Enhancement Proposal).
- No investment menu changes are currently recommended for CollegeBound Saver.

### Manager Due Diligence/Ongoing Monitoring

- The 529 Portfolios are evaluated on an ongoing basis, per the Investment Policy Statement guidelines.
- The Stable Value Portfolio continues to display a favorable construction with a diversified approach, based on Capital Cities' recent onsite due diligence meeting.

### Fees

- The Plans' fees are quite competitive relative to their respective peers.

### Investment Policy Statement

- An amended Investment Policy Statement will be distributed to the SIC in early 2024, once investment menu decisions are made and SECURE 2.0 529 language is finalized.

# Investment Menu Review





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# Investment Menu Review

## Reviewing the Plans' Investment Menus

Are the investment menus:

-  Providing an investment solution for each type of Account Owner and Financial Professional?
-  Offering the optimal number of Portfolios that provides sufficient diversification opportunity while minimizing Account Owner confusion?
-  Appropriate in light of the current industry trends and regulations?
-  Meeting the Rhode Island State Investment Commission's (SIC) unique objectives and preferences?

# Investment Menu Overview

## Tailored to the Distribution Channels

### CollegeBound 529

- Offers a comprehensive investment menu, which incorporates feedback from financial professionals
- Provides 11 Age-Based Portfolios (diversified portfolios based on time horizon), 4 Target Risk Portfolios (pre-allocated portfolios based on risk tolerance), and 20 Individual Portfolios (stand-alone options to build custom portfolios)
- Leverages Invesco-branded strategies, representing all major asset classes, along with additional opportunities for diversification

### CollegeBound Saver

- Emphasizes a straight-forward, easy to understand approach for Direct-sold Account Owners
- Meets Account Owners' needs by offering 11 Age-Based Portfolios, 3 Target Risk Portfolios, and 8 Individual Portfolios
- Includes white-labeled Portfolios in each major asset class with primarily low-cost, passive underlying managers

# CollegeBound 529 Plan (Advisor Plan)

## Investment Menu Overview

Individual Portfolios (20% of Plan assets)		Target Risk Portfolios (20% of Plan assets)	Age-Based Portfolios (60% of Plan assets)
<b>Capital Preservation:</b>	<b>Equity:</b>		
Invesco Stable Value Portfolio	Invesco S&P 500 Low Volatility Portfolio	Invesco Conservative College Portfolio	Invesco CollegeBound Today Portfolio
	Invesco Equally-Weighted S&P 500 Portfolio	Invesco Moderate College Portfolio	Invesco CollegeBound 2023-2024 Portfolio
<b>Fixed Income:</b>	Invesco Diversified Dividend Portfolio	Invesco Growth College Portfolio	Invesco CollegeBound 2025-2026 Portfolio
Invesco Short Duration Inflation Protected Portfolio	Invesco American Franchise Portfolio	Invesco Aggressive College Portfolio	Invesco CollegeBound 2027-2028 Portfolio
Invesco Core Plus Bond Portfolio	Invesco NASDAQ 100 Index Portfolio		Invesco CollegeBound 2029-2030 Portfolio
Invesco Core Bond Portfolio	Invesco MSCI World SRI Index Portfolio		Invesco CollegeBound 2031-2032 Portfolio
Invesco Fundamental High Yield Corp. Bond Portfolio	Invesco Oppenheimer International Growth Portfolio		Invesco CollegeBound 2033-2034 Portfolio
<b>Balanced:</b>	Invesco Discovery Mid Cap Growth Portfolio		Invesco CollegeBound 2035-2036 Portfolio
Invesco Equity and Income Portfolio	Invesco Main Street Small Cap Portfolio		Invesco CollegeBound 2037-2038 Portfolio
<b>Real Estate:</b>	Invesco Small Cap Value Portfolio		Invesco CollegeBound 2039-2040 Portfolio
Invesco Global Real Estate Income Portfolio	Invesco Small Cap Growth Portfolio		Invesco CollegeBound 2041-2042 Portfolio
	Invesco Global Focus Portfolio		
	Invesco Developing Markets Portfolio		

The CollegeBound 529 Plan totals \$3.5 billion in assets and approximately 140,500 funded accounts.

Note: Data is as of September 30, 2023.

# CollegeBound Saver Plan (Direct Plan)

## Investment Menu Overview

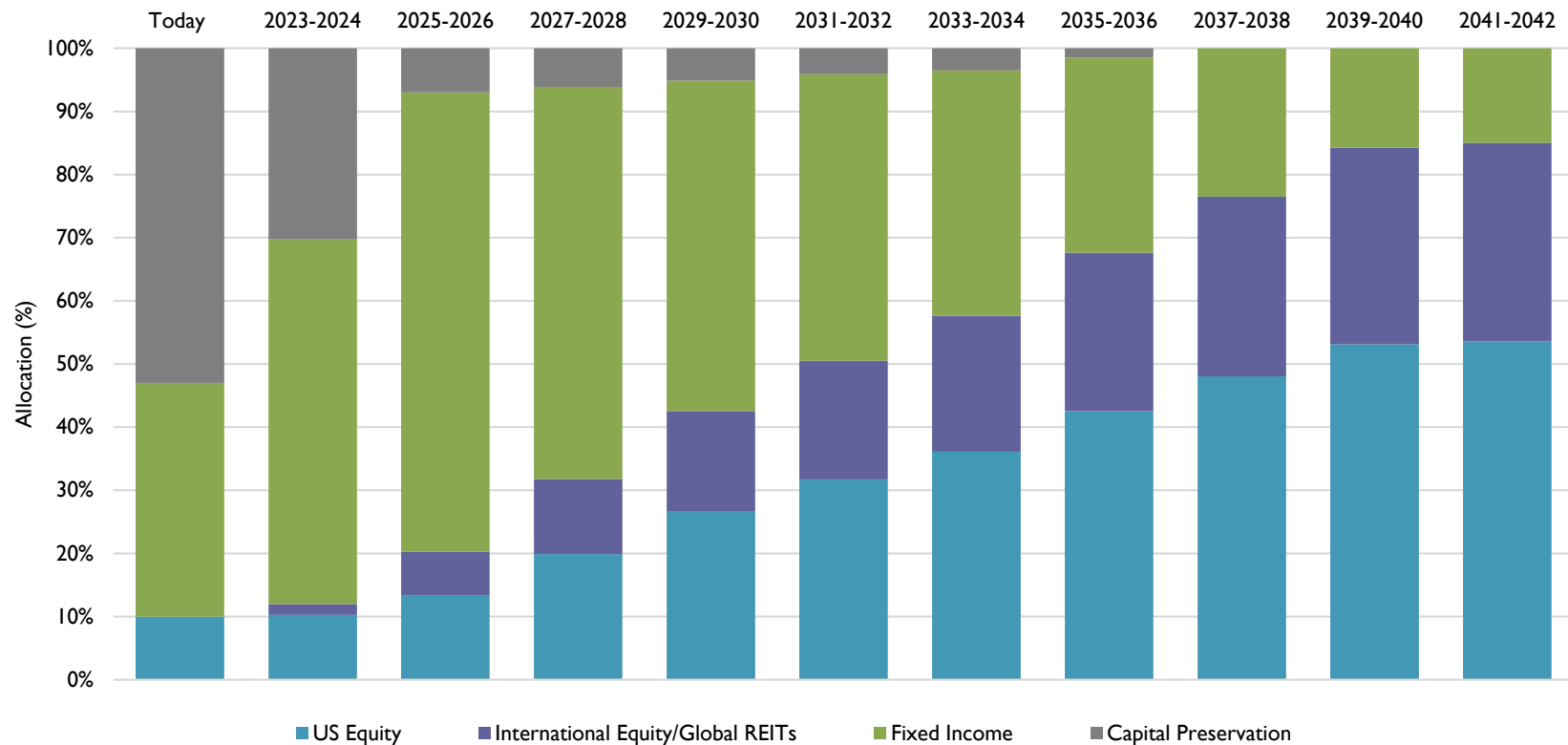
Individual Portfolios (32% of Plan assets)	Target Risk Portfolios (13% of Plan assets)	Age-Based Portfolios (55% of Plan assets)
<b>Capital Preservation:</b>		
Stable Value Portfolio <i>(Invesco Custom Stable Value Separate Account)</i>	Conservative Growth Portfolio <i>(Vanguard LifeStrategy Conservative Growth)</i>	CollegeBound Today Portfolio
<b>Fixed Income:</b>	Moderate Growth Portfolio <i>(Vanguard LifeStrategy Moderate Growth)</i>	CollegeBound 2023-2024 Portfolio
Inflation Protected Bond Portfolio <i>(Vanguard Short-Term Inflation-Protected Securities Index)</i>	Growth Portfolio <i>(Vanguard LifeStrategy Growth)</i>	CollegeBound 2025-2026 Portfolio
Bond Portfolio <i>(Vanguard Total Bond Market Index)</i>		CollegeBound 2027-2028 Portfolio
<b>Equity:</b>		CollegeBound 2029-2030 Portfolio
U.S. Stock Portfolio <i>(Vanguard Total Stock Market Index)</i>		CollegeBound 2031-2032 Portfolio
S&P 500 Portfolio <i>(Schwab S&amp;P 500 Index)</i>		CollegeBound 2033-2034 Portfolio
Global Responsible Equity Portfolio <i>(Invesco MSCI World SRI Index)</i>		CollegeBound 2035-2036 Portfolio
International Stock Portfolio <i>(Vanguard Total International Stock Index)</i>		CollegeBound 2037-2038 Portfolio
U.S. Small-Mid Cap Portfolio <i>(Vanguard Extended Market Index)</i>		CollegeBound 2039-2040 Portfolio
		CollegeBound 2041-2042 Portfolio

