

# CollegeBound 529

# Program Description

July 8, 2016

Investment Products Offered:

- Are not FDIC Insured
- May Lose Value
- Are not Bank, State or Federal Guaranteed



Please file this Supplement to the CollegeBound 529 Program Description with your records.

**SUPPLEMENT DATED SEPTEMBER 22, 2017 TO THE  
COLLEGEBOUND 529  
PROGRAM DESCRIPTION  
DATED JULY 8, 2016**

**This Supplement describes important changes. Unless otherwise indicated, defined terms used herein have the same meaning as those in the CollegeBound 529 Program Description.**

**Privacy Policy Update**

*The following replaces the section entitled **Privacy Policy** on page 72 of the Program Description:*

**Privacy Policy.** We recognize, respect and protect the personal privacy rights of all our Program customers. We are committed to providing the highest level of security and privacy regarding the collection and use of our customers' confidential information.

*Collection of Information.* We collect confidential information about you from enrollment forms, other forms, correspondence, and other communications. We also collect information from you from transactions related to your Account(s).

*Use of information.* We do not disclose any confidential information about our current or former customers to third parties except as set forth herein, permitted by law or with your consent. We may disclose all of the confidential information we collect from you to third parties as may be necessary to perform administrative, transactional, marketing services, and/or research on our behalf for the Program, or to provide services related to the Program. Additionally, we may disclose some of your confidential information with the Treasurer's Unclaimed Property Division for purposes of reuniting you with property to which you may be the proper owner. These third parties are required to adhere to our security and privacy standards and use the information provided for the limited purposes for which it was shared.

*Protection of Information.* We maintain physical, electronic, and procedural safeguards to protect the confidential information about you that we collect or use. We restrict access to confidential information about you to those individuals who have a need to know the information to serve you. To safeguard your Account, please keep your Account information and/or any Account log-in information confidential.

*Notice of Changes.* Customers will be notified in the event there is any material change to this policy.

**SUPPLEMENT DATED JANUARY 11, 2017 TO THE  
COLLEGEBOUND 529  
PROGRAM DESCRIPTION  
DATED JULY 8, 2016**

**This Supplement describes important changes. Unless otherwise indicated, defined terms used herein have the same meaning as those in the CollegeBound 529 Program Description.**

1. On August 25, 2016, Bloomberg L.P. acquired Barclays Risk Analytics and Index Solutions Ltd. from Barclays PLC. As a result of this acquisition, the Barclays indexes have been rebranded as Bloomberg Barclays indexes. Throughout the Program Description, all references to Barclays indexes are renamed as Bloomberg Barclays indexes. At this time, there have been no changes to the composition of the indexes as a result of the rebranding.

2. On page 6 of the Program Description, the following is added as the second paragraph in the section entitled **Successor Account Owner**:

Upon the death of an Account Owner, the Successor Account Owner must notify the Program and submit a completed Enrollment Form, a certified copy of the death certificate and such other information as requested by the Program. The Account will become effective for the Successor Account Owner once this paperwork has been received and processed.

3. On page 27 of the Program Description, on the chart entitled **Class RA Units – Rhode Island Resident Accounts**, the \$20 entry in all rows of the column entitled **Annual Account Fee** are replaced with \$0.

4. On page 27 of the Program Description, the following sentence is added to the end of footnote 2:

The Underlying Fund Fees for the Age-Based Portfolios have been reduced to 0.19% for Rhode Island Residents.

5. On page 28 of the Program Description, the following sentence is added to the end of footnote 2:

The Underlying Fund Fees for the Age-Based Portfolios have been reduced to 0.19% for Rhode Island Residents.

6. On page 39 of the Program Description, the following is added to the last paragraph under the heading **Choose From Available Unit Classes**:

Certain Unit Classes may not be available for purchase if your financial adviser or broker has notified the Program that it chooses not to offer such Unit Classes.

7. On page 39 of the Program Description, the following replaces the description of **Rights of Accumulation**:

**Rights of Accumulation.** To take advantage of the lower sales charges on new purchases, an Account Owner may use the rights of accumulation. A financial advisor who wishes to exercise the rights of accumulation for an Account Owner must do so in writing at the time of the initial purchase or subsequent purchase.

An Account Owner qualifies for cumulative quantity discounts on the purchase of Class A Units in CollegeBound 529 when the Account Owner's new investment, combined with the current market value of Units of other investments in CollegeBound 529, reaches the discount level of \$500,000. An Account Owner (or his or her financial advisor) must provide the Program Manager with written information to verify that the sales charge discount is applicable at the time of the investment, or any subsequent investment, is made.

An Account Owner may also combine the current market value of Units in the Portfolios owned by a spouse or domestic partner, or by a child or grandchild if he or she is under the age of 21. Examples of account ownership within CollegeBound 529 include the following:

- Business accounts established by a business solely owned by you and/or a member of your immediate family;
- Accounts established by you for different Beneficiaries;
- Accounts established by an immediate family member for different Beneficiaries; and
- UGMA/UTMA accounts if you and/or a member of your immediate family is the Beneficiary or Custodian.

8. On page 39 of the Program Description, the following replaces the first paragraph under the heading **Class C Units**:

Class C Units do not incur an initial sales charge but are subject to an annual distribution and service fee of 1.00% of the class's average daily net assets. If you take a distribution of your Class C Units within one year of purchase, you will have to pay a CDSC of 1.00% of your original purchase price or the current value of the distributed Units, whichever is lower.

9. On page 40 of the Program Description, the following replaces the last paragraph under the heading **Class RZ Units**:

The sales charge may also be waived for purchases made through a registered investment adviser and for Rhode Island Residents who rolled over assets from another 529 Plan.

10. *On page 43 of the Program Description, the following replaces the section entitled **Death of Account Owner**:*

**Death of Account Owner.** If an Account Owner dies, control and ownership of the Account may be transferred to the Successor Account Owner upon the Program's receipt and acceptance of the appropriate documentation. If no Successor Account Owner has been named or if the Successor Account Owner predeceases the Account Owner, control and ownership of the Account will be transferred to the deceased Account Owner's estate.

11. *On page 77 of the Program Description, the following replaces the definition of Successor Account Owner:*

**Successor Account Owner:** The person named in the Enrollment Form or otherwise in writing to CollegeBound 529 by the Account Owner, who may exercise the rights of the Account Owner under CollegeBound 529 if the Account Owner dies.

This Program Description for CollegeBound 529 (CollegeBound 529 or the Program), including the Participation Agreement and any other appendices, as well as any supplements distributed from time to time, contains important information related to investment in the Program. This Program Description is designed to comply with the College Savings Plans Network Disclosure Principles, Statement No. 5, adopted May 3, 2011.

**For residents of states other than Rhode Island: Your state or the Beneficiary's state of residence (if different) may sponsor a 529 plan that offers state income tax and other benefits not available to you through CollegeBound 529. Please consult your tax advisor. Please keep in mind that state-based benefits should be one of the many appropriately weighted factors to be considered when making an investment decision.**

**This Program Description was developed to support the marketing of CollegeBound 529 and is not intended to constitute, nor does it constitute, legal or tax advice. CollegeBound 529 is not intended to be used nor should it be used for purposes of avoiding the payment of federal tax penalties. You should consult your legal or tax advisor based on your individual situation.**

**Accounts are not insured by the State of Rhode Island and neither the principal contributed nor the investment return is guaranteed.**

In addition, you should periodically assess, and if appropriate, adjust your investment choices with your time horizon, risk tolerance, and investment objectives in mind.

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# KEY FEATURES

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This section highlights certain key features of CollegeBound 529. Please read the complete Program Description before you invest. Please see the **Glossary of Defined Terms** beginning on page 75 for the definitions of capitalized terms used throughout the Program Description.

## The Program

CollegeBound 529 is a Section 529 plan, sponsored by the State of Rhode Island. It is designed to help you save for college in a tax-advantaged way and offers valuable advantages including tax-deferred growth, generous contribution opportunities, attractive Investment Options, and professional investment management.

## Account Owner and Beneficiary Eligibility

CollegeBound 529 is open to all U.S. citizens and resident aliens with a Social Security number or taxpayer identification number. An Account Owner must be at least 18 years old and have a permanent U.S. street address that is not a P.O. Box. The Beneficiary may be any age, from newborn to adult. There are no restrictions on state of residence or income.

## Investment Options

**College Bound 529 offers a choice of three (3) easy to access investment approaches depending on your preferences :**

- (1) **Age-Based Portfolios.** You can choose to allocate your money to an Age-Based Portfolio based on the year that your Beneficiary is expected to attend college. With an Age-Based Portfolio, the asset mix (or allocation) of the Portfolios adjusts automatically (quarterly) over time, becoming progressively more conservative as high school graduation and college enrollment approaches. There are eleven (11) Age-Based Portfolios. These Portfolios invest in several Underlying Funds managed by Invesco.
- (2) **Target Risk Portfolios.** These three (3) Portfolios give you the opportunity to invest based on your specific investment goals and risk tolerance. The asset allocation of each Portfolio will seek to reflect the specified level of risk, which will remain the same throughout the life of your investment. Each Target Risk Portfolio invests in multiple Underlying Funds managed by Invesco.
- (3) **Individual Portfolios.** This investment approach can be used to target multiple asset classes or to build a custom asset allocation model. Reallocation from one Individual Portfolio to another (or to any other Portfolio) occurs only at your instruction, subject to certain limitations. There are eleven (11) types of Individual Portfolios available.

For detailed descriptions of the three (3) investment approaches, see **Investment Choices** beginning on page 45.

## Fees

**Total Annual Asset-Based Fees** (including Underlying Fund expenses and Program Fees) range from:

Rhode Island Resident Accounts:	
Class RA Units	0.41% - 1.14%
Class RZ Units	0.16% - 0.89%
Non-Rhode Island Resident Accounts:	
Class A Units	0.58% - 1.31%
Class AR Units	1.33% - 2.06%
Class C Units	1.33% - 2.06%
Class I Units	0.33% - 1.06%

The Program Description also describes Class AX Units, Class B Units, Class BX Units and Class CX Units (Legacy Units), all of which are no longer available for new contributions.

**Annual Account Fee:** \$20 for Non-Rhode Island Resident Accounts. See **Fees** beginning on page 17 for a discussion of waiver eligibility.

Other fees and charges may apply. Certain Unit Classes have specific eligibility requirements. For a detailed description of Fees associated with CollegeBound 529 and eligibility requirements for each Unit Class, see **Fees** beginning on page 17.

## Risk Factors

An investment in the Program is subject to risks including: (i) the risk of losing money over short or even long periods; (ii) investment risks of the Portfolios which are described in this Program Description and include, without limitation, market risk, interest rate risk, foreign securities risk, credit risk, and geographic focus risk; (iii) the risk of changes to CollegeBound 529, including changes in fees; (iv) the risk of federal or state tax law changes; and (v) the risk that contributions to CollegeBound 529 may adversely affect the eligibility of the Beneficiary or the Account Owner for financial aid or other benefits.

For a detailed description of the risks associated with CollegeBound 529, see **Program Risks** beginning on page 42. For a list of risks associated with the Portfolios and Underlying Funds, see **Portfolio and Underlying Fund Descriptions** beginning on page 52.

## Tax Advantages

Earnings on Account assets generally grow free of federal and Rhode Island income tax. Distributions used to pay for Qualified Expenses are not subject to federal or Rhode Island state income tax.

Account Owners who are Rhode Island taxpayers are eligible for a deduction in computing state income tax for contributions made to CollegeBound 529 up to \$500 per individual taxpayer (\$1,000 married and filing jointly.)

## Contributions

There is no required minimum contribution amount for CollegeBound 529.

You can make contributions by check, Recurring Contribution, payroll direct deposit EFT, rolling over assets from another 529 plan, moving assets from an UGMA/UTMA account or Coverdell ESA, redeeming U.S. Savings Bonds, and through Refunded Distributions.

Subsequent contributions can also be made through Ugift® and transfers from a Upromise Service account.

## Distributions

You may request a distribution online, by telephone or by mailing a *Distribution Request Form* to us.

## Investment Exchanges

You may exchange or reallocate your contributions and earnings among Investment Options up to two (2) times per calendar year for the same Beneficiary and upon a change of the Beneficiary. You may invest future contributions in different Investment Option(s) at any time. See **Changing Investment Direction** and **Additional Contributions** on page 14.



# YOUR ACCOUNT

## OPENING YOUR ACCOUNT

### AT A GLANCE

In this section, you will learn more about:

- Who can Open an Account
- Designating a Successor Account Owner
- Who can be a Beneficiary

**Account Basics.** To participate in CollegeBound 529, you must utilize the services of a financial advisor or registered investment adviser. To open an Account, you must complete and sign an *Enrollment Form* and have your financial advisor submit it to CollegeBound 529. To be an Account Owner, you must be a U.S. citizen, a resident alien or an entity that is organized in the U.S., be at least 18 years of age, and have a Social Security number or tax identification number and valid permanent U.S. street address. By signing the *Enrollment Form*, you irrevocably consent and agree that your Account is subject to the terms and conditions of the *Enrollment Form* and this Program Description. To fund your Account, see **Contributing to Your Account** beginning on page 8. You may also be able to participate in CollegeBound 529 through your employer. See **Payroll Direct Deposit** on page 8.

To open an Account, you must have a valid permanent U.S. street address and be a U.S. citizen or a resident alien that is at least 18 years old or an entity that is organized in the U.S.

**Beneficiary.** You can set up an Account for a child, grandchild, spouse, yourself, another relative, or even someone not related to you. Each Account can have only one Beneficiary at any time. However, you may have multiple Accounts for different Beneficiaries. Also, different Account Owners may have separate Accounts for the same Beneficiary within the Program, but contributions to an Account will no longer be accepted if the total assets held in all Accounts for that Beneficiary under all 529 plans offered by Rhode Island equal or exceed the Maximum Account Balance. Your Beneficiary may be of any age; however, the Beneficiary must be an individual and not a trust or other entity.

**Investments.** When establishing your Account, you can choose how you want your contributions invested. You can allocate each contribution among any of the Investment Options; however, the minimum percentage per selected Investment Option is 1% of the contribution amount. You should consult your financial advisor when selecting Investment Option(s) or if you wish to evaluate your individual financial circumstances. CollegeBound 529 does not offer financial advice. See **Program Risks – Suitability** on page 43. Your

initial investment choices will serve as the standing investment instruction for all future contributions (Standing Allocation), unless you indicate otherwise. You may view or change your Standing Allocation at any time by logging onto our website at [www.collegebound529.com](http://www.collegebound529.com), or by calling 877.615.4116.

After you select an Investment Option, you may choose (subject to eligibility) from among six classes of Units: Class A, Class C, Class I, Class AR (rollovers only), Class RA and Class RZ. Each Unit class has a different Fee structure. Certain of these classes involve initial sales charges and/or CDSCs on certain distributions (including Qualified Distributions). Breakpoint discounts may be available in limited circumstances. See **Description of Sales Charges** beginning on page 39. You should consult your financial advisor about the choice of available classes and the availability of breakpoint discounts. Because the Fees and expenses you will pay may vary by class and Portfolio, you should consider the applicable fees and expenses when you choose among classes and Portfolios. Please see **Fees** beginning on page 17 for more information on the Fee structure of each Portfolio and class and see **Description of Sales Charges** beginning on page 39, for more information on the classes of the Units.

**Trusts, Corporations, and Other Entities as Account Owners.** An Account Owner that is a trust, partnership, corporation, association, estate, or another acceptable type of entity must submit documentation to CollegeBound 529 to verify the existence of the entity and identify the individuals who are eligible to act on the entity's behalf.

**Successor Account Owner.** You may designate a Successor Account Owner (to the extent permissible under the laws that apply to your situation) to succeed to all of your right, title, and interest in your Account upon your death. A Successor Account Owner can be an individual (at least 18 years of age), entity or trust. You can make this designation on the *Enrollment Form*, online, over the phone, or in writing. CollegeBound 529 must receive and process your request before the Successor Account Owner designation can be effective. You may change or terminate your Successor Account Owner at any time by submitting an *Account Information Change Form*. Forms may be obtained from our website at [www.collegebound529.com](http://www.collegebound529.com) or by calling us at 877.615.4116.

Trusts and other entities that are Account Owners cannot designate a Successor Account Owner. If the individuals who are authorized to act on behalf of the entity change after the Account is opened, additional documentation must be submitted with any distribution or other transaction request.

**Customer Identification Verification.** Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an Account. For more on customer identification verification requirements, see **General Information – Customer Identification Verification** on page 71.

# CONTRIBUTING TO YOUR ACCOUNT

## AT A GLANCE

In this section, you will learn more about:

- Minimum Contribution Limits
- Maximum Account Balance
- Various Ways to Fund Your Account

## General

**Minimum Contributions.** There are no minimum contribution limits.

**Contribution Date.** CollegeBound 529 will credit any funds contributed to your Account on the same business day if the contribution is received in good order and prior to the close of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time. If received after the NYSE's close, contributions will be credited on the next succeeding business day that the NYSE is open.

For tax purposes, contributions sent by U.S. mail will generally be treated as having been made in a given year if checks are received by December 31 of the applicable year, and are subsequently paid. EFT contributions will generally be treated as received in the year you initiate them, provided the funds are successfully deducted from your checking or savings account. Recurring Contributions will generally be considered received in the year the debit has been deducted from your checking or savings account at another financial institution. (See **Contribution Methods – Recurring Contributions** on page 8.)

**Control Over Your Account.** Although any individual or entity may make contributions to your Account, you as Account Owner retain control of all contributions and earnings credited to your Account, up to the date they are directed for distribution. A Beneficiary who is not the Account Owner has no control over any of the Account assets. Except as required by law, only you may direct transfers, rollovers, investment changes, distributions, and changes of the Beneficiary. You may also grant another person the ability to take certain actions with respect to your Account by completing appropriate form(s).

**There are a variety of ways to fund your Account:** You can contribute in one or more of the following ways:

- Check
- Recurring Contributions
- Electronic Funds Transfer
- Payroll Direct Deposit
- U.S. savings bond
- Refunded Distribution
- Rollover from another 529 plan
- Transfer from an UGMA/UTMA or education savings account
- Ugift
- Upromise Service

## Contribution Methods

**Contributions by Check.** Checks should be made payable to *CollegeBound 529*. Alternatively, you can use third-party personal checks that are payable to the Account Owner or the Beneficiary, no more than ten-thousand dollars (\$10,000), and are properly endorsed by you or the Beneficiary to CollegeBound 529.

**Payroll Direct Deposit.** If your employer offers this service, you may be eligible to make automatic, periodic contributions to your Account via payroll direct deposit.<sup>1</sup> You may sign up for payroll direct deposit by submitting your payroll direct deposit instructions to CollegeBound 529 either online at [www.collegebound529.com](http://www.collegebound529.com) or by completing a *Payroll Direct Deposit Form* and mailing it to CollegeBound 529. After you submit your payroll direct deposit instructions to CollegeBound 529, you will receive a *Payroll Direct Deposit Confirmation Form*, which you must sign and submit to your employer's payroll department. You may make your initial contribution by payroll direct deposit or set up payroll direct deposit for additional contributions to your Account.

**Recurring Contributions.** You may contribute to your Account by authorizing periodic automated debits from a checking or savings account if your bank is a member of the Automated Clearing House (ACH)<sup>1</sup>, subject to certain processing restrictions. You can initiate a Recurring Contribution either when you enroll or later. At enrollment, simply complete the Recurring Contribution section of the *Enrollment Form*. After the Account is already open, you can establish a Recurring Contribution by submitting an online or written form (*Account Features Form*), or over the phone (if your bank information has been previously submitted and is on file). Your Recurring Contribution can be made on a monthly, quarterly or custom frequency basis.

Your Recurring Contribution authorization will remain in effect until CollegeBound 529 has received notification of its termination from you and we have had a reasonable amount of time to act on it. You may also elect to authorize an annual increase to your Recurring Contribution.

You may terminate your Recurring Contribution at any time. For a change or termination of a Recurring Contribution to take effect, it must be received at least five (5) business days before the next scheduled Recurring Contribution. Changes are not effective until received and processed by us. See **Limitations on Recurring Contributions and EFT Contributions** on page 9.

There is no charge for setting up Recurring Contributions. Debits from your bank account will occur on the day you indicate, provided the day is a regular business day. If the day you indicate falls on a weekend or a holiday, the Recurring Contribution debit will occur on

<sup>1</sup> Automatic investing does not guarantee a profit or protect against a loss in a declining market.

the next business day. Quarterly Recurring Contribution debits will be made on the day you indicate (or the next business day, if applicable) every three (3) months, not on a calendar quarter basis. If you do not designate a date, your bank account will be debited on the 20th day of the applicable month.

You will receive a trade date of one (1) business day prior to the day the bank debit occurs. If you indicate a start date that is within the first four (4) days of the month, there is a chance that your investment will be credited on the last business day of the previous month. **Please note that Recurring Contributions with a debit date of January 1st, 2nd, 3rd, or 4th will be credited in the same year as the debit date.**

**Electronic Funds Transfer (EFT).** You may contribute by EFT subject to certain processing restrictions. You may authorize us to withdraw funds by EFT from a checking or savings account for both initial and additional contributions to your Account, provided you have submitted requested information about the bank account from which the money will be withdrawn. EFT transactions can be completed through the following means: (i) by providing EFT instructions on the *Enrollment Form*; (ii) by submitting EFT instructions online after enrollment at [www.collegebound529.com](http://www.collegebound529.com); or (iii) by contacting a Client Service Representative at **877.615.4116**.

**Limitations on Recurring Contributions and EFT Contributions.** CollegeBound 529 may place a limit on the total dollar amount per day you may contribute to an Account by EFT. Contributions in excess of this limit will be rejected. If you plan to contribute a large dollar amount to your Account by EFT, you may want to contact a Client Service Representative at **877.615.4116** to inquire about the current limit prior to making your contribution.

An EFT or Recurring Contribution may fail because the bank account on which it is drawn lacks sufficient funds or banking instructions are incorrect or incomplete. If either happens, CollegeBound 529 reserves the right to suspend processing of future Recurring Contributions and EFT contributions. See **Failed Contributions** on page 10.

**Rollover Contributions.** You can make your initial investment by rolling over assets from another Qualified Tuition Program to CollegeBound 529. The Beneficiary must remain the same or be a Member of the Family of your current Beneficiary. (See **Options for Unused Money: Changing a Beneficiary, Transferring Assets to Another of Your Accounts** on page 14). A tax-free rollover for the same Beneficiary is restricted to once per 12-month period. Some Qualified Tuition Program Accounts cannot be rolled directly into another 529 Plan and must be transferred indirectly, which may result in a sales charge or other expenses being charged.

Incoming rollovers can be direct or indirect. In a direct rollover the money transfers directly from one Qualified Tuition Program to another. Some states and some financial advisors may not permit direct rollovers from Qualified Tuition Programs. In those cases you can do an indirect rollover, transferring money from an account in the other state's Qualified Tuition Program to you and then contributing that money to your CollegeBound 529 Account. This may result in sales charges or other expenses being charged. To avoid

federal and state income tax consequences and the Federal Penalty Tax, you must contribute an indirect rollover within sixty (60) days of the distribution. You should be aware that there may be state income tax consequences (and in some cases state-imposed penalties) resulting from a rolling out of a state's Qualified Tuition Program. See **Deduction in Computing Income Tax for Rhode Island Taxpayers** on page 70.

To roll over assets directly from another Qualified Tuition Program into an Account in CollegeBound 529, you must complete an *Incoming Rollover Form* as well as an *Enrollment Form*. For the *Incoming Rollover Form*, either you or the previous Qualified Tuition Program must provide an accurate statement issued by the distributing program that reflects in full both the principal and earnings attributable to the rollover amounts. Until this documentation is received, the entire amount of the rollover contribution will be treated as earnings, which is subject to taxation if you take a Non-Qualified Distribution.

A rollover from another 529 plan may be eligible for investment in Class AR Units of CollegeBound 529 resulting in reduced sales charges because an initial sales charge is not assessed. Not all broker dealers participate in rollovers to Class AR Units, thus Class AR Units may not be available to you. In addition, Rhode Island Resident Accounts are not eligible for Class AR Units. In certain instances, Class AR Units may not be the most appropriate Unit Class for your rollover contributions. Please speak with your financial advisor to discuss your investing options and which Unit Class is most appropriate based on your individual circumstances.

Special rules apply to transferring assets from a CollegeBound Saver account to a CollegeBound 529 Account. CollegeBound Saver is the direct Qualified Tuition Program offered by the State of Rhode Island. See **Transfers Between CollegeBound 529 and CollegeBound Saver for the Same Beneficiary** on page 68.

**Refunded Distributions.** Where a distribution is made to pay Qualified Expenses and the distribution or a portion of the distribution is refunded by the Eligible Educational Institution to the Beneficiary, those funds will be eligible for recontribution to your Account if:

- The Beneficiary of your Account is the same beneficiary receiving the refund; and
- The recontribution is made within sixty (60) days of the date of the refund.

The recontributed amount will not be subject to federal or Rhode Island state income tax or the Federal Penalty Tax. For tax purposes, please maintain proper documentation evidencing the refund from the Eligible Educational Institution.

**Moving Assets from an UGMA/UTMA Account.** If you are the Custodian of a Uniform Gifts to Minors Act / Uniform Transfers to Minors Act (UGMA/UTMA) account, you may be able to open an Account in your custodial capacity, depending on the laws of the state where you opened the UGMA/UTMA account. These types of accounts involve additional restrictions that do not apply to other Accounts in CollegeBound 529, and you are solely responsible for complying with these restrictions.

In general, your UGMA/UTMA custodial account is subject to the following additional requirements and restrictions:

1. you must indicate that the Account is an UGMA/UTMA Account by checking the appropriate box on the *Enrollment Form*;
2. you must establish an Account in your custodial capacity separate from any Accounts you may hold in your individual capacity;
3. you will be permitted to make distributions in accordance with the rules applicable to distributions under applicable UGMA/UTMA law;
4. you will not be able to change the Beneficiary of the Account (directly or by means of a Rollover Distribution), except as may be permitted by applicable UGMA/UTMA law;
5. you will not be able to change the Account Owner to anyone other than a successor Custodian during the term of the custodial account under applicable UGMA/UTMA law;
6. you must notify us when the custodianship terminates and your Beneficiary is legally entitled to take control of the Account. At that time, the Beneficiary will become the Account Owner and will become subject to the provisions of CollegeBound 529 applicable to non-UGMA/UTMA Account Owners;
7. any tax consequences of a distribution from an Account will be imposed on the Beneficiary and not on the Custodian; and
8. you may be required to provide documentation evidencing compliance with the applicable UGMA/UTMA law.

In addition, certain tax consequences described under **Important Tax Information** beginning on page 68 may not be applicable in the case of Accounts opened by a Custodian under UGMA/UTMA. Moreover, because only cash contributions may be used to open an Account in CollegeBound 529, the liquidation of non-cash assets held by an UGMA/UTMA account will be required and will generally be a taxable event. Please contact a tax advisor to determine how to transfer assets held in an existing UGMA/UTMA account to CollegeBound 529 and what the implications of that transfer may be for your specific situation.

**Moving Assets from a Coverdell ESA.** You may fund your Account by moving assets from a Coverdell ESA. You must complete an *Incoming Rollover Form* and an *Enrollment Form* and provide an accurate account statement issued by the financial institution that acted as custodian of the account that reflects in full both the principal and earnings attributable to the rollover amount. Until CollegeBound 529 receives this documentation, we will treat the entire amount of the rollover contribution as earnings, which is subject to taxation if you take a Non-Qualified Distribution. Transferring assets from a Coverdell ESA to fund an Account for the same Beneficiary is a taxable transaction. Consult your tax advisor for more information.

**Redeeming U. S. Savings Bonds.** You may fund your Account with proceeds from the redemption of certain U.S. Savings Bonds. You must complete an *Incoming Rollover Form* and an *Enrollment Form* and provide an accurate account statement or Form 1099-INT issued by the financial institution that redeemed the bond, showing interest

from the redemption of the bond. Until CollegeBound 529 receives this documentation, we will treat the entire amount of the contribution as earnings, which is subject to taxation if you take a Non-Qualified Distribution.

In certain cases, you may redeem U.S. Savings Bonds under the education tax exclusion. Please visit [www.savingsbonds.gov](http://www.savingsbonds.gov) to determine if you are eligible for this exclusion.

**Ugift.**<sup>2</sup> You may invite family and friends to contribute to your Account through Ugift. You provide a unique contribution code to selected family and friends and gift givers can either contribute online through an EFT or by mailing in a gift contribution coupon with a check made payable to *Ugift-CollegeBound 529*.

Gift contributions will be processed and transferred to your Account within approximately five (5) business days. There may be potential tax consequences of gift contributions invested in your Account. You and the gift giver should consult a tax advisor for more information.

**Upromise Service.**<sup>3</sup> You have the option to enroll in the Upromise Service. By participating in this loyalty program, you can earn contributions to your Account, which will be automatically transferred to your Account on a periodic basis.

## Other Funding Considerations

**Contributing Through your Financial Advisory Firm.** You may also be able to make contributions through your financial advisory firm. Please contact your financial advisory firm for additional information.

**Ineligible Funding Sources.** CollegeBound 529 cannot accept contributions made by cash, money order, travelers check, foreign checks not in U.S. dollars, checks dated more than 180 days prior to the date of receipt, checks post-dated more than seven (7) days in advance, checks with unclear instructions, starter or counter checks, credit card or bank courtesy checks, third-party personal checks made payable to the Account Owner or Beneficiary over \$10,000, instant loan checks, or any other check we deem unacceptable. CollegeBound 529 cannot accept stocks, securities, or other non-cash assets as contributions to your Account.

**Maximum Account Balance.** Once your Account balance reaches the Maximum Account Balance (currently \$395,000), no additional contributions will be accepted. The aggregate market value of all accounts for the same Beneficiary under all Qualified Tuition Programs sponsored by the State of Rhode Island (CollegeBound 529 and CollegeBound Saver) is counted toward the Maximum Account Balance regardless of the Account Owner. Should the value of your accounts for the same Beneficiary fall below the Maximum Account Balance, additional contributions will then be accepted. If the Maximum Account Balance is increased, additional contributions up to the new Maximum Account Balance will be accepted.

