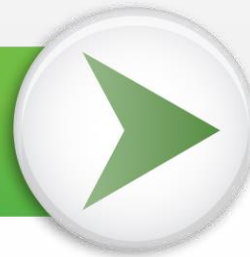


DCIP Business Results – Q2 2018

September 5, 2018



Scorecard – Q2 2018

Mission Statement:

Provide State of Delaware residents with a tax- advantaged voluntary savings program that promotes college readiness.

Scorecard	Q2 2018 Actual	Q2 2018 Goal	Variance from Goal	2018 YTD Actual	2018 YTD Goal
Participation Rate (New Accounts)	302	-	-	741	-
Participant Readiness (2K Rule of Thumb)	20%	-	-	20%	-

FINALIZED GOALS TO BE APPROVED BY PLANS BOARD

529 Industry Update

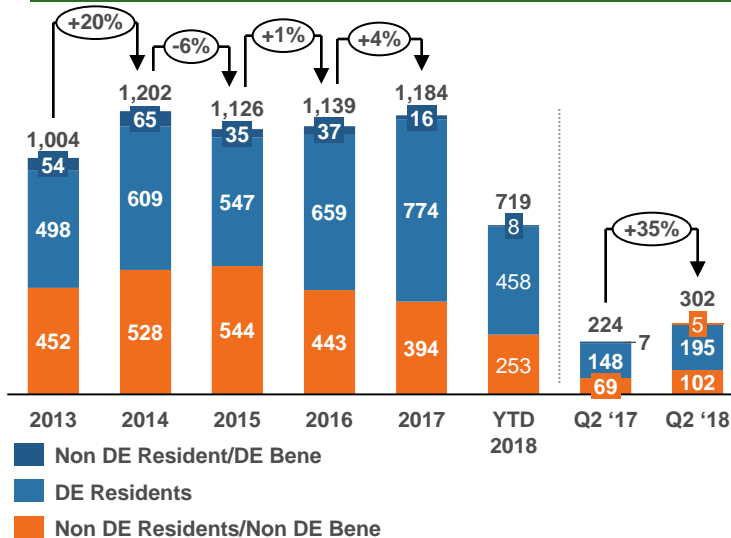
Direct Sold Program	Program Manager	Assets (\$M)	% Growth (Q1 2018 to Q2 2018)	Market Share
1. New York	Ascensus	\$24,207	2.9%	14.2%
2. Nevada	Ascensus	\$17,993	3.3%	10.5%
3. New Hampshire	Fidelity	\$12,734	2.1%	7.4%
4. Utah	State of UT	\$12,636	3.3%	7.4%
5. California	TIAA-CREF	\$8,590	2.7%	5.0%
6. Massachusetts	Fidelity	\$6,079	2.2%	3.6%
7. Ohio	OH Tuition Trust Authority	\$5,977	2.5%	3.5%
8. Maryland	T. Rowe Price	\$5,767	2.1%	3.4%
9. Illinois	Union Bank & Trust	\$5,622	3.2%	3.3%
10. Michigan	TIAA-CREF	\$5,444	2.7%	3.2%
34. Delaware	Fidelity	\$681	0.9%	0.4%
529 Industry		\$170,945	2.7%	N/A

- The 529 Industry Direct Sold plan assets increased by 2.7% from Q1 '18 to Q2' 18 and increased by 12.0% year-over-year ending June '18
- U.S. Equities increased by 3.9% and 14.8% while Investment Grade Debt decreased by (0.2)% and (0.4)% respectively during the same time periods ^
- Assets in the Delaware plan increased 0.9% from Q1 '18 to Q2' 18 and increased by 2% year-over year ending June '18

^ You cannot invest directly in an index. Past performance is no guarantee of future results.
 U.S. Equities - DJ U.S. Total Stock Market Index
 Investment Grade Bonds - Bloomberg Barclays U.S. Aggregate Bond Index

Participation Rate

NEW ACCOUNTS



COMMENTARY

- In Q2 '18, there was a 35% increase in new accounts over Q2 '17 while the industry was up 18%. This also outpaced the growth for the rest of Fidelity's plans over the same time period
- 68% of new accounts were opened by an existing Fidelity customer while 32% were new to Fidelity
- 62% of New Accounts opened in Q2 '18 were for children ages 9 and under

STRATEGIC LEVERS

Ongoing Marketing

- Execute digital marketing plan
- Drive engagement through Social Media

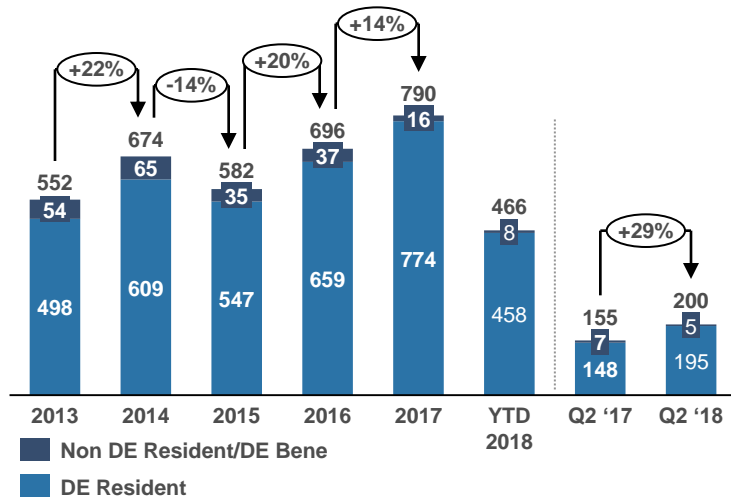
Completed Activities

- ✓ Eliminated account minimums - **Aug '18**
- ✓ College Savings Indicator (CSI) Press Release - **Aug '18**

What's Next?