The CollegeBound Saver Plan totals \$368 million in assets and approximately 22,200 funded accounts.

Note: Data is as of September 30, 2023.

# Age-Based Portfolios' Glide Path

## Glide Path Approach



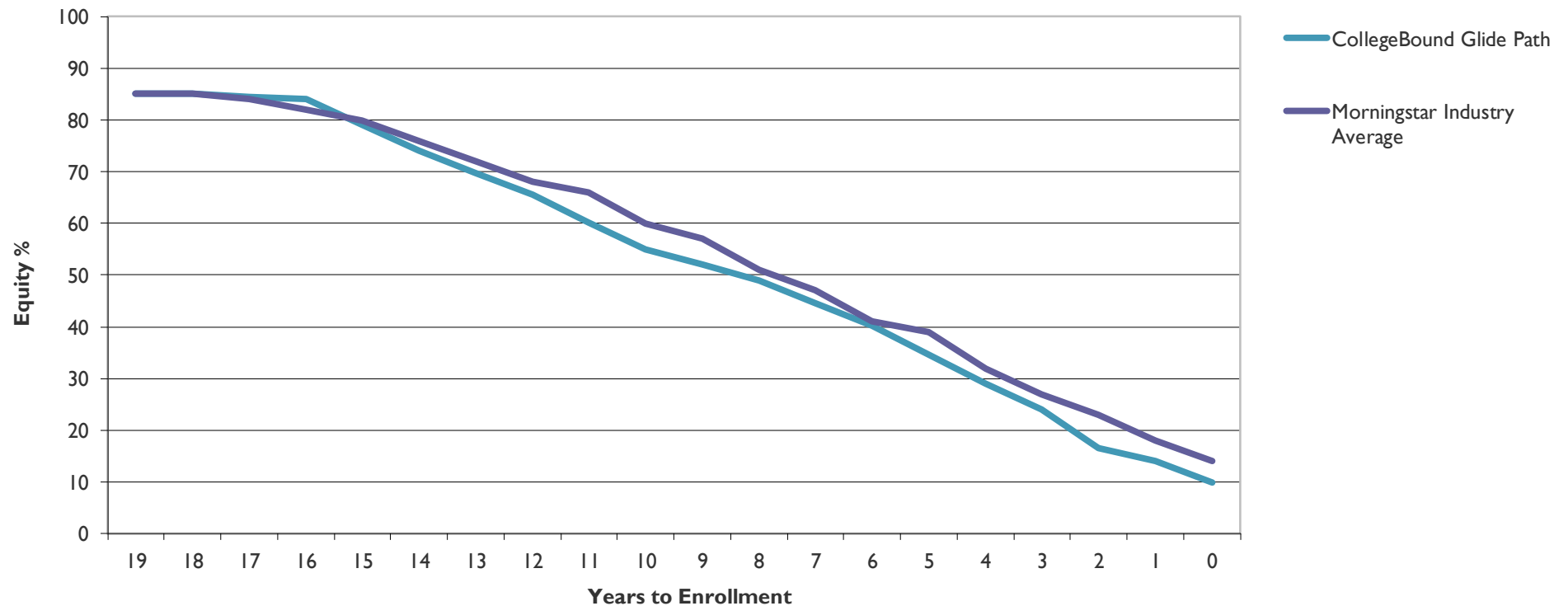
- Age-Based Portfolios are offered to provide diversified portfolios based on time horizon.
- CollegeBound is favorably positioned relative to peers, given its two-year age band approach and progressive glide path (quarterly roll downs).
- The Plans currently follow a strategic asset allocation approach in which monthly rebalancing occurs.

Source: Invesco Investment Solutions as of January 2, 2024. Sample graph, for illustrative purposes only.



# Age-Based Portfolios' Glide Path

## Glide Path Peer Comparison



- The glide path is custom to CollegeBound and seeks to preserve capital and minimize the risk of college savings shortfalls.
- The glide path is generally comparable to the industry average peers.

CollegeBound Glide Path Source: Invesco Investment Solutions. For illustrative purposes only.

Morningstar Industry Average: <https://www.morningstar.com/529-plans/5PUSA006B3>. Accessed November 14, 2023.