**Failed Contributions.** If you make a contribution by check, EFT, or Recurring Contribution that is returned unpaid by the bank upon

<sup>2</sup> Ugift is an optional service, is separate from CollegeBound 529, and is not affiliated with the State, or the State Administrators. For more information, please see our website at [www.collegebound529.com](http://www.collegebound529.com) or call us at 877.615.4116.

<sup>3</sup> Funds in a Upromise Service account will not be transferred until earnings reach a minimum of \$25. The Upromise Service is a separate program, not affiliated with the Program Administrators. The Upromise Service is administered in accordance with the terms and procedures set forth in the Upromise Member Agreement (as amended from time to time), which is available by going to [www.upromise.com](http://www.upromise.com).

which it is drawn, you will be responsible for any losses or expenses incurred by the Portfolios or CollegeBound 529 and CollegeBound 529 may charge your Account a reasonable Fee. CollegeBound 529 reserves the right to reject or cancel any contribution due to nonpayment.

**Confirmation of Contribution and Transaction.** You will receive a confirmation for each contribution and transaction to your Account(s), except for Recurring Contributions, payroll direct deposits, exchanges due to Systematic Reallocation (described below under **Systematic Reallocation** on page 15), and automatic transfers from a Upromise Service account to your Account. These automated transactions will be confirmed on a quarterly basis. Each confirmation statement will indicate the number of Units you own in each Investment Option. If an error has been made in the amount of the contribution or the Investment Option in which a particular contribution is invested, you must promptly notify us. (See **Safeguarding Your Account; Correction of Errors** on page 15).



## USING YOUR ACCOUNT

### AT A GLANCE

In this section, you will learn more about:

- **Qualified Distributions**
- **Non-Qualified Distributions**
- **How to Request a Distribution**

**General.** You can take a distribution from your Account or close your Account at any time by notifying us.

Distributions may be subject to federal and/or state tax withholding depending on whether they are **Qualified Distributions**, **Non-Qualified Distributions** or **Other Distributions**.

**Distributions:** Distributions from your Account are either Qualified Distributions (tax-free), Other Distributions, or Non-Qualified Distributions subject to income tax and Federal Penalty Tax.

**Qualified Distributions.** Distributions for Qualified Expenses, such as tuition and books, are exempt from federal and Rhode Island state income taxes and the Federal Penalty Tax. As the Account Owner, you are responsible for satisfying the IRS requirements for proof of Qualified Distributions, which includes retaining any paperwork and receipts necessary to verify the type of distribution you received.

**Non-Qualified Distributions.** A distribution that does not meet the requirements for a Qualified Distribution or an Other Distribution will be considered a Non-Qualified Distribution by the IRS. The earnings portion of a Non-Qualified Distribution is subject to federal and Rhode Island state income taxes (and may be subject to other taxes) and is taxable to the person receiving the distribution. In addition, a Non-Qualified Distribution is subject to a Federal Penalty Tax. The person receiving the distribution is subject to IRS requirements, including filing applicable forms with the IRS.

**Other Distributions.** In certain cases, distributions not made to pay Qualified Expenses are exempt from the Federal Penalty Tax. In addition, some of the distributions described below are exempt from federal income tax. Tax considerations are complex and depend on individual situations. You should consult a tax advisor regarding the application of federal and state tax laws if you take any of these distributions:

- **Death of Beneficiary.** In the event your Beneficiary dies, and you select a new Beneficiary of the Account who is a Member of the Family of the former Beneficiary, you will not owe federal income tax or the Federal Penalty Tax. If you authorize a payment to a beneficiary of, or the estate of, the Beneficiary, or request the return of all or a portion of your Account balance, earnings will generally be subject to federal and any applicable state income tax, but not the Federal Penalty Tax. Special rules apply to UGMA/UTMA custodial accounts.
- **Disability of Beneficiary.** If your Beneficiary becomes Disabled, you may change the Beneficiary of your Account or request the return of all or a portion of your Account balance. A distribution due to the Disability of the Beneficiary is not subject to the Federal Penalty Tax, but earnings will be subject to federal and any

applicable state income tax at your tax rate. If you select a new Beneficiary who is a Member of the Family of the former Beneficiary, you will not owe federal or state income tax or the Federal Penalty Tax. Special rules apply to UGMA/UTMA custodial accounts.

- **Receipt of Scholarship or other Educational Assistance.** If the Beneficiary receives a scholarship or other Educational Assistance which decreases the amount of Qualified Expenses, a portion of the earnings attributable to any distribution from your Account will be included in the income of the Beneficiary but will not be subject to the Federal Penalty Tax.
- **Attendance at a U.S. Military Academy.** Distributions on account of the Beneficiary's attendance at a United States military academy, such as the United States Naval Academy, made in an amount equal to the costs of the Beneficiary's attendance at the institution are not subject to the additional Federal Penalty Tax. The Beneficiary must include in income the portion of the earnings attributable to the Distribution.
- **Use of Education Tax Credits.** You can claim the American Opportunity Tax Credit and Lifetime Learning Tax Credits (collectively, Education Tax Credits) in the same year that a tax-exempt distribution is taken from a Qualified Tuition Program provided the distribution is not used for the same educational expenses. Because Qualified Expenses used in determining the allowed Education Tax Credits will reduce the amount of your Beneficiary's Qualified Expenses, they may result in taxable distributions. These distributions will not be subject to the Federal Penalty Tax.
- **Rollover Distribution.** To qualify, you must reinvest the amount distributed from your Account into a Qualified Tuition Plan not sponsored by Rhode Island within sixty (60) days of the distribution date. Rollover Distributions may be subject to certain state taxes, but are generally exempt from federal income taxes and the Federal Penalty Tax.
- **Refunded Distribution.** Refunds received from an Eligible Educational Institution that are recontributed to an Account and qualify as a "Refunded Distribution" will not be subject to federal or Rhode Island state income tax or the Federal Penalty Tax.

**Procedures for Distributions.** Distributions may be requested online or by phone. Alternatively, you can mail us a completed *Distribution Request Form*. Once a completed *Distribution Request Form* and any additional documentation required (as noted on the Form) is received, the distribution will be processed. Forms can be requested by calling us at **877.615.4116** or downloaded from our website at **www.collegebound529.com**.

**Distributions can be requested online at [www.collegebound529.com](http://www.collegebound529.com) or by calling us at 877.615.4116.**

Distribution requests received in good order before the close of the NYSE (generally 4 p.m. Eastern time) on any day the NYSE is open for business are processed that day based on the Unit Values of the Portfolios underlying your Account for that day. Requests received after the close of the NYSE are processed the next business day using the Unit Values on that day.

Please allow up to ten (10) business days for the proceeds to reach the payee. CollegeBound 529 generally processes distributions within three (3) business days of accepting the request. During periods of market volatility and at year-end, distribution requests may take up to five (5) business days to process. For security purposes, there will be a hold of nine (9) business days on distribution requests when there is a change to your address and a hold of fifteen (15) calendar days on distribution requests following a change to your banking information. Distributions of contributions made by check, Recurring Contribution, or EFT will not be available for withdrawal for seven (7) business days.

Please note that we may establish a minimum distribution amount.

**Methods of Payment .** Distributions may be payable by:

- Check to the Account Owner, Beneficiary, or the Eligible Educational Institution;
- ACH to the Account Owner; or
- Expedited electronic payment to the Eligible Educational Institution (where available)

**Systematic Withdrawal Program (SWP) .** You may choose to establish periodic, pre-scheduled distributions for Qualified Expenses from your Account. You can have up to two (2) SWPs on your Account. If the balance in your Account is less than the SWP amount that you have specified, the SWP instructions will be stopped.



## MAINTAINING YOUR ACCOUNT

### AT A GLANCE

In this section, you will learn more about:

- Options for Unused Money
- Changing the Beneficiary
- Changing Investments
- Safeguarding Your Account

**Account Statements.** You will receive quarterly statements only if you have made financial transactions within the quarter. Transactions that will generate statements include: contributions made to your Account; exchanges due to Systematic Reallocation; any other investment exchanges; automatic transfers from a Upromise Service account to your Account; distributions made from your Account; and transaction and maintenance fees incurred by your Account. The total value of your Account at the end of the quarter will also be included in your quarterly statements. You will receive an annual Account Statement even if you have made no financial transactions within the year.

**Account Maintenance:** Did you know that most transactions and changes to your Account can be handled online by going to [www.collegebound529.com](http://www.collegebound529.com) and logging into your Account?

You can choose to receive periodic Account statements, transaction confirmations, and other personal correspondence via electronic delivery or in paper format. You may request duplicate copies of Account statements to be provided to another party. CollegeBound 529 reserves the right to charge a fee for duplicate copies of historical statements.

Your Account statement is not a tax document and should not be submitted with your tax forms. However, you could use your Account statement(s) to determine how you paid or contributed during the previous tax year.

**Options for Unused Money; Changing a Beneficiary, Transferring Assets to Another of Your Accounts.** If your Beneficiary does not use all of the money in your Account for Qualified Expenses, you may name a new Beneficiary or take a distribution of your Account assets. Any Non-Qualified Distribution from your Account will be subject to applicable income taxes and may be subject to the Federal Penalty Tax. (See **Using Your Account** beginning on page 12).

You can change your Beneficiary at any time. To avoid negative tax consequences, the new Beneficiary must be a Member of the Family of the original Beneficiary. Any change of the Beneficiary to a person who is not a Member of the Family of the current Beneficiary is treated as a distribution subject to applicable federal and state income taxes, but will not be subject to the Federal Penalty Tax if the change in Beneficiary is made following the death of the original Beneficiary. An Account Owner who is an UGMA/UTMA Custodian will not be able to change the Beneficiary of the Account, except as may be permitted under applicable UGMA/UTMA law. (See **Moving Assets From An UGMA/UTMA Account** beginning on page 9).

To initiate a change of Beneficiary, you must complete and submit a *Beneficiary Change Form*, either online by logging into your Account at [www.collegebound529.com](http://www.collegebound529.com) or in paper form. The change will be effective once we have received and processed all the required information.

CollegeBound 529 reserves the right to suspend the processing of a Beneficiary change if we suspect that the change is intended to avoid CollegeBound 529's exchange and reallocation limits and/or the tax laws. Also, a Beneficiary change or transfer of assets may be denied or limited if it causes one or more Accounts to exceed the Maximum Account Balance for a Beneficiary. There is no fee for changing a Beneficiary.

When you change a Beneficiary, CollegeBound 529 will invest your assets in accordance with the Standing Allocation for the new Beneficiary's Account. If you are invested in an Age-Based Portfolio, CollegeBound 529 will invest your assets in the same Age-Based Portfolio that your assets were invested in for the prior Beneficiary unless you indicate otherwise. You can also transfer existing assets in your Account to a new Investment Option when you change the Beneficiary for your Account. When changing Beneficiaries, in choosing new Investment Options, you should consider relevant factors such as your investment objectives, risk tolerance, time horizon, age of the Beneficiary and other factors you determine to be important.

**Changing Investment Direction.** You can change the investment strategy for each Beneficiary – i.e. make an exchange – up to two (2) times per calendar year. This is a federal rule that applies to all Qualified Tuition Programs. You can initiate these transactions online, over the telephone by contacting a Client Service Representative at **877.615.4116**, or by downloading the *Exchange/Future Contribution (Allocation) Form* from our website at [www.collegebound529.com](http://www.collegebound529.com).

Because you may make only two (2) exchanges per year in an Account, it is important that you select an Investment Option that will meet your comfort level for risk in a variety of market conditions.

**Additional Contributions.** CollegeBound 529 will invest all additional contributions according to your Standing Allocation, unless you provide different instructions. You may view or change your Standing Allocation at any time by logging onto our website at [www.collegebound529.com](http://www.collegebound529.com), by submitting the *Exchange/Future Contribution (Allocation) Form* by mail, or by calling **877.615.4116**. Additional contributions may be invested in different Investment Options at any time and are not subject to the twice per calendar year investment exchange limit placed on existing assets in your Account.

**Systematic Reallocation.** Systematic reallocation is a way to make contributions on a regular basis from an Investment Option in your Account to one or more other Investment Options in your Account (Systematic Reallocation). The goal of Systematic Reallocation is to, over time, allocate contributions across Investment Options over a certain time period instead of making lump sum contributions. You may elect to dollar-cost average new contributions or decide to dollar-cost average assets out of a current Portfolio into another Portfolio.

Here's how it works: You contribute a large fixed amount to one Portfolio (Source Portfolio) and direct us to reallocate portions of that original contribution at regular intervals to other Portfolio(s) (Target Portfolio). Because the amount you allocate is constant, there is a tendency that more Units will be bought when the price is low and fewer Units when the price is high. As a result, the average cost of your Units may be lower than the average market price per Unit during the time you are contributing.

To participate in Systematic Reallocation, you must have at least \$5,000 in the Source Portfolio. In addition, contributions to the selected Target Portfolio(s) must be made in increments of no less than \$500 on a monthly or quarterly basis.

Systematic Reallocation does not eliminate the risks of investing in financial markets and may not be appropriate for everyone. It does not ensure a profit or protect you against a loss. You should be prepared to continue Systematic Reallocation at regular intervals, even during economic downturns, in order to fully utilize the strategy.

If you establish a Systematic Reallocation, it will not count towards your twice per calendar year investment exchange limit. However, changes you make to Systematic Reallocation with respect to money already in your Account, or changes to the Systematic Reallocation already in place (for example, you change the dollar amount transferred each month) will count towards your twice per calendar year investment exchange limit. (See **Program Risks** beginning on page 42 for a discussion of risks associated with Systematic Reallocation.)

**Changing or Removing a Custodian.** For an Account funded with assets originally held in an UGMA/UTMA account, the Custodian may be released or replaced upon written notice to CollegeBound 529. (See **Moving Assets From An UGMA/ UTMA Account** on page 9.)

**Change of Account Owner.** Except as discussed below, you may transfer control of your Account assets to a new Account Owner. However, your right of control may not be sold, transferred, used as collateral, or pledged or exchanged for money or anything of value.

Your right of control may be transferred under an appropriate court order as part of divorce proceedings or other legal proceedings. The new Account Owner must agree to be bound by the terms and conditions of the Program Description and *Enrollment Form*. Transferring an Account to a new Account Owner may have significant tax consequences. Before doing so, you may want to check with your tax advisor regarding your particular situation.

To transfer your Account to another Account Owner, submit an *Account Information Change Form* by mail. For assistance, contact us at **877.615.4116**. We may require supporting documentation, as necessary.

**Recovery of Incorrect Amounts.** If an incorrect amount is paid to or on behalf of you or your Beneficiary, CollegeBound 529 may recover this amount from you or your Beneficiary, or any remaining balances may be adjusted to correct the error. The processing of adjustments resulting from clerical errors or other causes that are de minimis in amount may be waived at the discretion of the Program Manager.

**Safeguarding Your Account.** CollegeBound 529 uses reasonable procedures to confirm that transaction requests are genuine. You may be responsible for losses resulting from fraudulent or unauthorized instructions received by CollegeBound 529, provided we reasonably believe the instructions were genuine. To safeguard your Account, please keep your information confidential.

**Correction of Errors.** If you receive a confirmation that you believe contains an error or does not accurately reflect your authorized instructions—e.g., the amount invested differs from the amount contributed or the contribution was not invested in the particular Investment Options you selected—you must promptly notify us of the error. We will work to resolve any errors as promptly as possible. If you do not notify us promptly, you will be considered to have approved the information in the confirmation and to have released CollegeBound 529 and the Program Administrators from all responsibility for matters covered by the confirmation. You should regularly review your Account statements and transaction confirmations.

**Contact us immediately at 877.615.4116 if you believe someone has obtained unauthorized access to your Account or if there is a discrepancy between a transaction you requested and your confirmation statement.**

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**Access your Account online 24-hours a day at [www.collegebound529.com](http://www.collegebound529.com)**

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**Internet Access.** You have the option to perform Account-related transactions and activity electronically via the Internet. You can securely access and manage Account information – including quarterly statements, transaction confirmations, and tax forms—24 hours a day at [www.collegebound529.com](http://www.collegebound529.com) once you have created an online user name and password. Please note that if you elect to receive documents electronically, the only way to get paper copies of these documents will be to print them from a computer. **You should not elect to conduct transactions electronically if you do not have regular and continuous Internet access.**

You should not share your user ID or password with anyone else. CollegeBound 529 will honor instructions from any person who provides correct identifying information, and CollegeBound 529 is not responsible for fraudulent transactions we believe to be genuine according to these procedures. Accordingly, you bear the risk of loss if unauthorized persons obtain your user ID and password and conduct any transaction on your Account. You can reduce this risk by checking your Account information regularly. You should avoid using passwords that can be guessed and should consider changing your password frequently. For security purposes, our Client Service Representatives will not ask you for your password. It is your responsibility to review your Account information and to notify us

promptly of any unusual activity. You can withdraw your consent to receive documents electronically at any time by contacting Client Service at **877.615.4116** or making the change online.

Because CollegeBound 529 cannot guarantee the privacy or reliability of email, CollegeBound 529 cannot honor requests for transfers or changes received by email, nor will CollegeBound 529 send Account information through email. All requests for transfers or changes should be made through our secure website. Our website uses generally accepted and available encryption software and protocols, including Secure Socket Layer. This is designed to prevent unauthorized people from eavesdropping or intercepting information sent by or received from us. Our website may require that you use certain readily available versions of web browsers. As new security software or other technology becomes available, we may enhance our systems.

The Program Description (including any Supplements) and information concerning the Portfolios are available on our website. CollegeBound 529 expects to update information concerning the Portfolios and Underlying Funds and the Program Description at least annually. Much of this information is likely to be updated and supplemented throughout the year.

If you have elected electronic delivery, CollegeBound 529 may, from time to time, notify you by email that documents, including Account statements and transaction confirmations, have been delivered. However, email notification is not a substitute for regularly checking your Account at **www.collegebound529.com**. CollegeBound 529 may archive these documents and cease providing them on the website when they become out of date. You should, therefore, consider printing any Account information that you may wish to retain before it is removed. After these documents are archived, you will be able to obtain a copy for a fee by contacting us at **877.615.4116**.

**Unclaimed Accounts.** Under certain circumstances, if there has been no activity in your Account, or if CollegeBound 529 has not been able to contact you for a period of time, your Account may be considered abandoned under Rhode Island's or your state's unclaimed property laws. If your property is considered abandoned, it will, without proper claim by the Account Owner within a certain period of years, revert to the Rhode Island or your state.

**Account Restrictions.** We reserve the right to: (1) freeze an Account and/or suspend Account services if (i) we receive notice of a dispute regarding Account assets or Account ownership, including notice of the death of an Account Owner (until appropriate documentation is received and we reasonably believe that it is lawful to transfer Account ownership to the Successor Account Owner) and (ii) we reasonably believe a fraudulent transaction may occur or has occurred; (2) close an Account, without the Account Owner's permission, in cases of threatening conduct or suspicious, fraudulent or illegal activity; (3) refuse to establish or terminate an Account if CollegeBound 529 determines that it is in the best interest of CollegeBound 529 or required by law; (4) close your Account if CollegeBound 529 determines that you provided false or misleading information to the Program Administrators in establishing or maintaining an Account, or that you are restricted by law from participating in CollegeBound 529; and (5) reject a contribution for any reason, including contributions to the Program that the Investment Manager, the Program Manager or the State Administrators believe

are not in the best interests of the Program, a Portfolio or the Account Owners. The risk of market loss, tax implications, penalties, and any other expenses as a result of the above will be solely the Account Owner's responsibility.

# FEES

## AT A GLANCE

In this section, you will find:

- Descriptions of Fees and Expenses Associated with CollegeBound 529
- Illustrations of Investment Costs

Fees and expenses for CollegeBound 529 depend on your investment choices and whether you are a Rhode Island Resident as defined in the *Glossary of Defined Terms* on page 75. The schedule of Fees is described below. Fees and expenses for CollegeBound 529 may change from time to time. Any changes to Fees will be described in updated Program Descriptions or Supplements.

## General

Account Owners bear expenses at the CollegeBound 529 level and also indirectly bear the cost of investing in the Underlying Funds. At the CollegeBound 529 level, an Account will be subject to certain Fees that are charged daily against the assets of each Portfolio as described below. Breakpoint discounts or waivers on the applicable sales charges may be available in limited circumstances. For information on breakpoint discounts and sales charge waivers, please see *Description of Sales Charges* on page 39.

In addition, Accounts are subject to certain service-based and other Fees described under *Service-Based and Other Fees* on page 29. Program-level Fees and expenses may be increased or otherwise modified at any time. Financial advisory firms through which you may invest in CollegeBound 529 may charge you Fees in addition to the Fees described in this section. Any additional Fee is a matter between you and your financial advisory firm and is not the responsibility of CollegeBound 529.

The Program Administrators, in their sole discretion, may establish new Program-level Fees and expenses or increase or otherwise modify existing Program-level Fees and expenses as they deem appropriate. The Fees and expenses of the Underlying Funds may also change at any time. In the future, the Fees could also be higher or lower than those discussed in this Program Description as a result of the changes in the asset allocation of an Age-Based Portfolio or Target Risk Portfolio.

## Total Annual Asset-Based Fee

Each Portfolio has a Total Annual Asset-Based Fee that is deducted from the assets in the Portfolio. The Total Annual Asset-Based Fee reduces the return you receive from your Program investments. It

may consist of one or more of the following Fees as determined by Unit Class. Depending on the Unit Class you select (subject to eligibility), you may not be charged one or more of the fees or varying amounts of the Fees. Unless otherwise indicated, these fees accrue daily and are factored into each Portfolio's Unit Value as applicable.

- **Underlying Fund Fee.** As an Account Owners, you indirectly bear a pro rata share of the annual costs associated with the Underlying Funds in which each Portfolio held by your Account invests. This Fee includes investment advisory fees, administrative, and other expenses of the Underlying Fund, which are paid to Invesco. An Underlying Fund's expense ratio measures the total annual operating expenses of the Underlying Fund as a percentage of its average daily net assets.
- **Program Management Fee.** Ascensus College Savings receives the Program Management Fee to cover the costs of administering and managing CollegeBound 529. Rhode Island Resident Accounts will not be assessed a Program Management Fee.
- **Distribution and Service Fee.** This fee is paid to Invesco Distributors and your financial advisory firm for the performance of certain distribution and Account servicing functions.
- **Administrative Fee.** This Fee is paid to the State Administrators to support the administration and operation of CollegeBound 529 and the establishment and marketing of educational activities and scholarship funds in the State of Rhode Island. Rhode Island Resident Accounts will not be assessed an Administrative Fee.

## Annual Account Fee

An Annual Account Fee of \$20 will be assessed on Non-Rhode Island Resident Accounts during the month following the anniversary date of the Account opening, beginning twelve (12) months after the Account is opened. The Annual Account Fee will be waived if: (1) the aggregate value of all Units held in all Accounts of the Account Owner for the same Beneficiary equals or exceeds \$25,000 at the time the Account fee is assessed; (2) there is an active Recurring Contribution on the Account; or (3) a payroll direct deposit is made at least 90 days before the Annual Account Fee is charged. For purposes of charging the Annual Account Fee, an Account funded with UGMA/UTMA assets will not be aggregated with any other Accounts for the same Beneficiary. Accounts will be charged on a *pro rata* basis upon closure of the Account. The Annual Account Fee is paid to the Program Manager.

## Sales Charges

Account Owners investing in Class A and Class RZ Units are subject to an initial sales charge. In certain limited circumstances, sales charges may not apply or may be subject to breakpoints depending on amounts invested and other factors as described in **Description of Sales Charges** beginning on page 39.

Account Owners investing in Class C and Class AR Units may pay a CDSC if they take a distribution within a specified period of time after making the contribution. In addition, Account Owners that have \$500,000 or more invested in Class A Units may not be subject to an initial sales charge, but may be subject to a CDSC. All or a substantial portion of these sales charges will be paid to, or may reimburse Invesco for amounts paid to, the financial advisory firm through which Account Owners invest in CollegeBound 529. Account Owners invested in Legacy Units may also be subject to a CDSC.

For more information on sales charges, refer to **Fee Structure Tables** beginning on page 19 and **Description of Sales Charges** beginning on page 39.

**Dealer Reallowances and Other Payments and Compensation to Financial Advisory Firms.** Financial advisory firms will receive compensation under one of the fee structures described in this Program Description in accordance with the financial advisory firm's agreement with Invesco Distributors. The commission will be all or a portion of the sales charge paid by an Account Owner and an ongoing trail commission that represents all or a portion of the distribution and service fee payable from Account assets, except for those Unit Classes which are not subject to a sales charge or distribution and service fee. See **Total Annual Asset-Based Fee** on page 17 and **Description of Sales Charges** on page 39.

In addition to the commissions specified above, Invesco or its affiliates, from their own resources, may make cash payments to selected financial advisory firms, that agree to promote the sale of CollegeBound 529 Units or other funds that Invesco Distributors distributes. A number of factors may be considered in determining the amount of those payments, including the financial advisory firm's sales, client assets invested in or expected to be invested in CollegeBound 529 and other funds that Invesco Distributors distributes, the quality of the financial advisory firm's relationship with Invesco Distributors and/or its affiliates or the Program Manager, and the nature of the services provided by a financial advisory firm to its clients. The payments may be made in recognition of such factors as marketing support, access to sales meetings and the financial advisory firm's representatives, and inclusion of CollegeBound 529 or other funds that Invesco Distributors distributes on focus, select or other similar lists.

Subject to applicable rules and its own policies and procedures, Invesco may also pay non-cash compensation to financial advisory firms and their representatives, including: (i) occasional gifts; (ii) occasional meals, or other entertainment; and/or (iii) support for financial advisor educational or training events.

In some circumstances, the payments discussed above may create an incentive for a financial advisory firm or its employees or associated persons to recommend or sell Units of CollegeBound 529. Please also contact your financial advisory firm for details about payments the firm may receive.



**Fee Structure Tables.** The following tables describe the total Fees charged by Unit Class to each Portfolio in CollegeBound 529 for Rhode Island Resident Accounts and Non-Rhode Island Resident Accounts. The annualized Program Management Fee, Estimated Underlying Fund Fee, Distribution and Service Fee and Administrative Fee added together equal the Total Annual Asset-Based Fee. The fees in this table are provided as of the date of this Program Description.

<b>CLASS A UNITS – NON-RHODE ISLAND RESIDENT ACCOUNTS :</b>							
	<b>ANNUAL ASSET-BASED FEES<sup>1</sup></b>					<b>ADDITIONAL INVESTOR EXPENSES</b>	
<b>Age-Based Portfolios</b>	<b>Program Management Fee</b>	<b>Estimated Underlying Fund Fee<sup>2</sup></b>	<b>Distribution and Service Fee</b>	<b>Administrative Fee<sup>3</sup></b>	<b>Total Annual Asset-Based Fee<sup>4</sup></b>	<b>Maximum Initial or Contingent Sales Charge<sup>5, 6, 7</sup></b>	<b>Annual Account Fee</b>
Invesco CollegeBound Today Portfolio	0.15%	0.40%	0.25%	0.02%	0.82%	4.00%	\$20
Invesco CollegeBound 2017-2018 Portfolio	0.15%	0.43%	0.25%	0.02%	0.85%	4.00%	\$20
Invesco CollegeBound 2019-2020 Portfolio	0.15%	0.43%	0.25%	0.02%	0.85%	4.00%	\$20
Invesco CollegeBound 2021-2022 Portfolio	0.15%	0.45%	0.25%	0.02%	0.87%	4.00%	\$20
Invesco CollegeBound 2023-2024 Portfolio	0.15%	0.47%	0.25%	0.02%	0.89%	4.00%	\$20
Invesco CollegeBound 2025-2026 Portfolio	0.15%	0.47%	0.25%	0.02%	0.89%	4.00%	\$20
Invesco CollegeBound 2027-2028 Portfolio	0.15%	0.49%	0.25%	0.02%	0.91%	4.00%	\$20
Invesco CollegeBound 2029-2030 Portfolio	0.15%	0.51%	0.25%	0.02%	0.93%	4.00%	\$20
Invesco CollegeBound 2031-2032 Portfolio	0.15%	0.53%	0.25%	0.02%	0.95%	4.00%	\$20
Invesco CollegeBound 2033-2034 Portfolio	0.15%	0.52%	0.25%	0.02%	0.94%	4.00%	\$20
Invesco CollegeBound 2035-2036 Portfolio	0.15%	0.52%	0.25%	0.02%	0.94%	4.00%	\$20
<b>Target Risk Portfolios</b>	<b>Program Management Fee</b>	<b>Estimated Underlying Fund Fee<sup>2</sup></b>	<b>Distribution and Service Fee</b>	<b>Administrative Fee<sup>3</sup></b>	<b>Total Annual Asset-Based Fee<sup>4</sup></b>	<b>Maximum Initial or Contingent Sales Charge<sup>5, 6, 7</sup></b>	<b>Annual Account Fee</b>
Invesco Conservative College Portfolio	0.15%	0.45%	0.25%	0.02%	0.87%	4.00%	\$20
Invesco Moderate College Portfolio	0.15%	0.49%	0.25%	0.02%	0.91%	4.00%	\$20
Invesco Growth College Portfolio	0.15%	0.51%	0.25%	0.02%	0.93%	4.00%	\$20
<b>Individual Portfolios</b>	<b>Program Management Fee</b>	<b>Estimated Underlying Fund Fee<sup>2</sup></b>	<b>Distribution and Service Fee</b>	<b>Administrative Fee<sup>3</sup></b>	<b>Total Annual Asset-Based Fee<sup>4</sup></b>	<b>Maximum Initial or Contingent Sales Charge<sup>5, 6, 7</sup></b>	<b>Annual Account Fee</b>
Invesco Stable Value Portfolio	0.15%	0.45% <sup>8</sup>	0.25%	0.02%	0.87% <sup>9</sup>	4.00%	\$20
Invesco Short Duration Inflation Protected Portfolio	0.15%	0.30%	0.25%	0.02%	0.72%	4.00%	\$20
Invesco Core Plus Bond Portfolio	0.15%	0.52%	0.25%	0.02%	0.94%	4.00%	\$20
Invesco Equally-Weighted S&P 500 Portfolio	0.15%	0.16%	0.25%	0.02%	0.58%	4.00%	\$20
Invesco Diversified Dividend Portfolio	0.15%	0.43%	0.25%	0.02%	0.85%	4.00%	\$20
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	0.15%	0.39%	0.25%	0.02%	0.81%	4.00%	\$20
Invesco Small Cap Growth Portfolio	0.15%	0.73%	0.25%	0.02%	1.15%	4.00%	\$20
Invesco International Growth Portfolio	0.15%	0.89%	0.25%	0.02%	1.31%	4.00%	\$20
PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	0.15%	0.46%	0.25%	0.02%	0.88%	4.00%	\$20
Invesco Equity and Income Portfolio	0.15%	0.37% <sup>10</sup>	0.25%	0.02%	0.79%	4.00%	\$20
Invesco Global Sustainable Equity Portfolio	0.15%	0.60% <sup>10</sup>	0.25%	0.02%	1.02%	4.00%	\$20

<sup>1</sup> Expressed as an annual percentage of the average daily net assets of each Portfolio.

