

THE STATE OF DELAWARE  
2<sup>ND</sup> QUARTER, 2021

**529 PROGRAM**  
**QUARTERLY REVIEW**

**CAPTRUST**  
40 Wall Street, 56th Floor  
New York, NY 10005



**The State of Delaware**

2<sup>nd</sup> Quarter, 2021 Quarterly Review

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### Plan Information

Total plan assets as of June 30, 2021, were \$767.4 million. Approximately \$554.5 million (72% of total plan assets) are allocated to an Age-Based option, with approximately \$212.9 million (28% of total assets) allocated to static portfolios, individual funds, or a bank deposit portfolio.

- **Active Age-Based** – \$425.2 million (55% of total assets)
- **Blend Age-Based** – \$8.2 million (1% of total assets)
- **Index Age-Based** – \$121.2 million (16% of total assets)

### Peer Group Review

The annual peer group rankings were revised as of 09.30.2020. Compared to last year, relative to peers, Delaware's three Age-Based options have been repositioned within the Moderate-High equity risk peer group. This is an increase by one grouping from last year's Moderate-Mid equity risk peer group.

The Moderate-High equity risk peer group offers a diversified peer group of both active and passive options. The peer group also offers manager diversification, with peers using funds from 5+ investment managers.

### Underlying Holding Review

A benchmark composite is created for each of the three Age-Based options. This composite benchmark mimics the asset allocation for the given quarter and weighs the aggregate performance for each underlying fund accordingly.

- **Active Age-Based** option – 15 out of 29 funds (52%) outperformed their benchmark for the quarter.
- **Blend Age-Based** option – 13 out of 28 funds (45%) outperformed their benchmark for the quarter.
- **Index Age-Based** option – 1 out of 6 funds (17%) outperformed their benchmark for the quarter.



### Portfolio Positioning Review

- **Fidelity's Active and Blend series 1-year performance metrics continues to perform well relative to both benchmark and peers, especially within the active equity portions of the portfolio.** Out of the 18 actively managed equity funds, 11 funds have outperformed during 2021 (averaging 7.43% more than their BMs), while 7 funds have underperformed (averaging -2.32% less than their benchmarks).
- **Detractors for both series primarily stem from the performance of the non-equity diversifying investment options, along with peer relative asset allocation positioning.**
  - For these 11 funds, 6 funds have outperformed (averaging 1.15% more than their benchmark), while 5 have underperformed (averaging -2.35% less than their benchmarks).
  - From an asset allocation perspective, most peers are still positioned closer to a (70/30) US/Non-US split, compared to Fidelity's (60/40) US/Non-US split. YTD performance metrics for asset class returns for US equity, Developed Markets, and Emerging Markets have been 15.2%, 9.2%, and 7.6% respectively.
- This quarter, Fidelity outlined proposed changes (that would come into effect over the next year) to their portfolio positioning, primarily to reflect their short to mid-term expectation of increased inflation, and their long-term goal of providing portfolio diversification in all market cycles. The proposed three changes to glidepath allocations come at the reduction of exposure to U.S. Investment grade debt and short-term debt (cash).
  - **Adding an international developed market sovereign debt (hedged USD option).** This asset class has historically provided negative correlation with equities during market downturns and provides global yield curve diversification.
  - **Increase allocations to inflation-protected debt and replace the existing mandate ( 1-10 years) with two components (1-5 year and 10-year).** This change reflects Fidelity's stance that unexpected upside inflation potential remains underpriced by the market.
  - **Increasing allocation to long-maturity U.S. treasuries.** This change reflects longer term goals of portfolio diversification, while in the short-term increasing portfolio duration, which is expected to improve relative returns as interest rates remain low.



### Proposed Program Changes

- This quarter, Fidelity proposed three program enhancements / product offerings to the current investment program lineup.
- **Reduced Fees for Active Offerings** – Fidelity is proposing a reduction in portfolio fees for the 529 active age-based product offerings. The current portfolio fees average 60bps for the underlying funds and would be reduced to 55bps. The overall active program fees would be reduced from 20bps, down to 17bps.
- **Sustainable Investing Strategy** – This new investment strategy (proposed implementation during Q1 2022) would be a 70% equity and 30% fixed income balanced option that would invest in securities with high environmental, social, and governance (ESG) ratings. This would be an actively managed portfolio, with flexibility of +/- 10% relative to neutral equity and fixed income allocations. The investment would follow Fidelity's inclusionary ESG rating methodology. Over the next two quarters, we will be meeting with Fidelity's ESG team to fully explore their proprietary rating methodology, and how it compares to other widely used ESG rating groups (Sustainalytics, MSCI, Morningstar, etc.). **Our recommendation would be to consider this as addition to the current investment lineup, as it is an increasingly popular investment option among a wide range of account owners.**
- **Stable Value** – In line with many other 529 programs, Fidelity has proposed the implantation of a stable value product. **While this is a widely used investment within the industry, our recommendation would be to wait for the current market environment to shift before implementing this option.** Starting a stable value product while rates are so low could lead to a scenario where price/book values could go below 100% if we were to experience a sudden increase in rates. Additionally, with low rates, the return for a stable value fund in this environment would only be around 0.50%, which is significantly lower than what peers currently offer (where the average guaranteed rates range from 1.00%-1.80%, depending on when they were implemented).