# CollegeBound 529's Age-Based Portfolios

## Manager Construction

Portfolio	Today	2023-2024	2025-2026	2027-2028	2029-2030	2031-2032	2033-2034	2035-2036	2037-2038	2039-2040	2041-2042
<b>US Equity</b>	<b>10.0%</b>	<b>10.3%</b>	<b>13.4%</b>	<b>19.9%</b>	<b>26.7%</b>	<b>31.7%</b>	<b>36.1%</b>	<b>42.5%</b>	<b>48.0%</b>	<b>53.1%</b>	<b>53.6%</b>
Invesco S&P 500 Pure Value ETF	1.7%	1.6%	1.5%	2.3%	3.3%	3.8%	4.6%	5.6%	6.4%	7.1%	7.2%
Invesco S&P 500 Pure Growth ETF	3.4%	3.6%	3.9%	5.7%	8.1%	9.3%	11.2%	13.7%	15.9%	17.7%	17.7%
Invesco S&P 500 Low Volatility ETF	2.0%	1.3%	0.4%	0.8%	1.2%	1.4%	1.7%	2.2%	2.5%	2.7%	2.8%
Invesco MSCI USA ETF	3.0%	3.8%	6.0%	7.9%	9.6%	11.6%	12.2%	13.1%	13.8%	14.9%	15.0%
Invesco Discovery Mid Cap Growth Fund Class R6	0.0%	0.0%	1.0%	2.0%	2.8%	3.5%	4.0%	4.7%	5.5%	6.2%	6.3%
Invesco Main Street Small Cap Fund Class R6	0.0%	0.0%	0.6%	1.3%	1.8%	2.1%	2.5%	3.2%	4.0%	4.6%	4.6%
<b>International Equity/Global REITs</b>	<b>0.0%</b>	<b>1.7%</b>	<b>6.9%</b>	<b>11.9%</b>	<b>15.8%</b>	<b>18.8%</b>	<b>21.5%</b>	<b>25.1%</b>	<b>28.5%</b>	<b>31.1%</b>	<b>31.5%</b>
Invesco Oppenheimer International Growth Fund Class R6	0.0%	0.4%	1.5%	3.0%	4.5%	5.6%	6.6%	8.1%	9.5%	10.3%	10.4%
Invesco S&P International Developed Low Volatility ETF	0.0%	1.3%	3.6%	5.5%	6.4%	7.2%	7.9%	8.6%	9.3%	10.3%	10.4%
Invesco Developing Markets Fund Class R6	0.0%	0.0%	0.9%	1.6%	2.3%	2.8%	3.3%	3.9%	4.5%	4.9%	4.9%
Invesco S&P Emerging Markets Low Volatility ETF	0.0%	0.0%	0.6%	1.2%	1.6%	2.0%	2.3%	2.8%	3.2%	3.4%	3.5%
Invesco Global Real Estate Income Fd CI R6	0.0%	0.0%	0.3%	0.7%	1.1%	1.3%	1.4%	1.7%	2.0%	2.3%	2.4%
<b>Fixed Income</b>	<b>37.0%</b>	<b>57.8%</b>	<b>72.7%</b>	<b>62.1%</b>	<b>52.3%</b>	<b>45.4%</b>	<b>38.9%</b>	<b>30.9%</b>	<b>23.5%</b>	<b>15.8%</b>	<b>15.0%</b>
Invesco Core Plus Bond Fund CI R6	12.5%	18.6%	21.4%	19.3%	17.9%	15.9%	13.2%	9.8%	6.6%	4.6%	4.4%
Invesco Taxable Municipal Bond ETF	0.0%	2.5%	8.4%	8.5%	7.6%	6.7%	5.9%	4.9%	4.7%	3.5%	3.4%
Invesco Short Term Bond Fund CI R6	6.3%	10.7%	15.4%	12.6%	9.4%	7.4%	6.7%	5.9%	4.4%	2.9%	2.8%
Invesco Floating Rate ESG Fund Class R6	4.0%	6.4%	8.4%	7.3%	6.3%	5.6%	4.9%	3.9%	2.9%	1.6%	1.5%
Invesco Short Duration Inflation Protected Fund CI R6	9.2%	12.5%	11.6%	7.9%	5.2%	4.2%	3.3%	2.5%	1.8%	1.1%	1.0%
Invesco Fundamental High Yield Corporate Bond ETF	5.0%	7.2%	7.6%	6.5%	5.9%	5.5%	4.9%	3.9%	3.2%	2.1%	2.0%
<b>Capital Preservation</b>	<b>53.0%</b>	<b>30.3%</b>	<b>7.0%</b>	<b>6.1%</b>	<b>5.1%</b>	<b>4.1%</b>	<b>3.5%</b>	<b>1.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Invesco Stable Value Fund	35.3%	20.2%	4.7%	4.1%	3.4%	2.8%	2.3%	1.0%	0.0%	0.0%	0.0%
Invesco Short Term Gov & Agency	17.7%	10.1%	2.3%	2.0%	1.7%	1.4%	1.2%	0.5%	0.0%	0.0%	0.0%

- CollegeBound 529's Age-Based Portfolios are diversified across Invesco's proprietary products, utilizing active and passive strategies.
- Invesco is proposing manager construction enhancements, including dynamic multi-factor ETFs and more frequent reweighting of the strategic asset allocation, that will allow the Portfolios to adjust more quickly to changing market conditions.
- Enhancements to the Fixed Income construction is also recommended (see Invesco's Investment Enhancement Proposal).

Source: Invesco Investment Solutions, as of January 2, 2024.

# CollegeBound Saver's Age-Based Portfolios

## Manager Construction

Portfolio	Today	2023-2024	2025-2026	2027-2028	2029-2030	2031-2032	2033-2034	2035-2036	2037-2038	2039-2040	2041-2042
<b>US Equity</b>	<b>10.0%</b>	<b>10.3%</b>	<b>13.4%</b>	<b>19.9%</b>	<b>26.7%</b>	<b>31.8%</b>	<b>36.1%</b>	<b>42.5%</b>	<b>48.0%</b>	<b>53.1%</b>	<b>53.6%</b>
iShares Core S&P Total U.S. Stock Market ETF	10.0%	10.3%	13.4%	19.9%	26.7%	31.8%	36.1%	42.5%	48.0%	53.1%	53.6%
<b>International Equity/Global REITs</b>	<b>0.0%</b>	<b>1.8%</b>	<b>6.9%</b>	<b>11.9%</b>	<b>15.8%</b>	<b>18.8%</b>	<b>21.6%</b>	<b>25.1%</b>	<b>28.5%</b>	<b>31.1%</b>	<b>31.5%</b>
Vanguard Total Intl Stock Index Fund Instl Shares	0.0%	1.8%	6.6%	11.2%	14.7%	17.5%	20.2%	23.4%	26.5%	28.9%	29.1%
Vanguard GI ex-U.S. Real Estate Index Fund Admiral Shs	0.0%	0.0%	0.3%	0.7%	1.1%	1.3%	1.4%	1.7%	2.0%	2.3%	2.4%
<b>Fixed Income</b>	<b>37.0%</b>	<b>57.8%</b>	<b>72.7%</b>	<b>62.1%</b>	<b>52.4%</b>	<b>45.4%</b>	<b>38.9%</b>	<b>30.9%</b>	<b>23.5%</b>	<b>15.8%</b>	<b>15.0%</b>
Vanguard Short-Term Infl-Protected Securities Index Fd Inst	11.7%	13.6%	14.9%	11.4%	7.5%	6.1%	4.8%	3.4%	2.1%	1.5%	1.5%
Vanguard Short-Term Investment Grade Fund Instl Shrs	13.6%	16.8%	15.1%	8.6%	4.8%	3.7%	2.9%	2.3%	1.9%	1.0%	1.0%
Vanguard Total Bond Market II Index Fund Instl Shares	11.8%	27.4%	42.8%	42.1%	40.0%	35.6%	31.2%	25.2%	19.5%	13.2%	12.6%
<b>Capital Preservation</b>	<b>53.0%</b>	<b>30.3%</b>	<b>7.0%</b>	<b>6.1%</b>	<b>5.1%</b>	<b>4.1%</b>	<b>3.5%</b>	<b>1.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Invesco Short Term Treasury ETF	53.0%	30.3%	7.0%	6.1%	5.1%	4.1%	3.5%	1.5%	0.0%	0.0%	0.0%

CollegeBound Saver's Age-Based Portfolios utilize an open architecture approach with passive, low-cost exposure to iShares, Invesco and Vanguard products.

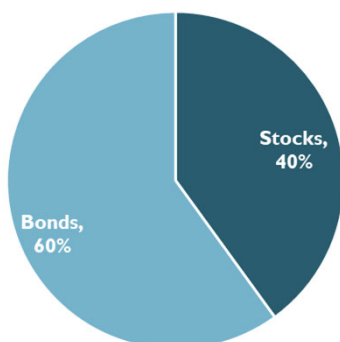
Source: Invesco Investment Solutions, as of January 2, 2024.

