
INVESTMENT POLICY STATEMENT

For

Arizona Family College Savings Program

Effective: October 1, 2020

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PURPOSE

The purpose of this Investment Policy Statement (IPS) is to assist the Arizona State Board of Investment (hereinafter referred to as “the Board”) and the Arizona State Treasurer (hereinafter referred to as “the Treasurer”) in effectively supervising, monitoring and evaluating the Investment Portfolios and FDIC-Insured Bank Products offered within the Arizona Family College Savings Program (hereinafter referred to as “AFCSP”) established pursuant to A.R.S. Title 15, Chapter 14, Article 7, including the Fidelity Arizona College Savings Plan (Direct Plan), the Ivy InvestEd 529 Plan (Advisor Plan) and the College Savings Bank (Bank Plan). The investment program is defined in the various sections of the IPS by:

- Stating in a written document the expectations, objectives and guidelines of the investment of all AFCSP assets.
- Setting forth an investment structure for managing all AFCSP assets. This structure includes various asset classes and investment management styles. The AFCSP intends to provide an appropriate range of Investment Portfolios that will span the risk/return spectrum, along with FDIC-Insured Bank Products and, if necessary and subject to Board approval pursuant to A.R.S § 15-1873, Subsection A, Paragraph 7, existing Treasurer Investment Funds established pursuant to A.R.S Title 35, Chapter 2, Articles 2 and 2.1.
- Establishing the criteria and procedures for selecting Investment Portfolios and underlying Investment Managers.
- Providing guidelines for each Investment Portfolio that controls the level of overall risk (appropriate diversification) and liquidity, such that all AFCSP assets are managed in accordance with the stated objectives.
- Encouraging effective communications between the Board, the Treasurer, the Investment Consultant, the Program Managers and the Investment Managers.
- Establishing formalized criteria to monitor, evaluate and compare the performance results achieved by the Investment Portfolios and the underlying Investment Managers on a regular basis.
- Complying with all fiduciary, prudence and due diligence requirements and with all applicable laws, rules and regulations from state and federal political entities that may impact AFCSP assets.

This IPS has been arrived at upon consideration by the Board and the Treasurer of the financial implications of a wide range of policies, and describes the prudent investment process that the Board and the Treasurer deem appropriate.

PROGRAM SUMMARY

The AFCSP was established in 1999 pursuant to Laws 1997, Chapter 171. Laws 2004, Chapter 327 established the Arizona Family College Savings Program Trust Fund (Fund) as a public instrumentality of the State of Arizona. Laws 2020, Chapter 88 designates the Board as the sole Fund Trustee and the Treasurer as the sole Fund Administrator, effective October 1, 2020. The mission of the Treasurer is to protect taxpayer money as the State of Arizona's Banker, Chief Investment Officer and Financial Services Provider. The Board, in addition to its role as Fund Trustee, is responsible for:

- Reviewing all investment activities of the Treasurer; and
- Serving as the Trustee of the Arizona Permanent Land Endowment Trust Fund consistent with the requirements of Article X, Section 7 of the Arizona Constitution, the Arizona Endowment Trust Fund established pursuant to A.R.S. § 35-314.03, and any public pension prefunding plan investment accounts established pursuant to A.R.S. § 35-314.04 as added by Laws 2020, Chapter 79.

Vision, mission and guiding principles have also been established by the Treasurer, as detailed below.

Vision: To improve the educational opportunities of Arizonans by providing a high quality 529 plan.

Mission: To educate and assist Arizona families to financially prepare for postsecondary education, including traditional college, vocational training and apprenticeships, by providing quality college savings choices.

Guiding Principles:

- To fulfill the mandate of the Arizona Revised Statutes (A.R.S.)
- To see that the Plan operates according to U.S. federal and Arizona state laws
- To see that the Plan is serving the best interests of its current and future investors
- To communicate the 529 Plan opportunity to the public, with emphasis on increasing 529 Plan access among Arizona's economically disadvantaged, minority and underrepresented student populations.

The AFCSP was established by the State of Arizona as a qualified state tuition program in accordance with Section 529 of the Internal Revenue Code of 1986, as amended. The AFCSP is designed to help families meet the rising costs of a higher education. The AFCSP offers an easy, flexible, and tax-advantaged way to save for traditional college, vocational training and apprenticeships.

PROGRAM SUMMARY

In December 2017, changes to Section 529 made by the federal Tax Cuts and Jobs Act became law. Arizona state law was subsequently updated to reflect these federal changes by Laws 2019, Chapter 251. The following is an overview of those changes applicable to qualified tuition programs:

Expanded Definition of Qualified Higher Education Expenses. Effective for distributions made after December 31, 2017, the definition of “qualified higher education expenses” under Section 529 was expanded to include expenses for tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school (not to exceed \$10,000 per tax year in the aggregate across all qualified tuition programs for a beneficiary) (“K-12 Tuition Expenses”). Earnings on distributions from a 529 plan account used for K-12 Tuition Expenses are free of federal income tax.

Certain Rollovers From 529 Plans to Achieving a Better Life Experience Programs Not Subject to Federal Income Tax. Effective for periods after December 22, 2017 and prior to January 1, 2026, rollovers from a 529 plan account to an Achieving a Better Life Experience Program (“ABLE”) account for the same beneficiary or to another beneficiary who is a Member of the Family (as defined in Section 529 of the Internal Revenue Code) will be free of federal income tax, subject to the annual contribution limits for ABLE accounts. Amounts withdrawn from a 529 plan account may be treated as a rollover to an ABLE account for federal tax purposes if the amount withdrawn is re-deposited within 60 days into an ABLE account, subject to the limitations in the immediately preceding sentence. The Treasurer or the Treasurer’s designee is a statutory member of the Arizona ABLE Act Oversight Committee, the membership and duties of which are outlined in A.R.S. § 46-907.

In December 2019, changes to Section 529 made by the federal Setting Every Community Up for Retirement Enhancement (SECURE) Act became law. Arizona state law was subsequently updated to reflect these federal changes by Laws 2020, Chapter 88. The following is an overview of those changes applicable to qualified tuition programs:

Expanded Definition of Qualified Higher Education Expenses. Effective for distributions made after December 31, 2018, the definition of “qualified higher education expenses” under Section 529 was expanded to include:

- Expenses for fees, books, supplies, and equipment required for the participation of a designated 529 Plan beneficiary in an apprenticeship program registered and certified with the U.S. Secretary of Labor under Section 1 of the National Apprenticeship Act (29 U.S.C. 50); and
- Amounts paid as principal or interest on any qualified education loan as defined in Section 221(d) of the Internal Revenue Code of the designated 529 Plan beneficiary or brother, sister, stepbrother, or stepsister of the designated beneficiary pursuant to Section 529 of the Internal Revenue Code. The amount of distributions treated as qualified higher education expense under this paragraph with respect to the loans of

PROGRAM SUMMARY

any individual shall not exceed \$10,000, reduced by the amount of distributions so treated for all prior taxable years.

Key information regarding the AFCSP can be found in Appendix A of this statement.

STATEMENT OF OBJECTIVES

The AFCSP provides vehicles for eligible Account Owners to take an active role in saving for their tuition expenses by providing education and information so that they can make informed decisions about their Investment Portfolio(s), FDIC-Insured Bank Product(s) selections and, if applicable and approved by the Board, Treasurer Investment Funds.