<sup>2</sup> The figures above are based on the expense ratio reported in an Underlying Fund's most recent prospectus. For Portfolios invested in multiple registered Underlying Funds, the figures are based on a weighted average of each Underlying Fund's expense ratio as reported in the Underlying Fund's most recent prospectus in accordance with the Portfolio's asset allocation as of the date of this Program Description. For Portfolios invested in one Underlying Fund, the figures are based on the expense ratio as shown in the Underlying Fund's most recent prospectus.

<sup>3</sup> This represents the portion of the Administrative Fee that is charged to the Account Owners. This does not reflect the portion of the Administrative Fee that is paid by Invesco, which is not charged to Account Owners or factored into the Unit Values of the Portfolios.

<sup>4</sup> This total is assessed against assets over the course of the year and does not include sales charges. Please refer to the Hypothetical \$10,000 Investment Cost chart herein that shows the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

<sup>5</sup> Applicable to Accounts purchasing Class A Units in a Portfolio for the first time after July 8, 2016, subject to applicable breakpoint discounts. See **Description of Sales Charges** on page 39 for more information about the maximum initial sales charges and breakpoint discounts.

<sup>6</sup> Accounts with Legacy Class AX Units purchased prior to July 8, 2016, will be merged into Class A Units on July 8, 2016. For approximately three (3) years thereafter, any future contributions to Class A Units in Legacy Class AX Accounts to the same Portfolio will be charged a maximum initial sales charge of 3.25%.

<sup>7</sup> Not applicable to Accounts with payroll direct deposit established through certain eligible employers with more than 250 employees. These corporate employer accounts do not bear any sales charge. Also not applicable to accounts for employees of financial advisory firms who have entered into sales agreements with Invesco to market CollegeBound 529 and their subsidiaries and affiliates, and immediate family members of those employees.

<sup>8</sup> The Invesco Stable Value Portfolio Underlying Fund fee includes all Invesco and sub-advisory portfolio management fees, wrap contract fees, and operational costs. Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.45%.

<sup>9</sup> Under certain conditions, the Program Manager and the Investment Manager have agreed to negotiate in good faith with the Treasurer to evaluate measures that may be implemented to mitigate the risk of the crediting rate of the Stable Value Portfolio not being positive (greater than 0.0%). Such measures may include a reduction of the Distribution and Service Fee attributable to each Unit Class, if applicable, proportionately as necessary to maintain a crediting rate above zero (greater than 0.0%).

<sup>10</sup> Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.60%

<b>CLASS AR UNITS – NON-RHODE ISLAND RESIDENT ACCOUNTS:</b>							
	<b>ANNUAL ASSET-BASED FEES<sup>1</sup></b>					<b>ADDITIONAL INVESTOR EXPENSES</b>	
<b>Age-Based Portfolios</b>	<b>Program Management Fee</b>	<b>Estimated Underlying Fund Fee<sup>2</sup></b>	<b>Distribution and Service Fee</b>	<b>Administrative Fee<sup>3</sup></b>	<b>Total Annual Asset-Based Fee<sup>4</sup></b>	<b>Maximum Initial or Contingent Sales Charge<sup>5</sup></b>	<b>Annual Account Fee</b>
Invesco CollegeBound Today Portfolio	0.15%	0.40%	1.00%	0.02%	1.57%	1.00%	\$20
Invesco CollegeBound 2017-2018 Portfolio	0.15%	0.43%	1.00%	0.02%	1.60%	1.00%	\$20
Invesco CollegeBound 2019-2020 Portfolio	0.15%	0.43%	1.00%	0.02%	1.60%	1.00%	\$20
Invesco CollegeBound 2021-2022 Portfolio	0.15%	0.45%	1.00%	0.02%	1.62%	1.00%	\$20
Invesco CollegeBound 2023-2024 Portfolio	0.15%	0.47%	1.00%	0.02%	1.64%	1.00%	\$20
Invesco CollegeBound 2025-2026 Portfolio	0.15%	0.47%	1.00%	0.02%	1.64%	1.00%	\$20
Invesco CollegeBound 2027-2028 Portfolio	0.15%	0.49%	1.00%	0.02%	1.66%	1.00%	\$20
Invesco CollegeBound 2029-2030 Portfolio	0.15%	0.51%	1.00%	0.02%	1.68%	1.00%	\$20
Invesco CollegeBound 2031-2032 Portfolio	0.15%	0.53%	1.00%	0.02%	1.70%	1.00%	\$20
Invesco CollegeBound 2033-2034 Portfolio	0.15%	0.52%	1.00%	0.02%	1.69%	1.00%	\$20
Invesco CollegeBound 2035-2036 Portfolio	0.15%	0.52%	1.00%	0.02%	1.69%	1.00%	\$20
<b>Target Risk Portfolios</b>	<b>Program Management Fee</b>	<b>Estimated Underlying Fund Fee<sup>2</sup></b>	<b>Distribution and Service Fee</b>	<b>Administrative Fee<sup>3</sup></b>	<b>Total Annual Asset-Based Fee<sup>4</sup></b>	<b>Maximum Initial or Contingent Sales Charge<sup>5</sup></b>	<b>Annual Account Fee</b>
Invesco Conservative College Portfolio	0.15%	0.45%	1.00%	0.02%	1.62%	1.00%	\$20
Invesco Moderate College Portfolio	0.15%	0.49%	1.00%	0.02%	1.66%	1.00%	\$20
Invesco Growth College Portfolio	0.15%	0.51%	1.00%	0.02%	1.68%	1.00%	\$20
<b>Individual Portfolios</b>	<b>Program Management Fee</b>	<b>Estimated Underlying Fund Fee<sup>2</sup></b>	<b>Distribution and Service Fee</b>	<b>Administrative Fee<sup>3</sup></b>	<b>Total Annual Asset-Based Fee<sup>4</sup></b>	<b>Maximum Initial or Contingent Sales Charge<sup>5</sup></b>	<b>Annual Account Fee</b>
Invesco Stable Value Portfolio	0.15%	0.45% <sup>6</sup>	1.00%	0.02%	1.62% <sup>7</sup>	1.00%	\$20
Invesco Short Duration Inflation Protected Portfolio	0.15%	0.30%	1.00%	0.02%	1.47%	1.00%	\$20
Invesco Core Plus Bond Portfolio	0.15%	0.52%	1.00%	0.02%	1.69%	1.00%	\$20
Invesco Equally-Weighted S&P 500 Portfolio	0.15%	0.16%	1.00%	0.02%	1.33%	1.00%	\$20
Invesco Diversified Dividend Portfolio	0.15%	0.43%	1.00%	0.02%	1.60%	1.00%	\$20
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	0.15%	0.39%	1.00%	0.02%	1.56%	1.00%	\$20
Invesco Small Cap Growth Portfolio	0.15%	0.73%	1.00%	0.02%	1.90%	1.00%	\$20
Invesco International Growth Portfolio	0.15%	0.89%	1.00%	0.02%	2.06%	1.00%	\$20
PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	0.15%	0.46%	1.00%	0.02%	1.63%	1.00%	\$20

CLASS AR UNITS – NON-RHODE ISLAND RESIDENT ACCOUNTS :							
Individual Portfolios	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum Initial or Contingent Sales Charge <sup>5</sup>	Annual Account Fee
Invesco Equity and Income Portfolio	0.15%	0.37%	1.00%	0.02%	1.54%	1.00%	\$20
Invesco Global Sustainable Equity Portfolio	0.15%	0.60% <sup>8</sup>	1.00%	0.02%	1.77%	1.00%	\$20

<sup>1</sup> Expressed as an annual percentage of the average daily net assets of each Portfolio.

<sup>2</sup> The figures above are based on the expense ratio reported in an Underlying Fund's most recent prospectus. For Portfolios invested in multiple registered Underlying Funds, the figures are based on a weighted average of each Underlying Fund's expense ratio as reported in the Underlying Fund's most recent prospectus in accordance with the Portfolio's asset allocation as of the date of this Program Description. For Portfolios invested in one Underlying Fund, the figures are based on the expense ratio as shown in the Underlying Fund's most recent prospectus.

<sup>3</sup> This represents the portion of the Administrative Fee that is charged to the Account Owners. This does not reflect the portion of the Administrative Fee that is paid by Invesco, which is not charged to Account Owners or factored into the Unit Values of the Portfolios.

<sup>4</sup> This total is assessed against assets over the course of the year and does not include sales charges. Please refer to the Hypothetical \$10,000 Investment Cost chart herein that shows the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

<sup>5</sup> A CDSC is imposed on withdrawals from the Class AR Unit of any Portfolio or transfers or rollovers from your Account to another Qualified Tuition Plan within one year of the contribution.

<sup>6</sup> The Invesco Stable Value Portfolio Underlying Fund fee includes all Invesco and sub-advisory portfolio management fees, wrap contract fees, and operational costs. Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.45%.

<sup>7</sup> Under certain conditions, the Program Manager and the Investment Manager have agreed to negotiate in good faith with the Treasurer to evaluate measures that may be implemented to mitigate the risk of the crediting rate of the Stable Value Portfolio not being positive (greater than 0.0%). Such measures may include a reduction of the Distribution and Service Fee attributable to each Unit Class, if applicable, proportionately as necessary to maintain a crediting rate above zero (greater than 0.0%).

<sup>8</sup> Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.60%.

CLASS B UNITS* – NON-RHODE ISLAND RESIDENT ACCOUNTS :							
Age-Based Portfolios	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum CDSC <sup>5</sup>	Annual Account Fee
Invesco CollegeBound Today Portfolio	0.15%	0.40%	1.00%	0.02%	1.57%	4.00%	\$20
Invesco CollegeBound 2017-2018 Portfolio	0.15%	0.43%	1.00%	0.02%	1.60%	4.00%	\$20
Invesco CollegeBound 2019-2020 Portfolio	0.15%	0.43%	1.00%	0.02%	1.60%	4.00%	\$20
Invesco CollegeBound 2021-2022 Portfolio	0.15%	0.45%	1.00%	0.02%	1.62%	4.00%	\$20
Invesco CollegeBound 2023-2024 Portfolio	0.15%	0.47%	1.00%	0.02%	1.64%	4.00%	\$20
Invesco CollegeBound 2025-2026 Portfolio	0.15%	0.47%	1.00%	0.02%	1.64%	4.00%	\$20
Invesco CollegeBound 2027-2028 Portfolio	0.15%	0.49%	1.00%	0.02%	1.66%	4.00%	\$20
Invesco CollegeBound 2029-2030 Portfolio	0.15%	0.51%	1.00%	0.02%	1.68%	4.00%	\$20
Invesco CollegeBound 2031-2032 Portfolio	0.15%	0.53%	1.00%	0.02%	1.70%	4.00%	\$20
Invesco CollegeBound 2033-2034 Portfolio	0.15%	0.52%	1.00%	0.02%	1.69%	4.00%	\$20
Invesco CollegeBound 2035-2036 Portfolio	0.15%	0.52%	1.00%	0.02%	1.69%	4.00%	\$20
Target Risk Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum CDSC <sup>5</sup>	Annual Account Fee
Invesco Conservative College Portfolio	0.15%	0.45%	1.00%	0.02%	1.62%	4.00%	\$20
Invesco Moderate College Portfolio	0.15%	0.49%	1.00%	0.02%	1.66%	4.00%	\$20
Invesco Growth College Portfolio	0.15%	0.51%	1.00%	0.02%	1.68%	4.00%	\$20
Individual Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum CDSC <sup>5</sup>	Annual Account Fee
Invesco Stable Value Portfolio	0.15%	0.45% <sup>6</sup>	1.00%	0.02%	1.62% <sup>7</sup>	4.00%	\$20
Invesco Short Duration Inflation Protected Portfolio	0.15%	0.30%	1.00%	0.02%	1.47%	4.00%	\$20
Invesco Core Plus Bond Portfolio	0.15%	0.52%	1.00%	0.02%	1.69%	4.00%	\$20
Invesco Equally-Weighted S&P 500 Portfolio	0.15%	0.16%	1.00%	0.02%	1.33%	4.00%	\$20



**CLASS B UNITS\* – NON-RHODE ISLAND RESIDENT ACCOUNTS :**

Individual Portfolios	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum CDSC <sup>5</sup>	Annual Account Fee
Invesco Diversified Dividend Portfolio	0.15%	0.43%	1.00%	0.02%	1.60%	4.00%	\$20
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	0.15%	0.39%	1.00%	0.02%	1.56%	4.00%	\$20
Invesco Small Cap Growth Portfolio	0.15%	0.73%	1.00%	0.02%	1.90%	4.00%	\$20
Invesco International Growth Portfolio	0.15%	0.89%	1.00%	0.02%	2.06%	4.00%	\$20
PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	0.15%	0.46%	1.00%	0.02%	1.63%	4.00%	\$20
Invesco Equity and Income Portfolio	0.15%	0.37%	1.00%	0.02%	1.54%	4.00%	\$20
Invesco Global Sustainable Equity Portfolio	0.15%	0.60% <sup>8</sup>	1.00%	0.02%	1.77%	4.00%	\$20

**\* Closed to new investments**

<sup>1</sup> Expressed as an annual percentage of the average daily net assets of each Portfolio.

<sup>2</sup> The figures above are based on the expense ratio reported in an Underlying Fund's most recent prospectus. For Portfolios invested in multiple registered Underlying Funds, the figures are based on a weighted average of each Underlying Fund's expense ratio as reported in the Underlying Fund's most recent prospectus in accordance with the Portfolio's asset allocation as of the date of this Program Description. For Portfolios invested in one Underlying Fund, the figures are based on the expense ratio as shown in the Underlying Fund's most recent prospectus.

<sup>3</sup> This represents the portion of the Administrative Fee that is charged to the Account Owners. This does not reflect the portion of the Administrative Fee that is paid by Invesco, which is not charged to Account Owners or factored into the Unit Values of the Portfolios.

<sup>4</sup> This total is assessed against assets over the course of the year and does not include sales charges. Please refer to the Hypothetical \$10,000 Investment Cost chart herein that shows the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

<sup>5</sup> A CDSC is imposed on withdrawals from the Class B Unit of any Portfolio or transfers or rollovers from your Account to another Qualified Tuition Plan over a four year period after the date of the contribution in accordance with the CDSC schedule set forth in the section **Class B and Class BX Units** on page 41.

<sup>6</sup> The Invesco Stable Value Portfolio Underlying Fund fee includes all Invesco and sub-advisory portfolio management fees, wrap contract fees, and operational costs. Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.45%.

<sup>7</sup> Under certain conditions, the Program Manager and the Investment Manager have agreed to negotiate in good faith with the Treasurer to evaluate measures that may be implemented to mitigate the risk of the crediting rate of the Stable Value Portfolio not being positive (greater than 0.0%). Such measures may include a reduction of the Distribution and Service Fee attributable to each Unit Class, if applicable, proportionately as necessary to maintain a crediting rate above zero (greater than 0.0%).

<sup>8</sup> Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.60%.

**CLASS BX UNITS\* – NON-RHODE ISLAND RESIDENT ACCOUNTS :**

Age-Based Portfolios	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum CDSC <sup>5</sup>	Annual Account Fee
Invesco CollegeBound Today Portfolio	0.15%	0.40%	0.60%	0.02%	1.17%	2.50%	\$20
Invesco CollegeBound 2017-2018 Portfolio	0.15%	0.43%	0.60%	0.02%	1.20%	2.50%	\$20
Invesco CollegeBound 2019-2020 Portfolio	0.15%	0.43%	0.60%	0.02%	1.20%	2.50%	\$20
Invesco CollegeBound 2021-2022 Portfolio	0.15%	0.45%	0.60%	0.02%	1.22%	2.50%	\$20
Invesco CollegeBound 2023-2024 Portfolio	0.15%	0.47%	0.60%	0.02%	1.24%	2.50%	\$20
Invesco CollegeBound 2025-2026 Portfolio	0.15%	0.47%	0.60%	0.02%	1.24%	2.50%	\$20
Invesco CollegeBound 2027-2028 Portfolio	0.15%	0.49%	0.60%	0.02%	1.26%	2.50%	\$20
Invesco CollegeBound 2029-2030 Portfolio	0.15%	0.51%	0.60%	0.02%	1.28%	2.50%	\$20
Invesco CollegeBound 2031-2032 Portfolio	0.15%	0.53%	0.60%	0.02%	1.30%	2.50%	\$20
Invesco CollegeBound 2033-2034 Portfolio	0.15%	0.52%	0.60%	0.02%	1.29%	2.50%	\$20
Invesco CollegeBound 2035-2036 Portfolio	0.15%	0.52%	0.60%	0.02%	1.29%	2.50%	\$20
Target Risk Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum CDSC <sup>5</sup>	Annual Account Fee
Invesco Conservative College Portfolio	0.15%	0.45%	0.60%	0.02%	1.22%	2.50%	\$20
Invesco Moderate College Portfolio	0.15%	0.49%	0.60%	0.02%	1.26%	2.50%	\$20
Invesco Growth College Portfolio	0.15%	0.51%	0.60%	0.02%	1.28%	2.50%	\$20

**CLASS BX UNITS\* – NON-RHODE ISLAND RESIDENT ACCOUNTS :**

Individual Portfolios	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum CDSC <sup>5</sup>	Annual Account Fee
Invesco Stable Value Portfolio	0.15%	0.45% <sup>6</sup>	0.60%	0.02%	1.22% <sup>7</sup>	2.50%	\$20
Invesco Short Duration Inflation Protected Portfolio	0.15%	0.30%	0.60%	0.02%	1.07%	2.50%	\$20
Invesco Core Plus Bond Portfolio	0.15%	0.52%	0.60%	0.02%	1.29%	2.50%	\$20
Invesco Equally-Weighted S&P 500 Portfolio	0.15%	0.16%	0.60%	0.02%	0.93%	2.50%	\$20
Invesco Diversified Dividend Portfolio	0.15%	0.43%	0.60%	0.02%	1.20%	2.50%	\$20
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	0.15%	0.39%	0.60%	0.02%	1.16%	2.50%	\$20
Invesco Small Cap Growth Portfolio	0.15%	0.73%	0.60%	0.02%	1.50%	2.50%	\$20
Invesco International Growth Portfolio	0.15%	0.89%	0.60%	0.02%	1.66%	2.50%	\$20
PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	0.15%	0.46%	0.60%	0.02%	1.23%	2.50%	\$20
Invesco Equity and Income Portfolio	0.15%	0.37%	0.60%	0.02%	1.14%	2.50%	\$20
Invesco Global Sustainable Equity Portfolio	0.15%	0.60% <sup>8</sup>	0.60%	0.02%	1.37%	2.50%	\$20

**\* Closed to new investments**

<sup>1</sup> Expressed as an annual percentage of the average daily net assets of each Portfolio.

<sup>2</sup> The figures above are based on the expense ratio reported in an Underlying Fund's most recent prospectus. For Portfolios invested in multiple registered Underlying Funds, the figures are based on a weighted average of each Underlying Fund's expense ratio as reported in the Underlying Fund's most recent prospectus in accordance with the Portfolio's asset allocation as of the date of this Program Description. For Portfolios invested in one Underlying Fund, the figures are based on the expense ratio as shown in the Underlying Fund's most recent prospectus.

<sup>3</sup> This represents the portion of the Administrative Fee that is charged to the Account Owners. This does not reflect the portion of the Administrative Fee that is paid by Invesco, which is not charged to Account Owners or factored into the Unit Values of the Portfolios.

<sup>4</sup> This total is assessed against assets over the course of the year and does not include sales charges. Please refer to the Hypothetical \$10,000 Investment Cost chart herein that shows the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

<sup>5</sup> A CDSC is imposed on withdrawals from the Class BX Unit of any Portfolio or transfers or rollovers from your Account to another Qualified Tuition Plan over a four year period after the date of the contribution in accordance with the CDSC schedule set forth in the section **Class B and Class BX Units** on page 41.

<sup>6</sup> The Invesco Stable Value Portfolio Underlying Fund fee includes all Invesco and sub-advisory portfolio management fees, wrap contract fees, and operational costs. Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.45%.

<sup>7</sup> Under certain conditions, the Program Manager and the Investment Manager have agreed to negotiate in good faith with the Treasurer to evaluate measures that may be implemented to mitigate the risk of the crediting rate of the Stable Value Portfolio not being positive (greater than 0.0%). Such measures may include a reduction of the Distribution and Service Fee attributable to each Unit Class, if applicable, proportionately as necessary to maintain a crediting rate above zero (greater than 0.0%).

<sup>8</sup> Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.60%.

**CLASS C UNITS – NON-RHODE ISLAND RESIDENT ACCOUNTS :**

Age-Based Portfolios	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum CDSC <sup>5,6</sup>	Annual Account Fee
Invesco CollegeBound Today Portfolio	0.15%	0.40%	1.00%	0.02%	1.57%	1.00%	\$20
Invesco CollegeBound 2017-2018 Portfolio	0.15%	0.43%	1.00%	0.02%	1.60%	1.00%	\$20
Invesco CollegeBound 2019-2020 Portfolio	0.15%	0.43%	1.00%	0.02%	1.60%	1.00%	\$20
Invesco CollegeBound 2021-2022 Portfolio	0.15%	0.45%	1.00%	0.02%	1.62%	1.00%	\$20
Invesco CollegeBound 2023-2024 Portfolio	0.15%	0.47%	1.00%	0.02%	1.64%	1.00%	\$20
Invesco CollegeBound 2025-2026 Portfolio	0.15%	0.47%	1.00%	0.02%	1.64%	1.00%	\$20
Invesco CollegeBound 2027-2028 Portfolio	0.15%	0.49%	1.00%	0.02%	1.66%	1.00%	\$20
Invesco CollegeBound 2029-2030 Portfolio	0.15%	0.51%	1.00%	0.02%	1.68%	1.00%	\$20
Invesco CollegeBound 2031-2032 Portfolio	0.15%	0.53%	1.00%	0.02%	1.70%	1.00%	\$20
Invesco CollegeBound 2033-2034 Portfolio	0.15%	0.52%	1.00%	0.02%	1.69%	1.00%	\$20
Invesco CollegeBound 2035-2036 Portfolio	0.15%	0.52%	1.00%	0.02%	1.69%	1.00%	\$20

CLASS C UNITS – NON-RHODE ISLAND RESIDENT ACCOUNTS :							
	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
Target Risk Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum CDSC <sup>5,6</sup>	Annual Account Fee
Invesco Conservative College Portfolio	0.15%	0.45%	1.00%	0.02%	1.62%	1.00%	\$20
Invesco Moderate College Portfolio	0.15%	0.49%	1.00%	0.02%	1.66%	1.00%	\$20
Invesco Growth College Portfolio	0.15%	0.51%	1.00%	0.02%	1.68%	1.00%	\$20
Individual Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum CDSC <sup>5,6</sup>	Annual Account Fee
Invesco Stable Value Portfolio	0.15%	0.45% <sup>7</sup>	1.00%	0.02%	1.62% <sup>8</sup>	1.00%	\$20
Invesco Short Duration Inflation Protected Portfolio	0.15%	0.30%	1.00%	0.02%	1.47%	1.00%	\$20
Invesco Core Plus Bond Portfolio	0.15%	0.52%	1.00%	0.02%	1.69%	1.00%	\$20
Invesco Equally-Weighted S&P 500 Portfolio	0.15%	0.16%	1.00%	0.02%	1.33%	1.00%	\$20
Invesco Diversified Dividend Portfolio	0.15%	0.43%	1.00%	0.02%	1.60%	1.00%	\$20
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	0.15%	0.39%	1.00%	0.02%	1.56%	1.00%	\$20
Invesco Small Cap Growth Portfolio	0.15%	0.73%	1.00%	0.02%	1.90%	1.00%	\$20
Invesco International Growth Portfolio	0.15%	0.89%	1.00%	0.02%	2.06%	1.00%	\$20
PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	0.15%	0.46%	1.00%	0.02%	1.63%	1.00%	\$20
Invesco Equity and Income Portfolio	0.15%	0.37%	1.00%	0.02%	1.54%	1.00%	\$20
Invesco Global Sustainable Equity Portfolio	0.15%	0.60% <sup>9</sup>	1.00%	0.02%	1.77%	1.00%	\$20

<sup>1</sup> Expressed as an annual percentage of the average daily net assets of each Portfolio.

<sup>2</sup> The figures above are based on the expense ratio reported in an Underlying Fund's most recent prospectus. For Portfolios invested in multiple registered Underlying Funds, the figures are based on a weighted average of each Underlying Fund's expense ratio as reported in the Underlying Fund's most recent prospectus in accordance with the Portfolio's asset allocation as of the date of this Program Description. For Portfolios invested in one Underlying Fund, the figures are based on the expense ratio as shown in the Underlying Fund's most recent prospectus.

<sup>3</sup> This represents the portion of the Administrative Fee that is charged to the Account Owners. This does not reflect the portion of the Administrative Fee that is paid by Invesco, which is not charged to Account Owners or factored into the Unit Values of the Portfolios.

<sup>4</sup> This total is assessed against assets over the course of the year and does not include sales charges. Please refer to the Hypothetical \$10,000 Investment Cost chart herein that shows the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

<sup>5</sup> A CDSC is imposed on withdrawals from the Class C Units of any Portfolio or transfers or rollovers from your Account to another Qualified Tuition Plan over a one year period after the date of the contribution in accordance with the CDSC schedule set forth in the section **Class C Units** beginning on page 39.

<sup>6</sup> For Class C Units purchased before July 8, 2016, the Units will convert to Class A Units after three years. For Class C Units purchased after July 8, 2016, the Units will convert to Class A Units after five years from purchase.

<sup>7</sup> The Invesco Stable Value Portfolio Underlying Fund fee includes all Invesco and sub-advisory portfolio management fees, wrap contract fees, and operational costs. Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.45%.

<sup>8</sup> Under certain conditions, the Program Manager and the Investment Manager have agreed to negotiate in good faith with the Treasurer to evaluate measures that may be implemented to mitigate the risk of the crediting rate of the Stable Value Portfolio not being positive (greater than 0.0%). Such measures may include a reduction of the Distribution and Service Fee attributable to each Unit Class, if applicable, proportionately as necessary to maintain a crediting rate above zero (greater than 0.0%).

<sup>9</sup> Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.60%.

CLASS CX UNITS* – NON-RHODE ISLAND RESIDENT ACCOUNTS :							
	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
Age-Based Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum Contingent Deferred Sales Charge <sup>5,6</sup>	Annual Account Fee
Invesco CollegeBound Today Portfolio	0.15%	0.40%	0.50%	0.02%	1.07%	1.00%	\$20
Invesco CollegeBound 2017-2018 Portfolio	0.15%	0.43%	0.50%	0.02%	1.10%	1.00%	\$20
Invesco CollegeBound 2019-2020 Portfolio	0.15%	0.43%	0.50%	0.02%	1.10%	1.00%	\$20
Invesco CollegeBound 2021-2022 Portfolio	0.15%	0.45%	0.50%	0.02%	1.12%	1.00%	\$20
Invesco CollegeBound 2023-2024 Portfolio	0.15%	0.47%	0.50%	0.02%	1.14%	1.00%	\$20
Invesco CollegeBound 2025-2026 Portfolio	0.15%	0.47%	0.50%	0.02%	1.14%	1.00%	\$20

**CLASS CX UNITS\* – NON-RHODE ISLAND RESIDENT ACCOUNTS:**

Age-Based Portfolios	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum Contingent Deferred Sales Charge <sup>5,6</sup>	Annual Account Fee
Invesco CollegeBound 2027-2028 Portfolio	0.15%	0.49%	0.50%	0.02%	1.16%	1.00%	\$20
Invesco CollegeBound 2029-2030 Portfolio	0.15%	0.51%	0.50%	0.02%	1.18%	1.00%	\$20
Invesco CollegeBound 2031-2032 Portfolio	0.15%	0.53%	0.50%	0.02%	1.20%	1.00%	\$20
Invesco CollegeBound 2033-2034 Portfolio	0.15%	0.52%	0.50%	0.02%	1.19%	1.00%	\$20
Invesco CollegeBound 2035-2036 Portfolio	0.15%	0.52%	0.50%	0.02%	1.19%	1.00%	\$20
Target Risk Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum Contingent Deferred Sales Charge <sup>5,6</sup>	Annual Account Fee
Invesco Conservative College Portfolio	0.15%	0.45%	0.50%	0.02%	1.12%	1.00%	\$20
Invesco Moderate College Portfolio	0.15%	0.49%	0.50%	0.02%	1.16%	1.00%	\$20
Invesco Growth College Portfolio	0.15%	0.51%	0.50%	0.02%	1.18%	1.00%	\$20
Individual Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum Contingent Deferred Sales Charge <sup>5,6</sup>	Annual Account Fee
Invesco Stable Value Portfolio	0.15%	0.45% <sup>7</sup>	0.50%	0.02%	1.12% <sup>8</sup>	1.00%	\$20
Invesco Short Duration Inflation Protected Portfolio	0.15%	0.30%	0.50%	0.02%	0.97%	1.00%	\$20
Invesco Core Plus Bond Portfolio	0.15%	0.52%	0.50%	0.02%	1.19%	1.00%	\$20
Invesco Equally-Weighted S&P 500 Portfolio	0.15%	0.16%	0.50%	0.02%	0.83%	1.00%	\$20
Invesco Diversified Dividend Portfolio	0.15%	0.43%	0.50%	0.02%	1.10%	1.00%	\$20
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	0.15%	0.39%	0.50%	0.02%	1.06%	1.00%	\$20
Invesco Small Cap Growth Portfolio	0.15%	0.73%	0.50%	0.02%	1.40%	1.00%	\$20
Invesco International Growth Portfolio	0.15%	0.89%	0.50%	0.02%	1.56%	1.00%	\$20
PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	0.15%	0.46%	0.50%	0.02%	1.13%	1.00%	\$20
Invesco Equity and Income Portfolio	0.15%	0.37%	0.50%	0.02%	1.04%	1.00%	\$20
Invesco Global Sustainable Equity Portfolio	0.15%	0.60% <sup>9</sup>	1.50%	0.02%	1.27%	1.00%	\$20

**\* Closed to new investments**

<sup>1</sup> Expressed as an annual percentage of the average daily net assets of each Portfolio.