# Target Risk Portfolios

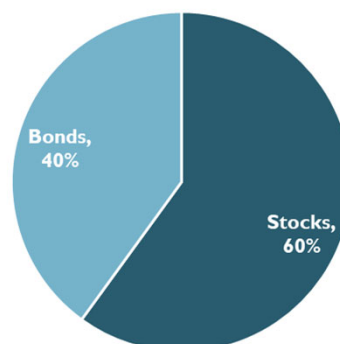
## Target Risk Portfolios' Menu

### CollegeBound Saver: (Direct)

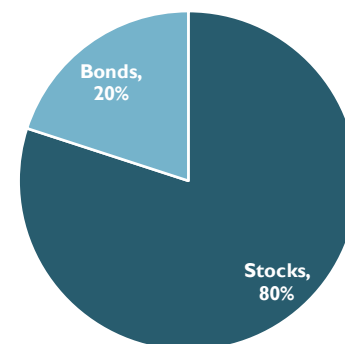
Conservative Growth Portfolio  
(Vanguard LifeStrategy Conservative Growth)



Moderate Growth Portfolio  
(Vanguard LifeStrategy Moderate Growth)

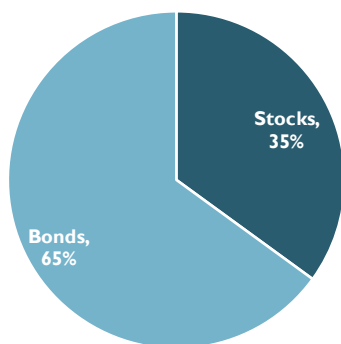


Growth Portfolio  
(Vanguard LifeStrategy Growth)

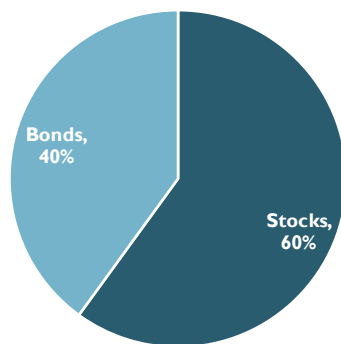


### CollegeBound 529: (Advisor)

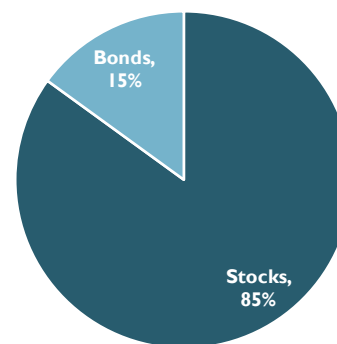
Invesco Conservative College  
Portfolio



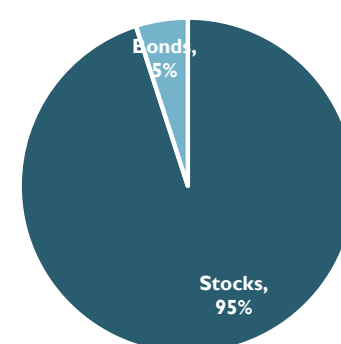
Invesco Moderate College Portfolio



Invesco Growth College Portfolio



Invesco Aggressive College Portfolio



- Target Risk Portfolios are offered to provide diversified portfolios based on risk tolerance.
- CollegeBound 529 Target Risk Portfolios' underlying strategies mimic the Age-Based Portfolios; therefore, the same enhancements are being recommended by Invesco (see Invesco's Investment Enhancement Proposal).
- CollegeBound Saver's Target Risk Portfolios are comprised of passive Vanguard LifeStrategy Funds.

# CollegeBound 529's Individual Portfolios

## Allowing Financial Professionals to Build Custom Portfolios

- CollegeBound 529 offers a comprehensive investment menu of Individual Portfolios given account owners are working with a financial professional.
- Each major asset class is represented, allowing financial professionals to build diversified portfolios or express a particular bias within their clients' portfolios.
- Invesco is recommending enhancements to the Individual Portfolio menu, including adding the Invesco Russell 1000 Dynamic Multifactor ETF and the Invesco International Developed Dynamic Multifactor ETF, and replacing the Invesco Fundamental High Yield Corporate Bond Portfolio with the Invesco High Yield Fund (See Invesco's Investment Enhancement Proposal).

Individual Portfolios (20% of Plan assets)	
<b>Capital Preservation:</b>	<b>Equity:</b>
Invesco Stable Value Portfolio	Invesco S&P 500 Low Volatility Portfolio
	Invesco Equally-Weighted S&P 500 Portfolio
<b>Fixed Income:</b>	Invesco Diversified Dividend Portfolio
Invesco Short Duration Inflation Protected Portfolio	Invesco American Franchise Portfolio
Invesco Core Plus Bond Portfolio	Invesco NASDAQ 100 Index Portfolio
Invesco Core Bond Portfolio	Invesco MSCI World SRI Index Portfolio
Invesco Fundamental High Yield Corp. Bond Portfolio	Invesco Oppenheimer International Growth Portfolio
<b>Balanced:</b>	Invesco Discovery Mid Cap Growth Portfolio
Invesco Equity and Income Portfolio	Invesco Main Street Small Cap Portfolio
<b>Real Estate:</b>	Invesco Small Cap Value Portfolio
Invesco Global Real Estate Income Portfolio	Invesco Small Cap Growth Portfolio
	Invesco Global Focus Portfolio
	Invesco Developing Markets Portfolio

# CollegeBound Saver's Individual Portfolios

## Allowing Account Owners to Build Custom Portfolios

- CollegeBound Saver offers Individual Portfolios in each major asset class (Capital Preservation, Fixed Income and Equity).
- White-labeled Portfolios are utilized to assist account owners.

### Individual Portfolios (32% of Plan assets)

#### Capital Preservation:

##### Stable Value Portfolio

*(Invesco Custom Stable Value Separate Account)*

#### Fixed Income:

##### Inflation Protected Bond Portfolio

*(Vanguard Short-Term Infl-Protected Securities Index)*

##### Bond Portfolio

*(Vanguard Total Bond Market Index)*

#### Equity:

##### U.S. Stock Portfolio

*(Vanguard Total Stock Market Index)*

##### S&P 500 Portfolio

*(Schwab S&P 500 Index)*

##### Global Responsible Equity Portfolio

*(Invesco MSCI World SRI Index)*

##### International Stock Portfolio

*(Vanguard Total International Stock Index)*

##### U.S. Small-Mid Cap Portfolio

*(Vanguard Extended Market Index)*

# Manager Due Diligence/Ongoing Monitoring

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# Manager Due Diligence

## Stoplight Grid Summary

### CollegeBound Saver (Direct)

Criteria	CollegeBound Age-Based Portfolios	Growth Portfolio	Moderate Growth Portfolio	Conservative Growth Portfolio
Qualitative Review	●	●	●	●
Long-Term Performance (5-Yr)	●	●	●	●
Short-Term Performance (3-Yr)	●	●	●	●

Criteria	U.S. Stock Portfolio	S&P 500 Portfolio	U.S. Small-Mid Cap Portfolio	Global Responsible Equity Portfolio	International Stock Portfolio	Bond Portfolio	Inflation-Protected Bond Portfolio	Stable Value Portfolio
Qualitative Review	●	●	●	●	●	●	●	●
Long-Term Performance (5-Yr)	●	●	●	●	●	●	●	●
Short-Term Performance (3-Yr)	●	●	●	●	●	●	●	●

Legend	
●	Everything is good to excellent in this area
●	Caution is warranted but action is not required at this time
WL	Watchlist Status
●	Action is required or is being taken
	White background indicates a Change in Status

