



Overview Meeting

529 and ABLE Presentation
September 24, 2026

Agenda

- 1 **Ascensus Overview**
- 2 **Investment Discussion**
- 3 **Individual Fund Options**
- 4 **Target Date Options**

Expertise in State Savings Programs

Proven methodology results in more seamless experiences

9M+
ACCOUNTS

\$300B+
ASSETS UNDER
ADMINISTRATION

71
PLANS

Across our
ABLE and 529
businesses.

12

**CONVERSIONS
OVER LAST 2
YEARS**
across 2M
accounts and
\$60B+ assets.

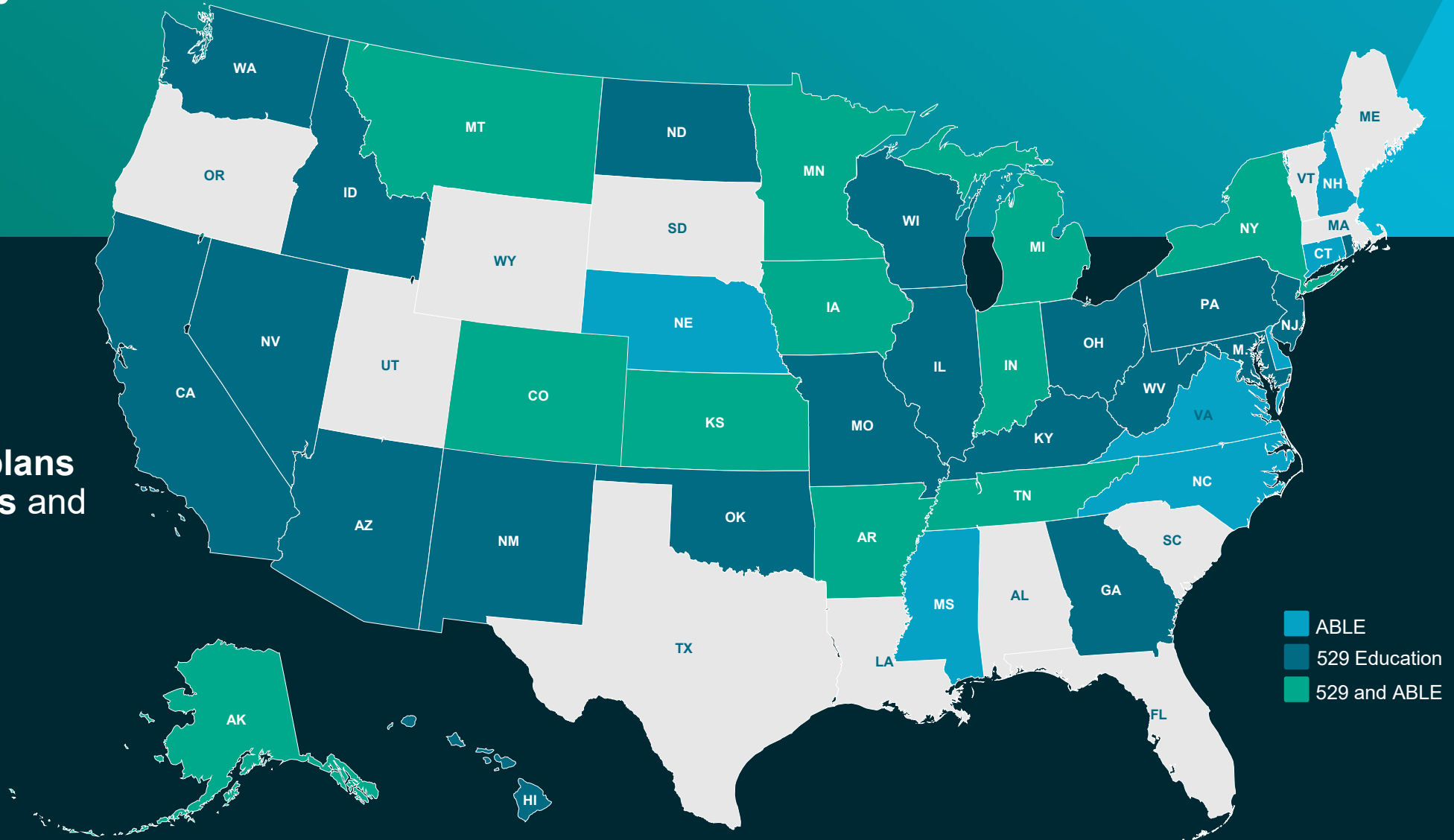
100%

529 CLIENT RETENTION
Exemplifying our focus on our
clients and their success.

Ascensus: The Nation's Largest Provider of 529 and 529A Technology & Services

2026

Supporting **71 plans**
across **38 states** and
the **District of Columbia**.