<sup>2</sup> The figures above are based on the expense ratio reported in an Underlying Fund's most recent prospectus. For Portfolios invested in multiple registered Underlying Funds, the figures are based on a weighted average of each Underlying Fund's expense ratio as reported in the Underlying Fund's most recent prospectus in accordance with the Portfolio's asset allocation as of the date of this Program Description. For Portfolios invested in one Underlying Fund, the figures are based on the expense ratio as shown in the Underlying Fund's most recent prospectus.

<sup>3</sup> This represents the portion of the Administrative Fee that is charged to the Account Owners. This does not reflect the portion of the Administrative Fee that is paid by Invesco, which is not charged to Account Owners or factored into the Unit Values of the Portfolios.

<sup>4</sup> This total is assessed against assets over the course of the year and does not include sales charges. Please refer to the Hypothetical \$10,000 Investment Cost chart herein that shows the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

<sup>5</sup> A CDSC is imposed on withdrawals from the Class CX Units of any Portfolio or transfers or rollovers from your Account to another Qualified Tuition Plan over a one year period after the date of the contribution in accordance with the CDSC schedule set forth in the section **Class CX Units** on page 41.

<sup>6</sup> Class CX Units will convert to Class A Units on or about July 2019.

<sup>7</sup> The Invesco Stable Value Portfolio Underlying Fund fee includes all Invesco and sub-advisory portfolio management fees, wrap contract fees, and operational costs. Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.45%.

<sup>8</sup> Under certain conditions, the Program Manager and the Investment Manager have agreed to negotiate in good faith with the Treasurer to evaluate measures that may be implemented to mitigate the risk of the crediting rate of the Stable Value Portfolio not being positive (greater than 0.0%). Such measures may include a reduction of the Distribution and Service Fee attributable to each Unit Class, if applicable, proportionately as necessary to maintain a crediting rate above zero (greater than 0.0%).

<sup>9</sup> Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.60%.

CLASS I UNITS – NON-RHODE ISLAND RESIDENT ACCOUNTS:							
Age-Based Portfolios	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Sales Charge	Annual Account Fee
Invesco CollegeBound Today Portfolio	0.15%	0.40%	0.00%	0.02%	0.57%	0.00%	\$20
Invesco CollegeBound 2017-2018 Portfolio	0.15%	0.43%	0.00%	0.02%	0.60%	0.00%	\$20
Invesco CollegeBound 2019-2020 Portfolio	0.15%	0.43%	0.00%	0.02%	0.60%	0.00%	\$20
Invesco CollegeBound 2021-2022 Portfolio	0.15%	0.45%	0.00%	0.02%	0.62%	0.00%	\$20
Invesco CollegeBound 2023-2024 Portfolio	0.15%	0.47%	0.00%	0.02%	0.64%	0.00%	\$20
Invesco CollegeBound 2025-2026 Portfolio	0.15%	0.47%	0.00%	0.02%	0.64%	0.00%	\$20
Invesco CollegeBound 2027-2028 Portfolio	0.15%	0.49%	0.00%	0.02%	0.66%	0.00%	\$20
Invesco CollegeBound 2029-2030 Portfolio	0.15%	0.51%	0.00%	0.02%	0.68%	0.00%	\$20
Invesco CollegeBound 2031-2032 Portfolio	0.15%	0.53%	0.00%	0.02%	0.70%	0.00%	\$20
Invesco CollegeBound 2033-2034 Portfolio	0.15%	0.52%	0.00%	0.02%	0.69%	0.00%	\$20
Invesco CollegeBound 2035-2036 Portfolio	0.15%	0.52%	0.00%	0.02%	0.69%	0.00%	\$20
Target Risk Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Sales Charge	Annual Account Fee
Invesco Conservative College Portfolio	0.15%	0.45%	0.00%	0.02%	0.62%	0.00%	\$20
Invesco Moderate College Portfolio	0.15%	0.49%	0.00%	0.02%	0.66%	0.00%	\$20
Invesco Growth College Portfolio	0.15%	0.51%	0.00%	0.02%	0.68%	0.00%	\$20
Individual Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Sales Charge	Annual Account Fee
Invesco Stable Value Portfolio	0.15%	0.45% <sup>5</sup>	0.00%	0.02%	0.62% <sup>6</sup>	0.00%	\$20
Invesco Short Duration Inflation Protected Portfolio	0.15%	0.30%	0.00%	0.02%	0.47%	0.00%	\$20
Invesco Core Plus Bond Portfolio	0.15%	0.52%	0.00%	0.02%	0.69%	0.00%	\$20
Invesco Equally-Weighted S&P 500 Portfolio	0.15%	0.16%	0.00%	0.02%	0.33%	0.00%	\$20
Invesco Diversified Dividend Portfolio	0.15%	0.43%	0.00%	0.02%	0.60%	0.00%	\$20
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	0.15%	0.39%	0.00%	0.02%	0.56%	0.00%	\$20
Invesco Small Cap Growth Portfolio	0.15%	0.73%	0.00%	0.02%	0.90%	0.00%	\$20
Invesco International Growth Portfolio	0.15%	0.89%	0.00%	0.02%	1.06%	0.00%	\$20
PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	0.15%	0.46%	0.00%	0.02%	0.63%	0.00%	\$20
Invesco Equity and Income Portfolio	0.15%	0.37%	0.00%	0.02%	0.54%	0.00%	\$20
Invesco Global Sustainable Equity Portfolio	0.15%	0.60% <sup>7</sup>	0.00%	0.02%	0.77%	0.00%	\$20

<sup>1</sup> Expressed as an annual percentage of the average daily net assets of each Portfolio.

<sup>2</sup> The figures above are based on the expense ratio reported in an Underlying Fund's most recent prospectus. For Portfolios invested in multiple registered Underlying Funds, the figures are based on a weighted average of each Underlying Fund's expense ratio as reported in the Underlying Fund's most recent prospectus in accordance with the Portfolio's asset allocation as of the date of this Program Description. For Portfolios invested in one Underlying Fund, the figures are based on the expense ratio as shown in the Underlying Fund's most recent prospectus.

<sup>3</sup> This represents the portion of the Administrative Fee that is charged to the Account Owners. This does not reflect the portion of the Administrative Fee that is paid by Invesco, which is not charged to Account Owners or factored into the Unit Values of the Portfolios.

<sup>4</sup> This total is assessed against assets over the course of the year and does not include sales charges. Please refer to the Hypothetical \$10,000 Investment Cost chart herein that shows the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

<sup>5</sup> The Invesco Stable Value Portfolio Underlying Fund fee includes all Invesco and sub-advisory portfolio management fees, wrap contract fees, and operational costs. Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.45%.

<sup>6</sup> Under certain conditions, the Program Manager and the Investment Manager have agreed to negotiate in good faith with the Treasurer to evaluate measures that may be implemented to mitigate the risk of the crediting rate of the Stable Value Portfolio not being positive (greater than 0.0%). Such measures may include a reduction of the Distribution and Service Fee attributable to each Unit Class, if applicable, proportionately as necessary to maintain a crediting rate above zero (greater than 0.0%).

<sup>7</sup> Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.60%.

**CLASS RA UNITS – RHODE ISLAND RESIDENT ACCOUNTS:**

Age-Based Portfolios	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Sales Charge	Annual Account Fee
Invesco CollegeBound Today Portfolio	0.00%	0.19%	0.25%	0.00%	0.44%	0.00%	\$20
Invesco CollegeBound 2017-2018 Portfolio	0.00%	0.19%	0.25%	0.00%	0.44%	0.00%	\$20
Invesco CollegeBound 2019-2020 Portfolio	0.00%	0.19%	0.25%	0.00%	0.44%	0.00%	\$20
Invesco CollegeBound 2021-2022 Portfolio	0.00%	0.19%	0.25%	0.00%	0.44%	0.00%	\$20
Invesco CollegeBound 2023-2024 Portfolio	0.00%	0.19%	0.25%	0.00%	0.44%	0.00%	\$20
Invesco CollegeBound 2025-2026 Portfolio	0.00%	0.19%	0.25%	0.00%	0.44%	0.00%	\$20
Invesco CollegeBound 2027-2028 Portfolio	0.00%	0.19%	0.25%	0.00%	0.44%	0.00%	\$20
Invesco CollegeBound 2029-2030 Portfolio	0.00%	0.19%	0.25%	0.00%	0.44%	0.00%	\$20
Invesco CollegeBound 2031-2032 Portfolio	0.00%	0.19%	0.25%	0.00%	0.44%	0.00%	\$20
Invesco CollegeBound 2033-2034 Portfolio	0.00%	0.19%	0.25%	0.00%	0.44%	0.00%	\$20
Invesco CollegeBound 2035-2036 Portfolio	0.00%	0.19%	0.25%	0.00%	0.44%	0.00%	\$20
Target Risk Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Sales Charge	Annual Account Fee
Invesco Conservative College Portfolio	0.00%	0.44%	0.25%	0.00%	0.69% <sup>5</sup>	0.00%	\$20
Invesco Moderate College Portfolio	0.00%	0.49%	0.25%	0.00%	0.74%	0.00%	\$20
Invesco Growth College Portfolio	0.00%	0.51%	0.25%	0.00%	0.76%	0.00%	\$20
Individual Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Sales Charge	Annual Account Fee
Invesco Stable Value Portfolio	0.00%	0.36% <sup>6</sup>	0.25%	0.00%	0.61% <sup>7</sup>	0.00%	\$20
Invesco Short Duration Inflation Protected Portfolio	0.00%	0.30%	0.25%	0.00%	0.55%	0.00%	\$20
Invesco Core Plus Bond Portfolio	0.00%	0.52%	0.25%	0.00%	0.77%	0.00%	\$20
Invesco Equally-Weighted S&P 500 Portfolio	0.00%	0.16%	0.25%	0.00%	0.41%	0.00%	\$20
Invesco Diversified Dividend Portfolio	0.00%	0.43%	0.25%	0.00%	0.68%	0.00%	\$20
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	0.00%	0.39%	0.25%	0.00%	0.64%	0.00%	\$20
Invesco Small Cap Growth Portfolio	0.00%	0.73%	0.25%	0.00%	0.98%	0.00%	\$20
Invesco International Growth Portfolio	0.00%	0.89%	0.25%	0.00%	1.14%	0.00%	\$20
PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	0.00%	0.46%	0.25%	0.00%	0.71%	0.00%	\$20
Invesco Equity and Income Portfolio	0.00%	0.37%	0.25%	0.00%	0.62%	0.00%	\$20
Invesco Global Sustainable Equity Portfolio	0.00%	0.60% <sup>8</sup>	0.25%	0.00%	0.85%	0.00%	\$20

<sup>1</sup> Expressed as an annual percentage of the average daily net assets of each Portfolio.

<sup>2</sup> The figures above are based on the expense ratio reported in an Underlying Fund's most recent prospectus. For Portfolios invested in multiple registered Underlying Funds, the figures are based on a weighted average of each Underlying Fund's expense ratio as reported in the Underlying Fund's most recent prospectus in accordance with the Portfolio's asset allocation as of the date of this Program Description. For Portfolios invested in one Underlying Fund, the figures are based on the expense ratio as shown in the Underlying Fund's most recent prospectus.

<sup>3</sup> This represents the portion of the Administrative Fee that is charged to the Account Owners. This does not reflect the portion of the Administrative Fee that is paid by Invesco, which is not charged to Account Owners or factored into the Unit Values of the Portfolios.

<sup>4</sup> This total is assessed against assets over the course of the year and does not include sales charges. Please refer to the Hypothetical \$10,000 Investment Cost chart herein that shows the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

<sup>5</sup> The Stable Value Portfolio's Underlying Fund Fee has been reduced by 0.09% for Rhode Island Residents. This will reduce the Total Annual Asset Based Fee for the Invesco Conservative College Portfolio by .01% to 0.69%. The expense waiver may be terminated at any time. However, the Underlying Fund Fee for the Stable Value Portfolio will be limited to 0.45%.

<sup>6</sup> The Invesco Stable Value Portfolio Underlying Fund Fee includes all Invesco and sub-advisory portfolio management fees, wrap contract fees, and operational costs. The Underlying Fund Fee for the Stable Value Portfolio Class RA has been reduced by 0.09% for Rhode Island residents. This reduces the Total Annual Asset-Based Fee for this Portfolio to 0.61%. The expense waiver may be terminated at any time. However, the Underlying Fund Fee for this Portfolio will be limited to 0.45%.

<sup>7</sup> Under certain conditions, the Program Manager and the Investment Manager have agreed to negotiate in good faith with the Treasurer to evaluate measures that may be implemented to mitigate the risk of the crediting rate of the Stable Value Portfolio not being positive (greater than 0.0%). Such measures may include a reduction of the Distribution and Service Fee attributable to each Unit Class, if applicable, proportionately as necessary to maintain a crediting rate above zero (greater than 0.0%).

<sup>8</sup> Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.60%.



CLASS RZ UNITS – RHODE ISLAND RESIDENT ACCOUNTS :							
	ANNUAL ASSET-BASED FEES <sup>1</sup>					ADDITIONAL INVESTOR EXPENSES	
Age-Based Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum Initial Sales Charge <sup>5</sup>	Annual Account Fee
Invesco CollegeBound Today Portfolio	0.00%	0.19%	0.00%	0.00%	0.19%	4.00%	\$0
Invesco CollegeBound 2017-2018 Portfolio	0.00%	0.19%	0.00%	0.00%	0.19%	4.00%	\$0
Invesco CollegeBound 2019-2020 Portfolio	0.00%	0.19%	0.00%	0.00%	0.19%	4.00%	\$0
Invesco CollegeBound 2021-2022 Portfolio	0.00%	0.19%	0.00%	0.00%	0.19%	4.00%	\$0
Invesco CollegeBound 2023-2024 Portfolio	0.00%	0.19%	0.00%	0.00%	0.19%	4.00%	\$0
Invesco CollegeBound 2025-2026 Portfolio	0.00%	0.19%	0.00%	0.00%	0.19%	4.00%	\$0
Invesco CollegeBound 2027-2028 Portfolio	0.00%	0.19%	0.00%	0.00%	0.19%	4.00%	\$0
Invesco CollegeBound 2029-2030 Portfolio	0.00%	0.19%	0.00%	0.00%	0.19%	4.00%	\$0
Invesco CollegeBound 2031-2032 Portfolio	0.00%	0.19%	0.00%	0.00%	0.19%	4.00%	\$0
Invesco CollegeBound 2033-2034 Portfolio	0.00%	0.19%	0.00%	0.00%	0.19%	4.00%	\$0
Invesco CollegeBound 2035-2036 Portfolio	0.00%	0.19%	0.00%	0.00%	0.19%	4.00%	\$0
Target Risk Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum Initial Sales Charge <sup>5</sup>	Annual Account Fee
Invesco Conservative College Portfolio	0.00%	0.44%	0.00%	0.00%	0.44% <sup>6</sup>	4.00%	\$0
Invesco Moderate College Portfolio	0.00%	0.49%	0.00%	0.00%	0.49%	4.00%	\$0
Invesco Growth College Portfolio	0.00%	0.51%	0.00%	0.00%	0.51%	4.00%	\$0
Individual Portfolios	Program Management Fee	Estimated Underlying Fund Fee <sup>2</sup>	Distribution and Service Fee	Administrative Fee <sup>3</sup>	Total Annual Asset-Based Fee <sup>4</sup>	Maximum Initial Sales Charge <sup>5</sup>	Annual Account Fee
Invesco Stable Value Portfolio	0.00%	0.36% <sup>7</sup>	0.00%	0.00%	0.36% <sup>8</sup>	4.00%	\$0
Invesco Short Duration Inflation Protected Portfolio	0.00%	0.30%	0.00%	0.00%	0.30%	4.00%	\$0
Invesco Core Plus Bond Portfolio	0.00%	0.52%	0.00%	0.00%	0.52%	4.00%	\$0
Invesco Equally-Weighted S&P 500 Portfolio	0.00%	0.16%	0.00%	0.00%	0.16%	4.00%	\$0
Invesco Diversified Dividend Portfolio	0.00%	0.43%	0.00%	0.00%	0.43%	4.00%	\$0
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	0.00%	0.39%	0.00%	0.00%	0.39%	4.00%	\$0
Invesco Small Cap Growth Portfolio	0.00%	0.73%	0.00%	0.00%	0.73%	4.00%	\$0
Invesco International Growth Portfolio	0.00%	0.89%	0.00%	0.00%	0.89%	4.00%	\$0
PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	0.00%	0.46%	0.00%	0.00%	0.46%	4.00%	\$0
Invesco Equity and Income Portfolio	0.00%	0.37%	0.00%	0.00%	0.37%	4.00%	\$0
Invesco Global Sustainable Equity Portfolio	0.00%	0.60% <sup>9</sup>	0.00%	0.00%	0.60%	4.00%	\$0

<sup>1</sup> Expressed as an annual percentage of the average daily net assets of each Portfolio.

<sup>2</sup> The figures above are based on the expense ratio reported in an Underlying Fund's most recent prospectus. For Portfolios invested in multiple registered Underlying Funds, the figures are based on a weighted average of each Underlying Fund's expense ratio as reported in the Underlying Fund's most recent prospectus in accordance with the Portfolio's asset allocation as of the date of this Program Description. For Portfolios invested in one Underlying Fund, the figures are based on the expense ratio as shown in the Underlying Fund's most recent prospectus.

<sup>3</sup> This represents the portion of the Administrative Fee that is charged to the Account Owners. This does not reflect the portion of the Administrative Fee that is paid by Invesco, which is not charged to Account Owners or factored into the Unit Values of the Portfolios.

<sup>4</sup> This total is assessed against assets over the course of the year and does not include sales charges. Please refer to the Hypothetical \$10,000 Investment Cost chart herein that shows the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

<sup>5</sup> See **Sales Charges** on page 18 for more information about the maximum initial sales charges and applicable breakpoint discounts and waivers.

<sup>6</sup> The Stable Value Portfolio's Underlying Fund Fee has been reduced by 0.09% for Rhode Island Residents. This will reduce the Total Annual Asset Based Fee for the Invesco Conservative College Portfolio by .01% to 0.44%. The expense waiver may be terminated at any time. However, the Underlying Fund Fee for the Stable Value Portfolio will be limited to 0.45%.

<sup>7</sup> The Invesco Stable Value Portfolio Underlying Fund Fee includes all Invesco and sub-advisory portfolio management fees, wrap contract fees, and operational costs. The Underlying Fund Fee for the Stable Value Portfolio Class RZ has been reduced by 0.09% for Rhode Island residents. This reduces the Total Annual Asset-Based Fee for this Portfolio to 0.36%. The expense waiver may be terminated at any time. However, the Underlying Fund Fee for this Portfolio will be limited to 0.45%.

<sup>8</sup> Under certain conditions, the Program Manager and the Investment Manager have agreed to negotiate in good faith with the Treasurer to evaluate measures that may be implemented to mitigate the risk of the crediting rate of the Stable Value Portfolio not being positive (greater than 0.0%). Such measures may include a reduction of the Distribution and Service Fee attributable to each Unit Class, if applicable, proportionately as necessary to maintain a crediting rate above zero (greater than 0.0%).

<sup>9</sup> Subject to a contractual expense limitation, the Underlying Fund Fee for this Portfolio will be limited to 0.60%.

**Service-Based and Other Fees.** CollegeBound 529 reserves the right to charge reasonable additional fees if you request incremental, non-standard services. In particular, if you request delivery of distribution proceeds by priority delivery service, outgoing wire or expedited electronic payment to schools, CollegeBound 529 will deduct the applicable fee directly from your Account and will include this fee amount on your annual IRS Form 1099-Q as part of the gross distribution paid to you during the year. In its discretion and without prior notice, CollegeBound 529 may deduct directly from your Account the other fees and expenses incurred by you and identified in this chart or similar fees or charges.

Additional fees include:

<b>TRANSACTION</b>	<b>FEE AMOUNT*</b>
Returned Check	\$25
Rejected Recurring Contribution Payment	\$25
Rejected EFT	\$25
Priority Delivery	\$15 Weekday/\$25 Saturday/ \$50 Foreign
Outgoing Wires	\$15 Domestic/ \$25 International
Request for Historical Statement	\$10 per yearly statement/ \$30 maximum per household
Expedited Electronic Payment to Schools (where available)	\$10

\*Subject to change without further notice.

Please consult your tax advisor regarding calculating and reporting any tax liability associated with the payment of any of these fees out of your Account in a year.

CollegeBound 529 reserves the right to not reimburse fees charged by financial institutions for contributions made either via Recurring Contribution or EFT that are cancelled due to insufficient funds in the bank account from which the money is withdrawn.



## ILLUSTRATION OF INVESTMENT COSTS

The following table illustrates the approximate cost of CollegeBound 529 over time using the following assumptions:

- A \$10,000 initial contribution is invested for the time periods shown.
- A 5% annually compounded rate of return on the amount invested throughout the period.
- The total funds available in the Account are withdrawn at the end of the period shown to pay for Qualified Expenses (the table does not consider the impact of any potential state or federal taxes on the distribution nor any potential state tax deductions).
- The total annual asset based fee remains the same as that shown in the **Fee Structure Tables** beginning on page 19.

This hypothetical is not intended to predict or project investment performance. Past performance is no guarantee of future results. Your actual cost may be higher or lower.

HYPOTHETICAL \$10,000 INVESTMENT COST CHART									
Age-Based Portfolios	Class Units	Cost without the \$20 Annual Account Fee				Cost with the \$20 Annual Account Fee			
		1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
Invesco CollegeBound Today Portfolio	Class A (purchased on or after 7/8/16)	\$480	\$651	\$837	\$1,373	\$480	\$691	\$915	\$1,545
	Class A (purchased before 7/8/16)	\$406	\$578	\$765	\$1,306	\$406	\$618	\$844	\$1,477
	Class A (corporate purchase)	\$84	\$262	\$455	\$1,014	\$84	\$301	\$533	\$1,185
	Class AR (without redemption)	\$160	\$336	\$528	\$1,083	\$160	\$376	\$607	\$1,254
	Class AR (with redemption)	\$260	\$336	\$528	\$1,083	\$260	\$376	\$607	\$1,254
	Class B (without redemption)	\$160	\$496	\$855	\$1,666	\$160	\$535	\$932	\$1,833
	Class B (with redemption)	\$560	\$710	\$855	\$1,666	\$560	\$749	\$932	\$1,833
	Class BX (without redemption)	\$119	\$372	\$644	\$1,323	\$119	\$411	\$721	\$1,492
	Class BX (with redemption)	\$369	\$566	\$772	\$1,323	\$369	\$605	\$848	\$1,492
	Class C (without redemption)	\$160	\$496	\$855	\$1,394	\$160	\$535	\$932	\$1,564
	Class C (with redemption)	\$260	\$496	\$855	\$1,394	\$260	\$535	\$932	\$1,564
	Class CX (without redemption)	\$109	\$340	\$532	\$1,087	\$109	\$380	\$610	\$1,258
	Class CX (with redemption)	\$209	\$340	\$532	\$1,087	\$209	\$380	\$610	\$1,258
	Class I	\$58	\$183	\$318	\$714	\$58	\$222	\$397	\$888
	Class RA	\$45	\$141	\$246	\$555	N/A	N/A	N/A	N/A
Class RZ	\$419	\$459	\$502	\$630	N/A	N/A	N/A	N/A	
Invesco CollegeBound 2017-2018 Portfolio	Class A (purchased on or after 7/8/16)	\$483	\$660	\$852	\$1,407	\$483	\$700	\$931	\$1,578
	Class A (purchased before 7/8/16)	\$409	\$587	\$781	\$1,340	\$409	\$627	\$859	\$1,511
	Class A (corporate purchase)	\$87	\$271	\$471	\$1,049	\$87	\$311	\$550	\$1,220
	Class AR (without redemption)	\$163	\$346	\$545	\$1,118	\$163	\$385	\$623	\$1,289
	Class AR (with redemption)	\$263	\$346	\$545	\$1,118	\$263	\$385	\$623	\$1,289
	Class B (without redemption)	\$163	\$505	\$871	\$1,699	\$163	\$544	\$947	\$1,866
	Class B (with redemption)	\$563	\$719	\$871	\$1,699	\$563	\$757	\$947	\$1,866
	Class BX (without redemption)	\$122	\$381	\$660	\$1,357	\$122	\$420	\$737	\$1,527
	Class BX (with redemption)	\$372	\$575	\$788	\$1,357	\$372	\$614	\$864	\$1,527
	Class C (without redemption)	\$163	\$505	\$871	\$1,428	\$163	\$544	\$947	\$1,598
	Class C (with redemption)	\$263	\$505	\$871	\$1,428	\$263	\$544	\$947	\$1,598
	Class CX (without redemption)	\$112	\$350	\$606	\$1,270	\$112	\$389	\$626	\$1,293
	Class CX (with redemption)	\$212	\$350	\$606	\$1,270	\$212	\$389	\$626	\$1,293
	Class I	\$61	\$192	\$335	\$750	\$61	\$232	\$414	\$924
	Class RA	\$45	\$141	\$246	\$555	N/A	N/A	N/A	N/A
Class RZ	\$419	\$459	\$502	\$630	N/A	N/A	N/A	N/A	
Invesco CollegeBound 2019-2020 Portfolio	Class A (purchased on or after 7/8/16)	\$483	\$660	\$852	\$1,407	\$483	\$700	\$931	\$1,578
	Class A (purchased before 7/8/16)	\$409	\$587	\$781	\$1,340	\$409	\$627	\$859	\$1,511
	Class A (corporate purchase)	\$87	\$271	\$471	\$1,049	\$87	\$311	\$550	\$1,220
	Class AR (without redemption)	\$163	\$346	\$545	\$1,118	\$163	\$385	\$623	\$1,289
	Class AR (with redemption)	\$263	\$346	\$545	\$1,118	\$263	\$385	\$623	\$1,289
	Class B (without redemption)	\$163	\$505	\$871	\$1,699	\$163	\$544	\$947	\$1,866