CAPTRUST Proprietary 529 Age-Based Allocation Universe Analysis



Moderate High-Equity Fund Series	2039	2036	2033	2030	2027	2024	2021	College
Delaware College Investment Plan	97%	91%	78%	68%	51%	38%	24%	18%
Wisconsin*	90%	90%	78%	69%	56%	44%	25%	15%
West Virginia	100%	100%	83%	70%	60%	40%	20%	12%
South Carolina (Aggressive)	93%	93%	83%	63%	53%	32%	22%	12%
Maine (Index)	90%	90%	70%	60%	60%	40%	20%	0%
Maine (Active)	90%	90%	70%	60%	60%	40%	20%	0%
Illinois (Active Moderate)	90%	90%	80%	70%	50%	40%	20%	10%
Illinois (Index Moderate)	90%	90%	80%	70%	50%	40%	20%	10%

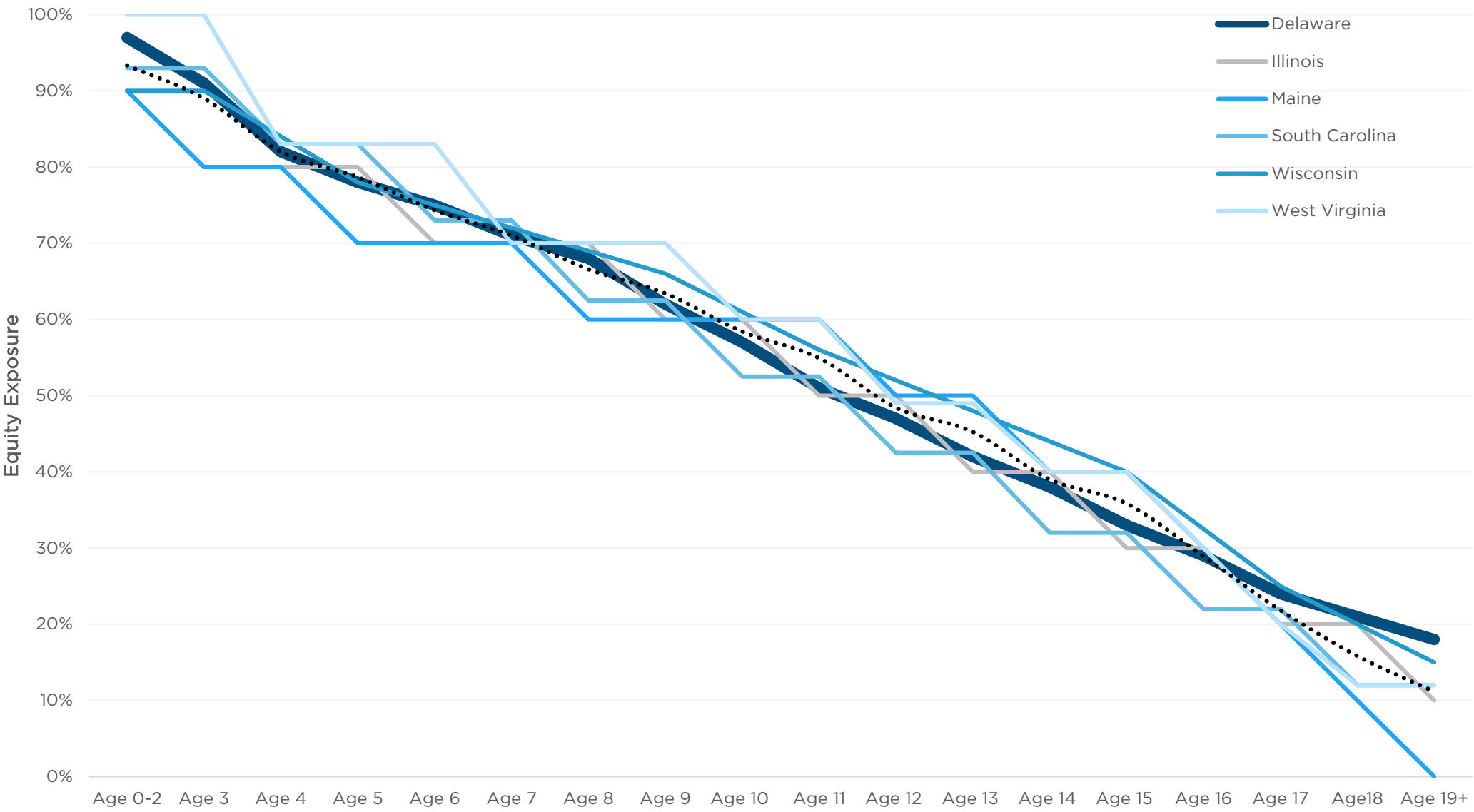
- The total equity exposure score represents a weighted calculation of total equity exposure at various points of the Age-Based glidepath. Delaware’s College Investment Plan has been placed in the **Moderate High-Equity peer group**: 4th most aggressive of 9 equity-risk groups.
- Each score is multiplied by a weighted factor, placing a higher emphasis on the years closer to the equity landing point (2027, 2024, and 2021) as these are the years most affected by equity risk sensitivity.

This information is gathered from 529-program websites and other written representations as of 09.30.2020. Peer groups are rebalanced on an annual basis, underlying allocations are updated quarterly for performance data. If any of the above information differs from these updated sources, the source document supersedes the above listing. Not all series update equity exposure and other metrics on a quarterly basis.

\*Portfolio has not been in existence long enough to provide performance



### Age-Based Allocation Glidepaths



### Active Age-Based Option Review

- The **Active Age-Based** option outperformed in 88% (7 of 8) of its age-bands for the 1-year versus peers and performed the best (on average) out of the Plan's Age-Based options on an absolute basis.
- The **Active Age-Based** option has two active Age-Based peers to compare against: Maine and Illinois. Commodity and Long Bond exposure both offered a relative edge to performance for the portfolios compared to peers. Underlying fixed income managers performed stronger this quarter, slightly outperforming their benchmarks overall (after underperforming for most of last year). 2020's trend of outperformance amidst actively managed portfolio series extended this quarter, as market volatility continues create mispricing opportunities.
- Performance in non-US markets delivered mixed results; with growth-oriented funds outperforming their value counterparts. On a macro level, allocation differences within US vs. non-US markets continued to be a relative detractor for the series, as peers continue to favor domestic markets over foreign opportunities. On a micro level, the underlying manager proficiency of Fidelity's managers has outweighed the loss in return due to asset allocation positioning.