### CollegeBound 529 (Advisor)

Criteria	Invesco CollegeBound Age-Based Portfolios	Invesco Aggressive College Portfolio	Invesco Growth College Portfolio	Invesco Moderate College Portfolio	Invesco Conservative College Portfolio	Invesco S&P Low Volatility Portfolio	Invesco Equally-Weighted S&P 500 Portfolio	Invesco Diversified Dividend Portfolio	Invesco American Franchise Portfolio	Invesco NASDAQ 100 Index Portfolio	Invesco Discovery Mid Cap Growth Portfolio	Main Street Small Cap Portfolio
Qualitative Review	●	●	●	●	●	●	●	●	●	●	●	●
Long-Term Performance (5-Yr)	●	---	●	●	●	●	●	●	●	---	●	●
Short-Term Performance (3-Yr)	●	---	●	●	●	●	●	●	●	---	●	●

Criteria	Invesco Small Cap Value Portfolio	Invesco Small Cap Growth Portfolio	Invesco MSCI World SRI Index Portfolio	Invesco Global Focus Portfolio	Oppenheimer Intl Growth Portfolio	Invesco Developing Markets Portfolio	Invesco Equity and Income Portfolio	Invesco Global Real Estate Income Portfolio	Invesco Fundamental High-Yield Corp Bond Portfolio	Invesco Core Plus Bond Portfolio	Invesco Core Bond Portfolio	Invesco Short Duration Infl Protected Portfolio	Invesco Stable Value Portfolio
Qualitative Review	●	●	●	●	●	●	●	●	●	●	●	●	●
Long-Term Performance (5-Yr)	●	●	●	●	●	●	●	●	●	●	●	●	●
Short-Term Performance (3-Yr)	●	●	●	●	●	●	●	●	●	●	●	●	●

The 529 Portfolios and their corresponding underlying Funds are monitored per the Investment Policy Statement guidelines, including from qualitative (organization, personnel, philosophy/process and product dynamics) and quantitative (performance and risk) standpoints.

Note: Information is as of the September 30, 2023 Performance & Evaluation Reports.



# Invesco Stable Value Fund

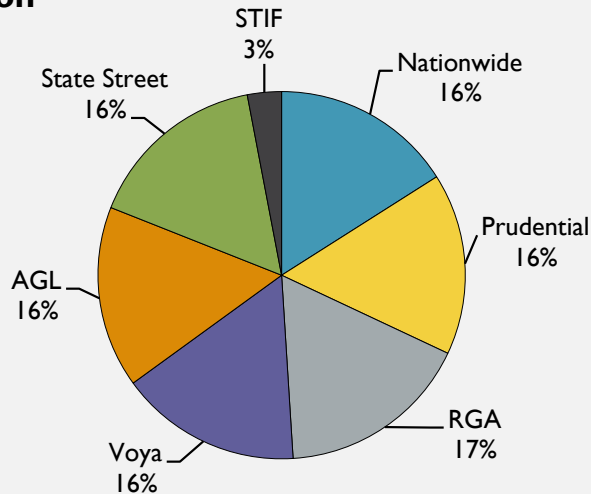
## Onsite Visit Findings: Favorable Construction; Diversified Approach

### August 31, 2023 Construction:

Strategy	Cash Buffer	Short Duration	Intermediate	Core
Target	1% - 5%	45%	30%	20%
Managers / Subadvisors	STIF 3.0%	Invesco 46.7%	Jennison 15.1% Voya 14.9%	Invesco 20.3%
Market Value	\$17,538,877	\$275,844,629	\$177,337,651	\$119,830,569

*Invesco replaced Voya Investment Management with Loomis Sayles as a sub-advisor in October.*

### Wrap Allocation



### Summary

Book Value Balance	\$648,821,690
Portfolio Yield	5.39%
Crediting Rate	2.92%
Duration	3.44 years
Average Quality	Aa2/AA
Market-to-Book Ratio	91.02%

Notes: Data provided by Invesco, as of August 31, 2023, during September 25, 2023 due diligence visit. Crediting rate is gross of all fees. All wrap providers are at a 15 bps cost.



# Fee Review



# CollegeBound 529 (Advisor)

## Class A Fee Overview

CLASS A UNITS:							
	Program Management Fee	Estimated Underlying Fund Fee	Distribution and Service Fee	Administrative Fee	Total Annual Asset-Based Fee	Maximum Initial or Contingent Sales Charge	Annual Account Fee
<b>Age-Based Portfolios</b>							
Invesco CollegeBound Age-Based Portfolios	0.14%	0.35%-0.41%	0.25%	0.02%	0.76%-0.82%	3.50% (3.00% Today)	\$20
<b>Target Risk Portfolios</b>							
Invesco Conservative College Portfolio	0.14%	0.38%	0.25%	0.02%	0.79%	3.50%	\$20
Invesco Moderate College Portfolio	0.14%	0.40%	0.25%	0.02%	0.81%	3.50%	\$20
Invesco Growth College Portfolio	0.14%	0.41%	0.25%	0.02%	0.82%	3.50%	\$20
Invesco Aggressive College Portfolio	0.14%	0.41%	0.25%	0.02%	0.82%	3.50%	\$20
<b>Individual Portfolios</b>							
Invesco American Franchise Portfolio	0.14%	0.62%	0.25%	0.02%	1.03%	3.50%	\$20
Invesco Short Duration Inflation Protected Portfolio	0.14%	0.28%	0.25%	0.02%	0.69%	3.50%	\$20
Invesco Core Plus Bond Portfolio	0.14%	0.46%	0.25%	0.02%	0.87%	3.50%	\$20
Invesco Core Bond Portfolio	0.14%	0.41%	0.25%	0.02%	0.82%	3.50%	\$20
Invesco Developing Markets Portfolio	0.14%	0.84%	0.25%	0.02%	1.25%	3.50%	\$20
Invesco Diversified Dividend Portfolio	0.14%	0.46%	0.25%	0.02%	0.87%	3.50%	\$20
Invesco Equity and Income Portfolio	0.14%	0.42%	0.25%	0.02%	0.83%	3.50%	\$20
Invesco MSCI World SRI Index Portfolio	0.14%	0.20%	0.25%	0.02%	0.61%	3.50%	\$20
Invesco Equally-Weighted S&P 500 Portfolio	0.14%	0.19%	0.25%	0.02%	0.60%	3.50%	\$20
Invesco Discovery Mid Cap Growth Portfolio	0.14%	0.67%	0.25%	0.02%	1.08%	3.50%	\$20
Invesco Fundamental High Yield Corporate Bond Portfolio	0.14%	0.50%	0.25%	0.02%	0.91%	3.50%	\$20
Invesco Global Focus Portfolio	0.14%	0.85%	0.25%	0.02%	1.26%	3.50%	\$20
Invesco Global Real Estate Income Portfolio	0.14%	0.83%	0.25%	0.02%	1.24%	3.50%	\$20
Invesco Main Street Small Cap Portfolio	0.14%	0.68%	0.25%	0.02%	1.09%	3.50%	\$20
Invesco NASDAQ 100 Index Portfolio	0.14%	0.29%	0.25%	0.02%	0.70%	3.50%	\$20
Invesco Oppenheimer International Growth Portfolio	0.14%	0.69%	0.25%	0.02%	1.10%	3.50%	\$20
Invesco S&P 500 Low Volatility Portfolio	0.14%	0.25%	0.25%	0.02%	0.66%	3.50%	\$20
Invesco Small Cap Growth Portfolio	0.14%	0.70%	0.25%	0.02%	1.11%	3.50%	\$20
Invesco Small Cap Value Portfolio	0.14%	0.70%	0.25%	0.02%	1.11%	3.50%	\$20
Invesco Stable Value Portfolio	0.14%	0.39%	0.25%	0.02%	0.80%	3.00%	\$20

The CollegeBound 529 fee structure is competitive relative to Advisor-sold peers.