**HYPOTHETICAL \$10,000 INVESTMENT COST CHART**

Age-Based Portfolios	Class Units	Cost without the \$20 Annual Account Fee				Cost with the \$20 Annual Account Fee			
		1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
	Class B (with redemption)	\$563	\$719	\$871	\$1,699	\$563	\$757	\$947	\$1,866
	Class BX (without redemption)	\$122	\$381	\$660	\$1,357	\$122	\$420	\$737	\$1,527
	Class BX (with redemption)	\$372	\$575	\$788	\$1,357	\$372	\$614	\$864	\$1,527
	Class C (without redemption)	\$163	\$505	\$871	\$1,428	\$163	\$544	\$947	\$1,598
	Class C (with redemption)	\$263	\$505	\$871	\$1,428	\$263	\$544	\$947	\$1,598
	Class CX (without redemption)	\$112	\$350	\$548	\$1,122	\$112	\$389	\$626	\$1,293
	Class CX (with redemption)	\$212	\$350	\$548	\$1,122	\$212	\$389	\$626	\$1,293
	Class I	\$61	\$192	\$335	\$750	\$61	\$232	\$0	\$924
	Class RA	\$45	\$141	\$246	\$555	N/A	N/A	N/A	N/A
	Class RZ	\$419	\$459	\$502	\$630	N/A	N/A	N/A	N/A
Invesco CollegeBound 2021-2022 Portfolio	Class A (purchased on or after 7/8/16)	\$485	\$666	\$863	\$1,430	\$485	\$706	\$941	\$1,601
	Class A (purchased before 7/8/16)	\$411	\$594	\$792	\$1,363	\$411	\$633	\$870	\$1,534
	Class A (corporate purchase)	\$89	\$278	\$482	\$1,073	\$89	\$317	\$560	\$1,244
	Class AR (without redemption)	\$165	\$352	\$555	\$1,141	\$165	\$392	\$633	\$1,312
	Class AR (with redemption)	\$265	\$352	\$555	\$1,141	\$265	\$392	\$633	\$1,312
	Class B (without redemption)	\$165	\$511	\$881	\$1,721	\$165	\$550	\$958	\$1,888
	Class B (with redemption)	\$565	\$725	\$881	\$1,721	\$565	\$763	\$958	\$1,888
	Class BX (without redemption)	\$124	\$387	\$670	\$1,380	\$124	\$426	\$748	\$1,549
	Class BX (with redemption)	\$374	\$581	\$798	\$1,380	\$374	\$619	\$875	\$1,549
	Class C (without redemption)	\$165	\$511	\$881	\$1,451	\$165	\$550	\$958	\$1,620
	Class C (with redemption)	\$265	\$511	\$881	\$1,451	\$265	\$550	\$958	\$1,620
	Class CX (without redemption)	\$114	\$356	\$559	\$1,145	\$114	\$395	\$637	\$1,316
	Class CX (with redemption)	\$214	\$356	\$559	\$1,145	\$214	\$395	\$637	\$1,316
	Class I	\$63	\$199	\$346	\$774	\$63	\$238	\$424	\$948
	Class RA	\$45	\$141	\$246	\$555	N/A	N/A	N/A	N/A
Class RZ	\$419	\$459	\$502	\$630	N/A	N/A	N/A	N/A	
Invesco CollegeBound 2023-2024 Portfolio	Class A (purchased on or after 7/8/16)	\$487	\$672	\$873	\$1,452	\$487	\$712	\$951	\$1,623
	Class A (purchased before 7/8/16)	\$413	\$600	\$802	\$1,385	\$413	\$639	\$880	\$1,556
	Class A (corporate purchase)	\$91	\$284	\$493	\$1,096	\$91	\$323	\$571	\$1,267
	Class AR (without redemption)	\$167	\$358	\$566	\$1,165	\$167	\$398	\$644	\$1,336
	Class AR (with redemption)	\$267	\$358	\$566	\$1,165	\$267	\$398	\$644	\$1,336
	Class B (without redemption)	\$167	\$517	\$892	\$1,743	\$167	\$556	\$968	\$1,910
	Class B (with redemption)	\$567	\$731	\$892	\$1,743	\$567	\$769	\$968	\$1,910
	Class BX (without redemption)	\$126	\$393	\$681	\$1,403	\$126	\$433	\$758	\$1,572
	Class BX (with redemption)	\$376	\$587	\$809	\$1,403	\$376	\$626	\$885	\$1,572
	Class C (without redemption)	\$167	\$517	\$892	\$1,473	\$167	\$556	\$968	\$1,643
	Class C (with redemption)	\$267	\$517	\$892	\$1,473	\$267	\$556	\$968	\$1,643
	Class CX (without redemption)	\$116	\$362	\$570	\$1,169	\$116	\$402	\$648	\$1,339
	Class CX (with redemption)	\$216	\$362	\$570	\$1,169	\$216	\$402	\$648	\$1,339
	Class I	\$65	\$205	\$357	\$798	\$65	\$244	\$435	\$972
	Class RA	\$45	\$141	\$246	\$555	N/A	N/A	N/A	N/A
Class RZ	\$419	\$459	\$502	\$630	N/A	N/A	N/A	N/A	
Invesco CollegeBound 2025-2026 Portfolio	Class A (purchased on or after 7/8/16)	\$487	\$672	\$873	\$1,452	\$487	\$712	\$951	\$1,623
	Class A (purchased before 7/8/16)	\$413	\$600	\$802	\$1,385	\$413	\$639	\$880	\$1,556
	Class A (corporate purchase)	\$91	\$284	\$493	\$1,096	\$91	\$323	\$571	\$1,267
	Class AR (without redemption)	\$167	\$358	\$566	\$1,165	\$167	\$398	\$644	\$1,336
	Class AR (with redemption)	\$267	\$358	\$566	\$1,165	\$267	\$398	\$644	\$1,336
	Class B (without redemption)	\$167	\$517	\$892	\$1,743	\$167	\$556	\$968	\$1,910
	Class B (with redemption)	\$567	\$731	\$892	\$1,743	\$567	\$769	\$968	\$1,910
	Class BX (without redemption)	\$126	\$393	\$681	\$1,403	\$126	\$433	\$758	\$1,572

**HYPOTHETICAL \$10,000 INVESTMENT COST CHART**

Age-Based Portfolios	Class Units	Cost without the \$20 Annual Account Fee				Cost with the \$20 Annual Account Fee			
		1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
	Class BX (with redemption)	\$376	\$587	\$809	\$1,403	\$376	\$626	\$885	\$1,572
	Class C (without redemption)	\$167	\$517	\$892	\$1,473	\$167	\$556	\$968	\$1,643
	Class C (with redemption)	\$267	\$517	\$892	\$1,473	\$267	\$556	\$968	\$1,643
	Class CX (without redemption)	\$116	\$362	\$570	\$1,169	\$116	\$402	\$648	\$1,339
	Class CX (with redemption)	\$216	\$362	\$570	\$1,169	\$216	\$402	\$648	\$1,339
	Class I	\$65	\$205	\$357	\$798	\$65	\$244	\$435	\$972
	Class RA	\$45	\$141	\$246	\$555	N/A	N/A	N/A	N/A
	Class RZ	\$419	\$459	\$502	\$630	N/A	N/A	N/A	N/A
Invesco CollegeBound 2027-2028 Portfolio	Class A (purchased on or after 7/8/16)	\$489	\$679	\$884	\$1,475	\$489	\$718	\$962	\$1,645
	Class A (purchased before 7/8/16)	\$415	\$606	\$812	\$1,408	\$415	\$645	\$891	\$1,579
	Class A (corporate purchase)	\$93	\$290	\$504	\$1,120	\$93	\$330	\$582	\$1,290
	Class AR (without redemption)	\$169	\$365	\$577	\$1,188	\$169	\$404	\$655	\$1,359
	Class AR (with redemption)	\$269	\$365	\$577	\$1,188	\$269	\$404	\$655	\$1,359
	Class B (without redemption)	\$169	\$523	\$902	\$1,766	\$169	\$562	\$979	\$1,932
	Class B (with redemption)	\$569	\$737	\$902	\$1,766	\$569	\$775	\$979	\$1,932
	Class BX (without redemption)	\$128	\$400	\$692	\$1,426	\$128	\$439	\$769	\$1,595
	Class BX (with redemption)	\$372	\$575	\$788	\$1,357	\$372	\$614	\$864	\$1,527
	Class C (without redemption)	\$163	\$505	\$871	\$1,428	\$163	\$544	\$947	\$1,598
	Class C (with redemption)	\$269	\$523	\$902	\$1,496	\$269	\$562	\$979	\$1,665
	Class CX (without redemption)	\$118	\$368	\$581	\$1,192	\$118	\$408	\$659	\$1,362
	Class CX (with redemption)	\$218	\$368	\$581	\$1,192	\$218	\$408	\$659	\$1,362
	Class I	\$67	\$211	\$368	\$822	\$67	\$251	\$446	\$996
	Class RA	\$45	\$141	\$246	\$555	N/A	N/A	N/A	N/A
Class RZ	\$419	\$459	\$502	\$630	N/A	N/A	N/A	N/A	
Invesco CollegeBound 2029-2030 Portfolio	Class A (purchased on or after 7/8/16)	\$491	\$685	\$894	\$1,497	\$491	\$724	\$972	\$1,668
	Class A (purchased before 7/8/16)	\$417	\$612	\$823	\$1,431	\$417	\$651	\$901	\$1,601
	Class A (corporate purchase)	\$95	\$296	\$515	\$1,143	\$95	\$336	\$593	\$1,313
	Class AR (without redemption)	\$171	\$371	\$588	\$1,211	\$171	\$410	\$666	\$1,382
	Class AR (with redemption)	\$271	\$371	\$588	\$1,211	\$271	\$410	\$666	\$1,382
	Class B (without redemption)	\$171	\$530	\$913	\$1,788	\$171	\$569	\$989	\$1,954
	Class B (with redemption)	\$571	\$744	\$913	\$1,788	\$571	\$782	\$989	\$1,954
	Class BX (without redemption)	\$130	\$406	\$702	\$1,449	\$130	\$445	\$780	\$1,617
	Class BX (with redemption)	\$380	\$600	\$829	\$1,449	\$380	\$638	\$907	\$1,617
	Class C (without redemption)	\$171	\$530	\$913	\$1,519	\$171	\$569	\$989	\$1,688
	Class C (with redemption)	\$271	\$530	\$913	\$1,519	\$271	\$569	\$989	\$1,688
	Class CX (without redemption)	\$120	\$375	\$591	\$1,215	\$120	\$414	\$669	\$1,386
	Class CX (with redemption)	\$220	\$375	\$591	\$1,215	\$220	\$414	\$669	\$1,386
	Class I	\$69	\$218	\$379	\$847	\$69	\$257	\$457	\$1,020
	Class RA	\$45	\$141	\$246	\$555	N/A	N/A	N/A	N/A
Class RZ	\$419	\$459	\$502	\$630	N/A	N/A	N/A	N/A	
Invesco CollegeBound 2031-2032 Portfolio	Class A (purchased on or after 7/8/16)	\$493	\$691	\$904	\$1,520	\$493	\$730	\$982	\$1,690
	Class A (purchased before 7/8/16)	\$419	\$618	\$833	\$1,453	\$419	\$657	\$911	\$1,624
	Class A (corporate purchase)	\$97	\$303	\$525	\$1,166	\$97	\$342	\$603	\$1,337
	Class AR (without redemption)	\$173	\$377	\$598	\$1,235	\$173	\$417	\$676	\$1,405
	Class AR (with redemption)	\$273	\$377	\$598	\$1,235	\$273	\$417	\$676	\$1,405
	Class B (without redemption)	\$173	\$536	\$923	\$1,810	\$173	\$575	\$999	\$1,975
	Class B (with redemption)	\$573	\$749	\$923	\$1,810	\$573	\$788	\$999	\$1,975
	Class BX (without redemption)	\$132	\$412	\$713	\$1,472	\$132	\$451	\$790	\$1,640
	Class BX (with redemption)	\$382	\$606	\$840	\$1,472	\$382	\$644	\$916	\$1,640
Class C (without redemption)	\$173	\$536	\$923	\$1,541	\$173	\$575	\$999	\$1,710	

**HYPOTHETICAL \$10,000 INVESTMENT COST CHART**

Age-Based Portfolios	Class Units	Cost without the \$20 Annual Account Fee				Cost with the \$20 Annual Account Fee			
		1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
	Class C (with redemption)	\$273	\$536	\$923	\$1,541	\$273	\$575	\$999	\$1,710
	Class CX (without redemption)	\$122	\$381	\$602	\$1,238	\$122	\$420	\$680	\$1,409
	Class CX (with redemption)	\$222	\$381	\$602	\$1,238	\$222	\$420	\$680	\$1,409
	Class I	\$72	\$224	\$390	\$871	\$72	\$263	\$468	\$1,043
	Class RA	\$45	\$141	\$246	\$555	N/A	N/A	N/A	N/A
	Class RZ	\$419	\$459	\$502	\$630	N/A	N/A	N/A	N/A
Invesco CollegeBound 2033-2034 Portfolio	Class A (purchased on or after 7/8/16)	\$492	\$688	\$899	\$1,509	\$492	\$727	\$977	\$1,679
	Class A (purchased before 7/8/16)	\$418	\$615	\$828	\$1,442	\$418	\$654	\$906	\$1,613
	Class A (corporate purchase)	\$96	\$300	\$520	\$1,155	\$96	\$339	\$598	\$1,325
	Class AR (without redemption)	\$172	\$374	\$593	\$1,223	\$172	\$413	\$671	\$1,393
	Class AR (with redemption)	\$272	\$374	\$593	\$1,223	\$272	\$413	\$671	\$1,393
	Class B (without redemption)	\$172	\$533	\$918	\$1,799	\$172	\$572	\$994	\$1,965
	Class B (with redemption)	\$572	\$746	\$918	\$1,799	\$572	\$785	\$994	\$1,965
	Class BX (without redemption)	\$131	\$409	\$708	\$1,460	\$131	\$448	\$785	\$1,628
	Class BX (with redemption)	\$381	\$603	\$835	\$1,460	\$381	\$641	\$912	\$1,628
	Class C (without redemption)	\$172	\$533	\$918	\$1,530	\$172	\$572	\$994	\$1,699
	Class C (with redemption)	\$272	\$533	\$918	\$1,530	\$272	\$572	\$994	\$1,699
	Class CX (without redemption)	\$121	\$378	\$597	\$1,227	\$121	\$417	\$675	\$1,397
	Class CX (with redemption)	\$221	\$378	\$597	\$1,227	\$221	\$417	\$675	\$1,397
	Class I	\$70	\$221	\$384	\$859	\$70	\$260	\$463	\$1,031
	Class RA	\$45	\$141	\$246	\$555	N/A	N/A	N/A	N/A
Class RZ	\$419	\$459	\$502	\$630	N/A	N/A	N/A	N/A	
Invesco CollegeBound 2035-2036 Portfolio	Class A (purchased on or after 7/8/16)	\$492	\$688	\$899	\$1,509	\$492	\$727	\$977	\$1,679
	Class A (purchased before 7/8/16)	\$418	\$615	\$828	\$1,442	\$418	\$654	\$906	\$1,613
	Class A (corporate purchase)	\$96	\$300	\$520	\$1,155	\$96	\$339	\$598	\$1,325
	Class AR (without redemption)	\$172	\$374	\$593	\$1,223	\$172	\$413	\$671	\$1,393
	Class AR (with redemption)	\$272	\$374	\$593	\$1,223	\$272	\$413	\$671	\$1,393
	Class B (without redemption)	\$172	\$533	\$918	\$1,799	\$172	\$572	\$994	\$1,965
	Class B (with redemption)	\$572	\$746	\$918	\$1,799	\$572	\$785	\$994	\$1,965
	Class BX (without redemption)	\$131	\$409	\$708	\$1,460	\$131	\$448	\$785	\$1,628
	Class BX (with redemption)	\$381	\$603	\$835	\$1,460	\$381	\$641	\$912	\$1,628
	Class C (without redemption)	\$172	\$533	\$918	\$1,530	\$172	\$572	\$994	\$1,699
	Class C (with redemption)	\$272	\$533	\$918	\$1,530	\$272	\$572	\$994	\$1,699
	Class CX (without redemption)	\$121	\$378	\$597	\$1,227	\$121	\$417	\$675	\$1,397
	Class CX (with redemption)	\$221	\$378	\$597	\$1,227	\$221	\$417	\$675	\$1,397
	Class I	\$70	\$221	\$384	\$859	\$70	\$260	\$463	\$1,031
	Class RA	\$45	\$141	\$246	\$555	N/A	N/A	N/A	N/A
Class RZ	\$419	\$459	\$502	\$630	N/A	N/A	N/A	N/A	
<b>Target Risk Portfolios</b>									
Invesco Conservative College Portfolio	Class A (purchased on or after 7/8/16)	\$485	\$666	\$863	\$1,430	\$485	\$706	\$941	\$1,601
	Class A (purchased before 7/8/16)	\$411	\$594	\$792	\$1,363	\$411	\$633	\$870	\$1,534
	Class A (corporate purchase)	\$89	\$278	\$482	\$1,073	\$89	\$317	\$560	\$1,244
	Class AR (without redemption)	\$165	\$352	\$555	\$1,141	\$165	\$392	\$633	\$1,312
	Class AR (with redemption)	\$265	\$352	\$555	\$1,141	\$265	\$392	\$633	\$1,312
	Class B (without redemption)	\$165	\$511	\$881	\$1,721	\$165	\$550	\$958	\$1,888
	Class B (with redemption)	\$565	\$725	\$881	\$1,721	\$565	\$763	\$958	\$1,888
	Class BX (without redemption)	\$124	\$387	\$670	\$1,380	\$124	\$426	\$748	\$1,549
	Class BX (with redemption)	\$374	\$581	\$798	\$1,380	\$374	\$619	\$875	\$1,549
	Class C (without redemption)	\$165	\$511	\$881	\$1,451	\$165	\$550	\$958	\$1,620
	Class C (with redemption)	\$265	\$511	\$881	\$1,451	\$265	\$550	\$958	\$1,620

**HYPOTHETICAL \$10,000 INVESTMENT COST CHART**

Target Risk Portfolios	Class Units	Cost without the \$20 Annual Account Fee				Cost with the \$20 Annual Account Fee			
		1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
	Class CX (without redemption)	\$114	\$356	\$559	\$1,145	\$114	\$395	\$637	\$1,316
	Class CX (with redemption)	\$214	\$356	\$559	\$1,145	\$214	\$395	\$637	\$1,316
	Class I	\$63	\$199	\$346	\$774	\$63	\$238	\$424	\$948
	Class RA	\$70	\$221	\$384	\$859	N/A	N/A	N/A	N/A
	Class RZ	\$443	\$535	\$635	\$926	N/A	N/A	N/A	N/A
Invesco Moderate College Portfolio	Class A (purchased on or after 7/8/16)	\$489	\$679	\$884	\$1,475	\$489	\$718	\$962	\$1,645
	Class A (purchased before 7/8/16)	\$415	\$606	\$812	\$1,408	\$415	\$645	\$891	\$1,579
	Class A (corporate purchase)	\$93	\$290	\$504	\$1,120	\$93	\$330	\$582	\$1,290
	Class AR (without redemption)	\$169	\$365	\$577	\$1,188	\$169	\$404	\$655	\$1,359
	Class AR (with redemption)	\$269	\$365	\$577	\$1,188	\$269	\$404	\$655	\$1,359
	Class B (without redemption)	\$169	\$523	\$902	\$1,766	\$169	\$562	\$979	\$1,932
	Class B (with redemption)	\$569	\$737	\$902	\$1,766	\$569	\$775	\$979	\$1,932
	Class BX (without redemption)	\$128	\$400	\$692	\$1,426	\$128	\$439	\$769	\$1,595
	Class BX (with redemption)	\$378	\$594	\$819	\$1,426	\$378	\$632	\$896	\$1,595
	Class C (without redemption)	\$169	\$523	\$902	\$1,496	\$169	\$562	\$979	\$1,665
	Class C (with redemption)	\$269	\$523	\$902	\$1,496	\$269	\$562	\$979	\$1,665
	Class CX (without redemption)	\$118	\$368	\$581	\$1,192	\$118	\$408	\$659	\$1,362
	Class CX (with redemption)	\$218	\$368	\$581	\$1,192	\$218	\$408	\$659	\$1,362
	Class I	\$67	\$211	\$368	\$822	\$67	\$251	\$446	\$996
	Class RA	\$76	\$237	\$411	\$918	N/A	N/A	N/A	N/A
Class RZ	\$448	\$550	\$662	\$984	N/A	N/A	N/A	N/A	
Invesco Growth College Portfolio	Class A (purchased on or after 7/8/16)	\$491	\$685	\$894	\$1,497	\$491	\$724	\$972	\$1,668
	Class A (purchased before 7/8/16)	\$417	\$612	\$823	\$1,431	\$417	\$651	\$901	\$1,601
	Class A (corporate purchase)	\$95	\$296	\$515	\$1,143	\$95	\$336	\$593	\$1,313
	Class AR (without redemption)	\$171	\$371	\$588	\$1,211	\$171	\$410	\$666	\$1,382
	Class AR (with redemption)	\$271	\$371	\$588	\$1,211	\$271	\$410	\$666	\$1,382
	Class B (without redemption)	\$171	\$530	\$913	\$1,788	\$171	\$569	\$989	\$1,954
	Class B (with redemption)	\$571	\$744	\$913	\$1,788	\$571	\$782	\$989	\$1,954
	Class BX (without redemption)	\$130	\$406	\$702	\$1,449	\$130	\$445	\$780	\$1,617
	Class BX (with redemption)	\$380	\$600	\$829	\$1,449	\$380	\$638	\$907	\$1,617
	Class C (without redemption)	\$171	\$530	\$913	\$1,519	\$171	\$569	\$989	\$1,688
	Class C (with redemption)	\$271	\$530	\$913	\$1,519	\$271	\$569	\$989	\$1,688
	Class CX (without redemption)	\$120	\$375	\$591	\$1,215	\$120	\$414	\$669	\$1,386
	Class CX (with redemption)	\$220	\$375	\$591	\$1,215	\$220	\$414	\$669	\$1,386
	Class I	\$69	\$218	\$379	\$847	\$69	\$257	\$457	\$1,020
	Class RA	\$78	\$243	\$422	\$942	N/A	N/A	N/A	N/A
Class RZ	\$450	\$556	\$672	\$1,007	N/A	N/A	N/A	N/A	
<b>Individual Portfolios</b>									
Invesco Stable Value Portfolio	Class A (purchased on or after 7/8/16)	\$485	\$666	\$863	\$1,430	\$485	\$706	\$941	\$1,601
	Class A (purchased before 7/8/16)	\$411	\$594	\$792	\$1,363	\$411	\$633	\$870	\$1,534
	Class A (corporate purchase)	\$89	\$278	\$482	\$1,073	\$89	\$317	\$560	\$1,244
	Class AR (without redemption)	\$165	\$352	\$555	\$1,141	\$165	\$392	\$633	\$1,312
	Class AR (with redemption)	\$265	\$352	\$555	\$1,141	\$265	\$392	\$633	\$1,312
	Class B (without redemption)	\$165	\$511	\$881	\$1,721	\$165	\$550	\$958	\$1,888
	Class B (with redemption)	\$565	\$725	\$881	\$1,721	\$565	\$763	\$958	\$1,888
	Class BX (without redemption)	\$124	\$387	\$670	\$1,380	\$124	\$426	\$748	\$1,549
	Class BX (with redemption)	\$374	\$581	\$798	\$1,380	\$374	\$619	\$875	\$1,549
	Class C (without redemption)	\$165	\$511	\$881	\$1,451	\$165	\$550	\$958	\$1,620
	Class C (with redemption)	\$265	\$511	\$881	\$1,451	\$265	\$550	\$958	\$1,620
	Class CX (without redemption)	\$114	\$356	\$559	\$1,145	\$114	\$395	\$637	\$1,316



**HYPOTHETICAL \$10,000 INVESTMENT COST CHART**

Individual Portfolios	Class Units	Cost without the \$20 Annual Account Fee				Cost with the \$20 Annual Account Fee			
		1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
	Class CX (with redemption)	\$214	\$356	\$559	\$1,145	\$214	\$395	\$637	\$1,316
	Class I	\$63	\$199	\$346	\$774	\$63	\$238	\$424	\$948
	Class RA	\$62	\$195	\$340	\$762	N/A	N/A	N/A	N/A
	Class RZ	\$435	\$511	\$593	\$832	N/A	N/A	N/A	N/A
Invesco Short Duration Inflation Protected Portfolio	Class A (purchased on or after 7/8/16)	\$471	\$621	\$785	\$1,259	\$471	\$661	\$863	\$1,431
	Class A (purchased before 7/8/16)	\$396	\$548	\$713	\$1,190	\$396	\$587	\$791	\$1,363
	Class A (corporate purchase)	\$74	\$230	\$401	\$894	\$74	\$270	\$479	\$1,067
	Class AR (without redemption)	\$150	\$305	\$474	\$965	\$150	\$345	\$553	\$1,137
	Class AR (with redemption)	\$250	\$305	\$474	\$965	\$250	\$345	\$553	\$1,137
	Class B (without redemption)	\$150	\$465	\$803	\$1,554	\$150	\$504	\$880	\$1,722
	Class B (with redemption)	\$550	\$679	\$803	\$1,554	\$550	\$718	\$880	\$1,722
	Class BX (without redemption)	\$109	\$340	\$590	\$1,207	\$109	\$380	\$668	\$1,378
	Class BX (with redemption)	\$359	\$534	\$718	\$1,207	\$359	\$574	\$796	\$1,378
	Class C (without redemption)	\$150	\$465	\$803	\$1,279	\$150	\$504	\$880	\$1,450
	Class C (with redemption)	\$250	\$465	\$803	\$1,279	\$250	\$504	\$880	\$1,450
	Class CX (without redemption)	\$99	\$309	\$478	\$969	\$99	\$348	\$556	\$1,141
	Class CX (with redemption)	\$199	\$309	\$478	\$969	\$199	\$348	\$556	\$1,141
	Class I	\$48	\$151	\$263	\$591	\$48	\$191	\$342	\$767
	Class RA	\$56	\$176	\$307	\$689	N/A	N/A	N/A	N/A
	Class RZ	\$429	\$492	\$561	\$761	N/A	N/A	N/A	N/A
Invesco Core Plus Bond Portfolio	Class A (purchased on or after 7/8/16)	\$492	\$688	\$899	\$1,509	\$492	\$727	\$977	\$1,679
	Class A (purchased before 7/8/16)	\$418	\$615	\$828	\$1,442	\$418	\$654	\$906	\$1,613
	Class A (corporate purchase)	\$96	\$300	\$520	\$1,155	\$96	\$339	\$598	\$1,325
	Class AR (without redemption)	\$172	\$374	\$593	\$1,223	\$172	\$413	\$671	\$1,393
	Class AR (with redemption)	\$272	\$374	\$593	\$1,223	\$272	\$413	\$671	\$1,393
	Class B (without redemption)	\$172	\$533	\$918	\$1,799	\$172	\$572	\$994	\$1,965
	Class B (with redemption)	\$572	\$746	\$918	\$1,799	\$572	\$785	\$994	\$1,965
	Class BX (without redemption)	\$131	\$409	\$708	\$1,460	\$131	\$448	\$785	\$1,628
	Class BX (with redemption)	\$381	\$603	\$835	\$1,460	\$381	\$641	\$912	\$1,628
	Class C (without redemption)	\$172	\$533	\$918	\$1,530	\$172	\$572	\$994	\$1,699
	Class C (with redemption)	\$272	\$533	\$918	\$1,530	\$272	\$572	\$994	\$1,699
	Class CX (without redemption)	\$121	\$378	\$597	\$1,227	\$121	\$417	\$675	\$1,397
	Class CX (with redemption)	\$221	\$378	\$597	\$1,227	\$221	\$417	\$675	\$1,397
	Class I	\$70	\$221	\$384	\$859	\$70	\$260	\$463	\$1,031
	Class RA	\$79	\$246	\$428	\$954	N/A	N/A	N/A	N/A
	Class RZ	\$451	\$559	\$677	\$1,019	N/A	N/A	N/A	N/A
Invesco Equally-Weighted S&P 500 Portfolio	Class A (purchased on or after 7/8/16)	\$457	\$578	\$711	\$1,097	\$457	\$618	\$790	\$1,271
	Class A (purchased before 7/8/16)	\$382	\$505	\$638	\$1,027	\$382	\$544	\$717	\$1,201
	Class A (corporate purchase)	\$59	\$186	\$324	\$726	\$59	\$225	\$403	\$900
	Class AR (without redemption)	\$135	\$261	\$398	\$797	\$135	\$301	\$477	\$971
	Class AR (with redemption)	\$235	\$261	\$398	\$797	\$235	\$301	\$477	\$971
	Class B (without redemption)	\$135	\$421	\$729	\$1,395	\$135	\$461	\$806	\$1,565
	Class B (with redemption)	\$535	\$636	\$729	\$1,395	\$535	\$676	\$806	\$1,565
	Class BX (without redemption)	\$95	\$296	\$515	\$1,043	\$95	\$336	\$593	\$1,215
	Class BX (with redemption)	\$345	\$491	\$644	\$1,043	\$345	\$531	\$721	\$1,215
	Class C (without redemption)	\$135	\$421	\$729	\$1,117	\$135	\$461	\$806	\$1,289
	Class C (with redemption)	\$235	\$421	\$729	\$1,117	\$235	\$461	\$806	\$1,289
	Class CX (without redemption)	\$85	\$265	\$402	\$801	\$85	\$304	\$481	\$975
	Class CX (with redemption)	\$185	\$265	\$402	\$801	\$185	\$304	\$481	\$975
	Class I	\$34	\$106	\$185	\$418	\$34	\$146	\$265	\$595
	Class RA	\$42	\$132	\$230	\$518	N/A	N/A	N/A	N/A
	Class RZ	\$416	\$449	\$486	\$594	N/A	N/A	N/A	N/A