### Blend Age-Based Option Review

- The **Blend Age-Based** option outperformed in 75% (6 of 8) of the age-bands for the 1-year versus peers.
- The Blend series' performance benefited from Fidelity's active management prowess during the second quarter, however, it also took on the relative underperformance of the Index series as well. With increasing flows to the portfolio series, our expectation is that the Blend series will continue to gain usage as a middle ground for account owners during increased market uncertainty.

### Index Age-Based Option Review

- The **Index Age-Based** option outperformed in (0 of 8) of the age-bands for the 1-year versus peers and performed the worst (on average) out of the Plan's Age-Based options on an absolute basis.
- When comparing the passive series to other passive glidepaths, performance is in-line with expectations. For passive investments, cost continues to be the largest focus point among plans, for which Fidelity remains ahead of similarly constructed peers.





# AGE-BASED ANALYSIS

Period Ending 06.30.21 | Q2 21

2039	Net Expense	YTD	1 - Year	3 - Year	5 - Year	10 - Year
<b>Delaware College Investment Plan</b>						
Active Age-Based Option	0.97%	13.47	43.10	-	-	-
Blend Age-Based Option	0.63%	12.72	42.04	-	-	-
Index Age-Based Option	0.14%	11.75	37.82	-	-	-
<b>Peer Group Average</b>	<b>0.25%</b>	<b>12.50</b>	<b>38.10</b>	<b>14.04</b>	<b>13.49</b>	<b>10.75</b>
Wisconsin*	0.20%	10.81	32.26	-	-	-
West Virginia (0-3)	0.12%	13.39	41.81	-	-	-
South Carolina (0-3)	0.16%	-	39.90	14.21	14.30	11.49
Maine (Active 0-1)	0.48%	12.98	36.54	13.84	13.41	10.32
Maine (Passive 0-1)	0.20%	12.39	35.84	13.92	12.75	10.45
Illinois (Active 0-2)	0.45%	-	40.37	13.85	-	-
Illinois (Passive 0-2)	0.12%	-	36.64	14.37	-	-
2036	Net Expense	YTD	1 - Year	3 - Year	5 - Year	10 - Year
<b>Delaware College Investment Plan</b>						
Active Age-Based Option	0.92%	11.84	38.54	14.45	-	-
Blend Age-Based Option	0.60%	11.14	37.38	-	-	-
Index Age-Based Option	0.14%	10.04	32.99	13.89	-	-
<b>Peer Group Average</b>	<b>0.24%</b>	<b>10.92</b>	<b>34.12</b>	<b>13.86</b>	<b>13.42</b>	<b>10.45</b>
Wisconsin*	0.20%	10.62	31.64	-	-	-
West Virginia (4-6)	0.12%	10.79	33.66	14.40	13.56	10.20
South Carolina (4-5)	0.14%	-	34.76	13.65	13.27	10.70
Maine (Active 2-4)	0.49%	11.35	32.60	-	-	-
Maine (Passive 2-4)	0.20%	10.69	31.11	-	-	-
Illinois (Active 3-5)	0.44%	-	35.89	13.20	-	-
Illinois (Passive 3-5)	0.12%	-	32.58	13.54	-	-
2033	Net Expense	YTD	1 - Year	3 - Year	5 - Year	10 - Year
<b>Delaware College Investment Plan</b>						
Active Age-Based Option	0.87%	9.73	32.33	13.15	13.98	-
Blend Age-Based Option	0.58%	9.03	31.05	-	-	-
Index Age-Based Option	0.14%	8.09	27.17	12.65	12.80	-
<b>Peer Group Average</b>	<b>0.25%</b>	<b>9.21</b>	<b>29.44</b>	<b>12.49</b>	<b>13.39</b>	-
Wisconsin*	0.20%	9.88	29.80	-	-	-
West Virginia (7-9)	0.12%	8.98	28.30	-	-	-
South Carolina (6-7)	0.13%	-	30.21	-	-	-
Maine (Active 5-7)	0.51%	9.91	28.87	12.33	-	-
Maine (Passive 5-7)	0.20%	8.88	26.49	12.07	-	-
Illinois (Active 6-8)	0.45%	-	31.68	12.18	-	-
Illinois (Passive 6-8)	0.12%	-	28.49	12.53	-	-