Investment Discussion

- **Who is Running Portfolios**
- **Lower Cost**
- **Vanguard Continuity**

Investment Management



ASCENSUS INVESTMENT ADVISORS

Focusing on the need to achieve investment outcomes while navigating market uncertainty

Fiduciary duty

Clients first

As an SEC-registered adviser, AIA is legally bound to put the plan's interests ahead of its own.

- Ongoing investment reporting to the state
- Works with the state on investment policy and reviews

Open architecture

No house funds

Not tied to one fund family and no proprietary funds to sell, so no profit motive behind fund choices.

- Best-in-class fund for each asset class
- Freedom to replace managers that fall short

Proven at scale

28 plans

and programs where AIA selects and oversees the investments.

Partner plans work differently

We also partner with other large asset managers who often use their own funds, or a mix of proprietary and outside funds. Ascensus provides the recordkeeping and servicing.

Lower Costs

Fees: a 57% cut in what families pay

The new lineup lowers the program's weighted underlying cost from 0.044% to 0.019%, saving account owners about \$491,000 every year. Families in the age-based option, the plan's default path for most savers, capture the biggest share of that reduction.

Asset group	Assets	Current annual cost	New annual cost	Annual savings
Age-based (LifeStrategy to Enrollment Year)	\$540.8M	\$540,800 (0.10%)	\$131,000 (0.024% avg)	\$409,800 (76%)
Individual funds	\$1,037.0M	\$323,900 (0.031% avg)	\$243,000 (0.023% avg)	\$80,900 (25%)
Principal Protection to Capital Preservation	\$405.4M	\$0	\$0	\$0
Total 529 program	~\$2.0B	\$864,700 (0.044%)	\$374,000 (0.019%)	\$490,700 (57%)

What this means for a single family: \$10,000 in a current age-based track costs about \$10 a year. The same \$10,000 in an Enrollment Year Portfolio costs between \$1.17 and \$2.89. Younger beneficiaries sit at the top of that range because their portfolios hold more stock index funds.

Vanguard Continuity

Vanguard remains the backbone of START. Of the \$1.49 billion invested in market-based options after the transition, \$1.46 billion (98%) sits in Vanguard index funds. The remaining 2%, about \$31 million, goes to two low-cost ETFs that add real estate and high-yield bond exposure in the target data options.

Owners will see the same brand on their statements, and in many cases the same index strategy:

Current holding	Assets	New holding	Continuity
Vanguard Institutional Total Stock Market Index (VITPX)	\$498.4M	Vanguard Total Stock Market Index Instl Plus (VSMPX)	Same total US market exposure at the same 0.02% cost
Vanguard Large-Cap, Mid-Cap, Small-Cap, S&P 500, Growth and Value Index funds	\$419.8M	VSMPX	Every US size and style segment consolidated into one total-market fund
Vanguard Total International Stock (VTSNX) and Total World Stock (VTWIX)	\$118.8M	Vanguard Total International Stock Index Instl Plus (VTPSX)	Same international index family in a cheaper share class
Vanguard LifeStrategy funds (VASGX, VSMGX, VSCGX, VASIX)	\$540.8M	Enrollment Year Portfolios	LifeStrategy is itself built from Vanguard total-market index funds. The new portfolios hold those building blocks directly.

Individual Portfolios

- **Current vs New**
- **Smoother risk reduction**
- **Gains for program**

Current vs Future Line-up

CURRENT | 10 options

NEW | 6 options

US stocks

Total Market Large-Cap Mid-Cap
Small-Cap S&P 500 Growth
Value

US Equity Index

Vanguard Total Stock Market Index Fund (VSMPX)

- ✓ Closer to full replication of the total US stock market

International stocks

Total International Total World
0.06% 0.07% | ~60% US stocks

International Equity Index (0.05%)

- ✓ Same fund as Total International, cheaper share class
- ✓ No US stocks inside, so no overlap with US Equity Index

Bonds

NO BOND OPTIONS

Short-Term
Bond Index

Total Bond
Index

International
Bond Index

Capital preservation

Louisiana Principal Protection

Capital Preservation

Why bonds matter: the stock/bond mix drives results, not the slice of the stock market