- ❑ CSI radio media tour - **Sep '18**
- ❑ Launch next phase of Workplace Financial Wellness - **Q4 '18**

NEW ACCOUNTS



COMMENTARY

- In Q2 '18, there was a 29% increase in new accounts for Delaware residents over Q2 '17
- 63% of new accounts for Delaware residents were opened by an existing Fidelity customer while 37% were new to Fidelity

STRATEGIC LEVERS

Ongoing Marketing

- Execute digital marketing plan with geo-targeting for Delaware residents
- Targeting new/expecting parents with Newborn Channel in local hospitals
- Continued engagement on local development plan

Completed Activities

- ✓ Extended target marketing to grandparents - **Apr '18**

What's Next?

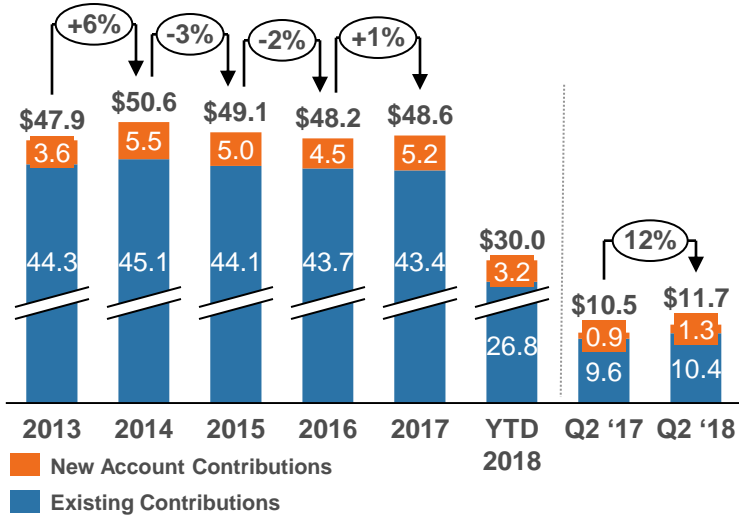
- ❑ Pursuing additional PR opportunities with Influencers - **Q3-Q4 '18**

Readiness

2K RULE					COMMENTARY	STRATEGIC LEVERS
Age Bands	<1x	1-1.5x	1.5-2x	>2x	<ul style="list-style-type: none"> The 2K Rule of Thumb defines readiness as having \$2,000 x beneficiary age saved As of Q2 '18, 20% of accounts were meeting the 2K rule of thumb, up from 19% in Q1 '18; DCIP was in line with the rest of Fidelity's plans Fidelity's 2018 College Savings Indicator (CSI) score was 28%, meaning parents were on track to meet 28% of their college savings goal, this is up from 2016 when the score was 24% Fidelity's 2018 CSI study indicated that parents began saving for college when their child was 5 years old on average, down from 7 years old in 2016; Similarly the DCIP is seeing the greatest # of new accounts opened for children ages 4 and under (41% in Q2 '18) 	<p>Ongoing Marketing</p> <ul style="list-style-type: none"> Use digital advertising to target existing DCIP customers and encourage them to contribute more <p>Completed Activities</p> <ul style="list-style-type: none"> ✓ Launched new home page banner re-introducing the Fidelity Rewards card and the associated savings benefits – Jun '18 ✓ Increased Social Gifting tool maximum dollar limit to \$15,000 – Aug '18 ✓ CSI Press Release - Aug '18 <p>What's Next?</p> <ul style="list-style-type: none"> <input type="checkbox"/> CSI radio media tour - Sep '18 <input type="checkbox"/> Improve social gifting experience - Q4 '18 <input type="checkbox"/> Pursuing additional PR opportunities with influencers - Q3-Q4 '18 <input type="checkbox"/> Explore ways to promote automated contributions Q4 '18
< 5	66%	8%	5%	21%		
5 -9	70%	9%	5%	16%		
10 -13	63%	11%	6%	19%		
14 -17	59%	12%	7%	22%		
Total	63%	11%	6%	20%		

Readiness – Contributions

CONTRIBUTIONS(\$M)



COMMENTARY

- In Q2 '18, total contributions were up 12% vs. Q2 '17. This was in line with both the rest of Fidelity's plans and the overall industry
- In Q2 '18, new account contributions were up 47% vs. Q2 '17
- In Q2 '18, the average new account contribution was \$4,337 - up 9.3% over Q2 '17 and in line with the national average