# AGE-BASED ANALYSIS

Period Ending 06.30.21 | Q2 21

2030	Net Expense	YTD	1 - Year	3 - Year	5 - Year	10 - Year
<b>Delaware College Investment Plan</b>						
Active Age-Based Option	0.83%	7.76	26.26	11.71	12.26	9.54
Blend Age-Based Option	0.55%	7.26	25.36	-	-	-
Index Age-Based Option	0.14%	6.34	21.77	11.34	11.21	9.45
<b>Peer Group Average</b>	<b>0.25%</b>	<b>7.65</b>	<b>23.85</b>	<b>11.30</b>	<b>10.95</b>	<b>8.90</b>
Wisconsin*	0.21%	9.07	27.48	-	-	-
West Virginia (10-11)	0.13%	7.55	23.94	11.80	11.11	8.64
South Carolina (8-11)	0.11%	-	23.32	11.13	10.15	8.42
Maine (Active 8-11)	0.52%	8.41	25.00	11.69	10.95	8.78
Maine (Passive 8-11)	0.20%	7.19	22.11	11.27	10.05	8.58
Illinois (Active 9-10)	0.44%	-	22.98	10.55	-	-
Illinois (Passive 9-10)	0.12%	-	20.24	10.88	-	-
2027	Net Expense	YTD	1 - Year	3 - Year	5 - Year	10 - Year
<b>Delaware College Investment Plan</b>						
Active Age-Based Option	0.78%	5.82	20.42	10.08	10.45	8.49
Blend Age-Based Option	0.51%	5.34	19.51	-	-	-
Index Age-Based Option	0.14%	4.62	16.48	9.78	9.49	8.39
<b>Peer Group Average</b>	<b>0.25%</b>	<b>5.84</b>	<b>18.76</b>	<b>10.01</b>	<b>9.57</b>	<b>8.06</b>
Wisconsin*	0.23%	6.70	20.89	-	-	-
West Virginia (12-13)	0.13%	5.98	19.42	-	-	-
South Carolina (12-13)	0.10%	-	16.63	-	-	-
Maine (Active 12-13)	0.53%	6.86	21.14	11.00	9.67	7.87
Maine (Passive 12-13)	0.20%	5.56	17.89	10.21	8.65	7.50
Illinois (Active 11-12)	0.44%	-	18.80	9.26	-	-
Illinois (Passive 11-12)	0.13%	-	16.44	9.71	-	-
2024	Net Expense	YTD	1 - Year	3 - Year	5 - Year	10 - Year
<b>Delaware College Investment Plan</b>						
Active Age-Based Option	0.72%	3.96	14.97	8.43	8.63	7.34
Blend Age-Based Option	0.47%	3.64	14.12	-	-	-
Index Age-Based Option	0.14%	2.88	11.44	8.18	7.80	7.26
<b>Peer Group Average</b>	<b>0.24%</b>	<b>4.40</b>	<b>14.53</b>	<b>8.63</b>	<b>7.83</b>	<b>6.69</b>
Wisconsin*	0.23%	5.66	17.97	-	-	-
West Virginia (14-15)	0.13%	4.70	15.84	9.43	8.77	7.14
South Carolina (14-15)	0.09%	-	12.36	7.86	6.63	5.57
Maine (Active 14-15)	0.53%	5.60	17.40	9.84	8.11	6.69
Maine (Passive 14-15)	0.21%	4.34	14.12	8.89	7.01	6.11
Illinois (Active 13-14)	0.40%	-	14.54	8.07	-	-
Illinois (Passive 13-14)	0.12%	-	12.53	8.36	-	-



# AGE-BASED ANALYSIS

Period Ending 06.30.21 | Q2 21

2021	Net Expense	YTD	1 - Year	3 - Year	5 - Year	10 - Year
<b>Delaware College Investment Plan</b>						
Active Age-Based Option	0.65%	2.03	9.08	6.41	6.60	6.01
Blend Age-Based Option	0.43%	1.84	8.55	-	-	-
Index Age-Based Option	0.14%	1.30	6.39	6.36	5.95	5.95
<b>Peer Group Average</b>	<b>0.24%</b>	<b>2.71</b>	<b>9.56</b>	<b>6.60</b>	<b>6.28</b>	<b>5.98</b>
Wisconsin*	0.20%	3.90	13.14	-	-	-
West Virginia (16-17)	0.19%	3.62	10.72	-	-	-
South Carolina (16-17)	0.08%	-	7.99	-	-	-
Maine (Active 16-17)	0.52%	3.58	11.83	-	-	-
Maine (Passive 16-17)	0.21%	2.73	9.17	-	-	-
Illinois (Active 15-16)	0.37%	-	10.05	6.70	-	-
Illinois (Passive 15-16)	0.13%	-	8.71	6.91	-	-
College	Net Expense	YTD	1 - Year	3 - Year	5 - Year	10 - Year
<b>Delaware College Investment Plan</b>						
Active Age-Based Option	0.63%	1.84	7.98	5.92	5.06	4.01
Blend Age-Based Option	0.42%	1.74	7.43	-	-	-
Index Age-Based Option	0.14%	1.15	5.38	5.79	4.52	3.88
<b>Peer Group Average</b>	<b>0.24%</b>	<b>1.68</b>	<b>5.75</b>	<b>5.14</b>	<b>4.37</b>	<b>3.71</b>
Wisconsin*	0.17%	2.27	7.45	-	-	-
West Virginia (18+)	0.20%	2.01	5.87	4.18	3.93	3.50
South Carolina (18+)	0.08%	-	3.68	4.93	3.98	3.45
Maine (Active 18)	0.47%	1.61	5.29	-	-	-
Maine (Passive 18)	0.25%	1.14	3.61	-	-	-
Illinois (Active 17-18)	0.37%	-	6.04	4.98	-	-
Illinois (Passive 17-18)	0.13%	-	4.72	5.03	-	-

Data Sources: DE CIP-Fidelity as of 12.31.2020; Peer Group information is gathered from 529 program websites and other written representations as of 12.31.2020. If any of the above information differs from these updated sources, the source document supersedes the above listing.

\*Portfolio has not been in existence long enough to provide performance.



### Active Age-Based Option Review

- The **Active Age-Based** underlying mutual fund composite outperformed the composite benchmark in all age-bands for Q2, with each age-band averaging outperformance of 0.16% versus the composite benchmark.
- 52% of underlying funds (15 of 29) outperformed their respective benchmarks for Q2 2021, with all funds averaging underperformance of -0.05% versus their respective benchmarks.
- The largest weighted outperformance was from Fidelity® Series International Growth Fund, which has an average weighting of 3.97% in each age-band and outperformed its benchmark by 2.43%.
- The most substantial weighted underperformance came from Fidelity® Series International Value Fund, which has an average weighting of 3.95% in each age-band and underperformed its benchmark by -1.38%.