The goals and objectives of the AFCSP have been established in conjunction with a comprehensive review. The goals and objectives are:

- Provide flexible and affordable college savings options
- Solicit and recommend appropriate financial institutions
- Undertake a rigorous annual review of providers
- Monitor compliance with all regulatory bodies
- Provide timely communication to the State of Arizona
- Initiate strategic partnerships to enhance the program
- Create a fair and responsive operating environment for financial institutions

RESPONSIBILITIES

Responsibilities of the Board

The establishment of the Board is mandated by Article X, Section 7 of the Arizona Constitution. The membership, powers and duties of the Board are specified in A.R.S. § 35-311. The Board is comprised of five members who are as follows:

- the Treasurer as Chair of the Board;
- the Director of the Arizona Department of Administration or the Director's designee;
- the Director of the Arizona Department of Insurance and Financial Institutions or the Director's designee; and
- two Treasurer-appointed members, one of whom must have verifiable expertise in investment management and one of whom must represent a public entity with current deposits in the Treasurer's Local Government Investment Pool Program.

The Board serves as Trustee for the AFCSP pursuant to A.R.S. § 35-311 and A.R.S. Title 15, Chapter 14, Section 7. The Board reviews program performance, product enhancements, and makes informed decisions, including selection and termination of providers, after considering recommendations from the Treasurer.

Responsibilities of the Treasurer

The Treasurer is a statewide constitutional officer elected to a four-year term. The Treasurer is one of the five statewide elected officers who make up the State of Arizona's Executive Branch pursuant to Article V, Section 1 of the Arizona Constitution. The main responsibility of the Treasurer is to administer the AFCSP Program and Fund, to make recommendations to the Board, as the AFCSP Trustee, regarding selection of providers and to review and advise regarding investment, operational and oversight procedures. The Treasurer's roles also include:

- Oversight of the Request for Proposal process, including recommendation to the Board for approval;
- Suggestion of improvements in the Plan;
- Monitoring of Plan compliance; and
- Recruitment and appointment of an AFCSP Advisory Committee to assist the Treasurer in promoting and raising awareness of the AFCSP to Arizona residents pursuant to A.R.S. § 41-175 as added by Laws 2020, Chapter 88.

Responsibilities of the AFCSP Advisory Committee

The AFCSP Advisory Committee (hereinafter referred to as "the Committee") is comprised of the Treasurer or the Treasurer's Designee as Chair of the Committee and 10 Treasurer-appointed members who are as follows:

- Two community college district representatives: one from an urban county and one from a rural county;
- One public university representative;

RESPONSIBILITIES

- Two accredited private educational institution representatives: one from an institution offering Associate's, Bachelor's or Higher Degrees and one offering private vocational training;
- One teacher currently providing classroom instruction;
- One representative of a federally-recognized Indian tribe in Arizona;
- One representative of a U.S. Department of Labor-approved apprenticeship program; and
- Two public members.

The Committee assists and makes recommendations to the State Treasurer regarding promotional and informational activities relating to the AFCSP, including increasing AFCSP access among economically disadvantaged, minority and underrepresented student populations as required by Laws 2020, Chapter 88.

Responsibilities of Treasurer's Staff

The roles of the Treasurer's Staff include:

- Support of the Board in its oversight of the AFCSP, including Investment Risk Management Committee review of investment performance of Program Providers and organization of the annual provider review process;
- Monitoring the program for regulatory compliance;
- Bringing issues of importance or concern to the Board and Treasurer;
- Acting as state agency liaison through the Request for Proposal process;
- Ensuring program manager compliance with contract requirements;
- Relationship management of the Program Providers in the administration of the AFCSP operations and activities;
- Preparing 529 Plan status reports for the Board as Trustee;
- Reviewing Program Provider offering materials;
- Coordinating Assistant Attorney General or other legal counsel evaluation as needed;
- Increasing public awareness of the AFCSP, including providing necessary Staff services to the Committee; and
- Other administrative support and research as directed by the Board and Treasurer.

Delegation of Authority

The Board is the fiduciary of the AFCSP and is responsible for providing the investment framework and monitoring the investment management of AFCSP assets. In support of this Board function, the Treasurer, as the AFCSP Administrator, is authorized to delegate certain responsibilities to the Treasurer's staff and/or professional experts in various fields. These include, but are not limited to:

1. *Investment Consultant.* Capital Cities, L.L.C. has been retained by the Treasurer as an investment consultant. Investment guidance concerning the investment management of

RESPONSIBILITIES

AFCSP assets will be offered by the Investment Consultant, and will be consistent with the investment objectives, policies and constraints as established in this statement. Specific responsibilities of the Investment Consultant include, but are not limited to:

- Providing independent and unbiased information.
- Assisting in strategic planning of the AFCSP.
- Assisting in the development and periodic review of the IPS.
- Conducting Investment Portfolio searches when requested by the Board and Treasurer.
- Assisting in the development of performance measurement and qualitative standards.
- Monitoring and evaluating Investment Portfolios' performance on an ongoing basis and conducting due diligence when an Investment Portfolio fails to meet a standard.
- Making recommendations with respect to Investment Portfolio retention or termination.
- Assisting in monitoring hired Investment Managers for compliance with this IPS.
- Assisting in the control of investment expenses.
- Reporting, on a timely basis, quarterly investment performance results to provide the Board and Treasurer with the ability to determine the progress and compliance with investment goals and objectives.

2. *Program Manager.* The Board and Treasurer have retained three Program Managers within the AFCSP, including:

- Fidelity: Fidelity Arizona College Savings Plan (Direct Plan)
- Ivy Distributors, Inc.: Ivy InvestEd 529 Plan (Advisor Plan)
- NexBank: College Savings Bank (Bank Plan)

A Program Manager has the responsibility to manage the day-to-day operations of the AFCSP. A Program Manager performs administrative, recordkeeping, risk management, reporting, regulatory, tax reporting, client services, marketing, distribution and other services in connection with the operation of the AFCSP and the program management agreement with the Board and Treasurer.

A Program Manager can delegate accounting, custody and other administrative services. Specifically, custodian services for the Fidelity Arizona College Savings Plan are managed by National Financial Services LLC, with National Financial Services LLC and Fidelity Brokerage Services LLC also providing accounting and administrative services. The assets within the Ivy InvestEd 529 Plan are custodied by The Bank of New York Mellon.

CONTROL PROCEDURES

Accounting, shareholder and administrative services are provided by Waddell & Reed Services Company.

3. *Investment Managers (“Investment Managers”)*. Investment Managers have discretion to purchase, sell, or hold the specific securities or products that will be used to meet the AFCSP’s investment objectives. Investment Managers can include both actively and passively managed mutual funds, exchange-traded funds (“ETFs”) and separate accounts. Investment Managers will be held responsible and accountable to achieve the objectives herein stated. Investment Managers must furnish regular investment reports as required by the Board, Treasurer and/or Investment Consultant.
4. Additional specialists such as attorneys, auditors, actuaries and others may be employed by the Treasurer to assist in meeting its responsibilities and obligations to administer AFCSP assets prudently.

Responsibilities of Account Owners

The AFCSP will not provide individual investment counseling to Account Owners. Account Owners are responsible for choosing appropriate Investment Portfolio(s) and/or FDIC-Insured Bank Product(s). Furthermore, Account Owners choosing to invest in the Age-Based and Static Portfolios must determine that the Portfolios’ asset allocation strategies are appropriate for their risk tolerance, time horizons and return expectations. Account Owners choosing to invest in the Individual Portfolios and/or FDIC-Insured Bank Products are responsible for selecting an appropriate asset allocation based on the Account Owner’s unique time horizon, risk tolerance, return expectation and asset class preferences.