STRATEGIC LEVERS

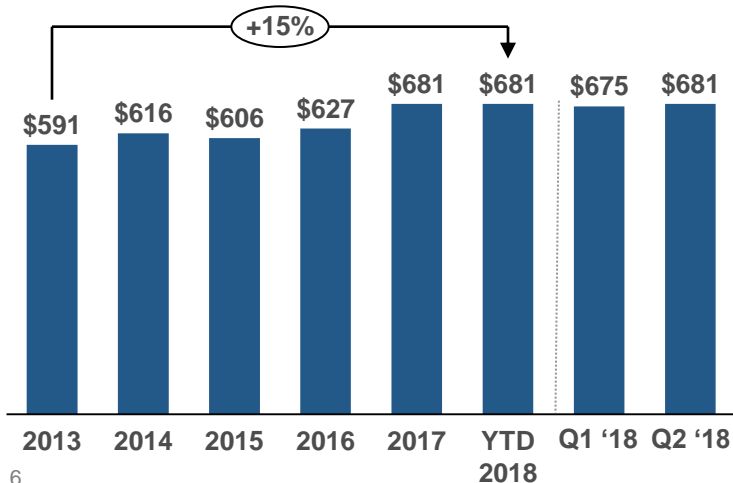
Ongoing Marketing

- Use digital advertising to target existing DCIP customers and encourage them to contribute more

Completed Activities

- ✓ Launched new home page banner re-introducing the Fidelity Rewards card and the associated savings benefits – **Jun '18**
- ✓ Increased Social Gifting tool maximum dollar limit to \$15,000 – **Aug '18**
- ✓ CSI Press Release - **Aug '18**

ASSETS UNDER MANAGEMENT (\$M)



COMMENTARY

- For the first half 2018 the stock market was up 3.9% while plan assets remained flat
- In Q2 '18, overall assets under management were \$681M, up 0.9% from Q1 '18
- The rolling 13 month attrition rate was 10.6% through Q2 '18, up from 10.3% at the end of 2017

What's Next?

- CSI radio media tour - **Sep '18**
- Improve social gifting experience - **Q4 '18/Q1 '19**
- Pursuing additional PR opportunities with influencers - **Q3-Q4 '18**
- Explore ways to promote automated contributions - **Q4 '18**

DCIP Marketing Update

Q2 Results

Digital Advertising

DCIP account starts and completes are up YOY, 58% and 71%*. At the same time, we're improving our efficiency, spending less this quarter (-15%) to drive account completes.

Next steps: We recently re-launched our YouTube buy on 7/2. We're cancelling BabyCenter.com which has driven good engagement (.09% click-thru-rate) however, it hasn't driven any account opens with our target audience since launch.

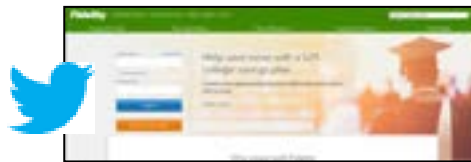
Q2 Activities

Grandparents advertising

Piloted on Google DBM member sites April-June. Test paused due to mixed performance. Consider additional Q4 test.

Fidelity.com/Social Media

Hosted Twitter chat on 529 Day.



529 Rewards Card Promo

Money.com named Fidelity 529 Rewards credit card as best card for college savers. New Fid.com ad launched in June; EM campaign planned for Fall.

Q3 Preview

Viewpoints article

Article providing guidance on using 529 savings for K-12 education launched thru e-newsletter on 8/3 and promoted via social media.

Fidelity Value Campaign

National Fidelity advertising and PR campaign launched 8/1 highlighting broad fee and investment minimum reductions to zero, including 529.

College Savings Indicator

Drafting news release for nationwide distribution on 8/23.