94%

of return variation explained
by asset allocation policy

Brinson, Hood & Beebower, 1986

91%

median for US balanced funds,
confirmed decades later

Vanguard, 2016

~6%

left for fund selection and
market timing combined

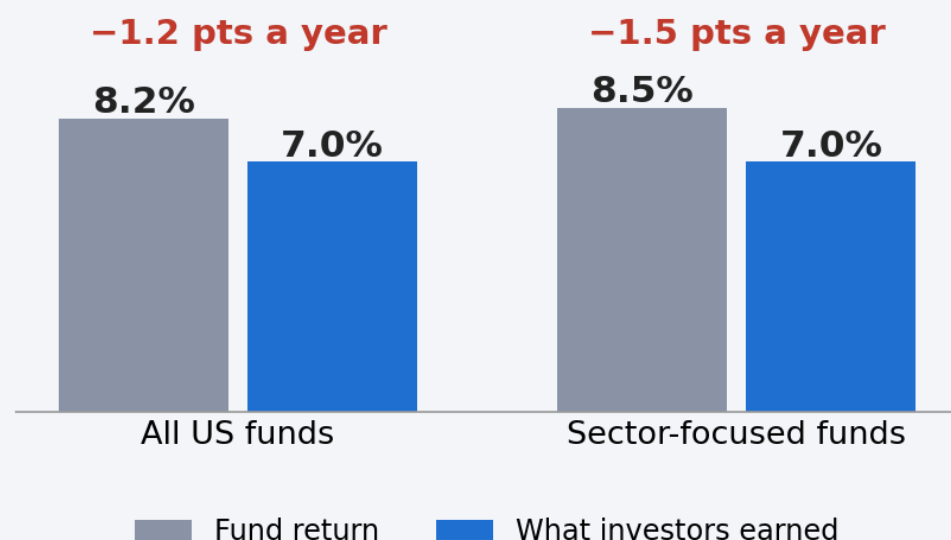
Brinson, Hood & Beebower, 1986

Why One US Option Beats a Menu

Most owners use slices to chase last year's winner. Even disciplined owners can't keep a sliced mix on target, because markets move every day and 529 rules allow only two investment changes a year.

Investors chase yesterday's winners

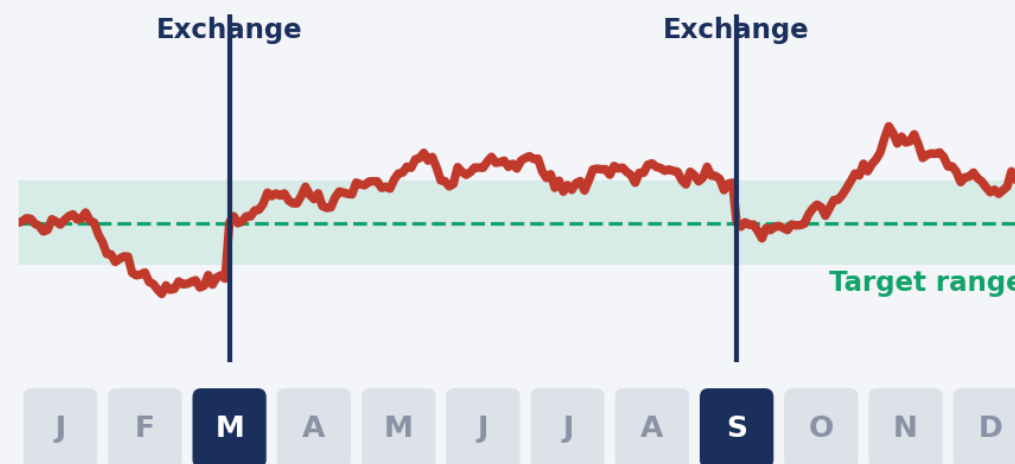
Annual return, 10 years ending 2024



97% of returns kept by investors in all-in-one allocation funds, the best of any category

Slices drift. 529s allow two fixes a year.

Illustrative: a sliced portfolio drifting off target over a year



529 rules: only 2 investment changes per year on existing balances

✓ US Equity Index Portfolio rebalances itself automatically, holding every slice at market weight without using a trade

Sources: Morningstar, Mind the Gap 2025 (Aug. 2025); IRS rules on 529 investment changes. Drift chart is illustrative only.