Account Owners who wish to participate, in the Advisor Plan, must do so through a financial intermediary, who provides advice on financial matters, such as determining the investment decisions outlined above. A financial intermediary is a firm that receives compensation for contributions made to an Account established by one of its clients. Financial intermediaries may include, among others, an Account Owner’s broker, financial planner or advisor, banks and insurance companies. Financial intermediaries employ individual financial advisors who advise Account Owners and other contributors on an individual basis.

GUIDELINES AND INVESTMENT POLICY

Fidelity Arizona College Savings Plan (Direct Plan) **Ivy InvestEd 529 Plan (Advisor Plan)**

In order to provide appropriate investment alternatives for Account Owners, several Investment Portfolios within the Fidelity Arizona College Savings Plan (Direct Plan) and the Ivy InvestEd 529 Plan (Advisor Plan) are made available that provide a range of risk and return characteristics, each unique to aid in proper diversification. **Three different types of Investment Portfolios are offered to Account Owners: Age-Based Portfolios, Static Portfolios and Individual Portfolios.** Once an Account Owner's Investment Portfolio(s) is selected for a particular contribution, IRS guidance dictates the rules through which an Account Owner can move or transfer money from one Investment Portfolio to another. More specific information on each type of Investment Portfolio can be found below and in Appendix B and Appendix C of this statement.

Age-Based Portfolios

The Age-Based Portfolios offer Account Owners pre-diversified Investment Portfolios that become more conservative as the beneficiary nears his/her intended year of enrollment into college.

The Age-Based Portfolios represent a weighted allocation among a pre-determined number and type of investment strategies. The Program Manager reviews the strategic allocations of the Age-Based Portfolios periodically and makes adjustments when deemed appropriate (within the terms of the program management agreement).

Age-Based Portfolios' Glide Paths and Rebalancing

A "glide path" describes how the asset allocation of the Age-Based Portfolio evolves over time - transitioning from a heavier weight in equities in earlier years to a more conservative investment in fixed income and cash equivalents as the Designated Beneficiary approaches college age. This change in asset allocation helps smooth the shift from capital accumulation in the earlier years to capital preservation in the near-college and college years.

The Direct Plan glide path adjusts the asset allocation of the Age-Based Portfolios to be more conservative on a monthly basis to create a smooth transition for Account Owners.

The Advisor Plan Age-Based Portfolios utilize a step-down approach in which the Account Owner automatically moves to a more conservative Investment Portfolio as the Designated Beneficiary reaches certain ages. Within the Advisor Plan, the Program Manager may make changes to the asset allocation range for any Age-Based Portfolio when deemed appropriate by the Program Manager, given the risk profile and investment strategies of each Portfolio, to achieve each Age-Based Portfolio's investment objective.

GUIDELINES AND INVESTMENT POLICY

An essential component of the asset allocation process is rebalancing. Rebalancing is a process that realigns a portfolio back to its strategic targets as market fluctuations change the initial allocations over time. The Program Manager is responsible for monitoring the asset allocation of the Age-Based Portfolios on an ongoing basis and rebalancing the Age-Based Portfolios back to their strategic targets when appropriate.

Static Portfolios

Static Portfolios offer Account Owners pre-diversified Investment Portfolios based on risk tolerance. Unlike the Age-Based Portfolios, an investment in a Static Portfolio will not automatically change as the Designated Beneficiary grows older.

The Static Portfolios represent a weighted allocation among a pre-determined number and type of investment strategies. The Program Manager reviews the strategic allocations of the Static Portfolios periodically and makes adjustments when deemed appropriate within the terms of the Program Management agreement. Additionally, the Program Manager is responsible for monitoring the asset allocation of the Static Portfolios on an ongoing basis and rebalancing the Static Portfolios back to their strategic targets when appropriate.

Individual Portfolios

The Individual Portfolios are stand-alone options which allow Account Owners to allocate their account into one or more Investment Portfolios. The goal in offering the Individual Portfolios is to provide Account Owners with the ability to construct diversified portfolios by asset class and investment style that match their risk tolerance, asset class preferences, time horizons and expected returns. As such, a broad array of Individual Portfolios is offered to Account Owners.

Individual Portfolios Structure

The Program Manager, with the oversight of the Board, Treasurer and/or Investment Consultant, seeks to achieve diversity in the Individual Portfolios offered. Certain criteria will be used to determine the material difference between and among potential Individual Portfolios with exposure to the various asset classes. These criteria are:

- A distinct definable market;
- A distinct risk and return profile; and
- Use of a distinct management style that is definable in terms of the investment strategies/methodologies utilized (e.g., passive versus active management).

The Board and Treasurer reserve the right to recommend adding or replacing Individual Portfolios based upon: market conditions; Program Manager, Treasurer and/or Investment Consultant input; Account Owner response; and/or other factors.

GUIDELINES AND INVESTMENT POLICY

College Savings Bank (Bank Plan)

Separate from the Investment Portfolios offered within the Fidelity Arizona College Savings Plan (Direct Plan) and the Ivy InvestEd 529 Plan (Advisor Plan), the AFCSP offers the College Savings Bank (Bank Plan). The Bank Plan offers certificates of deposits (CDs) and a high-yield Savings Account for Account Owners who exhibit a conservative risk profile and/or seek FDIC insurance.

More specific information on each type of product can be found in Appendix D of this statement.

SECURITIES GUIDELINES

The guidelines set forth in the prospectus shall govern all mutual fund and ETF vehicle investments. Securities guidelines for separate accounts shall be negotiated and agreed upon in writing on a case-by-case basis.

SELECTION OF PROGRAM AND INVESTMENT MANAGERS

Selection of Program Managers

In accordance with A.R.S. § 15-1874, careful consideration will be given to the selection of Program managers. On the recommendation of the Treasurer, the Board shall select the financial institution or institutions to implement the AFCSP from among bidding financial institutions that demonstrate the most advantageous combination, both to the potential participants and the State of Arizona, considering the following factors:

1. Financial stability and integrity.
2. The safety of the investment instruments being offered, taking into account any insurance provided with respect to these instruments.
3. The ability of the investment instruments to track estimated costs of higher education as calculated by the Treasurer and provided by the financial institution to the account holder.
4. The ability of the financial institutions, directly or through a subcontract, to satisfy record keeping and reporting requirements.
5. The financial institution's plan for promoting the program and the investment it is willing to make to promote the program.
6. The fees, if any, proposed to be charged to persons for maintaining accounts.
7. The minimum initial deposit and minimum contributions that the financial institution will require for the investment of fund monies and the willingness of the financial institution to accept contributions through payroll deduction plans and other deposit plans.
8. Any other benefits to this state or its residents included in the proposal, including an account opening fee payable to the Treasurer by the account owner and an additional fee from the financial institution for statewide program marketing by the Treasurer.

Selection of Underlying Investment Managers

The Program Managers, with the oversight of the Board, Treasurer and/or Investment Consultant, have the responsibility for selecting the appropriate underlying Investment Managers of the Investment Portfolios. The Program Managers must follow a process that embodies the principles of procedural due diligence. Accordingly, when selecting Investment Managers, the following criteria will be considered:

1. The organizational structure of the Investment Manager (banks, insurance companies, investment management companies, or investment advisers as defined by the Investment Advisers Act of 1940).