*Data as of 7/1/2018



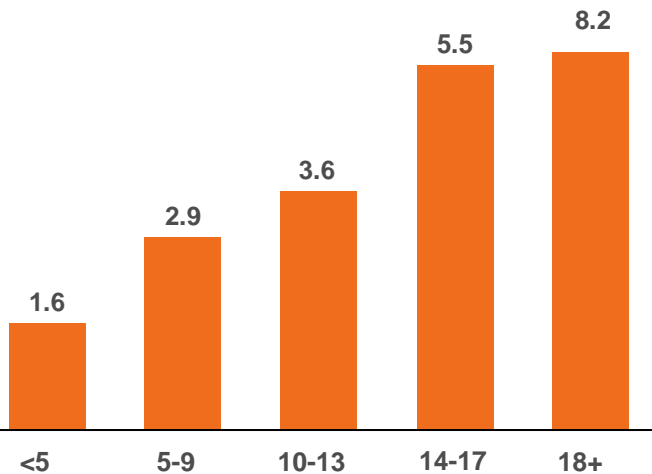
Appendix

DCIP Business Results YTD and Historical

 Delaware college investment plan	Q2 2014	Q2 2015	Q2 2016	Q2 2017	Q2 2018	% Change (2018 vs. 2017)
Total Accounts (since inception)	30,242	31,416	32,563	33,655	35,060	+4%
Total Accounts with Balances	22,383	22,222	22,115	22,003	21,967	-
New Accounts	297	249	241	224	302	+35%
New Account Contributions	\$1.8M	\$.67M	\$1.3M	\$.89M	\$1.3M	+47%
Existing Account Contributions	\$9.8M	\$9.2M	\$10.0M	\$9.6M	\$10.4M	+9%
Total Contributions	\$11.6M	\$9.9M	\$11.2M	\$10.5M	\$11.7M	+12%
Distributions	\$6.5M	\$6.6M	\$6.3M	\$7.3M	\$7.7M	+6%
Net Sales	\$5.1M	\$3.3M	\$4.9M	\$3.2M	\$4.0M	+25%
Assets	\$627M	\$633M	\$630M	\$670M	\$681M	+1.6%

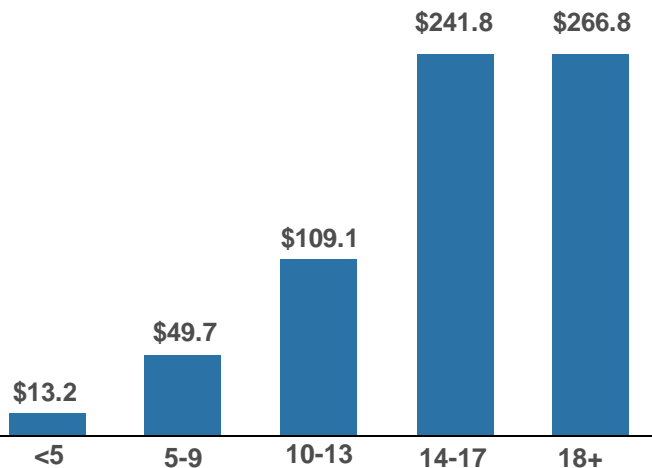
Readiness: The Age Wave

ACCOUNTS*(K)



*active accounts with balances

Assets Under Management (\$M)



COMMENTARY

- In Q2 '18, the average account size was just over \$19,500
- Accounts continued to be more heavily concentrated toward the older age bands (>14 years old)
- 62% of New Accounts opened in Q2 '18 were for children ages 9 and under

STRATEGIC LEVERS

Ongoing Marketing

- ✓ Advertising to new and expecting parents including Babycenter.com and Newborn Channel in local hospitals
- ✓ Target millennial investors with relevant content

Completed Activities

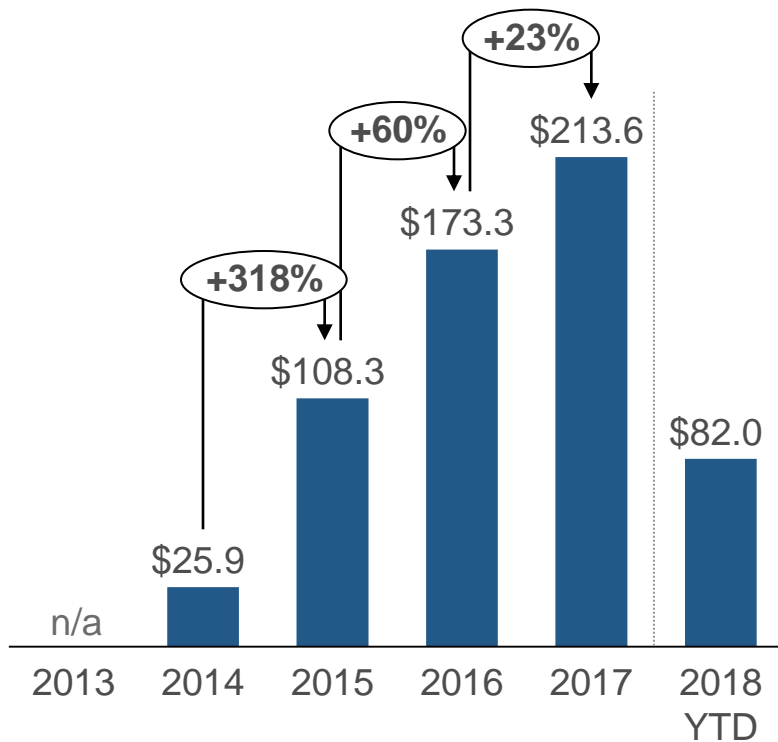
- ✓ Eliminated account minimums - **Aug '18**

What's Next?