**HYPOTHETICAL \$10,000 INVESTMENT COST CHART**

Individual Portfolios	Class Units	Cost without the \$20 Annual Account Fee				Cost with the \$20 Annual Account Fee			
		1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
Invesco Diversified Dividend Portfolio	Class A (purchased on or after 7/8/16)	\$483	\$660	\$852	\$1,407	\$483	\$700	\$931	\$1,578
	Class A (purchased before 7/8/16)	\$409	\$587	\$781	\$1,340	\$409	\$627	\$859	\$1,511
	Class A (corporate purchase)	\$87	\$271	\$471	\$1,049	\$87	\$311	\$550	\$1,220
	Class AR (without redemption)	\$163	\$346	\$545	\$1,118	\$163	\$385	\$623	\$1,289
	Class AR (with redemption)	\$263	\$346	\$545	\$1,118	\$263	\$385	\$623	\$1,289
	Class B (without redemption)	\$163	\$505	\$871	\$1,699	\$163	\$544	\$947	\$1,866
	Class B (with redemption)	\$563	\$719	\$871	\$1,699	\$563	\$757	\$947	\$1,866
	Class BX (without redemption)	\$122	\$381	\$660	\$1,357	\$122	\$420	\$737	\$1,527
	Class BX (with redemption)	\$372	\$575	\$788	\$1,357	\$372	\$614	\$864	\$1,527
	Class C (without redemption)	\$163	\$505	\$871	\$1,428	\$163	\$544	\$947	\$1,598
	Class C (with redemption)	\$263	\$505	\$871	\$1,428	\$263	\$544	\$947	\$1,598
	Class CX (without redemption)	\$112	\$350	\$548	\$1,122	\$112	\$389	\$626	\$1,293
	Class CX (with redemption)	\$212	\$350	\$548	\$1,122	\$212	\$389	\$626	\$1,293
	Class I	\$61	\$192	\$335	\$750	\$61	\$232	\$414	\$924
	Class RA	\$69	\$218	\$379	\$847	N/A	N/A	N/A	N/A
Class RZ	\$442	\$532	\$630	\$914	N/A	N/A	N/A	N/A	
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	Class A (purchased on or after 7/8/16)	\$479	\$648	\$832	\$1,362	\$479	\$688	\$910	\$1,533
	Class A (purchased before 7/8/16)	\$405	\$575	\$760	\$1,294	\$405	\$615	\$838	\$1,466
	Class A (corporate purchase)	\$83	\$259	\$450	\$1,002	\$83	\$298	\$528	\$1,173
	Class AR (without redemption)	\$159	\$333	\$523	\$1,071	\$159	\$373	\$601	\$1,243
	Class AR (with redemption)	\$259	\$333	\$523	\$1,071	\$259	\$373	\$601	\$1,243
	Class B (without redemption)	\$159	\$493	\$850	\$1,655	\$159	\$532	\$927	\$1,822
	Class B (with redemption)	\$559	\$707	\$850	\$1,655	\$559	\$746	\$927	\$1,822
	Class BX (without redemption)	\$118	\$368	\$638	\$1,311	\$118	\$408	\$716	\$1,481
	Class BX (with redemption)	\$368	\$562	\$766	\$1,311	\$368	\$602	\$843	\$1,481
	Class C (without redemption)	\$159	\$493	\$850	\$1,382	\$159	\$532	\$927	\$1,553
	Class C (with redemption)	\$259	\$493	\$850	\$1,382	\$259	\$532	\$927	\$1,553
	Class CX (without redemption)	\$108	\$337	\$527	\$1,075	\$108	\$377	\$605	\$1,246
	Class CX (with redemption)	\$208	\$337	\$527	\$1,075	\$208	\$377	\$605	\$1,246
	Class I	\$57	\$179	\$313	\$701	\$57	\$219	\$392	\$876
	Class RA	\$65	\$205	\$357	\$798	N/A	N/A	N/A	N/A
Class RZ	\$438	\$520	\$609	\$867	N/A	N/A	N/A	N/A	
Invesco Small Cap Growth Portfolio	Class A (purchased on or after 7/8/16)	\$513	\$751	\$1,008	\$1,742	\$513	\$790	\$1,085	\$1,910
	Class A (purchased before 7/8/16)	\$438	\$678	\$937	\$1,677	\$438	\$718	\$1,015	\$1,845
	Class A (corporate purchase)	\$117	\$365	\$633	\$1,398	\$117	\$405	\$711	\$1,566
	Class AR (without redemption)	\$193	\$439	\$705	\$1,464	\$193	\$479	\$783	\$1,632
	Class AR (with redemption)	\$293	\$439	\$705	\$1,464	\$293	\$479	\$783	\$1,632
	Class B (without redemption)	\$193	\$597	\$1,026	\$2,027	\$193	\$636	\$1,102	\$2,191
	Class B (with redemption)	\$593	\$810	\$1,026	\$2,027	\$593	\$848	\$1,102	\$2,191
	Class BX (without redemption)	\$153	\$474	\$818	\$1,696	\$153	\$513	\$895	\$1,862
	Class BX (with redemption)	\$403	\$667	\$944	\$1,696	\$403	\$705	\$1,021	\$1,862
	Class C (without redemption)	\$193	\$597	\$1,026	\$1,764	\$193	\$636	\$1,102	\$1,931
	Class C (with redemption)	\$293	\$597	\$1,026	\$1,764	\$293	\$636	\$1,102	\$1,931
	Class CX (without redemption)	\$143	\$443	\$709	\$1,468	\$143	\$482	\$786	\$1,636
	Class CX (with redemption)	\$243	\$443	\$709	\$1,468	\$243	\$482	\$786	\$1,636
	Class I	\$92	\$287	\$498	\$1,108	\$92	\$326	\$577	\$1,279
	Class RA	\$100	\$312	\$542	\$1,201	N/A	N/A	N/A	N/A
Class RZ	\$471	\$623	\$787	\$1,259	N/A	N/A	N/A	N/A	

**HYPOTHETICAL \$10,000 INVESTMENT COST CHART**

Individual Portfolios	Class Units	Cost without the \$20 Annual Account Fee				Cost with the \$20 Annual Account Fee			
		1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
Invesco International Growth Portfolio	Class A (purchased on or after 7/8/16)	\$528	\$799	\$1,089	\$1,916	\$528	\$838	\$1,167	\$2,083
	Class A (purchased before 7/8/16)	\$454	\$727	\$1,020	\$1,853	\$454	\$766	\$1,097	\$2,019
	Class A (corporate purchase)	\$133	\$415	\$718	\$1,579	\$133	\$454	\$795	\$1,746
	Class AR (without redemption)	\$209	\$489	\$790	\$1,644	\$209	\$528	\$867	\$1,811
	Class AR (with redemption)	\$309	\$489	\$790	\$1,644	\$309	\$528	\$867	\$1,811
	Class B (without redemption)	\$209	\$646	\$1,108	\$2,197	\$209	\$684	\$1,184	\$2,360
	Class B (with redemption)	\$609	\$858	\$1,108	\$2,197	\$609	\$896	\$1,184	\$2,360
	Class BX (without redemption)	\$169	\$523	\$902	\$1,872	\$169	\$562	\$979	\$2,037
	Class BX (with redemption)	\$419	\$715	\$1,027	\$1,872	\$419	\$754	\$1,104	\$2,037
	Class C (without redemption)	\$209	\$646	\$1,108	\$1,939	\$209	\$684	\$1,184	\$2,104
	Class C (with redemption)	\$309	\$646	\$1,108	\$1,939	\$309	\$684	\$1,184	\$2,104
	Class CX (without redemption)	\$159	\$493	\$793	\$1,648	\$159	\$532	\$870	\$1,815
	Class CX (with redemption)	\$259	\$493	\$793	\$1,648	\$259	\$532	\$870	\$1,815
	Class I	\$108	\$337	\$585	\$1,294	\$108	\$377	\$662	\$1,463
	Class RA	\$116	\$362	\$628	\$1,386	N/A	N/A	N/A	N/A
Class RZ	\$487	\$671	\$870	\$1,439	N/A	N/A	N/A	N/A	
PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	Class A (purchased on or after 7/8/16)	\$486	\$669	\$868	\$1,441	\$486	\$709	\$946	\$1,612
	Class A (purchased before 7/8/16)	\$412	\$597	\$797	\$1,374	\$412	\$636	\$875	\$1,545
	Class A (corporate purchase)	\$90	\$281	\$488	\$1,084	\$90	\$320	\$566	\$1,255
	Class AR (without redemption)	\$166	\$355	\$561	\$1,153	\$166	\$395	\$639	\$1,324
	Class AR (with redemption)	\$266	\$355	\$561	\$1,153	\$266	\$395	\$639	\$1,324
	Class B (without redemption)	\$166	\$514	\$887	\$1,732	\$166	\$553	\$963	\$1,899
	Class B (with redemption)	\$566	\$728	\$887	\$1,732	\$566	\$766	\$963	\$1,899
	Class BX (without redemption)	\$125	\$390	\$676	\$1,392	\$125	\$430	\$753	\$1,561
	Class BX (with redemption)	\$375	\$584	\$804	\$1,392	\$375	\$623	\$880	\$1,561
	Class C (without redemption)	\$166	\$514	\$887	\$1,462	\$166	\$553	\$963	\$1,632
	Class C (with redemption)	\$266	\$514	\$887	\$1,462	\$266	\$553	\$963	\$1,632
	Class CX (without redemption)	\$115	\$359	\$565	\$1,157	\$115	\$398	\$643	\$1,328
	Class CX (with redemption)	\$215	\$359	\$565	\$1,157	\$215	\$398	\$643	\$1,328
	Class I	\$64	\$202	\$351	\$786	\$64	\$241	\$430	\$960
	Class RA	\$73	\$227	\$395	\$883	N/A	N/A	N/A	N/A
Class RZ	\$445	\$541	\$646	\$949	N/A	N/A	N/A	N/A	
Invesco Equity and Income Portfolio	Class A (purchased on or after 7/8/16)	\$477	\$642	\$821	\$1,339	\$477	\$682	\$900	\$1,511
	Class A (purchased before 7/8/16)	\$403	\$569	\$749	\$1,271	\$403	\$609	\$828	\$1,443
	Class A (corporate purchase)	\$81	\$252	\$439	\$978	\$81	\$292	\$517	\$1,150
	Class AR (without redemption)	\$157	\$327	\$512	\$1,047	\$157	\$367	\$590	\$1,219
	Class AR (with redemption)	\$257	\$327	\$512	\$1,047	\$257	\$367	\$590	\$1,219
	Class B (without redemption)	\$157	\$486	\$839	\$1,632	\$157	\$525	\$916	\$1,800
	Class B (with redemption)	\$557	\$700	\$839	\$1,632	\$557	\$739	\$916	\$1,800
	Class BX (without redemption)	\$116	\$362	\$628	\$1,288	\$116	\$402	\$705	\$1,458
	Class BX (with redemption)	\$366	\$556	\$756	\$1,288	\$366	\$596	\$832	\$1,458
	Class C (without redemption)	\$157	\$486	\$839	\$1,360	\$157	\$525	\$916	\$1,530
	Class C (with redemption)	\$257	\$486	\$839	\$1,360	\$257	\$525	\$916	\$1,530
	Class CX (without redemption)	\$106	\$331	\$516	\$1,051	\$106	\$370	\$594	\$1,223
	Class CX (with redemption)	\$206	\$331	\$516	\$1,051	\$206	\$370	\$594	\$1,223
	Class I	\$55	\$173	\$302	\$677	\$55	\$213	\$381	\$851
	Class RA	\$63	\$199	\$346	\$774	N/A	N/A	N/A	N/A
Class RZ	\$436	\$514	\$598	\$844	N/A	N/A	N/A	N/A	



**HYPOTHETICAL \$10,000 INVESTMENT COST CHART**

Individual Portfolios	Class Units	Cost without the \$20 Annual Account Fee				Cost with the \$20 Annual Account Fee			
		1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
Invesco Global Sustainable Equity Portfolio	Class A (purchased on or after 7/8/16)	\$500	\$712	\$941	\$1,598	\$500	\$751	\$1,019	\$1,767
	Class A (purchased before 7/8/16)	\$426	\$639	\$870	\$1,532	\$426	\$679	\$948	\$1,702
	Class A (corporate purchase)	\$104	\$325	\$563	\$1,248	\$104	\$364	\$641	\$1,417
	Class AR (without redemption)	\$180	\$399	\$636	\$1,315	\$180	\$438	\$714	\$1,485
	Class AR (with redemption)	\$280	\$399	\$636	\$1,315	\$280	\$438	\$714	\$1,485
	Class B (without redemption)	\$180	\$557	\$959	\$1,886	\$180	\$596	\$1,036	\$2,051
	Class B (with redemption)	\$580	\$770	\$959	\$1,886	\$580	\$809	\$1,036	\$2,051
	Class BX (without redemption)	\$139	\$434	\$750	\$1,551	\$139	\$473	\$827	\$1,718
	Class BX (with redemption)	\$389	\$627	\$877	\$1,551	\$389	\$666	\$953	\$1,718
	Class C (without redemption)	\$180	\$557	\$959	\$1,620	\$180	\$596	\$1,036	\$1,788
	Class C (with redemption)	\$280	\$557	\$959	\$1,620	\$280	\$596	\$1,036	\$1,788
	Class CX (without redemption)	\$129	\$403	\$640	\$1,319	\$129	\$442	\$717	\$1,489
	Class CX (with redemption)	\$229	\$403	\$640	\$1,319	\$229	\$442	\$717	\$1,489
	Class I	\$79	\$246	\$428	\$954	\$79	\$286	\$506	\$1,126
	Class RA	\$87	\$271	\$471	\$1,049	N/A	N/A	N/A	N/A
Class RZ	\$459	\$584	\$719	\$1,111	N/A	N/A	N/A	N/A	

## DESCRIPTION OF SALES CHARGES

### Choose From Available Unit Classes

Subject to eligibility, Account Owners may select from among Class A, Class C, Class I, Class AR, Class RA and Class RZ Units for each contribution they make. Class RA and Class RZ Units are available only to Rhode Island Resident Accounts. Class AX, Class B, Class BX, and Class CX are closed to new investments. Each Unit Class has different sales charges and expenses. Class I and Class RA Units do not bear any sales charges. Class A Units have lower annual expenses than Class C Units as a result of lower ongoing distribution and service fees. The amount of the initial sales charge varies based on the size of the contribution.

Determining which Unit Class is best for you depends on the dollar amount you are investing and the age of your Beneficiary and other factors, including when you plan to withdraw assets from your Account. Based on your personal situation, your financial advisor can help you decide which Unit Class makes the most sense.

Account Owners should check with their financial advisor to ensure this is a suitable investment for their particular circumstance. Account Owners may choose to invest subsequent contributions in a Unit Class different from the Unit Class previously selected. If an Account invests in more than one Unit Class, CollegeBound 529 will track separately the assets in the Account that are allocable to each Unit Class.

Each time you make an initial contribution to a Portfolio, you must select the Unit Class to purchase. This Unit Class selection will serve as the standing Unit Class selection for all subsequent contributions to the Portfolio until CollegeBound 529 receives other instructions from you.

The Program reserves the right to revise these fee arrangements at its discretion. Eligibility requirements for Unit Classes may be waived or modified for certain Accounts in existence prior to July 8, 2016.

### Class A Units

Purchases of Class A Units are subject to an initial sales charge at the time of purchase. The sales charge is a percentage of the investment amount and is deducted from the contribution before the purchase is made so that the offering price of Class A Units includes the initial sales charge. Only the amount of the contribution reduced by this charge is invested in the Account. A breakpoint or reduction in the initial sales charges is available on investments of \$500,000 or more in one or more Accounts subject to the Maximum Account Balance and rights of accumulation (described below). See the sales charges table below. You can also utilize the rights of accumulation to achieve reduced sales charges more quickly.

Purchase Amount	Initial Sales Charge	CDSC	% of the Sales Charge Retained by Financial Advisory Firms
Less than \$500,000	4.00%	None	3.50%
More than \$500,000	None	0.40% <sup>(1)</sup>	0.40%
Corporate Purchases <sup>(2)</sup>	None	None	None

<sup>(1)</sup> For Class A Units purchased in an amount of \$500,000 or more without a sales charge, if you take a distribution of your Units within 12 months of purchase, you will pay a contingent deferred sales charge of 0.40% of your original purchase price.

<sup>(2)</sup> Employers with more than 250 employees may establish a program through which their employees may purchase Class A Units without a sales charge. This also applies to employees of financial advisory firms (regardless of the size of the firm) who have entered into sales agreements with Invesco to market CollegeBound 529 and their subsidiaries and affiliates, as well as immediate family members of those employees.

There is no CDSC on Class A Units unless an Account Owner and those immediate family members, whose Accounts can be aggregated with those of the Account Owner as described in **Rights of Accumulation** on page 39, make aggregate contributions to Class A Unit Accounts within CollegeBound 529 that are in excess of \$500,000. On these aggregate contributions of \$500,000 or more, a finder's fee is generally paid. In that instance, any withdrawal made within twelve (12) months following the date of the contribution that resulted in total CollegeBound 529 assets being in excess of \$500,000 will be subject to a CDSC.

Class A Units are also subject to an annual distribution and service fee of 0.25% of the class's average daily net assets. Distribution and services fees compensate your financial advisor for providing ongoing services to you.

**Rights of Accumulation.** To take advantage of the lower sales charges on new purchases, an Account Owner may use the rights of accumulation. A financial advisor who wishes to exercise the rights of accumulation for an Account Owner must do so in writing at the time of the initial purchase or subsequent purchase.

An Account Owner qualifies for cumulative quantity discounts on the purchase of Class A Units in CollegeBound 529 when the Account Owner's new investment, combined with the current market value of Class A Units of other investments in CollegeBound 529, reaches the discount level of \$500,000. An Account Owner (or his or her financial advisor) must provide the Program Manager with written information to verify that the sales charge discount is applicable at the time of the investment, or any subsequent investment, is made.

An Account Owner may also combine the current market value of Class A Units in the Portfolios owned by a spouse or domestic partner, or by a child or grandchild if he or she is under the age of 21. Examples of account ownership within CollegeBound 529 include the following:

- Business accounts established by a business solely owned by you and/or a member of your immediate family;
- Accounts established by you for different Beneficiaries;
- Accounts established by an immediate family member for different Beneficiaries; and
- UGMA/UTMA accounts if you and/or a member of your immediate family is the Beneficiary or Custodian.

### Class C Units

Class C Units do not incur an initial sales charge but are subject to an annual distribution and service fee of 1.00% of the class's average daily net assets. If you take a distribution of your Class C Units within one year of purchase, you will have to pay a CDSC of 1.00% of your original purchase price.

Class C Units automatically convert to Class A Units approximately at the end of the fifth year of ownership. Class C Units purchased before July 8, 2016 will automatically convert to Class A Units on or about July 2019.

Initial Sales Charge on Class C Units	CDSC on Class C Units <sup>(1)</sup>	% of the Sales Charge Retained by Financial Advisory Firms	Distribution and Service Fees	Maximum Initial Sales Charge after Conversion <sup>(2)</sup> to Class A	CDSC after Conversion <sup>(2)</sup> to Class A	Distribution and Service Fees after Conversion <sup>(2)</sup> to Class A
None	1.00%	1.00%	1.00%	N/A	N/A	0.25%

<sup>(1)</sup> Subject to a CDSC for a one year period from date of purchase.

<sup>(2)</sup> Conversion to Class A Units occurs approximately five (5) years after purchase date.

### **Class I Units**

Class I Units are generally designed for registered investment advisers who buy through a broker/dealer or service agent who has entered into an agreement with Invesco Distributors that allows for Class I purchases. Class I Units are not subject to annual distribution and service fees or upfront sales charges. Your financial advisor will not receive any distribution and service fees, or commissions from Class I Units.

In addition to the use by registered investment advisers, Class I Units may be purchased by:

- any current, former or retired trustee, director, officer or employee (or immediate family members of a current, former or retired trustee, director, officer or employee) of any Invesco Fund or of Invesco Ltd. or any of its subsidiaries, provided that the Accounts are opened directly with CollegeBound 529 and not through a financial advisor. Ascensus College Savings and Invesco employees may also open new Class I Accounts provided that such Accounts are opened directly with CollegeBound 529 and not through a financial advisor.
- certain Accounts established prior to July 8, 2016.
- Account Owners who were invested in Class R Units prior to July 8, 2016 through a financial advisor employed by or affiliated with former program managers of CollegeBound 529, may open additional CollegeBound 529 Accounts with investments in Class I Units by contacting a Client Service Representative directly at 877.908.4830 or by providing a letter of instruction.

### **Class AR Units**

Class AR Units are generally designed for Account Owners who have effected a direct rollover of assets from Units of another 529 Plan. Class AR Units may not be available if your financial advisor or broker dealer has notified the Program that it chooses not to offer Class AR Units.

Class AR Units are subject to an annualized distribution and service fee of 1.00% of the class's average daily net assets which is used to reimburse Invesco for compensating your financial advisor. If you take a distribution of your Class AR Units within one (1) year of purchase, you will pay a CDSC of 1.00% of your original purchase price.

Class AR Units automatically convert to Class A Units after the first year of ownership.

## **Unit Classes Only Available to Rhode Island Resident Accounts**

### **Class RA Units**

Class RA Units are available only for Rhode Island Resident Accounts and do not incur a sales charge. Class RA Units are subject to an annualized distribution and service fee of 0.25% of the class's average daily net assets which is used to reimburse Invesco for compensating your financial advisor.

### **Class RZ Units**

Class RZ Units are available only to Rhode Island Resident Accounts. Purchases of Class RZ Units are subject to a maximum 4.00% initial sales charge at the time of purchase. Class RZ Units are not subject to an annualized distribution and service fee.

Class RZ Units are designed for investors with a long-term investing time frame. Investors who choose Class RA Units do not pay an initial sales charge; however, cumulative expenses under Class RA Units could be more costly than under Class RZ Units over the long run due to its annualized distribution and services fee.

The sales charge may be waived for purchases made by any current, former or retired trustee, director, officer or employee (or immediate family members of a current, former or retired trustee, director, officer or employee) of any Invesco fund or of Invesco Ltd. or any of its subsidiaries provided that the Accounts are opened directly with CollegeBound 529 and not through a financial advisor. Ascensus College Savings employees may also open new Class RZ Accounts, provided that the Account is opened directly with CollegeBound 529 and not through a financial advisor.

The sales charge may also be waived for purchases made through a registered investment adviser.

## **Unit Classes Closed to New Investments**

### **Legacy Class AX Units**

As of July 8, 2016, all legacy Class AX Units were converted into Class A Units. For approximately three (3) years thereafter, To open an Account, you must have a valid permanent U.S. street address and be a U.S. citizen or a resident alien that is at least 18 years old or an entity that is organized in the U.S. After that three (3) year period, Class A Units in these Accounts will bear a maximum initial sales charge of 4.00%, subject to the breakpoint schedule set forth on page 39 under **Class A Units**.

The dollar amount of the sales charge is the difference between the offering price of the Class A Units purchased (based on the applicable

sales charge) and the Unit Value of those Units. Because of rounding in the calculation of the offering price, the actual sales charge you pay may be more or less than that calculated using the percentages shown in the table above for Class A Units on page 39. The sales charge may be waived for purchases made by any current, former or retired trustee, director, officer or employee (or immediate family members of a current, former or retired trustee, director, officer or employee) of any Invesco fund or of Invesco Ltd. or any of its subsidiaries and, in some cases, Ascensus College Savings and its affiliates.

**Closed Class B and Class BX Units**

Accounts with investments in Class B and Class BX Units may continue to hold those Units until they automatically convert to Class A Units approximately eight (8) years after the date of purchase, in the month after of the original purchase. However, no additional investments will be accepted in Class B and Class BX Units. In addition, Accounts invested in these Classes will be able to exchange those Units for the same Unit class of a new Portfolio.

No front-end sales charge is deducted from contributions invested in Class B Units, but distributions of (i) Class B Units are subject to a CDSC if made within four (4) years of the date of contribution as set forth in the table below and (ii) Class BX Units are subject to a CDSC if made within five (5) years of the date of contribution as set forth in the table below.

	<b>Class B Units</b>	<b>Class BX Units</b>
Year 1	4.00%	2.50%
Year 2	3.00%	2.15%
Year 3	2.00%	1.80%
Year 4	1.00%	1.45%
Year 5	0.00%	1.10%

**Closed Class CX Units**

Accounts with investments in Class CX Units may continue to hold such Units until they automatically convert to Class A Units on or about July 2019. However, no additional investments will be accepted in such Units. In addition, Accounts invested in Class CX Units will be able to exchange those Units for the same Unit class of a new Portfolio.

**Other Class Information**

Legacy Units, Class B, Class BX and Class CX Units have higher annual expenses than Class A Units as a result of higher ongoing distribution and service fees.

Because Legacy Units are no longer available, any contribution designated for an investment in Legacy Units of a Portfolio (other than for an exchange and, as described below, for certain orders through broker-dealers) received by CollegeBound 529 by check, Systematic Reallocation, Recurring Contribution, EFT, automatic transfer from a Upromise Service account or other method specified in this Program Description will be deemed to be a contribution to Class A Units (for Accounts currently holding Class B and BX Units) or Class C Units (for Account currently holding Class CX Units).

Contributions designated for an investment in Legacy Units of a Portfolio that are placed by a broker-dealer through the National Securities Clearing Corporation will be rejected by CollegeBound 529. Account Owners that invest in CollegeBound 529 through a broker-dealer may wish to check with their broker-dealers to determine how their orders for Legacy Units may be affected. All other features of the Legacy Units, including but not limited to CDSCs, distribution and service fees, and automatic conversion to Class A Units will remain unchanged.

# PROGRAM RISKS

## AT A GLANCE

In this section, you will learn more about:

- **The Risks Involved with an Investment in CollegeBound 529**
- **General Portfolio Risks**

You should carefully consider the information in this section, as well as the other information in the Program Description before making any decisions about opening an Account or making any additional contributions. You should consult an attorney or a qualified financial or tax advisor with any legal, business, or tax questions you may have. CollegeBound 529 is not providing investment recommendations or advice. The contents of the Program Description should not be construed as legal, financial, or tax advice.

CollegeBound 529 is an investment vehicle. As such, Accounts are subject to investment risks. In addition, certain Portfolios carry more and/or different risks than others. You should weigh these risks with the understanding that they could arise at any time during the life of your Account. A discussion of the investment risks related to each Portfolio can be found in *Investment Choices - Portfolio and Underlying Fund Descriptions* beginning on page 52.

**Principal and Returns Not Guaranteed. Neither your contributions to an Account nor any investment return earned on your contributions is guaranteed. You could lose money (including your contributions) or not make any money by investing in CollegeBound 529.**

An investment in CollegeBound 529 is not a bank deposit. Investments in CollegeBound 529 are not insured or guaranteed by the FDIC or any other government agency. Investments are not insured by the Program Administrators. Relative to investing for retirement, the holding period for college investors is very short (i.e., 5-20 years versus 30-60 years). Also, the need for liquidity at specific times (to pay for Qualified Expenses) is generally very important. You should strongly consider the level of risk you wish to assume and your investment time horizon prior to selecting a Portfolio.

**Market Uncertainties.** As with all publicly traded investments, the overall market value of your Account is likely to be highly volatile and could be subject to wide fluctuations in response to factors such as regulatory or legislative changes, worldwide political uncertainties, and general economic conditions, including inflation and unemployment rates. All of these factors are beyond our control and may cause the value of your Account to decrease (realized or unrealized losses) regardless of our performance or any systematic investing, including Recurring Contributions, payroll direct deposits,

and Systematic Reallocation on your part. There is no assurance that any Portfolio will achieve its goals.

For additional information on the risks that may affect Portfolio performance, please read *Portfolio and Underlying Fund Descriptions* beginning on page 52.

**Limited Investment Direction; Liquidity.** Investments in a Qualified Tuition Program like CollegeBound 529 are less liquid than many other types of investments (e.g., investments in mutual fund shares) because the ability to withdraw money from your Account without a penalty or adverse tax consequences are significantly more limited. Also, once you select a Portfolio for a particular contribution, Section 529 provides that you can move money to another Portfolio no more than two (2) times per calendar year for the same Beneficiary. Any additional transfers within that calendar year are Non-Qualified Distributions, and they will be subject to federal and any applicable state income taxes and the Federal Penalty Tax.

**Securities Laws.** Units held by CollegeBound 529 Accounts are considered municipal fund securities. The Units will not be registered as securities with the SEC or any state securities regulator. In addition, the Portfolios will not be registered as investment companies under the Investment Company Act of 1940 or any state law. Neither the SEC nor any state securities commission has approved or disapproved the Units or passed upon the adequacy of the Program Description. We may choose to reject *Enrollment Forms* from residents of certain other states if those states require substantial additional regulatory filings.

**Potential Changes to the Program.** CollegeBound 529 may change the available Portfolios without prior notice to you. These changes could include, without limitation:

- a change in CollegeBound 529's Fees;
- addition or removal of a Portfolio;
- merger or change in the Underlying Funds within the Portfolios;
- the closure of a Portfolio to new investors; or
- a change in the Program Manager or an Investment Manager.

If changes are made to the Portfolios, your contributions may be reinvested in a Portfolio that is different from your original Portfolio. Depending on the nature of a particular change, your Account may be required to participate, or be prohibited from participating in such



changes. The policies, objectives, and guidelines of the Portfolios may also change from time to time.

If CollegeBound 529 is terminated, a distribution of Account funds may be considered a Non-Qualified Distribution for which federal income tax and penalties, including the Federal Penalty Tax, will be assessed. For Rhode Island income tax purposes, termination of the Program may require the "recapture" of any previous deduction in computing Rhode Island income tax. If the Program is terminated, you will receive written notice and the funds in your Account will be distributed to you. Any amounts distributed are subject to any charges due; any charge, payment, or penalty required by law to be withheld; and allowances for any terminating or winding up expenses. **Prior to termination of the Program, you may choose to rollover your Account assets into another 529 plan to avoid income taxes and penalties.**

In the event of a change in Underlying Funds, during the transition from one Underlying Fund to another, CollegeBound 529 may sell all the securities in the corresponding Portfolio before purchasing new securities. Therefore, the Portfolio may temporarily not be invested in one of its asset classes. During a transition period, a Portfolio may temporarily hold a basket of securities if the Underlying Fund from which it is transitioning chooses to complete the transition by exchanging one security for another. The transaction costs associated with this type of liquidation, as well as any market impact on the value of the securities being liquidated will be borne by the Portfolio and Accounts invested in the Portfolio. In this case, the Program Manager will seek to liquidate the securities received from the Underlying Fund and invest the proceeds in the replacement Underlying Fund as promptly as practicable in order to minimize transaction costs. An Underlying Fund from which a Portfolio redeems may also impose redemption fees. In this case, the Portfolio will bear the cost of the redemption fees.

There is no guarantee that the Investment Manager will continue to provide the Underlying Funds for CollegeBound 529 or manage the Portfolio's assets, as applicable, or that the Program Manager will be able to negotiate their continued services in the future. None of you, your Beneficiary, nor any contributor to your Account, may direct the Underlying Funds of a Portfolio.

**Suitability.** We make no representation regarding the suitability or appropriateness of the Portfolios as an investment for your situation. Other types of investments may be more appropriate depending upon your financial status, tax situation, risk tolerance, age, investment goals, savings needs, time horizons of you or your Beneficiary, and other factors you determine to be important.

You should consult a tax or investment advisor to seek advice concerning the appropriateness of this investment. There are other education investment alternatives available, including CollegeBound Saver, the direct-sold Qualified Tuition Program offered by the State. These other options may have different features and tax and other fee or expense consequences including, for example, different Portfolios and levels of Account Owner control. You may wish to consider these alternatives prior to opening an Account.

**Meeting College Expenses Not Guaranteed.** Even if you fund your Account(s) to the Maximum Account Balance, there is no assurance that the money in your Account will be sufficient to cover all the

education expenses your Beneficiary may incur, or that the rate of return on your investment will match or exceed the rate at which higher education expenses rise each year.

**IRS Regulations Not Final.** As of the date of this Program Description, the IRS has not issued final tax regulations regarding Qualified Tuition Programs. Final tax regulations could affect the tax considerations under Section 529 or require changes to CollegeBound 529.

**Effect of Future Law Changes.** It is possible that future changes in federal or state laws or court or interpretive rulings could adversely affect the terms and conditions of CollegeBound 529, the value of your Account, or the availability of state tax deductions, even retroactively. Specifically, CollegeBound 529 is subject to the provisions of and any changes to or revocation of the Enabling Legislation.