Notes: Fees are as detailed in the Program Description Supplement dated March 15, 2023. Average Advisor-sold Age-Based Portfolios' fee is 0.83% based on Morningstar's 2023 529 Savings Plan Landscape. CollegeBound 529 charges an Annual Account Fee of \$20; however, there are many opportunities for this fee to be waived (e.g., Rhode Island resident, account > \$25k, recurring contribution, and payroll direct deposit).

# CollegeBound Saver (Direct)

## Rhode Island Residents' Fee Overview

RHODE ISLAND RESIDENT ACCOUNTS:			
Age-Based Portfolios	Program Management Fee	Estimated Underlying Fund Fee	Total Annual Asset-Based Fee
CollegeBound Age-Based Portfolios	0.00%	0.04%-0.06%	0.04%-0.06%
Target Risk Portfolios			
Conservative Growth Portfolio	0.00%	0.12%	0.12%
Moderate Growth Portfolio	0.00%	0.13%	0.13%
Growth Portfolio	0.00%	0.14%	0.14%
Individual Portfolios			
Stable Value Portfolio	0.00%	0.30%	0.30%
Global Responsible Equity Portfolio	0.00%	0.20%	0.20%
Bond Portfolio	0.00%	0.035%	0.035%
Inflation Protected Bond Portfolio	0.00%	0.04%	0.04%
U.S. Stock Portfolio	0.00%	0.03%	0.03%
S&P 500 Portfolio	0.00%	0.02%	0.02%
U.S. Small-Mid Cap Portfolio	0.00%	0.05%	0.05%
International Stock Portfolio	0.00%	0.08%	0.08%

The CollegeBound Saver (Direct) Plan's fees are very low for Rhode Island residents, given a primarily passive investment menu is offered and no Program Management fee is charged.

Notes: Data is as of September 30, 2023. Average Direct-sold Age-Based Portfolios' fee is 0.31% based on Morningstar's 2023 529 Savings Plan Landscape.

# CollegeBound Saver (Direct)

## Non-Rhode Island Residents' Fee Overview

RHODE ISLAND NON-RESIDENT ACCOUNTS:			
Age-Based Portfolios	Program Management Fee	Estimated Underlying Fund Fee	Total Annual Asset-Based Fee
CollegeBound Age-Based Portfolios	0.10%	0.04%-0.06%	0.14%-0.16%
Target Risk Portfolios			
Conservative Growth Portfolio	0.10%	0.12%	0.22%
Moderate Growth Portfolio	0.10%	0.13%	0.23%
Growth Portfolio	0.10%	0.14%	0.24%
Individual Portfolios			
Stable Value Portfolio	0.10%	0.30%	0.40%
Global Responsible Equity Portfolio	0.10%	0.20%	0.30%
Bond Portfolio	0.10%	0.035%	0.135%
Inflation Protected Bond Portfolio	0.10%	0.04%	0.14%
U.S. Stock Portfolio	0.10%	0.03%	0.13%
S&P 500 Portfolio	0.10%	0.02%	0.12%
U.S. Small-Mid Cap Portfolio	0.10%	0.05%	0.15%
International Stock Portfolio	0.10%	0.08%	0.18%

CollegeBound Saver fees for non-Rhode Island residents are favorably priced given low Program Management and Underlying Fund expenses.

Notes: Data is as of September 30, 2023. Average Direct-sold Age-Based Portfolios' fee is 0.31% based on Morningstar's 2023 529 Savings Plan Landscape.





# Investment Policy Statement Review and 529 Trends

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# Investment Policy Statement

## IPS Review

An Investment Policy Statement fulfills the most important function a Fiduciary performs.



**To set investment policy and implementation guidelines.**

### Sections of a Well-Written IPS

1. Purpose
2. Program Summary
3. Statement of Objectives
4. Responsibilities
5. Guidelines and Investment Policy
6. Securities Guidelines
7. Selection of Investment Managers
8. Control Procedures
9. Monitoring of Investment Managers
10. Signatures
11. Appendix with Key Detail

### Additional Benefits of an IPS

- Supports the “Paper Trail” and Provides the Best Defense in Litigation
- Provides Continuity During Personnel Turnover
- Keeps Investment Process Intact During Periods of Market Upheaval
- Reassures Account Owners and Financial Professionals of Investment Stewardship

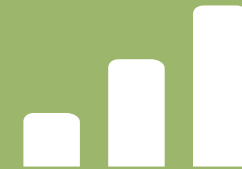
An amended Investment Policy Statement will be distributed to the SIC in early 2024, once investment menu decisions are made and SECURE 2.0 529 language is finalized.

# 529 Industry Updates and Figures



## Industry Updates

- Assets decreased 17% in 2022 given the challenging market environment\*
- More Plans opt for smoother glide paths\*
- Two-year YOE age bands gain traction
- Fees continue to be reduced\*
- Movement to “Education” focus
- SECURE 2.0 can bring flexibility to unused 529 assets



## CSPN Year-End 529 Data\*\*

- \$411 billion in total 529 assets
- 16 million 529 accounts
- Average 529 account size of \$25,630
- 38% of 529 savings accounts were receiving automatic contributions

\*Morningstar 2023 529 Savings Plan Landscape, dated June 2023.

\*\*College Savings Plans Network, 529 Savings Plans 2022 Year-End Data.



# APPENDIX



# CollegeBound 529 Target Risk Portfolios

## Construction

Portfolio	Conservative	Moderate	Growth	Aggressive
	(35%/65%)	(60%/40%)	(85%/15%)	(95%/5%)
<b>US Equity</b>	<b>21.0%</b>	<b>37.5%</b>	<b>53.5%</b>	<b>60.0%</b>
Invesco S&P 500 Pure Value ETF	3.0%	5.0%	7.0%	8.0%
Invesco S&P 500 Pure Growth ETF	7.5%	11.8%	17.8%	21.3%
Invesco S&P 500 Low Volatility ETF	1.0%	1.8%	2.8%	3.3%
Invesco MSCI USA ETF	9.5%	12.5%	15.0%	15.0%
Invesco Main Street Small Cap Fund	0.0%	2.5%	4.5%	5.5%
Invesco Discovery Mid Cap Growth Fund	0.0%	4.0%	6.5%	7.0%
<b>International Equity/Global REITs</b>	<b>14.0%</b>	<b>22.5%</b>	<b>31.5%</b>	<b>35.0%</b>
Invesco Oppenheimer International Growth Fund	4.5%	7.0%	10.8%	12.3%
Invesco S&P International Dev Low Volatility ETF	7.0%	8.0%	10.3%	10.8%
Invesco Developing Markets Fund	0.0%	3.5%	4.5%	5.5%
Invesco S&P Emerging Markets Low Volatility ETF	0.0%	2.5%	3.5%	4.0%
Invesco Global Real Estate Income Fund	2.5%	1.5%	2.5%	2.5%
<b>Fixed Income</b>	<b>59.0%</b>	<b>40.0%</b>	<b>15.0%</b>	<b>5.0%</b>
Invesco Core Plus Bond Fund	19.0%	13.5%	4.5%	3.0%
Invesco Taxable Municipal Bond ETF	8.5%	6.0%	3.5%	2.0%
Invesco Short Term Bond Fund	11.5%	7.0%	2.5%	0.0%
Invesco Floating Rate ESG Fund	7.0%	5.0%	1.5%	0.0%
Invesco Short Duration Inflation Protected Fund	7.0%	3.5%	1.0%	0.0%
Invesco Fundamental High Yield Corporate Bd ETF	6.0%	5.0%	2.0%	0.0%
<b>Capital Preservation</b>	<b>6.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Invesco Stable Value Fund	4.0%	0.0%	0.0%	0.0%
Invesco Government & Agency Institutional	2.0%	0.0%	0.0%	0.0%