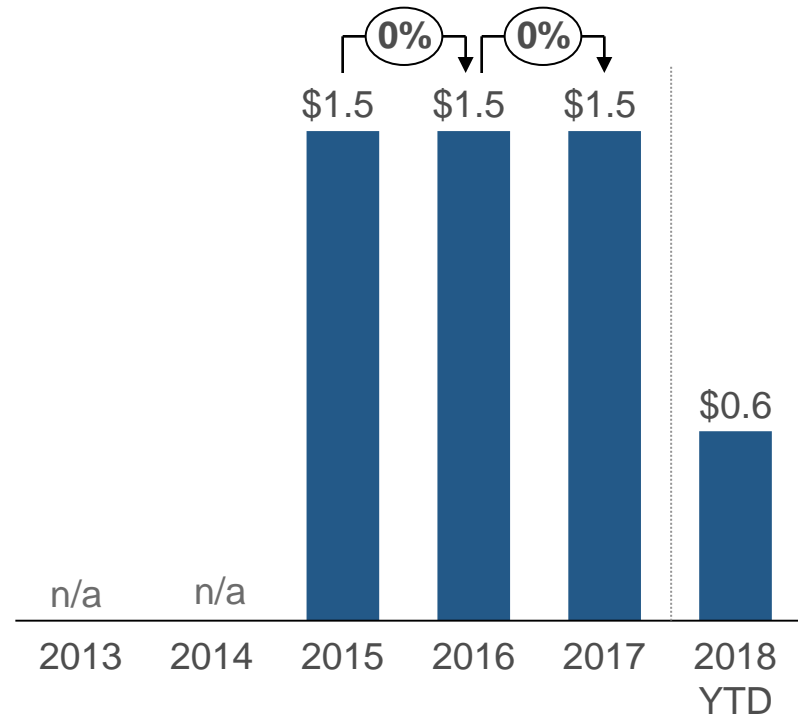
- Pursuing additional PR opportunities with Influencers – **Q3-Q4 '18**

Readiness: Contributions from Gifting and Rewards Card

CONTRIBUTIONS – FROM GIFTING (\$K)



CONTRIBUTIONS – FROM REWARDS (\$M)



Comparison: States with Direct Sold Plans

State	2017 Accounts	2017 Assets (\$B)	2017 Avg Account Size	Population	Population Under 18	% of Accounts /Pop <18
NY*	801,780	\$23	\$28,934	19,745,289	4,180,559	19%
NV	367,777	\$17	\$46,266	2,940,058	677,427	54%
NH	474,825	\$12.40	\$26,060	1,334,795	260,588	182%
UT*	345,871	\$12	\$34,701	3,051,217	921,773	38%
CA	299,900	\$8.30	\$27,625	39,250,017	9,092,863	3%
OH*	291,620	\$5.80	\$19,735	11,614,373	2,612,172	11%
MA*	176,548	\$5.60	\$33,396	6,811,779	1,378,102	13%
MD*	231,011	\$5.60	\$24,093	6,016,447	1,348,728	17%
IL*	215,067	\$5.40	\$24,885	12,801,539	2,926,109	7%
MI*	247,367	\$5.30	\$21,302	9,928,300	2,191,057	11%
IA*	234,178	\$4.90	\$20,826	3,134,693	730,731	32%
VA*	275,911	\$4.40	\$15,779	8,411,808	1,870,123	15%
KS^	128,268	\$4	\$30,979	2,907,289	714,951	18%
CO*	140,822	\$3.50	\$24,617	5,540,545	1,261,372	11%
CT*	118,979	\$3	\$25,217	3,576,452	753,294	16%
MO^	157,634	\$3	\$19,070	6,093,000	1,386,863	11%
WI*	165,955	\$3	\$18,125	5,778,708	1,287,693	13%
AK	93,275	\$2.70	\$28,735	741,894	187,327	50%
PA^	111,553	\$2.60	\$23,402	12,784,227	2,674,805	4%
GA*	154,929	\$2.60	\$16,643	10,310,371	2,511,544	6%
NC	138,392	\$2.20	\$16,022	10,146,788	2,298,720	6%
NE*	75,123	\$2.10	\$27,362	1,907,116	473,325	16%
IN*	1,680,752	\$2.10	\$12,535	6,633,053	1,575,452	107%
OR*	100,871	\$1.70	\$17,183	4,093,465	868,727	12%
NJ	55,437	\$1.60	\$28,150	8,944,469	1,984,752	3%

State	2017 Accounts	2017 Assets (\$B)	2017 Avg Account Size	Population	Population <18	% of Accounts/ Pop <18
MN	66,447	\$1.4	\$21,044	5,519,952	1,288,333	5%
SC*	52,077	\$1.2	\$22,111	4,961,119	1,097,621	5%
OK*	50,444	\$0.85	\$16,866	3,923,561	961,628	5%
LA*	59,774	\$0.84	\$14,076	4,681,666	1,113,949	5%
WV*	29,200	\$0.83	\$61,163	1,831,102	375,068	8%
ME^	101,880	\$0.78	\$7,846	1,331,479	254,714	40%
DE	21,901**	\$0.67	\$31,077	952,065	204,274	11%
MT^	9,736	\$0.65	\$14,488	1,042,520	227,611	4%
AZ^	36,348	\$0.59	\$16,142	6,931,071	1,631,492	2%
DC*	24,350	\$0.57	\$23,376	681,170	120,893	20%
NM*	22,016	\$0.56	\$25,263	2,081,015	490,663	4%
FL	66,203	\$0.56	\$8,721	20,612,439	4,146,712	2%
TX	30,656	\$0.48	\$15,771	27,862,596	7,294,587	0%
ND*	33,181	\$0.47	\$14,143	757,952	176,311	19%
ID*	32,243	\$0.45	\$13,812	1,683,140	437,173	7%
AL*	26,162	\$0.44	\$16,761	4,863,300	1,096,823	2%
AR*	26,230	\$0.4	\$15,093	2,988,248	705,053	4%
VT*	19,952	\$0.36	\$18,081	624,594	118,528	17%
RI*	13,783	\$0.24	\$17,373	1,056,426	208,381	7%
MS*	12,802	\$0.22	\$17,379	2,988,726	721,288	2%
KY	13,911	\$0.21	\$15,066	4,436,974	1,010,629	1%
TN	14,068	\$0.12	\$8,426	6,651,194	1,501,795	1%
HI	4,508	\$0	\$17,848	1,428,557	308,016	1%
SD	1,565	\$0.03	\$19,387	865,454	213,287	1%