SELECTION OF PROGRAM AND INVESTMENT MANAGERS

2. Historical quarterly performance numbers calculated on a time-weighted basis for performance screening.
3. Performance evaluation reports that illustrate the risk/return profile of the Investment Manager relative to other Investment Managers of like investment style, as appropriate.
4. Detailed information on the history of the firm and key personnel (including any material litigation and fraud), key clients, costs and support personnel.
5. The stated investment strategy and adherence to that strategy over time.
6. Fees that are competitive compared to similar investments.
7. Evaluation relative to a comparable peer group, where appropriate.

CONTROL PROCEDURES

Disclosure to Account Owners

A Program Description or equivalent document will be made available to all Account Owners in order to ensure Account Owners have sufficient information to make informed investment decisions.

Monitoring Service Contracts and Costs

The Board, Treasurer and/or Investment Consultant will review the service contracts and costs associated with the Program periodically. The review of Program Manager contracts will include, among other factors, investment offerings, fees, benefits to the AFCSP, terms and protections.

Additionally, the Treasurer, through the Investment Risk Management Committee, undertakes an annual provider review process to serve as the basis for the Treasurer's recommendations to the Board regarding provider contract renewal. The AFCSP Program Managers participate in this review annually during the month of March of each calendar year with each provider submitting a written report to the Treasurer. In addition to the written report, the Treasurer's Staff assesses elements of partnership satisfaction for the Treasurer including compliance, communication, responsiveness, and commitment to common goals as a part of the review process.

Further details regarding the Ivy InvestEd 529 Plan's specific fee review policy can be found in Attachment A of this IPS.

Product Fees Policy

Upon approval by the Board, acting as Trustee of the AFCSP on behalf of Arizona families, the Treasurer, acting as Administrator of the AFCSP, shall be responsible for entering into contract agreements with financial institutions that offer investment product options that are in the interest of plan account owners and their beneficiaries.

Upon recommendation of the Arizona Auditor General in October of 2007, the Treasurer will exclude in their recommendations and the Board will not accept any product options that charge Contingent Deferred Sales Charges (CDSC) or "back-end" fees from future AFCSP offerings.

CONTROL PROCEDURES

IPS Review and Evaluation

The IPS will be updated as necessary. Although short-term changes in the financial markets should not require adjustments to the IPS. The Board, Treasurer and/or Investment Consultant will review the IPS periodically to determine whether any changes are appropriate. The Board may revise the IPS and/or AFCSP to meet current needs. Additionally, Program Managers will be consulted to obtain input prior to amending the IPS.

Proxy Voting Policy and Procedures

The policy outlined below has been adopted to address proxy voting procedures specific to the Investment Portfolios (proxy voting at the underlying security level is handled by the respective Program Managers) offered within the AFCSP.

The Board, acting as Trustee of the AFCSP on behalf of Arizona families, shall be responsible for casting proxy ballots solely in the interest of plan account owners and their beneficiaries. In voting proxies, the following policies set forth the Trustee's general position on various proposals:

1. **Routine Items** – The Trustee will generally vote for uncontested director, independent auditor, or fund trustee. The Trustee will generally vote for changes in company name and other procedural matters related to annual meetings.
2. **Corporate Governance** - The Trustee will generally vote for prospectus, statement of additional information, charter and bylaw amendments proposed solely to conform to modern business practices, to enhance shareholder value, for purposes of simplification, or to comply with what the Treasurer's counsel interprets as applicable law.
3. **Anti-Takeover Matters** - The Trustee will generally vote for proposals that require shareholder ratification of poison pills, and on a case-by-case basis on proposals to redeem a company's poison pill. Poison pill used in this context refers to a strategy used by corporations to discourage a hostile takeover by another company.
4. **Mergers/Acquisitions and Corporate Restructurings** – The Trustee will examine mergers, acquisitions, and corporate restructurings on a case-by-case basis.
5. **Shareholder Rights** – The Trustee will generally vote against proposals that may restrict shareholder rights.
6. **Investment Directions** – The Trustee will generally vote against proposals that restrict the investment authority of the Board of Directors or fund managers. The Trustee will generally vote against proposals that would increase fund fees or expenses, decrease fund risk-adjusted returns, or cause a change in a fund's investment style or asset-class exposure that is inconsistent with the benchmark index and investment objectives and policies as set forth in the fund's prospectus and/or statement of additional information.

CONTROL PROCEDURES

7. While the above policies set forth the Trustee's general position on proxy voting, the Trustee may vary from such policies on a case-by-case basis if the Trustee deems it to be in the best financial and economic interest of the account owners and their beneficiaries. The Trustee welcomes and will consider input from account owners in voting proxies and will seek means, with provider participation, to offer information to account holders regarding impending proxy votes.

MONITORING OF INVESTMENT MANAGERS

In conjunction with the annual provider review process, the Board and Treasurer are aware that the ongoing review and analysis of underlying Investment Managers of the Investment Portfolios is just as important as the due diligence implemented during the Investment Manager/Portfolio selection process. Monitoring these Investment Managers is a three-step process, outlined below:

Step 1 – Ongoing Monitoring

An ongoing analysis of all of the Investment Managers will be conducted by the Treasurer and/or Investment Consultant. In addition to reviewing quarterly investment performance, the following criteria will be evaluated:

- Investment Manager's adherence to the IPS guidelines
- Material changes in the Investment Manager's organization, investment philosophy and/or personnel
- Volatility of the investment rates of return of the Investment Manager compared to the volatility of an appropriate market index and peer group (as listed in Appendix B and Appendix C)
- Comparisons of the Investment Manager's results to appropriate indices and peer groups (as listed in Appendix B and Appendix C)

If appropriate market indices and/or peer groups are not available, the Investment Manager's adherence to stated risk and return objectives and the Investment Manager's portfolio exposures in relation to the market environment and stated philosophy and process will be evaluated by the Treasurer and/or Investment Consultant.

Step 2 – Formal Watchlist

If the Treasurer and/or Investment Consultant determines that any of the above factors, or any other development regarding the Investment Manager's performance or organization, warrants a more thorough examination, the Treasurer and/or Investment Consultant will recommend to the Board and Treasurer to place the Investment Manager on a formal "watchlist." Factors examined during the watchlist period include, but are not limited to, the following:

- Extraordinary Events (Organizational Issues)

Extraordinary events that may lead to an Investment Manager termination include such things as:

- Change in ownership (e.g., key people "cash out")
- Change in professionals
- Changes to an Investment Manager's philosophy or the process it uses to implement the agreed upon strategy
- Material litigation or fraud involving the Investment Manager
- Client-servicing problems
- Significant account losses or significant account growth

MONITORING OF INVESTMENT MANAGERS

- Change in cost
 - Change in financial condition
 - Extreme performance volatility
- Long-Term Performance in Relation to Appropriate Market Index, Market Environment or Stated Goals and Objectives

Long-term performance standards measure an Investment Manager's performance over rolling five-year returns or since inception in relation to the appropriate market index.