Source: Program Description Supplement dated March 15, 2023

# CollegeBound Saver Target Risk Portfolios

## Construction

	<b>Growth</b> Vanguard LifeStrategy Growth Fund	<b>Moderate</b> Vanguard LifeStrategy Moderate Growth Fund	<b>Conservative</b> Vanguard LifeStrategy Conservative Growth Fund
<b>Equities</b>	<b>79%</b>	<b>60%</b>	<b>40%</b>
Vanguard Total Stock Market Index	49%	36%	24%
Vanguard International Stock Index	32%	24%	16%
<b>Fixed Income</b>	<b>21%</b>	<b>40%</b>	<b>60%</b>
Vanguard Total Bond Market II Index	13%	28%	42%
Vanguard Total International Bond Index	6%	12%	18%

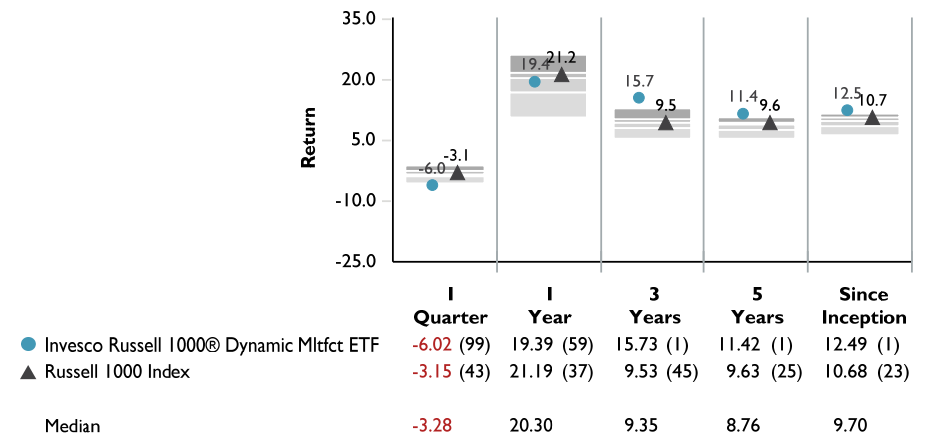
Source: Vanguard, as of September 30, 2023.

# Invesco CollegeBound 529 Proposal

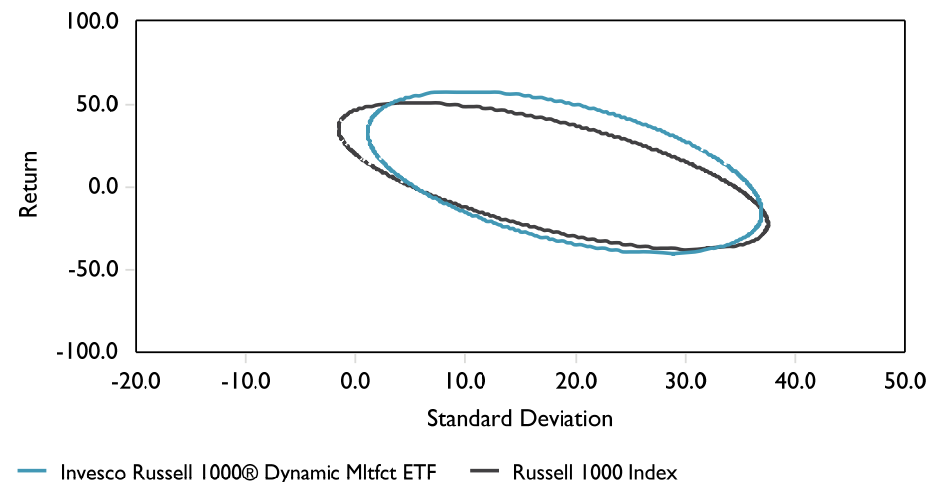
## Invesco Russell 1000 Dynamic Multifactor ETF

Product Name		Invesco Russell 1000 Dynamic Multifactor ETF
Strategy Inception Date		November 8, 2017
Index Description		The Russell 1000 Invesco Dynamic Multifactor Index is constructed using a rules-based approach that re-weights large cap securities of the Russell 1000 Index according to economic cycles and market conditions, reflected by expansion, slowdown, contraction or recovery. The securities are assigned a multi-factor score from one of five investment styles: value, momentum, quality, low volatility and size. The Fund and Index are reconstituted and rebalanced based on economic indicator signal changes, as frequently as monthly.
Evaluation Benchmark		Russell 1000
# of Holdings		725
Assets In Strategy		\$4.8 billion
Morningstar Analyst Rating		Silver
Morningstar Star Rating		4
Vehicle/Ticker		ETF (OMFL)
Fees		0.29%

Returns for Periods Ended September 30, 2023  
Group: Large Blend



Risk/Return Comparison - 1 Year Rolling Periods  
for 5 Years Ended September 30, 2023

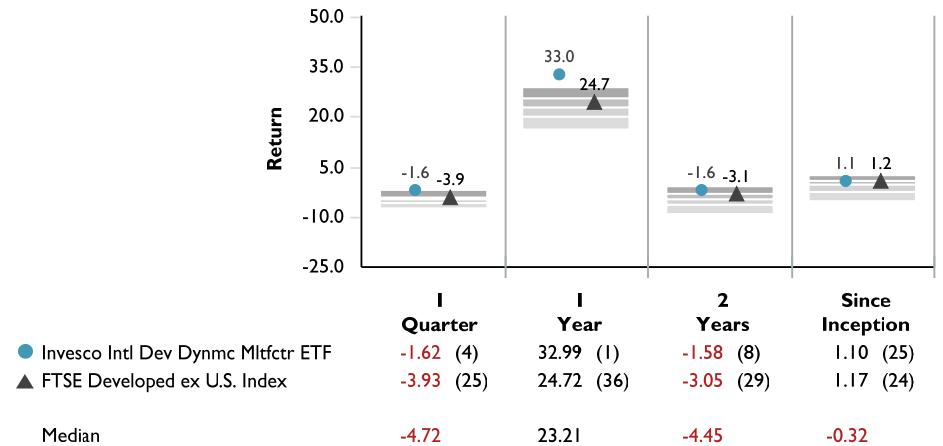


# Invesco CollegeBound 529 Proposal

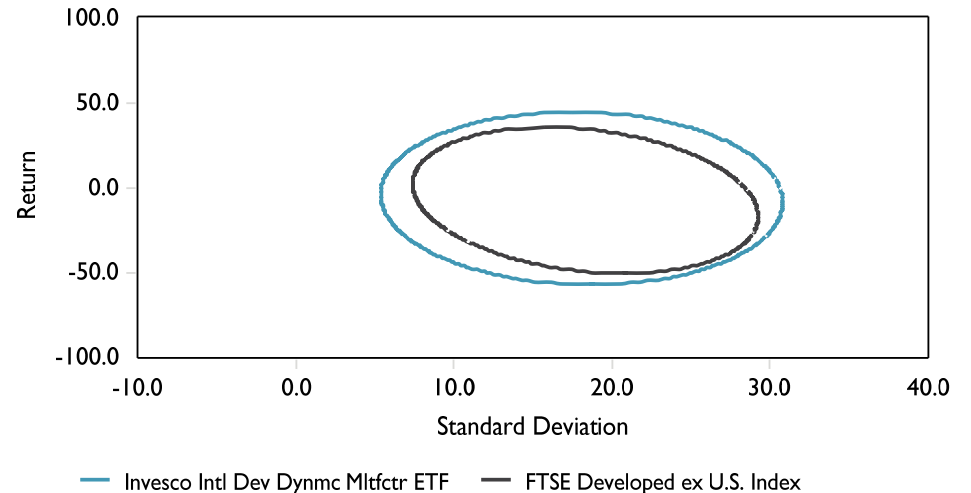
## Invesco Intl Dev Dynamic Multifactor ETF