* State Tax Benefit – In State Plans

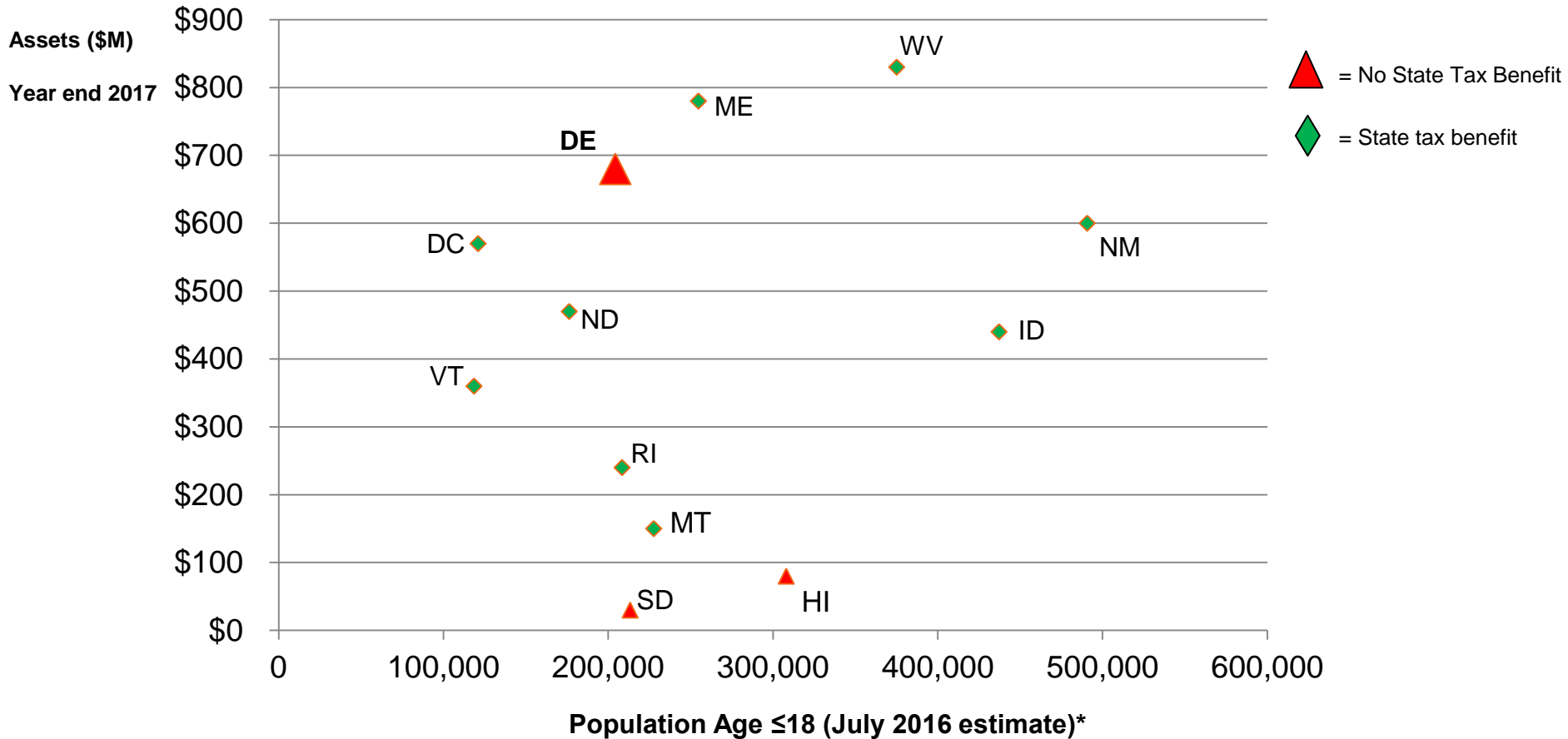
^ State Tax Benefit – Parity

** Total Accounts w/ Balances

No State Tax Benefit

State Comparison: Similar Populations (~2M)

The DCIP is significantly larger than most state 529 plans with similar populations, even without state tax benefit



The following states were not included since their direct sold 529 plans are national plans for the listed program managers:

- New Hampshire (Fidelity): Population ≤ 18: 260,588; Assets: \$12.3B
- Alaska (T. Rowe): Population ≤ 18: 187,327; Assets: \$2.7B
- Nebraska (TD Ameritrade): Population ≤ 18: 473,325; Assets: \$2.1B

2018 Marketing Details

		Q1	Q2	Q3	Q4	Broadcast GRPs / Print Insertions	Imps (000)	\$k
MEDIUM								
PRINT	Delaware Today					2	42	7
	Fit Pregnancy & Baby, Family Fun & Parents					3	60	7
	MetroKids DE					3	66	7
DISPLAY	DBM (Audience targeting & retargeting)					N/A	5,387	66
	Amazon					N/A	3,330	62
	BabyCenter					N/A	1,668	25
	The Balance					N/A	1,250	25
	Saving for College					N/A	132	18
SEARCH	Google					N/A	230	13
	Bing					N/A	3	2
OOH	The Newborn Channel (:30 spot)					N/A	N/A	28
	Wilmington Station Digital (7.5 sec spot)					N/A	N/A	-
LOCAL EVENTS & SPONSORSHIP	Delaware Museum of National History					N/A	N/A	5
	Delaware Children's Theatre					N/A	N/A	5
	Ice Cream TBD / Giveaways					N/A	N/A	5
								280*

Hospitals (Newborn Channel)
Bayhealth Kent General
Christiana Hospital
Saint Francis Hospital
Bayhealth Medical Center - Milford Memorial Hospital

*Includes \$5K display ad serving/technology costs for ad selection and measurement

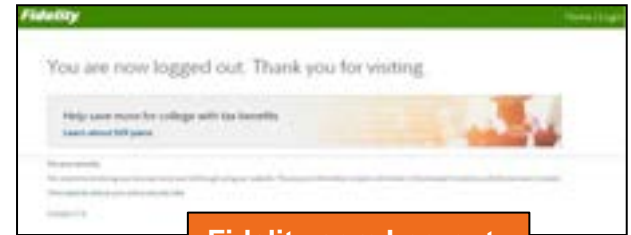


2018 Local Market Development Plan

Sponsorship Activities	Expense	Details
<p>“Zoo in You: The Human Micronome” exhibit January 27 - May 6, 2018</p>	<p>\$5,000</p>	<ul style="list-style-type: none"> ▪ Onsite at Member Preview Event Friday, January 26, 2018 and Sunday, April 29 during Money Saving Sunday event (added value opportunity) – branch inclusion ▪ DCIP logo and article with Treasurer’s quote in <i>Discovery</i> magazine, Winter 2018 (4,000 circulation) ▪ DCIP logo included on: highway sign, exhibit entrance wall, Museum’s website in all sections related to exhibit, sponsor “thank you” homepage scroll, rack card (5,000 dist. to area attractions, hotels, etc.) ▪ Social Media: Facebook, Twitter, Instagram during exhibit ▪ @DelMNH e-newsletter highlight once during exhibit, leverage <i>Discovery</i> magazine copy
<p>Disney’s Aladdin, Jr. musical April 28-29; May 5-6, 12-13, 19-20 (8 shows)</p>	<p>\$5,000</p>	<ul style="list-style-type: none"> • Show targets younger audience, typically first time attending a show, approx. 2500-3000 patrons/show • Onsite at on Saturday, May 5 pre and post show – branch inclusion • DCIP logo included on all marketing materials, show program, lobby signage and website • Brochure placed in lobby during show duration for all show dates • Prominent mention in weekly eBlasts with special section detailing DCIP • Social Media: Facebook posts during exhibit • Ad in program book • 125 tickets distributed to local Boys & Girls Club to send underserved children to theatre • One scholarship to summer workshop donated in DCIP’s name
<p>Rockwood Ice Cream Festival June 23 – 24, 2018</p>	<p>\$3,000</p>	<ul style="list-style-type: none"> • Goal: summer coverage at busy ice cream event • Rockwood Ice Cream Festival: partner with WJBR 99.5FM <ul style="list-style-type: none"> ○ 20,000+ attendees expected over the two days ○ Live music, kids activities, unlimited ice cream samples • Own one of four “Shade Tents” – DCIP would be closest to the Kids’ Stage • Tent includes 5 tables, 50 chairs (20x40), rectangular table for Fidelity associates to staff • Onsite with branch inclusion to engage directly with attendees, hand out brochures, backpacks • New: Fidelity to produce DCIP branded table cloth and horizontal banner • 10 festival passes • DCIP included in marketing & communications: <ul style="list-style-type: none"> ○ Signage on festival grounds ○ Website homepage banner ad with click through to www.fidelity.com/delaware ○ Logo inclusion on Ice Cream Festival Microsite, click through to www.fidelity.com/delaware
<p>Activation giveaway item</p>	<p>\$1,500</p>	
<p>DCIP tablecloth & banner</p>	<p>\$500</p>	