- Shorter-Term Performance in Relation to Appropriate “Style Group,” Market Environment or Stated Goals and Objectives

Shorter-term performance standards incorporate a time period of at least three years. Each Investment Manager is expected to consistently perform in the 50th percentile or better versus an appropriate peer group of Investment Managers with similar investment styles. Additionally, each Investment Manager is expected to demonstrate favorable cumulative and rolling three-year risk-adjusted performance compared to its peer group. If appropriate peer groups are not available, the Investment Manager's adherence to stated risk and return objectives and the Investment Manager's portfolio exposures in relation to the market environment and stated philosophy and process will be evaluated. Risk-adjusted performance measures will vary, but may include: Sharpe Ratio, Downside Risk, Information Ratio and/or Relative Standard Deviation.

Step 3 – Replace or Retain

The watchlist period will generally be four quarters, but the time period can be shorter or longer depending on the factors causing the watchlist.

As a result of the examination of an Investment Manager on the watchlist, a recommendation by the Treasurer and/or Investment Consultant to either **replace** or **retain** the Investment Manager will be made. The recommendation will weigh performance relative to peers, outlook for future returns, changes in the Investment Manager's staff and/or strategy, and other considerations.

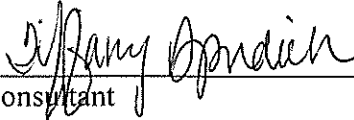
It is at the Treasurer's discretion to take corrective action by recommending replacing an Investment Manager, if it deems it appropriate, at any time. The watchlist is not the only route for removing an existing Investment Manager. The aforementioned events, or any other events of concern identified by the Treasurer, may prompt the immediate removal of an Investment Manager without it being watchlisted.

Separate from this three-step monitoring process, each Program Manager will complete its own independent monitoring of the Investment Managers on an ongoing basis.

SIGNATURES

Prepared:

Date: 8/31/2020

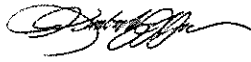


Consultant

Accepted:

Office of the Arizona State Treasurer

Date: 8/31/2020



The Honorable Kimberly Yee
State Treasurer and Chair, Arizona
State Board of Investment

APPENDIX A: KEY INFORMATION

Key Information:

AFCSP Program Managers:

- Fidelity: Fidelity Arizona College Savings Plan (Direct Plan)
- Ivy Distributors, Inc.: Ivy InvestEd 529 Plan (Advisor Plan)
- NexBank : College Savings Bank (Bank Plan)

Total AFCSP Assets (as of June 30, 2020): \$1,565,128,543

Type of Program: Qualified Tuition Program (referred to as a “529 Plan”)

Account Owner Directed Investment Options: Yes

Account Owner Frequency to Change Investment Options: Up to 2 times per calendar year

Investment Consultant: Capital Cities, L.L.C. (317) 475-4500

APPENDIX B: FIDELITY ARIZONA COLLEGE SAVINGS PLAN

Fidelity Arizona College Savings Plan Investment Menu

A summary of the investment menu is provided below.

Fidelity Age-Based & Static Portfolios:	Index	
Arizona Age-Based Portfolios (Fidelity Funds)	Custom Benchmark Representing Underlying Asset Allocation	
Arizona Aggressive Growth (Fidelity Funds)	Custom Benchmark Representing Underlying Asset Allocation	
Arizona Moderate Growth (Fidelity Funds)	Custom Benchmark Representing Underlying Asset Allocation	
Arizona Conservative Portfolio (Fidelity Funds)	Custom Benchmark Representing Underlying Asset Allocation	
Underlying Funds (as of 3/31/20)	Index	Group Index
Benchmark Constituent		
Fidelity Series All-Sector Equity Fund	Russell 1000 Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Blue Chip Growth Fund	Russell 1000 Growth Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Growth Company Fund	Russell 3000 Growth Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Intrinsic Opportunities Fund	Russell 3000 Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Large Cap Stock Fund	S&P 500 Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Large Cap Value Index Fund	Russell 1000 Value Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Opportunistic Insights Fund	Russell 3000 Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Small Cap Discovery Fund	Russell 2000 Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Small Cap Opportunities Fund	Russell 2000 Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Stock Selector Large Cap Value	Russell 1000 Value Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Value Discovery Fund	Russell 3000 Value Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Canada Fund	MSCI Canada (Net MA)	MSCI World ex US Index (Net MA)
Fidelity Series International Growth Fund	MSCI EAFE Growth Index (Net MA)	MSCI World ex US Index (Net MA)
Fidelity Series International Small Cap Fund	MSCI EAFE Small Cap Index (Net MA)	MSCI World ex US Index (Net MA)
Fidelity Series International Value Fund	MSCI EAFE Value Index (Net MA)	MSCI World ex US Index (Net MA)
Fidelity Series Overseas Fund	MSCI EAFE Index (Net MA)	MSCI World ex US Index (Net MA)
Fidelity Series Emerging Markets Equity Fund	MSCI Emerging Markets (Net MA)	MSCI Emerging Markets Index (Net MA)
Fidelity Series Emerging Markets Opportunities Fund	MSCI Emerging Markets Index (Net MA)	MSCI Emerging Markets Index (Net MA)
Fidelity Series Investment Grade Bond Fund	Bloomberg Barclays U.S. Aggregate Bond Index	Bloomberg Barclays U.S. Aggregate Bond Index
Fidelity Series Long-Term Treasury Bond Index Fund	Bloomberg Barclays U.S. Long Term Treasury Index	Bloomberg Barclays U.S. Long Term Treasury Index
Fidelity Series Inflation-Protected Bond Index Fund	Bloomberg Barclays U.S. 1-10 Year TIPS Index	Bloomberg Barclays U.S. 1-10 Year TIPS Index
Fidelity Series Government Money Market Fund	Bloomberg Barclays 3 Month T-bill Index	Bloomberg Barclays U.S. 3-6 Month Treasury Bill Index
Fidelity Series Short-Term Credit Fund	Bloomberg Barclays Credit 1-3 Year Bond	Bloomberg Barclays U.S. 3-6 Month Treasury Bill Index
Out-of-Benchmark Constituent		
Fidelity Series Commodity Strategy Fund	Bloomberg Commodity Index Total Return	Bloomberg Commodity Index Total Return
Fidelity Series High Income Fund	ICE BofAML US High Yield Constrained Index	ICE BofAML US High Yield Constrained Index
Fidelity Series Floating Rate High Income Fund	S&P/LSTA Leveraged Performing Loan Index	S&P/LSTA Leveraged Performing Loan Index
Fidelity Series Emerging Market Debt Fund	J.P. Morgan Emerging Markets Bond Index Global	J.P. Morgan Emerging Markets Bond Index Global
Fidelity Series Real Estate Income Fund	FID Series Real Estate Income Composite Index	FID Series Real Estate Income Composite Index