Product Name	Invesco International Developed Dynamic Multifactor ETF
Strategy Inception Date	February 24, 2021
Index Description	The FTSE Developed ex US Invesco Dynamic Multifactor Index reflects a dynamic combination of factor exposures drawn from constituent stocks of the FTSE Developed ex US Index. The factors targeted may include low volatility, momentum, quality, size and value. The emphasis on each factor is determined by Invesco's Regime Model, which is informed by the economic environment and overall market conditions. The Fund and the Index are rebalanced and reweighted monthly based on the Invesco Signal, after the close of the fourth business day of the month.
Evaluation Benchmark	FTSE Developed ex US Index
# of Holdings	627
Assets In Strategy	\$234.2 million
Morningstar Analyst Rating	Neutral
Morningstar Star Rating	---
Vehicle/Ticker	ETF (IMFL)
Fees	0.34%

Returns for Periods Ended September 30, 2023  
Group: Foreign Large Blend



Risk/Return Comparison - 1 Year Rolling Periods  
for 1.5 Years Ended September 30, 2023

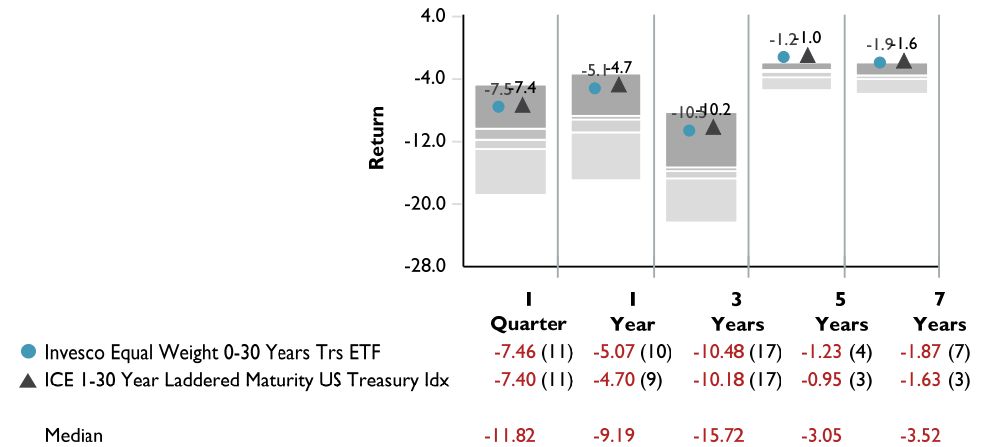


# Invesco CollegeBound 529 Proposal

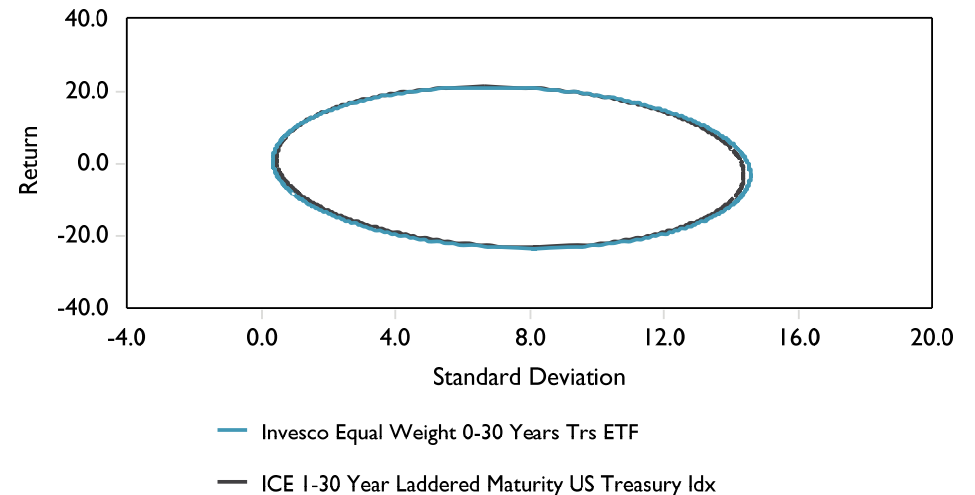
## Invesco Equal Wt 0-30 Year Treasury ETF

Product Name	Invesco Equal Weight 0-30 Year Treasury ETF
Strategy Inception Date	October 11, 2007
Index Description	The ICE I-30 Year Laddered Maturity US Treasury Index (Index) is designed to track the performance of up to 30 U.S. Treasury Notes or Bonds representing the annual February maturity ladder across the yield curve. The Fund and the Index are rebalanced monthly.
Evaluation Benchmark	ICE I-30 Year Laddered Maturity US Treasury Index
# of Holdings	29
Assets In Strategy	\$724.4 million
Morningstar Analyst Rating	Bronze
Morningstar Star Rating	5
Vehicle/Ticker	ETF (GOVI)
Fees	0.15%

Returns for Periods Ended September 30, 2023  
Group: Long Government



Risk/Return Comparison - 1 Year Rolling Periods  
for 7 Years Ended September 30, 2023

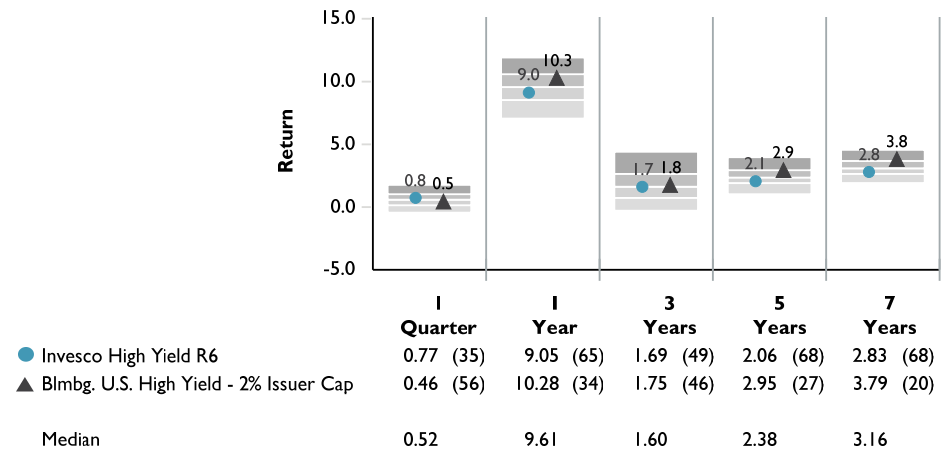


# Invesco CollegeBound 529 Proposal

## Invesco High Yield

Product Name		Invesco High Yield
Strategy Inception Date		September 24, 2012
Investment Philosophy & Process	The Fund invests in high yield fixed income securities and employs a total return approach that blends top-down risk positioning and bottom-up fundamental research. By applying rigorous underwriting to a broad opportunity set, the fund seeks to deliver current income and capital appreciation over a full credit cycle.	
# of holdings	204	
% in Top Ten	12%	
Prospectus Benchmark	Bloomberg US Corporate High Yield 2% Issuer Capped Index	
Effective Duration	3.45	
Key Personnel	Niklas Nordenfelt, Rahim Shad, Philip Susser	
Assets In Strategy	\$1.0 billion	
Morningstar Analyst Rating	Neutral	
Morningstar Star Rating	3	
Vehicle/Ticker	Mutual Fund (HYIFX)	
Fees	0.65%	

Returns for Periods Ended September 30, 2023  
Group: High Yield Bond



Risk/Return Comparison - 1 Year Rolling Periods  
for 7 Years Ended September 30, 2023