In addition, it is the Treasurer's intention to take advantage of Section 529 and therefore, CollegeBound 529 is subject to tax law changes or court or interpretive rulings that might alter the tax considerations described in **Federal Taxes** beginning on page 68.

**Tax Considerations Generally; Income Tax on Earnings.** The federal and state tax consequences associated with participating in the Program can be complex. Therefore, you should consult a tax advisor regarding the application of tax laws to your particular circumstances. For example, federal and state income taxes will be imposed on the earnings portion of certain distributions not used to pay Qualified Expenses. Additionally, the Federal Penalty Tax applies to any Non-Qualified Distribution.

**Rhode Island Tax Recapture.** Additionally, Rhode Island requires the "recapture" of certain deductions in computing Rhode Island tax if you take a Non-Qualified Distribution or a Rollover Distribution into another state's Qualified Tuition Program. See **Important Tax Information – State Taxes – Recapture of Rhode Island Deduction in Computing Income Tax** on page 70.

**Death of Account Owner.** If an Account Owner dies, control and ownership of the Account will be transferred to the Successor Account Owner. If no Successor Account Owner has been named or if the Successor Account Owner predeceases the Account Owner, control and ownership of the Account will be transferred to the Beneficiary if the Beneficiary is at least 18 years of age. If the Beneficiary is less than 18 years of age, control and ownership of the Account will become subject to the estate and guardianship laws of the state in which the Account Owner resided.

**Relationship to Financial Aid.** Participation in CollegeBound 529 does not limit your Beneficiary's receipt of merit-based financial aid, including academic or athletic scholarships; however, your Account may be factored into need-based financial aid programs such as federal, state, and institutional loan, grant, or other programs for funding higher education. An investment in CollegeBound 529 may have an adverse impact on your Beneficiary's eligibility to participate in these need-based financial aid programs.



In making decisions about eligibility for financial aid programs offered by the U.S. government and the amount of financial aid required, the U.S. Department of Education takes into consideration a variety of factors:

- assets of your Beneficiary's parents, if your Beneficiary is a dependent student and the Account Owner is the parent or the Beneficiary, or
- assets of the Beneficiary, if the Beneficiary is the owner of the Account and not a dependent student.

Assets owned by the parent of a Beneficiary who is not a dependent are not considered for purposes of the Free Application for Federal Student Aid (FAFSA). Because the treatment of Account assets on the FAFSA may have a material adverse effect on your Beneficiary's eligibility to receive valuable benefits under financial aid programs, you or your Beneficiary should check with:

- the applicable laws or regulations,
- the financial aid office of an Eligible Educational Institution,
- your tax advisor regarding the impact of an investment in and distributions from CollegeBound 529 on needs-based financial aid programs; and/or
- a financial advisor.

CollegeBound 529 accounts are not considered when determining eligibility for state financial aid programs in Rhode Island. If you are not a Rhode Island resident, check with the financial aid office of an Eligible Educational Institution for more information.

**Relationship of Your Account to Medicaid Eligibility.** It is unclear how local and state government agencies will treat Qualified Tuition Program assets for the purpose of Medicaid eligibility. Although there are federal guidelines under Title XIX of the Social Security Act of 1965, each state administers its Medicaid program and rules could vary greatly from one state to the next. You should check with an attorney, a tax advisor, or your local Medicaid administrator regarding the impact of an investment in CollegeBound 529 on Medicaid eligibility.

**General Portfolio Risks.** Each Portfolio has its own investment strategy, risks and performance characteristics. In choosing the appropriate Portfolio(s) for your Account, you should consider your financial status, tax situation, risk tolerance, age, investment goals, savings needs, time horizons of you or your Beneficiary, and other factors you determine to be important.

A Portfolio's risk and potential return are functions of its relative weightings of stock, bond, and money market investments. Certain Portfolios carry more and/or different risks than others. In general, the greater a Portfolio's exposure to stock investments, the higher its risk (especially short-term volatility) and its potential for superior long-term performance. The more exposure a Portfolio has to bond and money market investments, the lower its risk and its potential long-term returns. There are also variations in risk/return levels within the stock and bond categories. For example, international stocks typically have higher risk levels than domestic stocks.

There is no guarantee that the Investment Manager will continue to provide the Underlying Funds for CollegeBound 529 or manage the Portfolio's assets, as applicable, or that the Program Manager will be able to negotiate their continued services in the future.

For additional information on the risks that may affect Portfolio performance, please read **Portfolio and Underlying Fund Descriptions** beginning on page 52.

**The Target Indices of Certain Underlying Funds may Change.** Certain of the Underlying Funds are index funds. Each index fund reserves the right to substitute a different index for the index it currently tracks. This could happen if the current index is discontinued, if the index fund's agreement with the sponsor of its current index is terminated, or for any other reason determined in good faith by the index fund's board of trustees. In any such instance, a substitute index would measure substantially the same market segment (e.g., large-, mid-, or small-capitalization) as the current index.

**No Indemnification.** The Program Administrators will not indemnify any Account Owner or Beneficiary against losses or other claims arising from the official or unofficial acts, negligent or otherwise, of the Program Administrators.

**Contingent Deferred Sales Charges.** In certain cases, you may be charged a contingent deferred sales charge if you take a distribution of your Class A, Class B, Class BX, Class C or Class CX Units within a specified number of years of the date on which you made the contribution to your Account. In some cases, these sales charges can be significant. Accordingly, it is important to review potential sales charges when determining the appropriate Unit Class for your investments, taking into account the expected date(s) you will begin to take distributions from your Account as well as the impact of any sales charges on the assets available in your Account to pay Qualified Expenses. Please consult your financial advisor and see **Description of Sales Charges** beginning on page 39.

# INVESTMENT CHOICES

## AT A GLANCE

In this section, you will learn more about:

- Investment Options, Portfolios and Underlying Funds in CollegeBound 529
- Investment Allocation of the Portfolios

In this section, you will find information about the Investment Options, including a discussion of the Age-Based Portfolios, the Target Risk Portfolios, and the Individual Portfolios. You should consider the information in this section carefully before choosing to invest in CollegeBound 529. Information about each Portfolio's objective, strategy and risks has been provided by the Investment Manager. If you have questions about any of the investment-related information in this section, please call us at **877.615.4116** or contact your financial advisor prior to making an investment decision.

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## Investments Overview

Your Account assets are held by the Program for your exclusive benefit and cannot be transferred or used by CollegeBound 529 for any purpose other than those of the Program. You are purchasing Units in the Portfolios, not shares of the Underlying Funds. Those Portfolios invest your contributions in one or more of the Underlying Funds.

You can choose from three (3) investment approaches:

- **Age-Based.** Eleven (11) Age-Based Portfolios that are designed to correspond with the expected date of college enrollment. The asset mix (or allocation) of the Portfolios adjusts automatically (quarterly) over time, becoming progressively more conservative as high school graduation and college enrollment approach. Each Portfolio invests in multiple Underlying Funds managed by Invesco;
- **Target Risk.** Three (3) Target Risk Portfolios, in which the asset mix (or allocation) seeks to meet a specific investment goal and risk tolerance. The risk profile of each Portfolio will be fixed over time. Each Portfolio invests in multiple Underlying Funds managed by Invesco; and

- **Individual.** Eleven (11) Individual Portfolios, in which the composition of investments within each Portfolio remains fixed over time.

There is no limit on the number of Investment Options you can choose. The minimum allocation per selected Investment Option is 1% of the amount of your contribution.

## Age-Based Portfolios

The Age-Based Portfolios are designed to take into account a Beneficiary's age and your investing time horizon – i.e., the number of years before your Beneficiary is expected to attend an Eligible Educational Institution.

**Determining the Appropriate Portfolio:** Consider placing your money in a Portfolio that matches your Beneficiary's anticipated year of enrollment at an Eligible Educational Institution (at roughly 18-19 years of age). The Portfolios target asset growth when the Beneficiary is young, and liquidity and safety when he or she approaches college age. The table below identifies that date of birth that corresponds with the appropriate Portfolios.

Birth Date	Portfolio Name
July 31, 1998 and prior	Invesco CollegeBound Today Portfolio
August 1, 1998 – July 31, 2000	Invesco CollegeBound 2017-2018 Portfolio
August 1, 2000 – July 31, 2002	Invesco CollegeBound 2019-2020 Portfolio
August 1, 2002 – July 31, 2004	Invesco CollegeBound 2021-2022 Portfolio
August 1, 2004 – July 31, 2006	Invesco CollegeBound 2023-2024 Portfolio
August 1, 2006 – July 31, 2008	Invesco CollegeBound 2025-2026 Portfolio
August 1, 2008 – July 31, 2010	Invesco CollegeBound 2027-2028 Portfolio
August 1, 2010 – July 31, 2012	Invesco CollegeBound 2029-2030 Portfolio

August 1, 2012 – July 31, 2014	Invesco CollegeBound 2031-2032 Portfolio
August 1, 2014 – July 31, 2016	Invesco CollegeBound 2033-2034 Portfolio
August 1, 2016 – July 31, 2018	Invesco CollegeBound 2035-2036 Portfolio

**Here's how it works:** With the exception of Invesco CollegeBound Today Portfolio, Age-Based Portfolios are designed to evolve over time – to transition from a heavier weight in equities in earlier years to a more conservative investment in fixed income and other investments that seek capital preservation as the Beneficiary approaches college age. Consequently, the risk profile of the Portfolio decreases over time, as does its weight in equities. This change in asset allocation over time is known as a “glide path” that helps smooth the shift from capital accumulation in the earlier years to capital preservation later on:

- **Early years (0-6 years old)** – In general, when the Beneficiary is younger, each Age-Based Portfolio will be invested more heavily in equities to capitalize on the longer investment horizon and to try to maximize returns.
- **Later years (6+ years old)** – As time passes, Account assets are moved automatically to increasingly conservative investments, such as fixed income instruments, in an effort to preserve capital as the time for distribution approaches. Portfolios with more investments in fixed income instruments, and other investments that seek capital preservation tend to be less volatile than those with a higher percentage of investments in equities.
- **College enrollment (18+)** – The Invesco CollegeBound Today Portfolio seeks to meet the risk tolerance of Beneficiaries during their college years. The asset allocation remains static because

the Invesco CollegeBound Today Portfolio is already at its most conservative phase when Beneficiaries are currently attending college. Therefore, the Invesco CollegeBound Today Portfolio is allocated to fixed income instruments and other investments that seek capital preservation to provide liquidity for withdrawals during the college years. When the expected college enrollment date of an Age-Based Portfolio approaches, the assets in that particular Age-Based Portfolio are transferred into the Invesco CollegeBound Today Portfolio and that original Age-Based Portfolio is closed out. This happens about every two (2) years. Additionally, whenever an Age-Based Portfolio is closed out, a new Age-Based Portfolio is created that represents the anticipated year of enrollment for the youngest Beneficiaries (roughly age 2 and younger).

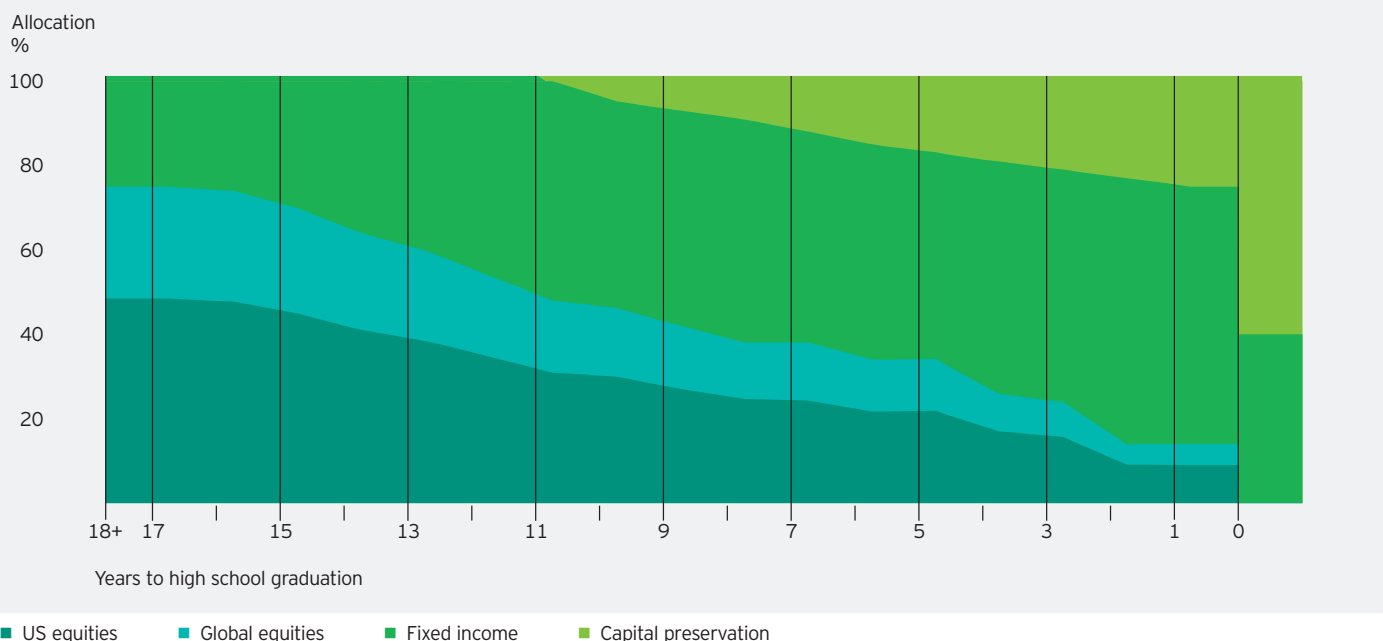
Less-volatile Portfolios generally will not decline as far when stock markets go down, but they also generally will not appreciate in value as much when stock markets go up. There is no assurance that any Portfolio will be able to reach its goal.

The objectives and strategies of the Underlying Funds in the Age-Based Portfolios are discussed in **Individual Portfolio Descriptions** beginning on page 56 and **Age-Based Portfolio Underlying Fund Descriptions** beginning on page 53. For more information about the risks of the Underlying Funds in the Age-Based Portfolios, please see **Explanations of Investment Risk Factors** beginning on page 59.

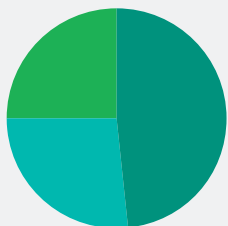
Invesco monitors and rebalances the underlying asset allocations of the Age-Based Portfolios on a monthly basis. Invesco rebalances the Age-Based Portfolios when the Portfolios fall outside the strategic targets by more than one percent (1%).

The glide path chart below represents the changes in asset class allocations over time for the Aged-Based Portfolios. For purposes of selecting an Age-Based Portfolio, dates of birth for each Portfolio are from August through July. Allocations as of July 8, 2016. Current allocations may differ.

### Glide Path for Invesco CollegeBound Age-Based Portfolios

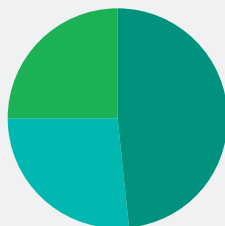


### Invesco CollegeBound 2035-2036 Portfolio



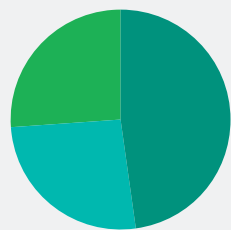
	%
US equities	48.50
Global equities	26.50
Fixed income	25.00
Capital preservation	0.00

### Invesco CollegeBound 2033-2034 Portfolio



	%
US equities	48.50
Global equities	26.50
Fixed income	25.00
Capital preservation	0.00

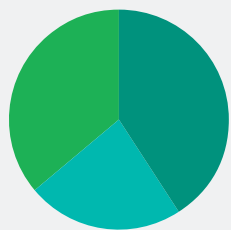
### Invesco CollegeBound 2031-2032 Portfolio



%

US equities	47.75
Global equities	26.25
Fixed income	26.00
Capital preservation	0.00

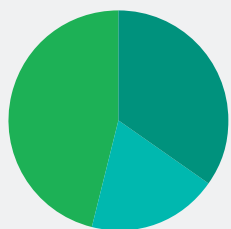
### Invesco CollegeBound 2029-2030 Portfolio



%

US equities	41.00
Global equities	23.00
Fixed income	36.00
Capital preservation	0.00

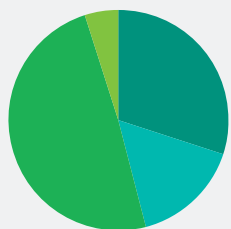
### Invesco CollegeBound 2027-2028 Portfolio



%

US equities	34.80
Global equities	19.20
Fixed income	46.00
Capital preservation	0.00

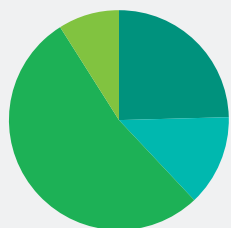
### Invesco CollegeBound 2025-2026 Portfolio



%

US equities	30.00
Global equities	16.00
Fixed income	49.00
Capital preservation	5.00

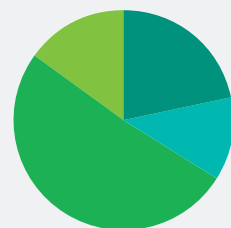
### Invesco CollegeBound 2023-2024 Portfolio



%

US equities	24.60
Global equities	13.40
Fixed income	53.00
Capital preservation	9.00

### Invesco CollegeBound 2021-2022 Portfolio

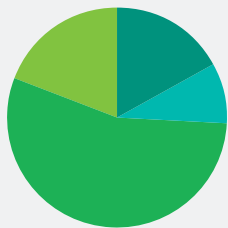


%

US equities	21.70
Global equities	12.30
Fixed income	51.00
Capital preservation	15.00

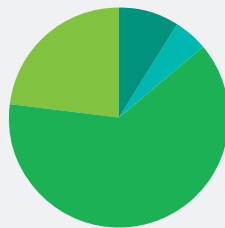
For purposes of selecting an Age-Based Portfolio, dates of birth for each Portfolio are from August through July. Allocations as of July 8, 2016. Current allocations may differ.

### Invesco CollegeBound 2019-2020 Portfolio



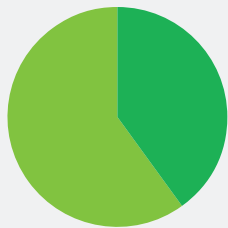
	%
■ US equities	17.00
■ Global equities	8.96
■ Fixed income	55.04
■ Capital preservation	19.00

### Invesco CollegeBound 2017-2018 Portfolio



	%
■ US equities	9.20
■ Global equities	4.80
■ Fixed income	63.00
■ Capital preservation	23.00

### Invesco CollegeBound Today Portfolio



	%
■ US equities	0.00
■ Global equities	0.00
■ Fixed income	40.00
■ Capital preservation	60.00

For purposes of selecting an Age-Based Portfolio, dates of birth for each Portfolio are from August through July. Allocations as of July 8, 2016. Current allocations may differ.



The table below shows the target asset allocations for each Age-Based Portfolio as of July 8, 2016.

<b>ASSET ALLOCATION TABLE – AGE-BASED PORTFOLIOS (as of July 8, 2016)</b>											
	<b>2035- 2036 Portfolio</b>	<b>2033- 2034 Portfolio</b>	<b>2031- 2032 Portfolio</b>	<b>2029- 2030 Portfolio</b>	<b>2027- 2028 Portfolio</b>	<b>2025- 2026 Portfolio</b>	<b>2023- 2024 Portfolio</b>	<b>2021- 2022 Portfolio</b>	<b>2019- 2020 Portfolio</b>	<b>2017- 2018 Portfolio</b>	<b>College Bound Today Portfolio</b>
<b>Capital preservation</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>5.00%</b>	<b>9.00%</b>	<b>15.00%</b>	<b>19.00%</b>	<b>23.00%</b>	<b>60.00%</b>
Invesco Stable Value Portfolio	0.00%	0.00%	0.00%	0.00%	0.00%	3.33%	6.00%	10.00%	12.67%	15.33%	40.00%
Government & Agency Portfolio	0.00%	0.00%	0.00%	0.00%	0.00%	1.67%	3.00%	5.00%	6.33%	7.67%	20.00%
<b>Fixed income</b>	<b>25.00%</b>	<b>25.00%</b>	<b>26.00%</b>	<b>36.00%</b>	<b>46.00%</b>	<b>49.00%</b>	<b>53.00%</b>	<b>51.00%</b>	<b>55.04%</b>	<b>63.00%</b>	<b>40.00%</b>
Invesco Short Duration Inflation Protected Fund	2.00%	2.00%	2.00%	9.00%	12.00%	14.00%	15.90%	15.30%	16.50%	18.90%	12.00%
Invesco Floating Rate Fund	4.00%	4.00%	5.00%	6.00%	8.00%	9.00%	9.43%	9.07%	9.80%	11.20%	7.12%
Invesco Core Plus Bond Fund	19.00%	19.00%	19.00%	21.00%	24.00%	21.00%	22.14%	18.64%	17.25%	19.74%	10.44%
Invesco Short Term Bond Fund	0.00%	0.00%	0.00%	0.00%	2.00%	5.00%	5.53%	7.99%	11.49%	13.16%	10.44%
<b>US equities</b>	<b>48.50%</b>	<b>48.50%</b>	<b>47.75%</b>	<b>41.00%</b>	<b>34.80%</b>	<b>30.00%</b>	<b>24.60%</b>	<b>21.70%</b>	<b>17.00%</b>	<b>9.20%</b>	<b>0.00%</b>
Invesco Equally-Weighted S&P 500 Fund	13.00%	13.00%	13.00%	10.50%	10.80%	10.00%	8.20%	9.80%	10.00%	5.40%	0.00%
Invesco Diversified Dividend Fund	27.00%	27.00%	26.25%	22.50%	17.00%	13.00%	10.70%	8.05%	5.00%	2.70%	0.00%
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	8.50%	8.50%	8.50%	8.00%	7.00%	7.00%	5.70%	3.85%	2.00%	1.10%	0.00%
<b>Global equities</b>	<b>26.50%</b>	<b>26.50%</b>	<b>26.25%</b>	<b>23.00%</b>	<b>19.20%</b>	<b>16.00%</b>	<b>13.40%</b>	<b>12.30%</b>	<b>8.96%</b>	<b>4.80%</b>	<b>0.00%</b>
PowerShares FTSE RAFI Dev Mkts ex-US Portfolio	3.50%	3.50%	3.59%	3.20%	4.50%	5.00%	4.10%	4.45%	4.00%	2.15%	0.00%
Invesco Global Growth Fund	17.50%	17.50%	17.25%	15.00%	10.80%	8.00%	6.60%	5.35%	3.00%	1.62%	0.00%
Invesco Global Real Estate Income Fund	2.35%	2.35%	2.33%	2.10%	1.70%	1.20%	1.20%	1.06%	0.85%	0.44%	0.00%
PowerShares FTSE RAFI Emerging Mkts Portfolio	1.40%	1.40%	1.37%	1.20%	1.00%	0.80%	0.70%	0.64%	0.50%	0.26%	0.00%
PowerShares S&P Em Mkts Low Volatility Portfolio	1.75%	1.75%	1.71%	1.50%	1.20%	1.00%	0.80%	0.80%	0.61%	0.33%	0.00%

For purposes of selecting an Age-Based Portfolio, dates of birth for each Portfolio are from August through July. Allocations as of July 8, 2016. Current allocations may differ.

## Target Risk Portfolios

These Portfolios give you the opportunity to invest based on your risk tolerance and investment goals. You can select a Portfolio that reflects a level of investment risk (conservative, moderate, growth) with which you are comfortable. In the Target Risk Portfolios, the risk profile is set and does not evolve as the Beneficiary ages (as in the Age-Based Portfolios). Because the Portfolio's risk profile is fixed throughout the life of your investment, your asset allocation should not shift unless you direct us to move your assets to another Portfolio. Asset allocation may also shift as a result of changes in the Underlying Fund.

If you choose to invest in Target Risk Portfolios that invest in Underlying Funds with a significant weighting in equities, such as the Growth Portfolio, as your Beneficiary approaches college age, you should consider moving your assets to the more conservative Target Risk Portfolios, Individual Portfolios or Age-Based Portfolios that invest in fixed income instruments or seek capital preservation. Please note that there are limitations on your ability to move assets from one Portfolio to another. (Please see *Maintaining Your Account* beginning on page 14).

The table below illustrates the target asset allocation and asset class of each Target Risk Portfolio. The Target Risk Portfolios are rebalanced when the Portfolios fall outside of their strategic targets by more than one percent (1%).

<b>ASSET ALLOCATION TABLE – TARGET RISK PORTFOLIOS</b> (as of July 8, 2016)			
<b>Underlying Fund</b>	<b>Invesco Growth College Portfolio</b>	<b>Invesco Moderate College Portfolio</b>	<b>Invesco Conservative College Portfolio</b>
<b>CAPITAL PRESERVATION</b>			
Invesco Stable Value Portfolio	0.00%	0.00%	10.00%
Government & Agency Portfolio	0.00%	0.00%	5.00%
<b>Subtotal</b>	<b>0.00%</b>	<b>0.00%</b>	<b>15.00%</b>
<b>FIXED INCOME</b>			
Invesco Short Duration Inflation Protected Fund	4.00%	10.00%	15.00%
Invesco Floating Rate Fund	3.00%	6.00%	9.00%
Invesco Core Plus Bond Fund	8.00%	22.00%	19.00%
Invesco Short Term Bond Fund	0.00%	2.00%	8.00%
<b>Subtotal</b>	<b>15.00%</b>	<b>40.00%</b>	<b>51.00%</b>
<b>US EQUITIES</b>			
Invesco Equally-Weighted S&P 500 Fund	15.00%	11.50%	10.00%
Invesco Diversified Dividend Fund	30.00%	19.00%	8.00%
PowerShares FTSE RAFI US 1500 Sm-Mid Portfolio	10.00%	8.00%	4.00%
<b>Subtotal</b>	<b>55.00%</b>	<b>38.50%</b>	<b>22.00%</b>
<b>GLOBAL EQUITIES</b>			
PowerShares FTSE RAFI Dev Mkts ex-US Portfolio	4.00%	5.00%	4.00%
Invesco Global Growth Fund	19.00%	12.00%	5.00%
Invesco Global Real Estate Income Fund	3.00%	1.90%	3.00%
PowerShares FTSE RAFI Emerging Mkts Portfolio	2.00%	1.30%	0.00%
PowerShares S&P Em Mkts Low Volatility Portfolio	2.00%	1.30%	0.00%
<b>Subtotal</b>	<b>30.00%</b>	<b>21.50%</b>	<b>12.00%</b>
<b>PORTFOLIO TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

## Individual Portfolios

You may also choose to invest in one or more Individual Portfolios that give exposure to a single type of asset class. Similar to the Target Risk Portfolios, your assets are not automatically moved to more conservative Underlying Funds as the Beneficiary ages. Should you choose Individual Portfolios that invest in Underlying Funds with a significant weighting in equities, such as the Invesco Equally-

Weighted S&P 500 Portfolio and the Invesco International Growth Portfolio, you should consider moving your assets to the more conservative Individual Portfolios, Target Risk Portfolios, or Age-Based Portfolio as your Beneficiary approaches college age. Please note that there are limitations on your ability to move assets from one Portfolio to another. (See *Maintaining Your Account* beginning on page 14.)

The table below illustrates the asset class of the Underlying Fund within each Individual Portfolio.

Individual Portfolios	Underlying Fund	Asset Class
Invesco Stable Value Portfolio	Invesco Stable Value separate account	Stable Value
Invesco Short Duration Inflation Protected Portfolio	Invesco Short Duration Inflation Protected Fund	TIPS
Invesco Core Plus Bond Portfolio	Invesco Core Plus Bond Fund	Core Plus Bond
Invesco Equally-Weighted S&P 500 Portfolio	Invesco Equally-Weighted S&P 500 Fund	Large Cap Core Equity
Invesco Diversified Dividend Portfolio	Invesco Diversified Dividend Fund	Large Cap Value Equity
Invesco Equity and Income Portfolio	Invesco Equity and Income Fund	Balanced
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	SMID Cap Broad Equity
Invesco Small Cap Growth Portfolio	Invesco Small Cap Growth Fund	Small Cap Growth Equity
Invesco Global Sustainable Equity Portfolio	Invesco Global Responsibility Equity Fund	Global Equity
Invesco International Growth Portfolio	Invesco International Growth Fund	International Growth Equity
PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	International Core Equity

## PORTFOLIO AND UNDERLYING FUND DESCRIPTIONS

The following descriptions highlight the investment objective, strategy, and main risks of each Portfolio. The Portfolios in CollegeBound 529 are more likely to meet their goals if each Underlying Fund in which each Portfolio invests achieves its stated investment objectives.

As with any investment, your Portfolios' performance could trail that of other investments or lose money. Each Portfolio has a different level of risk. The information below is provided by the Investment Manager and only lists the main risks of the Portfolios. Descriptions of the listed risks can be found in the **Explanations of Investment Risk Factors** beginning on page 59. Other than the Invesco Stable Value Portfolio, each Underlying Fund is a mutual fund or ETF and its current prospectus and statement of additional information contains information not summarized here and identifies additional risks that are not discussed below. You may wish to speak to with your financial advisor to understand the specific risks associated with each Portfolio.

For those Underlying Funds that are mutual funds or ETFs, the following descriptions may summarize such Underlying Fund's prospectus summary which contains further information regarding an Underlying Fund's strategy and risks. For a copy of an Underlying Fund's prospectus, please visit Invesco's website at [www.invesco.com](http://www.invesco.com) or call (800) 959-4246.

## AGE-BASED PORTFOLIO DESCRIPTIONS

### Invesco CollegeBound Today Portfolio

**Investment Objective:** The Invesco CollegeBound Today Portfolio seeks to achieve preservation of capital, with a secondary objective of providing liquidity and income.