APPENDIX B: FIDELITY ARIZONA COLLEGE SAVINGS PLAN

Blend Age-Based Portfolios:	Index	
Arizona Age-Based Portfolios (Blend)	Custom Benchmark Representing Underlying Asset Allocation	
Underlying Funds (as of 3/31/20)	Index	Group Index
	Benchmark Constituent	
Fidelity Series Blue Chip Growth Fund	Russell 1000 Growth Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Large Cap Growth Index Fund	Russell 1000 Growth Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Large Cap Stock Fund	S&P 500 Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Large Cap Value Index Fund	Russell 1000 Value Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Small Cap Opportunities Fund	Russell 2000 Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Value Discovery Fund	Russell 3000 Value Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Canada Fund	MSCI Canada (Net MA)	MSCI World ex US Index (Net MA)
Fidelity Series International Growth Fund	MSCI EAFE Growth Index (Net MA)	MSCI World ex US Index (Net MA)
Fidelity Series International Index Fund	MSCI EAFE Index (Net MA)	MSCI World ex US Index (Net MA)
Fidelity Series International Small Cap Fund	MSCI EAFE Small Cap Index (Net MA)	MSCI World ex US Index (Net MA)
Fidelity Series International Value Fund	MSCI EAFE Value Index (Net MA)	MSCI World ex US Index (Net MA)
Fidelity Series Overseas Fund	MSCI EAFE Index (Net MA)	MSCI World ex US Index (Net MA)
Fidelity Series Emerging Markets Equity Fund	MSCI Emerging Markets (Net MA)	MSCI Emerging Markets Index (Net MA)
Fidelity Series Emerging Markets Opportunities Fund	MSCI Emerging Markets Index (Net MA)	MSCI Emerging Markets Index (Net MA)
Fidelity Series Corporate Bond Fund	Bloomberg Barclays U.S. Credit Bond Index	Bloomberg Barclays U.S. Aggregate Bond Index
Fidelity Series Government Bond Index Fund	Bloomberg Barclays U.S. Government Bond Index	Bloomberg Barclays U.S. Aggregate Bond Index
Fidelity Series Investment Grade Bond Fund	Bloomberg Barclays U.S. Aggregate Bond Index	Bloomberg Barclays U.S. Aggregate Bond Index
Fidelity Series Investment Grade Securitized Bond Fund	Bloomberg Barclays U.S. Securitized Index	Bloomberg Barclays U.S. Aggregate Bond Index
Fidelity Series Long-Term Treasury Bond Index Fund	Bloomberg Barclays U.S. Long Term Treasury Index	Bloomberg Barclays U.S. Long Term Treasury Index
Fidelity Series Inflation-Protected Bond Index Fund	Bloomberg Barclays U.S. 1-10 Year TIPS Index	Bloomberg Barclays U.S. 1-10 Year TIPS Index
Fidelity Series Treasury Bill Index Fund	Bloomberg Barclays U.S. 3-6 Month Treasury Bill Index	Bloomberg Barclays U.S. 3-6 Month Treasury Bill Index
Fidelity Series Government Money Market Fund	Bloomberg Barclays 3 Month T-bill Index	Bloomberg Barclays U.S. 3-6 Month Treasury Bill Index
Fidelity Series Short-Term Credit Fund	Bloomberg Barclays Credit 1-3 Year Bond	Bloomberg Barclays U.S. 3-6 Month Treasury Bill Index
	Out-of-Benchmark Constituent	
Fidelity Series Commodity Strategy Fund	Bloomberg Commodity Index Total Return	Bloomberg Commodity Index Total Return
Fidelity Series High Income Fund	ICE BofAML US High Yield Constrained Index	ICE BofAML US High Yield Constrained Index
Fidelity Series Floating Rate High Income Fund	S&P/LSTA Leveraged Performing Loan Index	S&P/LSTA Leveraged Performing Loan Index
Fidelity Series Emerging Market Debt Fund	J.P. Morgan Emerging Markets Bond Index Global	J.P. Morgan Emerging Markets Bond Index Global
Fidelity Series Real Estate Income Fund	FID Series Real Estate Income Composite Index	FID Series Real Estate Income Composite Index

Fidelity Index Age-Based & Static Portfolios:	Index	
Arizona Age-Based Portfolios (Fidelity Index)	Custom Benchmark Representing Underlying Asset Allocation	
Arizona Aggressive Growth (Fidelity Index)	Custom Benchmark Representing Underlying Asset Allocation	
Arizona Moderate Growth (Fidelity Index)	Custom Benchmark Representing Underlying Asset Allocation	
Arizona Conservative Portfolio (Fidelity Index)	Custom Benchmark Representing Underlying Asset Allocation	
Underlying Funds (as of 3/31/20)	Index	Group Index
Fidelity Series Total Market Index Fund	Dow Jones U.S. Total Stock Market Index	Dow Jones U.S. Total Stock Market Index
Fidelity Series Global ex-US Index Fund	MSCI All Country World ex U.S. Index (Net MA)	MSCI All Country World ex U.S. Index (Net MA)
Fidelity Series Bond Index Fund	Bloomberg Barclays U.S. Aggregate Bond Index	Bloomberg Barclays U.S. Aggregate Bond Index
Fidelity Series Long-Term Treasury Bond Index Fund	Bloomberg Barclays U.S. Long Term Treasury Index	Bloomberg Barclays U.S. Long Term Treasury Index
Fidelity Series Inflation-Protected Bond Index Fund	Bloomberg Barclays U.S. 1-10 Year TIPS Index	Bloomberg Barclays U.S. 1-10 Year TIPS Index
Fidelity Series Treasury Bill Index Fund	Bloomberg Barclays U.S. 3-6 Month Treasury Bill Index	Bloomberg Barclays U.S. 3-6 Month Treasury Bill Index

Underlying funds include Benchmark Constituents and Out-of-Benchmark Constituents.

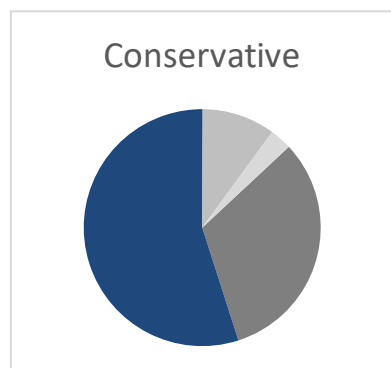
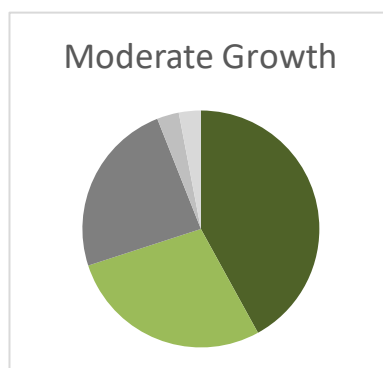
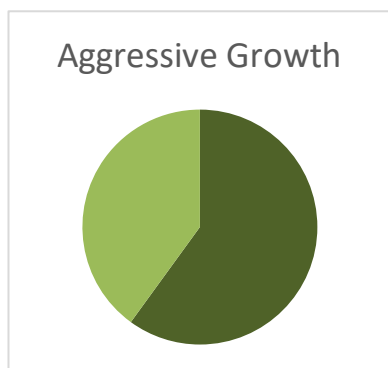
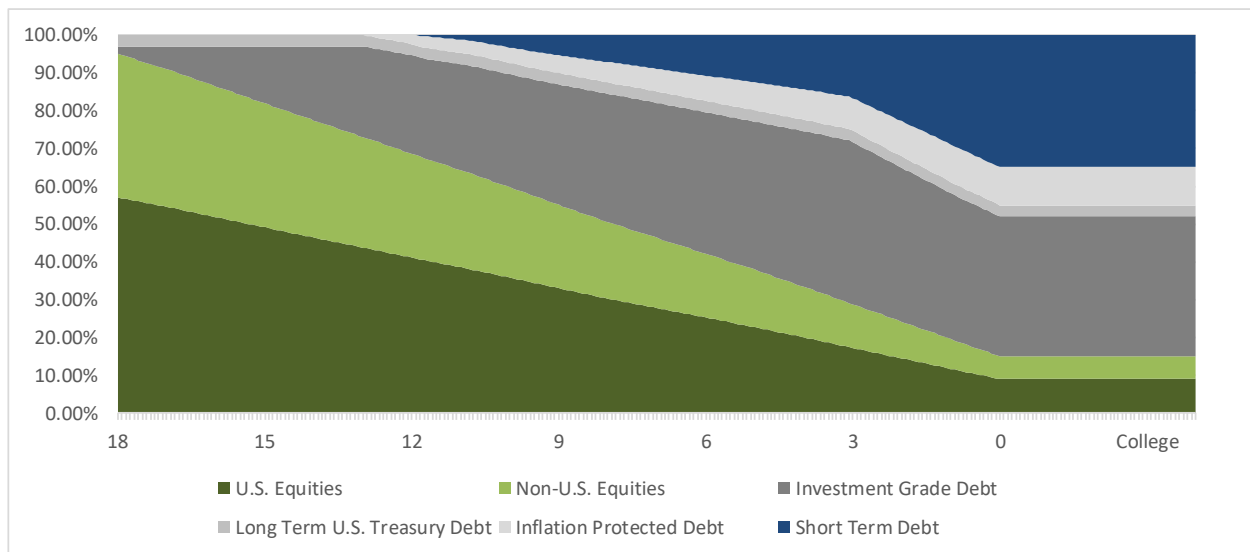
Fidelity may change the overall asset allocation of a Portfolio, including the underlying mutual funds held in a Portfolio or the allocation among funds, at any time without notice.