### Blend Age-Based Option Review

- The **Blend Age-Based** underlying mutual fund composite underperformed the composite benchmark in all age-bands for Q2, with each age-band averaging underperformance of -0.07% versus the composite benchmark.
- 45% of underlying funds (13 of 29) outperformed their respective benchmarks for Q2 2021, with all funds averaging underperformance of -0.12% versus their respective benchmarks.
- The largest weighted outperformance was from Fidelity® Series International Growth Fund, which has an average weighting of 3.49% in each age-band and outperformed its benchmark by 2.43%.
- The most substantial weighted underperformance came from Fidelity® Series Blue Chip Growth Fund, which has an average weighting of 5.90% in each age-band and underperformed its benchmark by -1.30%.

### Index Age-Based Option Review

- The **Index Age-Based** underlying mutual fund composite outperformed the composite benchmark in 5 out of 8 age-bands for Q2, with each age-band averaging underperformance of -0.01% versus the composite benchmark.
- 17% of underlying funds (1 of 6) outperformed their respective benchmarks for Q2 2021, with all funds averaging essentially the same performance as their respective benchmarks.



## BENCHMARK ANALYSIS

Period Ending 06.30.21 | Q2 21

2039	QTR	1 - Year	3 - Year	5 - Year	10 - Year
Active Age-Based Option	7.28	44.70	16.20	15.94	10.43
Active Benchmark	7.11	40.87	14.27	14.40	9.92
Blend Age-Based Option	7.10	42.96	16.28	15.46	10.54
Blend Benchmark	7.15	40.03	14.45	14.53	9.97
Index Age-Based Option	7.03	38.37	14.64	14.56	10.74
Index Benchmark	7.04	38.54	14.62	14.59	10.75

2036	QTR	1 - Year	3 - Year	5 - Year	10 - Year
Active Age-Based Option	6.69	39.35	14.81	14.32	9.48
Active Benchmark	6.52	35.83	13.04	12.88	8.96
Blend Age-Based Option	6.53	37.81	14.60	13.60	9.65
Blend Benchmark	6.60	35.22	13.25	13.03	9.04
Index Age-Based Option	6.35	33.12	13.41	13.02	9.77
Index Benchmark	6.36	33.30	13.39	13.04	9.78

2033	QTR	1 - Year	3 - Year	5 - Year	10 - Year
Active Age-Based Option	6.01	33.59	13.41	12.62	8.47
Active Benchmark	5.83	30.29	11.75	11.26	7.94
Blend Age-Based Option	5.86	32.11	12.76	11.61	8.71
Blend Benchmark	5.94	29.81	11.97	11.41	8.04
Index Age-Based Option	5.66	27.79	12.13	11.43	8.74
Index Benchmark	5.66	27.99	12.11	11.44	8.75

2030	QTR	1 - Year	3 - Year	5 - Year	10 - Year
Active Age-Based Option	5.23	27.72	11.75	10.79	7.32
Active Benchmark	5.06	24.82	10.29	9.57	6.81
Blend Age-Based Option	5.08	26.34	10.89	9.62	7.58
Blend Benchmark	5.17	24.40	10.50	9.70	6.90
Index Age-Based Option	4.86	22.46	10.64	9.73	7.56
Index Benchmark	4.87	22.66	10.63	9.74	7.57

Data Source: DE CIP-Fidelity as of 06.30.2021; Morningstar source material as of 06.30.2021. If any of the above information differs from these updated sources, the source document supersedes the above listing.



# BENCHMARK ANALYSIS

Period Ending 06.30.21 | Q2 21

2027	QTR	1 - Year	3 - Year	5 - Year	10 - Year
Active Age-Based Option	4.45	21.94	10.12	8.99	6.17
Active Benchmark	4.28	19.41	8.84	7.91	5.68
Blend Age-Based Option	4.32	20.72	9.05	7.69	6.48
Blend Benchmark	4.40	19.12	9.07	8.03	5.78
Index Age-Based Option	4.08	17.25	9.18	8.06	6.41
Index Benchmark	4.08	17.45	9.17	8.07	6.41

2024	QTR	1 - Year	3 - Year	5 - Year	10 - Year
Active Age-Based Option	3.66	16.04	8.44	7.15	5.00
Active Benchmark	3.49	13.88	7.36	6.20	4.53
Blend Age-Based Option	3.54	14.97	7.17	5.70	5.35
Blend Benchmark	3.62	13.71	7.59	6.32	4.64
Index Age-Based Option	3.28	11.91	7.67	6.36	5.23
Index Benchmark	3.28	12.12	7.67	6.37	5.23

2021	QTR	1 - Year	3 - Year	5 - Year	10 - Year
Active Age-Based Option	2.57	9.61	6.10	4.92	3.42
Active Benchmark	2.44	8.19	5.39	4.25	3.04
Blend Age-Based Option	2.50	8.93	5.16	3.69	3.78
Blend Benchmark	2.55	8.16	5.65	4.37	3.16
Index Age-Based Option	2.22	6.42	5.63	4.37	3.67
Index Benchmark	2.22	6.60	5.63	4.37	3.68

College	QTR	1 - Year	3 - Year	5 - Year	10 - Year
Active Age-Based Option	2.54	9.43	6.04	4.86	3.37
Active Benchmark	2.41	8.03	5.34	4.20	3.00
Blend Age-Based Option	2.47	8.73	5.09	3.62	3.74
Blend Benchmark	2.51	7.98	5.59	4.31	3.11
Index Age-Based Option	2.19	6.27	5.58	4.31	3.63
Index Benchmark	2.19	6.45	5.57	4.32	3.63

Data Source: DE CIP-Fidelity as of 06.30.2021; Morningstar source material as of 06.30.2021. If any of the above information differs from these updated sources, the source document supersedes the above listing.



