

COLLEGE INVESTMENT PLAN

BUSINESS UPDATE

PLANS MANAGEMENT BOARD

JUNE 2021 MEETING



Program Summary:

Delaware's 529 Plan, also known as DE529, is sponsored by the State of Delaware and managed by Fidelity Investments. The Plan provides tax-advantaged accounts designed to help parents, grandparents and others pay for education expenses, reducing the possibility of debt. Contributions can be invested in portfolios tailored to a person's age or the investor's ability to identify an asset allocation strategy.

DE529 goals:

- TBD at September Board meeting

Target audience:

Parents with kids 0-12 years + Grandparents, in the state of Delaware

First Quarter (2021) Highlights:

- **New accounts grew by 39%** in Q1 2021 vs Q1 2020 while the industry was up 20%
- 71% of new accounts in Q1 were opened by an **existing Fidelity customer**, versus 69% in Q4 of 2020
- 45% of new accounts opened in Q1 2021 **were for children under age 5** which was down from 50% in Q4
- There was a **46% increase in new accounts for Delaware residents** versus Q1 2020 while the industry was up 20%
- **Total contributions in the quarter were up 26%** vs Q1 2020 while the industry increased by 12%
- **New account contributions increased by 35%** vs Q1 2020 also outpacing the industry
- **Overall assets in the plan** were up 1% from Q4 2020 at \$734 million which trailed the industry which was up 4%
- **Distributions from the plan increased 18%** over Q1 2020 resulting in net sales of -\$3.3 million

Upcoming Initiatives:

- Fidelity event sponsorships at the Delaware Museum of Natural History (May) and Winterthur Museum (May- October)
- Issuance of RFP award
- Promote plan at Delaware State Fair July 22nd-31st
- Trademark new logo and rebrand of plan
- Explore partnerships with three birthing hospitals and three large employers in Delaware
- Plans Management Board strategic discussion at September Meeting for goals and objectives (i.e., Match program)

Q1 2021 vs Q1 2020

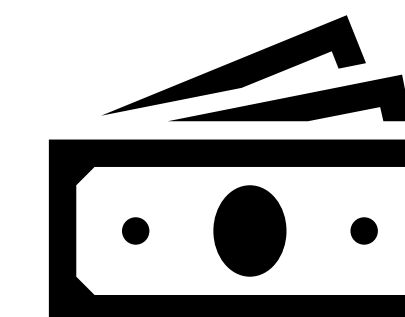
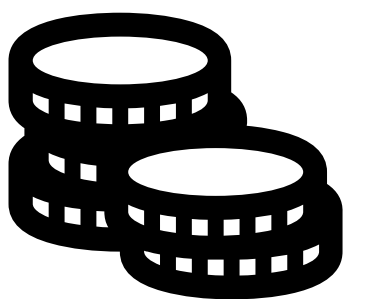


New accounts
+ 39%

- 45% of new accounts opened in Q1 2021 were for children under age 5

Contributions

+26%



Distributions

+ 18%

- 74% of assets are for beneficiaries older than 14 years old