Few Overlaps and More Options

Individual portfolios: fewer overlaps, lower costs, new bond choices

Ten overlapping options collapse into six clean building blocks, and every mapped stock investment costs the same or less. Seven of today's US stock funds hold slices of the same market. The new US Equity Index Portfolio owns all of it in one fund for 0.02%.

Current option	Assets	Cost	New portfolio	Cost
Institutional Total Stock Market (VITPX)	\$498.4M	0.020%	US Equity Index (VSMPX)	0.020%
Large-Cap Index (VLISX)	\$197.0M	0.030%	US Equity Index (VSMPX)	0.020%
Mid-Cap Index (VMCIX)	\$80.7M	0.030%	US Equity Index (VSMPX)	0.020%
Small-Cap Index (VSCIX)	\$67.9M	0.060%	US Equity Index (VSMPX)	0.020%
Growth Index (VIGIX)	\$35.8M	0.030%	US Equity Index (VSMPX)	0.020%
Institutional Index, S&P 500 (VINIX)	\$28.8M	0.035%	US Equity Index (VSMPX)	0.020%
Value Index (VIVIX)	\$9.7M	0.030%	US Equity Index (VSMPX)	0.020%
Total International Stock (VTSNX)	\$66.2M	0.060%	International Equity Index (VTPSX)	0.050%
Total World Stock (VTWIX)	\$52.6M	0.070%	International Equity Index (VTPSX)	0.050%
Louisiana Principal Protection	\$405.4M	0.000%	Capital Preservation	0.000%
None today	n/a	n/a	Short-Term Bond Index (VBITX)	0.030%
None today	n/a	n/a	Bond Index (VBTIX)	0.025%
None today	n/a	n/a	International Bond (VTIFX)	0.030%

Gains for Program

Simpler choices

10 → 6

today

new

options

One US stock fund, one international stock fund, three bond funds and a stable option. No more guessing how large-cap, S&P 500 and total-market funds differ.

Bonds for the first time

0 → 3

today

new

bond portfolios

Today, the only lower-volatility choice is Principal Protection. The new menu adds short-term, core and international bond index portfolios.

Stable option carries over

\$405M | 0.00%

moves over

fund fees

Capital Preservation Portfolio

All Principal Protection balances, including 16+ age-based assets, move into the new Capital Preservation Portfolio, which also costs nothing in underlying fees.

Target Date Funds

- Smoother Glidepath
- Easier Choices

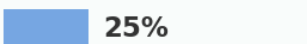
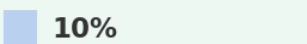
Age-based today vs Enrollment

CURRENT: 3 tracks × 4 stages

	Stage 1	Stage 2	Stage 3	Stage 4
Aggressive	Agg 0-9 Growth 80% stocks	Agg 9-12 Mod Growth 60% stocks	Agg 13-16 Con Growth 40% stocks	Agg 16+ Princ Prot 0% stocks
Growth	Gr 0-6 Growth 80% stocks	Gr 6-11 Mod Growth 60% stocks	Gr 11-16 Con Growth 40% stocks	Gr 16+ Princ Prot 0% stocks
Moderate	Mod 0-6 Mod Growth 60% stocks	Mod 6-11 Con Growth 40% stocks	Mod 11-16 Income 20% stocks	Mod 16+ Princ Prot 0% stocks

- ✗ Owners must choose a risk track first
- ✗ Account swaps funds at each age band
- ✗ Every track falls to 0% stocks at 16

NEW: 11 portfolios, one path

Portfolio	Beneficiary born	Stocks today
2044-2045	Sep 2025 - Sep 2027	 90%
2042-2043	Sep 2023 - Sep 2025	 87%
2040-2041	Sep 2021 - Sep 2023	 80%
2038-2039	Sep 2019 - Sep 2021	 73%
2036-2037	Sep 2017 - Sep 2019	 67%
2034-2035	Sep 2015 - Sep 2017	 60%
2032-2033	Sep 2013 - Sep 2015	 50%
2030-2031	Sep 2011 - Sep 2013	 38%
2028-2029	Sep 2009 - Sep 2011	 25%
2026-2027	Sep 2007 - Sep 2009	 10%
Enrollment Portfolio	Sep 2007 or earlier	 10%

- ✓ Pick one thing: the year college starts
- ✓ Same name from first deposit to enrollment
- ✓ Gradual steps, no 40-point birthday drops
- ✓ Lower cost: 0.012% to 0.029% a year

Smoother Glidepath

TODAY

A few large jumps tied to birthdays

NEW ENROLLMENT YEAR PATH

Lowers stock exposure a few points at a time, so no single day carries outsized market risk