## BENCHMARK ANALYSIS

Period Ending 06.30.21 | Q2 21

Static Portfolio	Net Expense	1 - Year	3 - Year	5 - Year	10 - Year
<b>DE Agrsv Gro (Fid Funds)</b>	<b>0.99%</b>	<b>44.94</b>	<b>16.13</b>	<b>16.26</b>	<b>11.64</b>
Composite Benchmark	-	40.95	15.74	15.79	11.75
<b>DE Agrsv Gro (Fid Index)</b>	<b>0.13%</b>	<b>40.54</b>	<b>15.48</b>	<b>15.29</b>	<b>11.53</b>
Composite Benchmark	-	40.95	15.63	15.49	11.72
<b>DE Consvr (Fid Funds)</b>	<b>0.50%</b>	<b>1.35</b>	<b>3.57</b>	<b>2.37</b>	<b>2.05</b>
Composite Benchmark	-	0.29	3.38	2.16	1.89
<b>DE Consvr (Fid Index)</b>	<b>0.13%</b>	<b>0.00</b>	<b>3.21</b>	<b>1.96</b>	<b>1.94</b>
Composite Benchmark	-	0.29	3.38	2.16	2.11
<b>DE Mod Growth (Fid Funds)</b>	<b>0.87%</b>	<b>30.85</b>	<b>13.39</b>	<b>12.70</b>	<b>9.45</b>
Composite Benchmark	-	27.23	13.02	12.13	9.53
<b>DE Mod Growth (Fid Index)</b>	<b>0.13%</b>	<b>26.84</b>	<b>12.77</b>	<b>11.69</b>	<b>9.33</b>
Composite Benchmark	-	27.23	12.91	11.89	9.53

Individual Portfolio	Net Expense	1 - Year	3 - Year	5 - Year	10 - Year
<b>DE 500 Index</b>	<b>0.11%</b>	<b>40.69</b>	<b>18.56</b>	<b>17.52</b>	<b>14.66</b>
DE Fidelity 500 Index BM	-	40.79	18.67	17.65	14.84
<b>DE Bank Deposit</b>	<b>0.50%</b>	<b>0.10</b>	<b>0.91</b>	<b>0.80</b>	<b>0.47</b>
N/A	-	-	-	-	-
<b>DE International Index</b>	<b>0.15%</b>	<b>35.15</b>	<b>9.34</b>	<b>10.42</b>	<b>5.94</b>
DE International Index BM	-	35.91	9.55	10.80	6.22
<b>DE Intmdt Treasury Index</b>	<b>0.12%</b>	<b>-3.26</b>	<b>5.38</b>	<b>2.18</b>	<b>3.19</b>
DE Intmdt Treasury Index BM	-	-3.14	5.48	2.32	3.40
<b>DE Money Market</b>	<b>0.58%</b>	<b>0.00</b>	<b>0.90</b>	<b>0.73</b>	<b>0.36</b>
DE Money Market BM	-	0.09	1.35	1.19	0.64
<b>DE Total Market Index</b>	<b>0.11%</b>	<b>44.13</b>	<b>18.58</b>	<b>17.78</b>	<b>14.52</b>
DE Total Market index BM	-	44.29	18.69	17.86	14.66