Examples: Fidelity.com College Planning Advertising

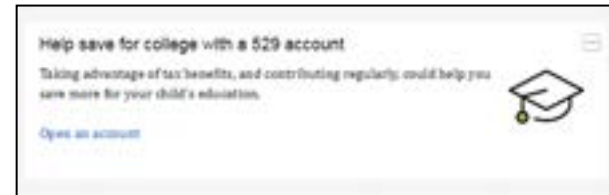
Fidelity.com
Homepage ad banner



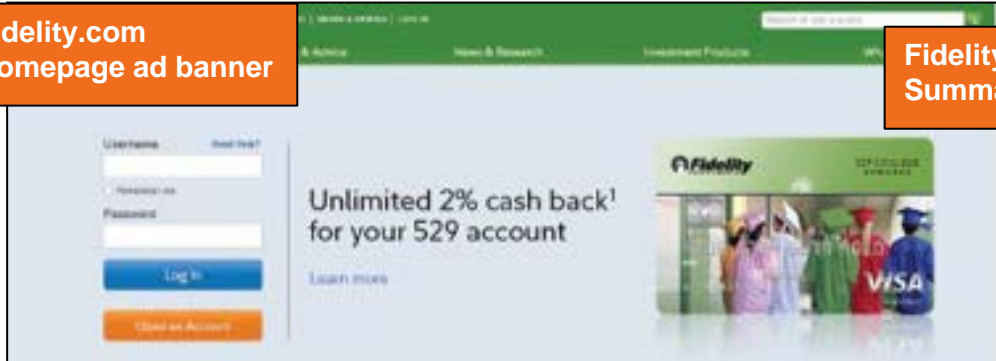
Fidelity.com Log-out
page ad banner



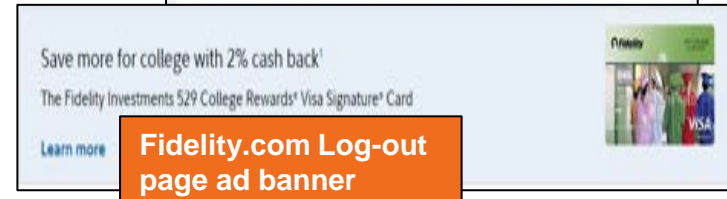
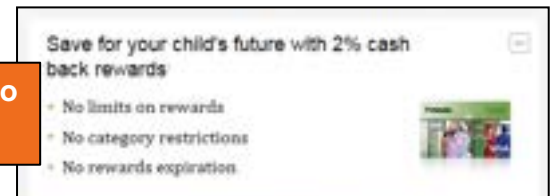
Fidelity.com Portfolio
Summary ad banner



Fidelity.com
Homepage ad banner



Fidelity.com Portfolio
Summary ad banner



Fidelity.com Log-out
page ad banner

Examples: Fidelity Viewpoints & Social Promotion

Fidelity Viewpoints
Weekly E-newsletter to
1 Million Customers

Fidelity.com

529s for K-12 tuitions: Does it work for you?

See why you may want to prioritize college savings over K-12 in your 529.

ANALYST UNRECORDED - 06/14/2018
College Savings: COLLEGE SAVING, 529SAV

Feedback

Key takeaways

A key benefit of 529s is the power of tax-deferred compounding. It allows your investments the potential to grow more over time without paying taxes on any earnings along the way.

Although the December 2017 federal tax law provides the flexibility to pay K-12 tuitions from 529 accounts, depleting your 529 account prior to college may result in paying higher out of pocket costs for college later.

Understand and carefully consider the trade-offs before you decide if you will use up to \$10,000 per year of your 529 savings accounts to pay for K-12 tuition expenses.

The Tax Cuts and Jobs Act of December 2017 changed the tax code for most Americans. For parents with younger children, one of the new opportunities is the

Fidelity Investments
Friday at 7:09 PM · 🌐

New tax law allows parents to pay for K-12 tuition from 529 accounts. Understand the trade-offs first. <https://go.fidelity.com/wtpb3>

FIDELITY.COM
529s for K-12 tuitions: Does it work for you?

Fidelity Facebook
Post 8/10

Fidelity Investments
22.5K Tweets

Tweets Tweets & replies Media

Fidelity Investments · 2d
New tax law allows parents to pay for K-12 tuition from 529 accounts. Understand the trade-offs first. go.fidelity.com/3825e

Fidelity Investments · 3d
Learn a strategy to help maximize the value of your company stock.

Fidelity Tweet 8/10

Examples: Advertising to Grandparents



Forbes.com



Weather.com



Amazon.com



Important Legal Information

Please carefully consider the plan's investment objectives, risks, charges and expenses before investing. For this and other information on any 529 College Savings Plan managed by Fidelity, contact Fidelity for a free Fact Kit, or view one online. Read it carefully before you invest or send money.

The Delaware College Investment Plan is offered by the state of Delaware and managed by Fidelity Investments. If you or the designated beneficiary is not a Delaware resident, you may want to consider, before investing, whether your state or the beneficiary's home state offers its residents a plan with alternate state tax advantages or other state benefits such as financial aid, scholarship funds and protection from creditors.

Units of the Portfolios are municipal securities and may be subject to market volatility and fluctuation.

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