✓ Timing risk shrinks

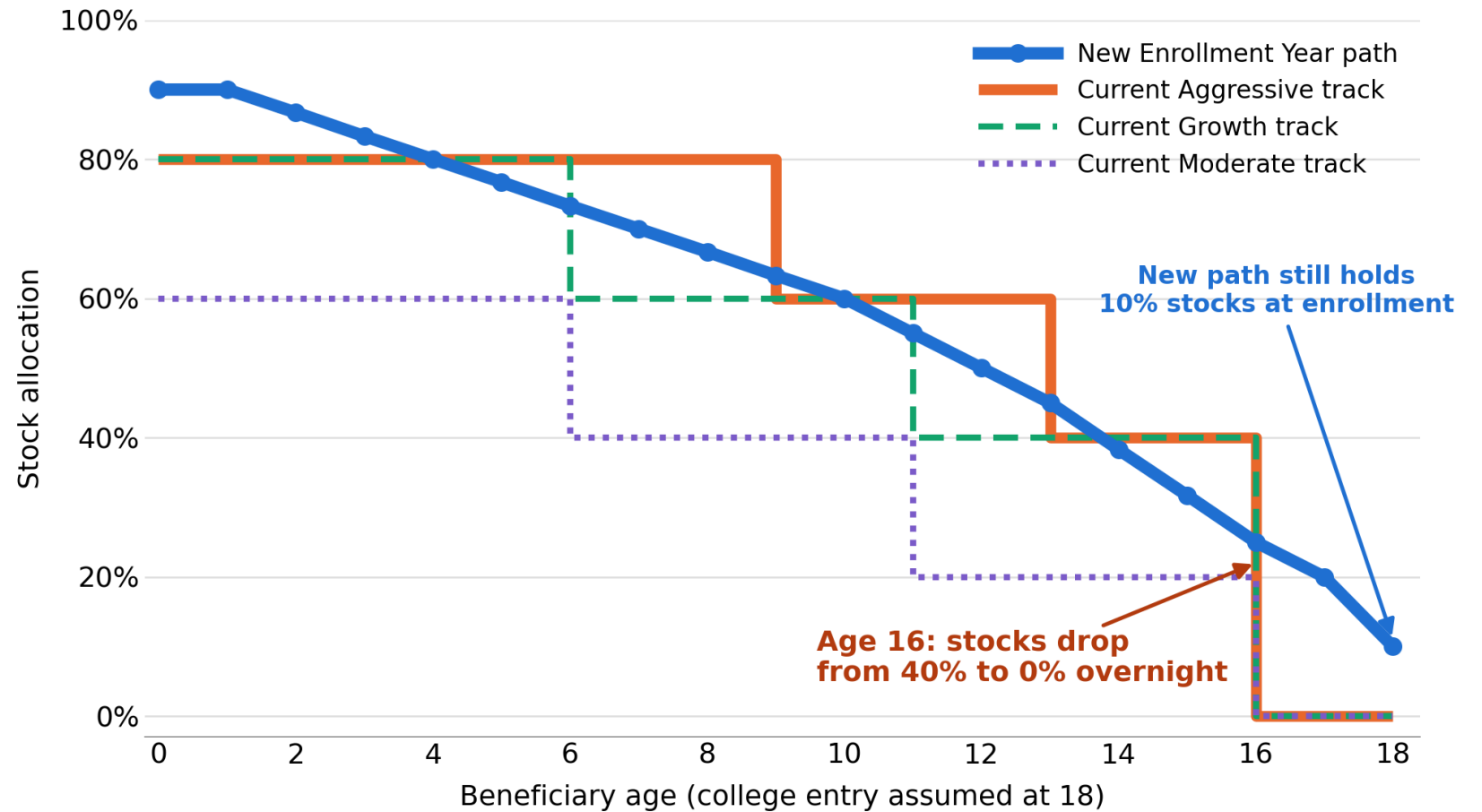
A one-day switch locks in whatever the market did that week. If stocks are down 15% on a child's 16th birthday, that loss is locked in for good.

✓ Growth keeps working

Today: 0% stocks from 16 through college, a stretch of up to six years.
New: 25% stocks at 16 and 10% at enrollment, plus 30% bonds.

✓ More growth early on

The new path starts at 90% stocks.
Today's tracks start at 80% (Aggressive) or 60% (Moderate).



Thank you