Data Source: Fidelity as of 06.30.2021



# APPENDIX





Active Age-Based Option	Ticker	2039	2036	2033	2030	2027	2024	2021	College	Benchmark
	FJACX	0.92%	0.79%	0.64%	0.50%	0.36%	0.22%	0.07%	0.07%	0.07%
FVWSX	4.43%	3.78%	3.10%	2.41%	1.75%	1.07%	0.36%	0.34%	0.34%	Benchmark 1: Russell 1000 Growth TR USD
FBLEX	6.20%	5.28%	4.33%	3.38%	2.46%	1.50%	0.51%	0.48%	0.48%	Benchmark 1: Russell 1000 Value TR USD
FNKLX	4.74%	4.03%	3.31%	2.57%	1.88%	1.14%	0.40%	0.37%	0.37%	Benchmark 1: Russell 1000 Value TR USD
FSAEX	2.11%	1.80%	1.48%	1.15%	0.83%	0.51%	0.17%	0.16%	0.16%	Benchmark 1: Russell 1000 Growth TR USD
FGLGX	7.40%	6.30%	5.18%	4.02%	2.93%	1.79%	0.60%	0.57%	0.57%	Benchmark 1: Russell 1000 TR USD
FCGSX	8.86%	7.57%	6.21%	4.84%	3.50%	2.14%	0.73%	0.69%	0.69%	Benchmark 1: Russell 1000 Growth TR USD
FDMLX	8.64%	7.38%	6.05%	4.71%	3.37%	2.06%	0.68%	0.66%	0.66%	Benchmark 1: Russell Mid Cap Value TR USD
FIOOX	2.71%	2.31%	1.90%	1.48%	1.07%	0.65%	0.22%	0.21%	0.21%	Benchmark 1: Russell 1000 Value TR USD
FSBDX	3.45%	2.95%	2.42%	1.88%	1.36%	0.83%	0.28%	0.27%	0.27%	Benchmark 1: Russell 1000 Growth TR USD
FSOPX	3.08%	2.62%	2.14%	1.67%	1.20%	0.74%	0.25%	0.24%	0.24%	Benchmark 1: Russell 2000 TR USD
FIGSX	7.24%	6.30%	5.33%	4.35%	3.39%	2.41%	1.40%	1.37%	1.37%	Benchmark 1: MSCI ACWI Ex USA Growth NR USD
FSTSX	2.24%	1.95%	1.65%	1.34%	1.05%	0.75%	0.43%	0.42%	0.42%	Benchmark 1: MSCI World Ex USA SMID Growth NR USD
FINVX	7.19%	6.26%	5.30%	4.32%	3.37%	2.40%	1.39%	1.36%	1.36%	Benchmark 1: MSCI ACWI Ex USA Value NR USD
FCNSX	2.70%	2.36%	2.00%	1.63%	1.27%	0.90%	0.53%	0.51%	0.51%	Benchmark 1: MSCI ACWI Ex USA NR USD
FSOSX	7.24%	6.31%	5.33%	4.35%	3.39%	2.41%	1.40%	1.37%	1.37%	Benchmark 1: MSCI ACWI Ex USA Growth NR USD
FEMSX	14.09%	12.67%	11.12%	9.69%	8.22%	6.75%	5.23%	5.19%	5.19%	Benchmark 1: MSCI EM NR USD
FHKFX	1.55%	1.39%	1.28%	1.07%	0.93%	0.77%	0.60%	0.59%	0.59%	Benchmark 1: MSCI EM NR USD
FSIGX	0.00%	7.77%	18.86%	24.70%	30.35%	36.12%	30.26%	30.13%	30.13%	Benchmark 1: BBgBarc US Agg Bond TR USD
FTLTX	2.60%	3.08%	3.08%	3.09%	3.09%	3.09%	3.10%	3.10%	3.10%	Benchmark 1: BBgBarc US Government Long TR USD
FYBTX	0.00%	0.10%	0.10%	1.01%	1.96%	2.95%	6.18%	6.27%	6.27%	Benchmark 1: BBgBarc US Govt/Credit 1-3 Yr TR USD
FGNXX	0.00%	0.45%	0.45%	4.66%	9.08%	13.65%	28.61%	29.03%	29.03%	Benchmark 1: ICE BofA USD 3M Dep OR CM TR USD
FCSSX	2.54%	2.77%	2.77%	2.77%	2.77%	2.77%	2.78%	2.78%	2.78%	Benchmark 1: Morningstar Lng-Only Cmdty TR USD
FSHNX	0.00%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	Benchmark 1: ICE BofA US High Yield TR USD
FFHCX	0.00%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	Benchmark 1: S&P/LSTA Leveraged Loan TR
FEDCX	0.00%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	Benchmark 1: JPM EMBI Global Diversified TR USD
FSEDX	0.00%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	Benchmark 1: JPM GBI-EM Global Diversified TR USD
FSREX	0.00%	0.39%	0.39%	0.39%	0.39%	0.39%	0.39%	0.39%	0.39%	Benchmark 1: S&P United States REIT TR USD
FSIPX	0.14%	1.98%	4.16%	6.59%	8.54%	10.49%	11.93%	11.93%	11.93%	Benchmark 1: BBgBarc US Treasury US TIPS TR USD

Index Age-Based Option	Ticker	2039	2036	2033	2030	2027	2024	2021	College	Benchmark
	FCFMX	57.63%	49.91%	41.88%	33.77%	25.87%	17.80%	9.41%	9.18%	9.18%
FSGEX	37.34%	32.36%	27.15%	21.89%	16.78%	11.54%	6.10%	5.96%	5.96%	Benchmark 1: MSCI ACWI Ex USA NR USD
FIFZX	1.98%	14.65%	25.73%	31.56%	37.22%	42.99%	37.16%	36.99%	36.99%	Benchmark 1: BBgBarc US Agg Bond TR USD
FTLTX	3.06%	3.06%	3.06%	3.06%	3.06%	3.07%	3.07%	3.09%	3.09%	Benchmark 1: BBgBarc US Government Long
FHQFX	0.00%	0.00%	0.00%	5.11%	10.48%	16.06%	34.24%	34.75%	34.75%	Benchmark 1: BBgBarc 3-6 Mo Tsy
FSIPX	0.00%	0.00%	2.16%	4.58%	6.54%	8.49%	9.98%	9.99%	9.99%	Benchmark 1: BBgBarc 1-10 TIPS