For the most current underlying funds, fund allocation list, and the benchmarks of the underlying funds please call Fidelity or visit www.fidelity.com/Arizona

APPENDIX B: FIDELITY ARIZONA COLLEGE SAVINGS PLAN

Individual Portfolios	Index	Peer Group Universe
AZ Fidelity 500 Index Portfolio		
Fidelity 500 Index	S&P 500 Index	Large Cap Core Equity
AZ Total Market Index Portfolio		
Fidelity Total Market Index	Dow Jones U.S. Total Stock Market Index	All Cap Core Equity
AZ International Index Portfolio		
Fidelity Global ex-US Index	MSCI All Country World ex U.S. Index (Net MA)	International Core Equity
AZ Intermediate Treasury Index Portfolio		
Fidelity Intermediate Treasury Bond Index	Barclays 5-10 Year Treasury Bond Index	U.S. Treasury Bond
AZ Money Market Portfolio		
Fidelity Government Cash Reserves	Bloomberg Barclays 3 Month T-Bill Index	Money Market
Bank Deposit Portfolio		
Bank Deposit Portfolio	BBgBarclays 3 Month T-Bill	--

Fidelity Arizona College Savings Plan Age-Based & Static Portfolios



Note: The glide path chart illustrates the target asset allocations among stocks, bonds, and short-term funds. This chart also illustrates how these allocations may change over time. The future target asset allocations may also differ from this approximate illustration.

APPENDIX C: IVY InvestEd 529 PLAN

Ivy InvestEd Investment Menu

A summary of the investment menu is provided below.

Age-Based & Static Options:	Index	Peer Group Universe
InvestEd 90 Portfolio	57% Russell 3000 Index + 33% MSCI ACWI ex U.S.A. IMI Index + 8% Bloomberg Barclays U.S. Universal Index + 2% Bloomberg Barclays 1-3 Year Gov/Credit Index.	--
InvestEd 80 Portfolio	52% Russell 3000 Index + 28% MSCI ACWI ex U.S.A. IMI Index + 16% Bloomberg Barclays U.S. Universal Index + 4% Bloomberg Barclays 1-3 Year Gov/Credit Index.	--
InvestEd 70 Portfolio	46% Russell 3000 Index + 24% MSCI ACWI ex U.S.A. IMI Index + 24% Bloomberg Barclays U.S. Universal Index + 6% Bloomberg Barclays 1-3 Year Gov/Credit Index.	--
InvestEd 60 Portfolio	40% Russell 3000 Index + 31% Bloomberg Barclays U.S. Universal Index + 20% MSCI ACWI ex U.S.A. IMI Index + 9% Bloomberg Barclays 1-3 Year Gov/Credit Index.	--
InvestEd 50 Portfolio	39% Bloomberg Barclays U.S. Universal Index + 34% Russell 3000 Index + 16% MSCI ACWI ex U.S.A. IMI Index + 11% Bloomberg Barclays 1-3 Year Gov/Credit Index.	--
InvestEd 40 Portfolio	46% Bloomberg Barclays U.S. Universal Index + 27% Russell 3000 Index + 14% Bloomberg Barclays 1-3 Year Gov/Credit Index + 13% MSCI ACWI ex U.S.A. IMI Index.	
InvestEd 30 Portfolio	48% Bloomberg Barclays U.S. Universal Index + 22% Bloomberg Barclays 1-3 Year Gov/Credit Index + 20% Russell 3000 Index + 10% MSCI ACWI ex U.S.A. IMI Index.	
InvestEd 20 Portfolio	46% Bloomberg Barclays U.S. Universal Index + 34% Bloomberg Barclays 1-3 Year Gov/Credit Index + 15% Russell 3000 Index + 5% MSCI ACWI ex U.S.A. IMI Index.	
InvestEd 10 Portfolio	45% Bloomberg Barclays U.S. Universal Index + 45% Bloomberg Barclays 1-3 Year Gov/Credit Index + 8% Russell 3000 Index + 2% MSCI ACWI ex U.S.A. IMI Index.	
InvestEd 0 Portfolio	75% Bloomberg Barclays 1-3 Year Gov/Credit Index + 25% Bloomberg Barclays U.S. Universal Index.	--

Individual Options:	Index	Peer Group Universe
U.S. Equity Funds		
Ivy Core Equity (ICFEX)	S&P 500	Large Cap Core Equity
Ivy Large Cap Growth (ILCEX)	Russell 1000 Growth	Large Cap Growth Equity
Ivy Mid Cap Growth (IMCEX)	Russell Midcap Growth	Mid Cap Growth Equity
Ivy ProShares Russell 2000 Dividend Growers Index (IRUEX)	Russell 2000 Dividend Growth	Small Cap Broad Equity
Ivy ProShares S&P 500 Dividend Aristocrats Index (IDAEX)	S&P 500 Dividend Aristocrats	Large Cap Broad Equity
Ivy Small Cap Growth (ISGEX)	Russell 2000 Growth	Small Cap Growth Equity
Global/International Equity Funds		
Ivy Global Equity Income Fund (IBIEX)	FTSE All World High Dividend Yield	Global Equity
Ivy International Core Equity (IICEX)	MSCI EAFE (Net)	Core International Equity
Ivy ProShares MSCI ACWI Index (IMWEX)	MSCI ACWI (Net)	Global Equity
Fixed Income Funds		
Ivy Government Money Market (IVEXX)	90 Day T-Bill	Money Market
Ivy High Income (IVHEX)	ICE BofAML US High Yield Index/ML High Yield Master II	High Yield Bond
Ivy Limited-Term Bond (IVLEX)	Barclays 1-3 Year Gov/Credit Index	Defensive Bond
Ivy Proshares Interest Rate Hedged High Yield Index (IIREX)	FTSE High Yield Treasury Hedged Index	High Yield Bond
Ivy Proshares S&P 500 Bond Index (IPREX)	S&P 500 MarketAxes Investment Grade Corporate Bond	BBB Corporate Bond
Ivy Securian Core Bond Fund (IVBEX)	Bloomberg Barclays Aggregate Bond	Intermediate Bond
Specialty Funds		
Ivy Asset Strategy (IASEX)	MSCI ACWI (Net)	Global Balanced
Ivy Natural Resources (IGNEX)	S&P North American Natural Resources Sector Index	Natural Resources
Ivy Science & Technology (ISTEX)	S&P North American Technology Sector Index	Science & Tech Funds
Ivy Securian Real Estate Securities (IREEX)	FTSE NAREIT Equity REITs	Real Estate