Blend Age- Based Option	Ticker	2039	2036	2033	2030	2027	2024	2021	College	Benchmark
		FNKLX	5.55%	4.73%	3.88%	3.02%	2.19%	1.35%	0.46%	0.43%
	FGLGX	7.98%	6.81%	5.59%	4.34%	3.14%	1.93%	0.66%	0.62%	Benchmark 1: Russell 1000 TR USD
	FIOOX	15.36%	13.11%	10.77%	8.39%	6.09%	3.71%	1.25%	1.18%	Benchmark 1: Russell 1000 Value TR USD
	FSBDX	12.14%	10.36%	8.50%	6.61%	4.79%	2.90%	1.00%	0.94%	Benchmark 1: Russell 1000 Growth TR USD
	FSOPX	3.82%	3.26%	2.67%	2.08%	1.51%	0.93%	0.31%	0.30%	Benchmark 1: Russell 2000 TR USD
	FHOFX	7.69%	6.58%	5.38%	4.19%	3.03%	1.85%	0.63%	0.59%	Benchmark 1: Russell 1000 Growth TR USD
	FIGSX	6.35%	5.53%	4.68%	3.81%	2.97%	2.12%	1.23%	1.21%	Benchmark 1: MSCI ACWI Ex USA Growth NR USD
	FSTSX	2.24%	1.95%	1.65%	1.36%	1.05%	0.75%	0.44%	0.43%	Benchmark 1: MSCI World Ex USA SMID Growth NR USD
	FINVX	6.30%	5.49%	4.64%	3.79%	2.96%	2.10%	1.22%	1.20%	Benchmark 1: MSCI ACWI Ex USA Value NR USD
	FCNSX	2.71%	2.35%	2.00%	1.61%	1.27%	0.90%	0.53%	0.51%	Benchmark 1: MSCI ACWI Ex USA NR USD
	FHLFX	2.64%	2.31%	1.94%	1.59%	1.24%	0.88%	0.51%	0.50%	Benchmark 1: MSCI ACWI Ex USA NR USD
	FSOSX	6.35%	5.53%	4.68%	3.81%	2.98%	2.12%	1.23%	1.20%	Benchmark 1: MSCI ACWI Ex USA Growth NR USD
	FEMSX	14.10%	12.71%	11.21%	9.73%	8.28%	6.80%	5.29%	5.22%	Benchmark 1: MSCI EM NR USD
	FHKFX	1.55%	1.39%	1.23%	1.07%	0.91%	0.74%	0.57%	0.57%	Benchmark 1: MSCI EM NR USD
	FSIGX	0.00%	2.32%	5.65%	7.40%	9.10%	10.83%	9.08%	9.04%	Benchmark 1: BBgBarc US Agg Bond TR USD
	FHMFx	0.00%	1.71%	4.15%	5.44%	6.69%	7.97%	6.68%	6.65%	Benchmark 1: BBgBarc US Corp Bond TR USD
	FHPFX	0.00%	1.59%	3.88%	5.09%	6.25%	7.44%	6.24%	6.21%	Benchmark 1: BBgBarc US Agg Bond TR USD
	FHNFX	0.00%	2.11%	5.13%	6.72%	8.26%	9.84%	8.25%	8.21%	Benchmark 1: BBgBarc US Government TR USD
	FTLTX	2.59%	3.07%	3.08%	3.08%	3.09%	3.09%	3.10%	3.10%	Benchmark 1: BBgBarc US Government Long TR USD
	FYBTX	0.00%	0.09%	0.09%	0.97%	1.89%	2.84%	5.95%	6.05%	Benchmark 1: BBgBarc US Govt/Credit 1-3 Yr TR USD
	FGNXX	0.00%	0.14%	0.14%	1.51%	2.94%	4.42%	9.25%	9.40%	Benchmark 1: ICE BofA USD 3M Dep OR CM TR USD
	FHQFX	0.00%	0.30%	0.31%	3.19%	6.21%	9.34%	19.54%	19.86%	Benchmark 1: BBgBarc Govt/Corp 1 Yr Duration TR USD
	FCSSX	2.54%	2.76%	2.76%	2.77%	2.77%	2.77%	2.78%	2.78%	Benchmark 1: Morningstar Lng-Only Cmnty TR USD
	FSHNX	0.00%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	Benchmark 1: ICE BofA US High Yield TR USD
	FFHCX	0.00%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	Benchmark 1: S&P/LSTA Leveraged Loan TR
	FEDCX	0.00%	0.54%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	Benchmark 1: JPM EMBI Global Diversified TR USD
	FSEDX	0.00%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	Benchmark 1: JPM GBI-EM Global Diversified TR USD
	FSREX	0.00%	0.38%	0.38%	0.39%	0.39%	0.39%	0.39%	0.39%	Benchmark 1: S&P United States REIT TR USD
	FSIPX	0.14%	1.97%	4.15%	6.58%	8.54%	10.49%	11.94%	11.93%	Benchmark 1: BBgBarc US Treasury US TIPS TR USD



## CREATING CAPTRUST’S PROPRIETARY 529 AGE-BASED ALLOCATION UNIVERSE ANALYSIS

**STEP 1:** Research the largest (30) direct 529 plans and aggregate each Age-Based option’s glide-path and underlying fund publicly available data.

**STEP 2:** Average the equity exposure for each Age-Based option category & calculate the deviation from that average for each Age-Based option.

**STEP 3:** Weight the deviations based on the position within the glide path (e.g., weighting the age 11-12 period more heavily than deviations at younger ages).

**STEP 4:** Calculate a score (higher score meaning more total equity risk exposure) for each Age-Based option allocation based on the individual asset weighting scores (standard deviation x weighting) for each fund within the Age-Based Allocation Option.

Assign each Age-Based allocation to one of the nine risk-based categories, based on their relative scores from highest to lowest:

<b>STEP 5:</b>	Aggressive – High Equity (9)	Aggressive – Mid Equity (8)	Aggressive – Low Equity (7)
	Moderate – High Equity (6)	Moderate – Mid Equity (5)	Moderate – Low Equity (6)
	Conservative – High Equity (3)	Conservative – Mid Equity (2)	Conservative – Low Equity (1)

The 529 program information compiled to create this report and the CAPTRUST 529 Age-Based Allocation Universe is gathered from publicly available program sources as of the date of this report, unless otherwise stated. The 529 programs that make up the CAPTRUST 529 Age-Based Allocation Universe each release equity exposure and other data at varying intervals. If any of the information within this report differs from updated sources, the updated source document supersedes the data in this report.



## DEFINITIONS

Terms	Definition & Application
<b>Composite Benchmark</b>	The composite benchmark is a weighted metric used to compare the relative performance of the underlying funds within an Age-Based option against those funds' respective benchmarks. The performance of each is weighted against the actual weighting of each Age-Based option. These values are not reflective of the portfolio's actual performance; rather, the performance solely of the underlying funds in isolation.
<b>Composite Data Points</b>	All data points (performance metrics/risk metrics/manager tenure/expense ratios) are provided via Morningstar and are shown as weighted composites relative to the stated allocations.
<b>Peer Group</b>	Peer group is determined by comparing equity exposures for similar Age-Based options within the Cammack Age-Based Allocation Universe. The performance of each Age-Based option is first weighted relative to the exposure of each underlying fund. This value is then equally weighted against each other fund within the respective proprietary ranked subgroup.
<b>Standard Deviation</b>	Statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time. This metric is used to try and predict the range of returns for a given fund. A high value signifies greater volatility, as the predicted range of performance is wide. A low value signifies lower volatility, as the predicted range of performance is more focused.