APPENDIX C: IVY InvestEd 529 PLAN

Ivy InvestEd 529 Plan Age-Based & Static Portfolios (as of September 1, 2020)

	InvestEd 90	InvestEd 80	InvestEd 70	InvestEd 60	InvestEd 50	InvestEd 40	InvestEd 30	InvestEd 20	InvestEd 10	InvestEd 0
Equity Funds/ETFs	80-100%	70-90%	60-80%	50-70%	40-60%	30-50%	20-40%	10-30%	0-20%	0%
US Equity Funds/ETFs	45-65%	40-60%	35-55%	30-50%	25-45%	15-35%	10-30%	5-25%	0-20%	0%
iShares Core S&P 500 ETF	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-20%	0%
Ivy Core Equity Fund	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-20%	0%
Ivy Large Cap Growth Fund	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-20%	0%
Ivy ProShares S&P 500 Div Arist Index Fund	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-20%	0%
Ivy Value Fund	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-25%	0-20%	0%
Ivy Mid Cap Growth Fund	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0%
Ivy Mid Cap Income Opportunities Fund	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0%
Ivy ProShares R2000 Div Gro Index Fund	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0%
Ivy Small Cap Core Fund	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0%
Ivy Small Cap Growth Fund	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0%
Global/International Equity Funds/ETFs	25-40%	20-40%	15-35%	10-30%	5-25%	5-25%	5-20%	0-15%	0-10%	0%
iShares Core MSCI EAFE ETF	0-25%	0-25%	0-25%	0-25%	0-20%	0-20%	0-20%	0-15%	0-10%	0%
Ivy Global Growth Fund	0-25%	0-25%	0-25%	0-25%	0-20%	0-20%	0-20%	0-15%	0-10%	0%
Ivy International Core Equity Fund	0-25%	0-25%	0-25%	0-25%	0-20%	0-20%	0-20%	0-15%	0-10%	0%
Ivy Pzena International Value Fund	0-25%	0-25%	0-25%	0-25%	0-20%	0-20%	0-20%	0-15%	0-10%	0%
Ivy International Small Cap Fund	0-15%	0-15%	0-15%	0-10%	0-10%	0-10%	0-10%	0-5%	0-5%	0%
Ivy Emerging Markets Equity Fund	0-15%	0-15%	0-15%	0-10%	0-10%	0-10%	0-10%	0-5%	0-5%	0%
Ivy LaSalle Global Real Estate Fund	0-15%	0-15%	0-15%	0-10%	0-10%	0-10%	0-10%	0-5%	0-5%	0%
Fixed Income Funds/ETFs	0-20%	10-30%	20-40%	30-50%	40-60%	50-70%	60-80%	70-90%	80-100%	100%
Investment Grade Bonds Funds/ETFs	0-20%	0-30%	0-40%	0-50%	0-60%	25-70%	25-70%	25-70%	20-70%	0-40%
Ivy Government Securities Bond Fund	0-10%	0-15%	0-15%	0-25%	0-35%	0-35%	0-35%	0-35%	0-35%	0-40%
Ivy Securian Core Bond Fund	0-10%	0-15%	0-15%	0-25%	0-35%	0-35%	0-35%	0-35%	0-35%	0-40%
Ivy Corporate Bond Fund	0-10%	0-15%	0-15%	0-25%	0-35%	0-35%	0-35%	0-35%	0-35%	0-40%
Ivy Crossover Credit Fund	0-5%	0-10%	0-15%	0-15%	0-20%	0-20%	0-20%	0-20%	0-15%	0-10%
Non-Investment Grade Bond Funds/ETFs	0-5%	0-10%	0-15%	0-15%	0-20%	0-20%	0-20%	0-20%	0-15%	0-10%
Ivy Apollo Strategic Income Fund	0-5%	0-10%	0-15%	0-15%	0-20%	0-20%	0-20%	0-20%	0-15%	0-10%
Ivy Global Bond Fund	0-5%	0-10%	0-15%	0-15%	0-20%	0-20%	0-20%	0-20%	0-15%	0-10%
Ivy High Income Fund	0-5%	0-10%	0-15%	0-15%	0-20%	0-20%	0-20%	0-20%	0-15%	0-10%
Short-Term Bond Funds/ETFs	0-20%	0-30%	0-30%	0-40%	0-40%	0-45%	10-55%	20-65%	30-80%	60-100%
Ivy Government Money Market Fund	0-10%	0-15%	0-15%	0-20%	0-25%	0-25%	0-40%	0-50%	0-60%	0-100%
Ivy Limited-Term Bond Fund	0-10%	0-15%	0-15%	0-20%	0-25%	0-25%	0-40%	0-50%	0-60%	0-100%

APPENDIX D: COLLEGE SAVINGS BANK

College Savings Bank's Products and Descriptions:

- **CollegeSure® Honors Savings Account** – A high-yielding, variable rate savings account with no fees. The minimum initial contribution for a CD is \$250. Contributions of a minimum of \$25 per month using an ACH Plan or \$25 per pay period using payroll deduction is acceptable. The annual percentage yield (APY) of the Fixed Rate CD purchased will be the APY offered as of the Contribution Date of the initial \$25 contribution.
- **Fixed Rate CD** – FDIC-insured CD offering 1-, 2- and 3-year maturities earning a fixed rate of return for the entire term of the CD with no fees. The minimum initial contribution for a CD is \$250. Contributions of a minimum of \$25 per month using an ACH Plan or \$25 per pay period using payroll deduction is acceptable. The APY of the Fixed Rate CD purchased will be the APY offered as of the Contribution Date of the initial contribution.

ATTACHMENT A: IVY InvestEd FEE REVIEW POLICY

Ivy InvestEd 529 Plan's Fee Review Policy:

Ivy Distributors, Inc. agrees to review the total annual asset-based fees of the Ivy InvestEd 529 Plan's Investment Portfolios during the AFCSP's annual provider review process. Ivy Distributors, Inc. will take commercially reasonable measures to keep such fees and expenses competitive with those of other comparable Advisor-sold 529 plans. Specifically, the Age-Based Portfolios' total annual asset-based fees will be measured against Morningstar's straight-average and asset-weighted average Advisor-sold 529 peers. Each Static and Individual Portfolio's total annual asset-based fee will be measured against the straight-average total annual asset-based fee of a custom peer group of most similar advisor-sold 529 investment options. The total annual asset-based fees of the Age-Based, Static and Individual Portfolios should be less than or equal to their respective peer groups. For the Individual Portfolios, Ivy Distributors, Inc. will not raise the total annual asset-based fees in the event that these fees fall below peers. The total annual asset-based fees of the Age-Based and Static Portfolios are a result of underlying investments' expenses. As such, Ivy Distributors, Inc. cannot impose fee increases at the Portfolio-level of the Age-Based and Static Portfolios.