**Principal Strategies:** The Portfolio allocates its assets to Underlying Funds consisting of exchange traded funds and mutual funds, seeking current income by providing access to fixed income and cash

equivalents. The Underlying Funds represent different investment objectives and strategies. The Portfolio typically allocates 40% of its assets to broad fixed income, 40% of its assets to the Stable Value Portfolio and 20% of its assets to money market funds, although this is may be periodically rebalanced or modified.

**Risks:** Wrap Contract Risk, Crediting Rate Risk, Market and Default Risk - Stable Value, Interest Rate Risk, Yield Curve Risk, Equity Wash or Liquidity Risk, Call Risk, Prepayment Risk, Derivatives Risk, Debt Securities Risk, Liquidity Risk, Management Risk, Market Risk, Money Market Fund Risk, Repurchase Agreement Risk, U.S. Government Obligations Risk and Yield Risk

**Invesco CollegeBound 2017-2018 Portfolio**  
**Invesco CollegeBound 2019-2020 Portfolio**  
**Invesco CollegeBound 2021-2022 Portfolio**  
**Invesco CollegeBound 2023-2024 Portfolio**  
**Invesco CollegeBound 2025-2026 Portfolio**  
**Invesco CollegeBound 2027-2028 Portfolio**  
**Invesco CollegeBound 2029-2030 Portfolio**  
**Invesco CollegeBound 2031-2032 Portfolio**  
**Invesco CollegeBound 2033-2034 Portfolio**  
**Invesco CollegeBound 2035-2036 Portfolio**

**Objective:** These Portfolios seek to achieve capital appreciation, income and preservation of capital as appropriate for proximity to their applicable target date. The target date is the year which corresponds to the potential college enrollment year of the Beneficiary. The objectives of these Portfolios become more focused on capital preservation and income as they approach their applicable target date.

**Strategy:** The Portfolios allocate their assets to Underlying Funds consisting of exchange traded funds and mutual funds, seeking to provide access to broad asset classes, including domestic US stocks, international stocks, bonds and cash. The Underlying Funds represent different investment objectives and strategies. The allocation to

broad asset classes and weights in the Underlying Funds are expected to change – reducing exposure to stocks and increasing holdings in fixed income and cash equivalents– until the Beneficiary enrolls in college. The asset class allocations and investment in Underlying Funds may periodically be rebalanced or modified.

**Risks: Each of the Portfolios may be subject to the following**

**risks:** Active Trading Risk, ADR and GDR Risk, Bank Loan Risk, Borrowing Risk, Changing Fixed Income Market Conditions Risk, Call Risk, China Investment Risk, Convertible Securities Risk, Collateralized Loan Obligations Risk, Credit Linked Notes Risk, Credit Risk, Currency Risk, Debt Securities Risk, Defaulted Securities Risk, Depositary Receipts Risk, Derivatives Risk, Emerging Markets Investment Risk, Environmental and Social Investing Risk, Equity Risk, Financial Services Sector Risk, Foreign Credit Exposure Risk, Foreign Securities Risk, Geographic Focus Risk, Growth Investing Risk, High Yield Debt Securities (Junk Bond) Risk, Index Risk, Industry Concentration Risk, Inflation Risk, Interest Rate Risk, Investing in the European Union Risk, Issuer-Specific Changes Risk, Leverage Risk, Liquidity Risk, Management Risk, Management Risk- MMF, Market Risk, Market Risk- MMF, Market Risk - PowerShares, Market Trading Risk, Mid-Capitalization Companies Risk, Mortgage and Asset-Backed Securities Risk, Municipal Securities Risk, Non-Correlation Risk, Non-Diversified Fund Risk, Preferred Securities Risk, Prepayment Risk, REIT Risk/Real Estate Risk, Risks Associated with Investing in an Investment Vehicle, Sampling Risk, Sector Focus Risk, Securities Lending Risk, Short Position Risk, Small- and Mid-Capitalization Risks, Spread Risk, Suitability Risk, Reinvestment Risk, When-Issued and Delayed Delivery Risks

In addition, the **Invesco CollegeBound 2017-2018 Portfolio, the Invesco CollegeBound 2019-2020 Portfolio, Invesco CollegeBound 2021-2022 Portfolio, Invesco CollegeBound 2023-2024 Portfolio, and Invesco CollegeBound 2025-2026 Portfolio** may be subject to these additional risks: Reinvestment Risk, TBA Transactions Risk, U.S. Government Obligations Risk, Yield Curve Risk, Yield Risk and Zero Coupon or Pay-In-Kind Securities Risk.

## AGE-BASED PORTFOLIO UNDERLYING FUND DESCRIPTIONS

For descriptions of Invesco Core Plus Bond Fund, Invesco Equally-Weighted S&P 500 Fund, Invesco Diversified Dividend Fund, PowerShares FTSE RAFI US 1500 Small-Mid Portfolio, PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio, and Invesco Stable Value Portfolio, please see **Individual Portfolio Descriptions** beginning on page 56.

### Government & Agency Portfolio

**Objective:** The Government & Agency Portfolio seeks to provide current income consistent with preservation of capital and liquidity.

**Principal Strategies:** The Portfolio invests at least 99.5% of its total assets in cash, Government Securities, and repurchase agreements collateralized by cash or Government Securities. Government Security generally means any security issued or guaranteed as to principal or interest by the U.S. Government or certain of its agencies or instrumentalities; or any certificate of deposit for any of the foregoing. The Portfolio considers repurchase agreements with the Federal Reserve Bank of New York to be U.S. Government securities for purposes of the Portfolio's investment policies. The Portfolio will limit

investments to those securities that are Eligible Securities as defined by applicable regulations at the time of purchase. The Underlying Fund is a Government Money Market Fund, as defined by Rule 2a-7 under the Investment Company Act of 1940, that seeks to maintain a stable price of \$1.00 per share by using the amortized cost method to value portfolio securities and rounding the share value to the nearest cent.

### Invesco Short Term Bond Fund

**Objective:** The Invesco Short Term Bond Fund seeks total return, comprised of current income and capital appreciation.

**Principal Strategies:** The Fund invests, under normal circumstances, at least 80% of its net assets (plus any borrowings for investment purposes) in fixed-income securities, and in derivatives and other instruments that have economic characteristics similar to such securities. The Fund invests primarily in investment grade fixed-income securities. The principal types of fixed-income securities in which the Fund invests are corporate bonds, U.S. Treasury and agency securities and mortgage backed and asset-backed securities. Investment grade securities are: (i) securities rated BBB- or higher by Standard & Poor's Ratings Services (S&P) or Baa3 or higher by Moody's Investors Service, Inc. (Moody's) or an equivalent rating by another nationally recognized statistical rating organization (NRSRO), (ii) securities with comparable short-term NRSRO ratings, or (iii) unrated securities determined by Invesco to be of comparable quality, each at the time of purchase.

### Invesco Floating Rate Fund

**Objective:** The Invesco Floating Rate Fund seeks total return, comprised of current income and capital appreciation.

**Principal Strategies:** The Fund invests under normal circumstances at least 80% of its net assets (plus any borrowings for investment purposes) in senior secured floating rate loans made by banks and other lending institutions and in senior secured floating rate debt instruments, and in derivatives and other instruments that have economic characteristics similar to such securities. The Fund may use leverage in an effort to maximize its return through borrowing, generally from banks, in an amount of up to 33 1/3% of the Fund's total assets after such borrowing. Floating rate loans (also known as bank loans) are made to or issued by companies (borrowers), which may include U.S. and non-U.S. companies, and bear interest at a floating rate that resets periodically. The interest rates on floating rate loans are generally based on a percentage above LIBOR (the London Interbank Offered Rate), a designated U.S. bank's prime or base rate, or the overnight federal funds rate. The Underlying Fund may invest up to 100% of its net assets in floating rate loans and floating rate debt securities that are determined to be below investment grade. The Underlying Fund may invest up to 100% of its net assets in floating rate loans and floating rate debt securities of non-U.S. borrowers or issuers. The Underlying Fund will only invest in loans or securities that are U.S. dollar denominated or otherwise provide for payment in U.S. dollars.

### PowerShares S&P Emerging Markets Low Volatility Portfolio

**Objective:** The PowerShares S&P Emerging Markets Low Volatility Portfolio seeks investment results that generally correspond (before fees and expenses) to the price and yield of the S&P BMI Emerging Markets Low Volatility Index.

**Principal Strategies:** The Portfolio will invest at least 90% of its total assets in the securities of companies that comprise the underlying index. S&P Dow Jones Indices LLC (“S&P DJI” or the “Index Provider”) compiles, maintains and calculates the underlying index, which is designed to measure the performance of 200 of the least volatile stocks of the S&P Emerging Plus LargeMidCap Index. Strictly in accordance with its guidelines and mandated procedures, the Index Provider determines which securities are the least volatile over the past 12 months of companies in the S&P Emerging Plus LargeMidCap Index for inclusion in the underlying index. Historically, the S&P Emerging Plus LargeMidCap Index has included all publicly listed equity securities with float-adjusted market values of at least \$100 million and annual dollar value traded of at least \$50 million from the following countries: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Malaysia, Mexico, Morocco, Peru, Qatar, the Philippines, Poland, Russia, South Africa, South Korea, Taiwan, Thailand, Turkey and the United Arab Emirates. Volatility is a statistical measurement of the magnitude of up and down asset price fluctuations (increases or decreases in a stock’s price) over time. The Portfolio generally invests in all of the securities comprising its underlying index in proportion to their weightings in the underlying index.

#### **PowerShares FTSE RAFI Emerging Markets Portfolio**

**Objective:** The PowerShares FTSE RAFI Emerging Markets Portfolio seeks investment results that generally correspond (before fees and expenses) to the price and yield of the FTSE RAFI Emerging Markets Index.

**Principal Strategies:** The Portfolio will invest at least 90% of its total assets in securities of companies domiciled in countries that are classified as emerging markets within the country classification definition of FTSE International Limited (“FTSE” or the “Index Provider”) that comprise the underlying index, as well as American depository receipts (“ADRs”) and global depository receipts (“GDRs”) that are based on the securities in the underlying index. The Portfolio anticipates that a significant portion of its investments will be in ADRs and GDRs that are based on the securities included in the underlying index. The underlying index is designed to track the performance of securities of companies domiciled in emerging market countries with the highest ranking cumulative score (“Fundamental Value”), selected from the constituents of the FTSE Emerging All Cap Index, as determined by FTSE. The Index Provider selects and weights the securities based on their Fundamental Values, which are derived from the following four fundamental measures of firm size: book value, cash flow, sales and dividends. Historically, the underlying index has consisted of securities of companies that were domiciled in Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Malaysia, Mexico, Morocco, Pakistan, Peru, the Philippines, Poland, Russia, South Africa, Taiwan, Thailand, Turkey and the United Arab Emirates. The Portfolio does not purchase all of the securities in the underlying index; instead, the Portfolio utilizes a “sampling” methodology to seek to achieve its investment objective.

#### **Invesco Global Real Estate Fund**

**Objective:** The Invesco Global Real Estate Fund seeks to provide total return through growth of capital and current income.

**Principal Strategies:** The Fund invests, under normal circumstances, at least 80% of its net assets (plus any borrowings for

investment purposes) in securities of real estate and real estate-related issuers, and in derivatives and other instruments that have economic characteristics similar to such securities. The Fund invests primarily in real estate investment trusts (REITs) and equity securities (including common and preferred stock, and convertible securities) of domestic and foreign issuers. The Fund considers an issuer to be a real estate or real estate-related issuer if at least 50% of its assets, gross income or net profits are attributable to ownership, construction, management or sale of residential, commercial or industrial real estate. These issuers include (i) REITs or other real estate operating companies that (a) own property, (b) make or invest in short term construction and development mortgage loans, or (c) invest in long-term mortgages or mortgage pools, and (ii) companies whose products and services are related to the real estate industry, such as manufacturers and distributors of building supplies and financial institutions that issue or service mortgages.

Under normal circumstances, the Underlying Fund will provide exposure to investments that are economically tied to at least three different countries, including the U.S. The Underlying Fund may invest up to 20% of its net assets in securities of issuers located in emerging markets countries, i.e., those that are in the initial stages of their industrial cycles. The Underlying Fund may invest in securities of issuers of all capitalization sizes. Real estate companies tend to have smaller asset bases compared with other market sectors, therefore, the Fund may hold a significant amount of securities of small-and mid-capitalization issuers.

The Underlying Fund may engage in short sales of securities.

#### **Invesco Global Growth Fund**

**Objective:** The Invesco Global Growth Fund seeks to provide long-term growth of capital.

**Principal Strategies:** The Fund invests primarily in equity securities and depository receipts of domestic and foreign issuers. The principal types of equity securities in which the Fund invests are common and preferred stock. Under normal circumstances, the Fund will provide exposure to investments that are economically tied to at least three different countries, including the U.S. The Fund may invest up to 20% of its net assets in securities of issuers located in emerging markets countries, i.e., those that are in the early stages of their industrial cycles. The Fund invests primarily in securities of issuers that are considered by the Fund’s portfolio managers to have potential for earnings or revenue growth.

The Fund invests primarily in the securities of large-capitalization issuers; however, the Fund may invest a significant amount of its net assets in the securities of mid-capitalization issuers. Historically the Fund has not hedged the currency exposure created by its investments in foreign securities but has the ability to do so if deemed appropriate by the Fund’s portfolio managers. The Fund can invest in derivative instruments, including forward foreign currency contracts and futures contracts. The Fund can use forward foreign currency contracts to hedge against adverse movements in the foreign currencies in which portfolio securities are denominated. The Fund can use futures contracts to gain exposure to the broad market in connection with managing cash balances or to hedge against downside risk.



## TARGET RISK PORTFOLIO DESCRIPTIONS

### Invesco Growth College Portfolio

**Investment Objective:** The Invesco Growth College Portfolio seeks to provide capital appreciation.

**Principal Strategies:** The Portfolio's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks. The Portfolio's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Invesco to seek to minimize foreign currency exposure).

### Invesco CollegeBound Growth Portfolio



	%
■ US equities	55.00
■ Global equities	30.00
■ Fixed income	15.00
■ Capital preservation	0.00

Allocations as of July 8, 2016. Current allocations may differ.

**Risks:** Active Trading Risk, ADR and GDR Risk, Bank Loan Risk, Borrowing Risk, Changing Fixed Income Market Conditions Risk, Call Risk, China Investment Risk, Convertible Securities Risk, Collateralized Loan Obligations Risk, Credit Linked Notes Risk, Credit Risk, Currency Risk, Debt Securities Risk, Defaulted Securities Risk, Depository Receipts Risk, Derivatives Risk, Developing/Emerging Markets Securities Risk, Emerging Markets Investment Risk, Environmental and Social Investing Risk, Equity Risk, Financial Services Sector Risk, Foreign Credit Exposure Risk, Foreign Securities Risk, Geographic Focus Risk, Growth Investing Risk, High Yield Debt Securities (Junk Bond) Risk, Index Risk, Industry Concentration Risk, Inflation Risk, Interest Rate Risk, Investing in the European Union Risk, Issuer-Specific Changes Risk, Leverage Risk, Liquidity Risk, Management Risk, Management Risk- MMF, Market Risk, Market Risk- MMF, Market Risk – PowerShares, Market Trading Risk, Mid-Capitalization Companies Risk, Mortgage and Asset-Backed Securities Risk, Municipal Securities Risk, Non-Correlation Risk, Non-Diversified Fund Risk, Preferred Securities Risk, Prepayment Risk, REIT Risk/Real Estate Risk, Risks Associated with Investing in an Investment Vehicle, Sampling Risk, Sector Focus Risk, Securities Lending Risk, Short Position Risk, Small- and Mid-Capitalization Risks, Spread Risk, Suitability Risk, When-Issued and Delayed Delivery Risks

### Invesco Moderate College Portfolio

**Investment Objective:** The Invesco Moderate College Portfolio seeks to provide current income and some capital appreciation.

**Principal Strategies:** The Portfolio's indirect stock holdings are a

diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks. The Portfolio's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Invesco to seek to minimize foreign currency exposure).

### Invesco CollegeBound Moderate Portfolio



	%
■ US equities	38.50
■ Global equities	21.50
■ Fixed income	40.00
■ Capital preservation	0.00

Allocations as of July 8, 2016. Current allocations may differ.

**Risks:** Active Trading Risk, ADR and GDR Risk, Bank Loan Risk, Borrowing Risk, Changing Fixed Income Market Conditions Risk, Call Risk, China Investment Risk, Convertible Securities Risk, Collateralized Loan Obligations Risk, Credit Linked Notes Risk, Credit Risk, Currency Risk, Debt Securities Risk, Defaulted Securities Risk, Depository Receipts Risk, Derivatives Risk, Emerging Markets Investment Risk, Environmental and Social Investing Risk, Equity Risk, Financial Services Sector Risk, Foreign Credit Exposure Risk, Foreign Securities Risk, Geographic Focus Risk, Growth Investing Risk, High Yield Debt Securities (Junk Bond) Risk, Index Risk, Industry Concentration Risk, Inflation Risk, Interest Rate Risk, Investing in the European Union Risk, Issuer-Specific Changes Risk, Leverage Risk, Liquidity Risk, Management Risk, Management Risk- MMF, Market Risk, Market Risk- MMF, Market Risk – PowerShares, Market Trading Risk, Mid-Capitalization Companies Risk, Mortgage and Asset-Backed Securities Risk, Municipal Securities Risk, Non-Correlation Risk, Non-Diversified Fund Risk, Preferred Securities Risk, Prepayment Risk, Reinvestment Risk, REIT Risk/Real Estate Risk, Risks Associated with Investing in an Investment Vehicle, Sampling Risk, Sector Focus Risk, Securities Lending Risk, Short Position Risk, Small- and Mid-Capitalization Risks, Spread Risk, Suitability Risk, Reinvestment Risk, TBA Transactions Risk, U.S. Government Obligations Risk, When-Issued and Delayed Delivery Risks, Yield Curve Risk, Yield Risk and Zero Coupon or Pay-In-Kind Securities Risk

### Invesco Conservative College Portfolio

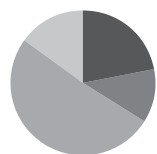
**Investment Objective:** The Invesco Conservative College Portfolio seeks to provide current income and some capital appreciation.

**Principal Strategies:** The Portfolio's indirect bond and cash holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; mortgage backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by



Invesco to seek to minimize foreign currency exposure). The Portfolio's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

## Invesco CollegeBound Conservative Portfolio



	%
■ US equities	22.00
■ Global equities	12.00
■ Fixed income	51.00
■ Capital preservation	15.00

Allocations as of July 8, 2016. Current allocations may differ.

**Risks:** Active Trading Risk, Bank Loan Risk, Borrowing Risk, Changing Fixed Income Market Conditions Risk, Call Risk, Convertible Securities Risk, Collateralized Loan Obligations Risk, Credit Linked Notes Risk, Credit Risk, Currency Risk, Debt Securities Risk, Defaulted Securities Risk, Depositary Receipts Risk, Derivatives Risk, Emerging Markets Investment Risk, Environmental and Social Investing Risk, Equity Risk, Financial Services Sector Risk, Foreign Credit Exposure Risk, Foreign Securities Risk, Geographic Focus Risk, Growth Investing Risk, High Yield Debt Securities (Junk Bond) Risk, Index Risk, Industry Concentration Risk, Inflation Risk, Interest Rate Risk, Investing in the European Union Risk, Issuer-Specific Changes Risk, Leverage Risk, Liquidity Risk, Management Risk, Management Risk-MMF, Market Risk, Market Risk-MMF, Market Risk – PowerShares, Market Trading Risk, Mid-Capitalization Companies Risk, Mortgage and Asset-Backed Securities Risk, Municipal Securities Risk, Non-Correlation Risk, Preferred Securities Risk, Prepayment Risk, Reinvestment Risk, REIT Risk/Real Estate Risk, Risks Associated with Investing in an Investment Vehicle, Sampling Risk, Sector Focus Risk, Securities Lending Risk, Short Position Risk, Small- and Mid-Capitalization Risks, Spread Risk, Suitability Risk, Reinvestment Risk, TBA Transactions Risk, U.S. Government Obligations Risk, When-Issued and Delayed Delivery Risks, Yield Curve Risk, Yield Risk and Zero Coupon or Pay-In-Kind Securities Risk

## INDIVIDUAL PORTFOLIO DESCRIPTIONS

### Invesco Core Plus Bond Portfolio

**Underlying Fund:** Invesco Core Plus Bond Fund  
**Investment Objective:** The Invesco Core Plus Bond Portfolio seeks total return, comprised of current income and capital appreciation.

**Principal Strategies:** The Underlying Fund invests, under normal circumstances, at least 80% of its net assets (plus any borrowings for investment purposes) in fixed income securities, and in derivatives and other instruments that have economic characteristics similar to such securities.

The Underlying Fund invests primarily in investment grade fixed-income securities generally represented by the Barclays U.S.

Aggregate Index (the benchmark index). The principal types of fixed-income securities in which the Underlying Fund invests are corporate bonds, U.S. Treasury and agency securities, and mortgage backed and asset-backed securities.

The Underlying Fund may invest up to 30% of its net assets in foreign debt securities, including debt securities of issuers located in emerging markets countries, and may invest up to 20% of its net assets in currencies and securities, including foreign currency derivatives, denominated in currencies other than the U.S. dollar. The Underlying Fund may also engage in "to be announced" (TBA) transactions, which are transactions in which a fund buys or sells mortgage-backed securities on a forward commitment basis. The Underlying Fund can invest in derivative instruments including swap contracts, options, futures contracts and forward foreign currency contracts.

**Risks:** Active Trading Risk, Changing Fixed Income Market Conditions Risk, Collateralized Loan Obligations Risk, Debt Securities Risk, Derivatives Risk, Emerging Markets Investment Risk, Foreign Securities Risk, High Yield Debt Securities (Junk Bond) Risk, Liquidity Risk, Management Risk, Market Risk, Mortgage And Asset- Backed Securities Risk, Municipal Securities Risk, TBA Transactions Risk, US Government Obligations Risk, When-Issued, Delayed Delivery And Forward Commitment Risk and Zero Coupon Or Pay-In-Kind Securities Risk

### Invesco Equally-Weighted S&P 500 Portfolio

**Underlying Fund:** Invesco Equally-Weighted S&P 500 Fund  
**Investment Objective:** The Invesco Equally-Weighted S&P 500 Portfolio seeks total return through growth of capital and current income.

**Principal Strategies:** The Underlying Fund invests in a diversified portfolio of common stocks represented in the Standard & Poor's® 500 Composite Stock Price Index (S&P 500 Index or the Index). The S&P 500 Index is a well-known stock market index that includes common stocks of 500 companies. The Underlying Fund generally invests in each common stock included in the S&P 500 Index in approximately equal proportions. This approach differs from the S&P 500 Index because stocks in the S&P 500 Index are represented in proportion to their market value or market capitalization. The Underlying Fund does not utilize an investment strategy that attempts to outperform the Index. Rather, the Underlying Fund utilizes an indexing approach, which may eliminate the chance that the Underlying Fund will substantially outperform the Index, but it may also reduce some of the risk of active management. For example, the 50 largest companies in the S&P 500 Index represent approximately 50% of the S&P 500 Index's value; however, these same 50 companies represent roughly 10% of the Underlying Fund's value. The Underlying Fund may invest in securities of foreign issuers represented in the S&P 500 Index, which may include securities of issuers located in emerging markets countries (i.e., those that are in the initial stages of their industrial cycles) or depositary receipts.

The Underlying Fund's investment adviser will adjust the Underlying Fund's investment securities on a quarterly basis to maintain an approximately equal weighting of each S&P 500 Index stock. Buy and sell decisions for the Underlying Fund are a function of changes in the S&P 500 Index rather than independent decisions made by the investment team.

**Risks:** Depositary Receipts Risk, Derivatives Risk, Emerging Markets Investment Risk, Foreign Securities Risk, Indexing Risk and Market Risk

#### **Invesco Diversified Dividend Portfolio**

**Underlying Fund:** Invesco Diversified Dividend Fund  
**Investment Objective:** The Invesco Diversified Dividend Portfolio seeks long-term growth of capital and, secondarily, current income.

**Principal Strategies:** The Underlying Fund invests primarily in dividend-paying equity securities. The principal type of equity security in which the Underlying Fund invests is common stock.

The Underlying Fund invests in securities that the portfolio managers believe are undervalued based on various valuation measures. The Underlying Fund may invest up to 25% of its net assets in securities of foreign issuers. In selecting investments, the portfolio managers seek to identify dividend-paying issuers with strong profitability, solid balance sheets and capital allocation policies that support sustained or increasing dividends and share repurchases.

**Risks:** Foreign Securities Risk, Management Risk, Market Risk and Value Investing Style Risk

#### **PowerShares FTSE RAFI US 1500 Small-Mid Portfolio**

**Underlying Fund:** PowerShares FTSE RAFI US 1500 Small-Mid Portfolio  
**Investment Objective:** The PowerShares FTSE RAFI US 1500 Small-Mid Portfolio seeks investment results that generally correspond (before fees and expenses) to the price and yield of the FTSE RAFI US 1500 Small-Mid Index.

**Principal Strategies:** The Underlying Fund generally will invest at least 90% of its total assets in common stocks that comprise the underlying index. As of June 30, 2015, the underlying index was composed of approximately 1,500 small and medium-sized U.S. stocks that FTSE International Limited and Research Affiliates LLC (FTSE and RA, respectively, and collectively, the Index Provider), strictly in accordance with their guidelines and mandated procedures, included to track the performance of small and medium-sized U.S. equity stocks based on the following four fundamental measures of firm size: book value, sales, cash flow and dividends. The Underlying Fund generally invests in all of the securities comprising its underlying index in proportion to their weightings in the underlying index.

**Risks:** Equity Risk, Industry Concentration Risk, Non-Correlation Risk, Index Risk, Market Risk - PowerShares, Market Trading Risk, Small and Mid-Capitalization Companies Risk and Issuer Specific Changes Risk

#### **Invesco Small Cap Growth Portfolio**

**Underlying Fund:** Invesco Small Cap Growth Fund  
**Investment Objective:** The Invesco Small Cap Growth Portfolio seeks long-term growth of capital.

**Principal Strategies:** The Underlying Fund invests, under normal circumstances, at least 80% of its net assets (plus any borrowings for investment purposes) in securities of small-capitalization issuers. The Underlying Fund invests primarily in equity securities. The principal type of equity security in which the Underlying Fund invests is common stock.

The Underlying Fund considers an issuer to be a small-capitalization issuer if it has a market capitalization, at the time of purchase, no larger than the largest capitalized issuer included in the Russell 2000® Index during the most recent 11-month period (based on month-end data) plus the most recent data during the current month. As of December 31, 2015, the capitalization of companies in the Russell 2000® Index ranged from \$2.2 million to \$6.4 billion.

**Risks:** Foreign Securities Risk, Growth Investing Risk, Management Risk, Market Risk, Sector Focus Risk and Small- And Mid-Capitalization Risk

#### **Invesco International Growth Portfolio**

**Underlying Fund:** Invesco International Growth Fund  
**Investment Objective:** The Invesco International Growth Portfolio seeks long-term growth of capital.

**Principal Strategies:** The Underlying Fund invests primarily in equity securities and depositary receipts of foreign issuers. The principal types of equity securities in which the Underlying Fund invests are common and preferred stock.

Under normal circumstances, the Underlying Fund will provide exposure to investments that are economically tied to at least three different countries outside of the U.S. The Underlying Fund may also invest up to 1.25 times the amount of the exposure to emerging markets countries, i.e., those that are in the early stages of their industrial cycles, in the MSCI All Country World ex-U.S. Growth Index.

The Underlying Fund invests primarily in securities of issuers that are considered by the Underlying Fund's portfolio managers to have potential for earnings or revenue growth. The Underlying Fund invests primarily in the securities of large-capitalization issuers; however, the Underlying Fund may invest a significant amount of its net assets in the securities of mid-capitalization issuers.

Historically the Underlying Fund has not hedged the currency exposure created by its investments in foreign securities but has the ability to do so if deemed appropriate by the Underlying Fund's portfolio managers. The Underlying Fund can invest in derivative instruments, including forward foreign currency contracts and futures contracts.

**Risks:** Depositary Receipts Risk, Derivatives Risk, Emerging Markets Investment Risk, Foreign Securities Risk, Geographic Focus Risk, Growth Investing Risk, Investing in the European Union Risk, Management Risk, Market Risk, Mid-Capitalization Companies Risk and Preferred Securities Risk

### **PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio**

**Underlying Fund:** PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio  
**Investment Objective:** The PowerShares FTSE RAFI Developing Markets ex- U.S. Portfolio seeks investment results that generally correspond (before fees and expenses) to the price and yield of the FTSE RAFI Developed ex U.S. 1000 Index

**Principal Strategies:** The Underlying Fund will invest at least 90% of its total assets in securities of companies originating in countries that are classified as “developed” within the country classification definition of FTSE International Limited (FTSE or the Index Provider), excluding the United States, and that comprise the underlying index, as well as American depository receipts (ADRs) and global depository receipts (GDRs) that are based on the securities in the underlying index. The Underlying Fund anticipates that the majority of its investments will be in the securities that comprise the underlying index rather than in ADRs and GDRs. The underlying index is designed to track the performance of the companies domiciled in developed markets with the largest cumulative scores (Fundamental Value), selected from the constituents of the FTSE Developed ex U.S. Large/Mid-Cap Index, as determined by FTSE. The Index Provider selects and weights companies based on their Fundamental Values, which are derived from the following four fundamental measures of firm size: book value, cash flow, sales and dividends.

**Risks:** Equity Risk, Industry Concentration Risk, Foreign Securities Risk, Market Risk – PowerShares, Market Trading Risk, Geographic Focus Risk, Mid- Capitalization Companies Risk, Currency Risk, Non-Correlation Risk, Index Risk and Issuer-Specific Changes Risk

### **Invesco Equity and Income Portfolio**

**Underlying Fund:** Invesco Equity and Income Fund  
**Investment Objective:** The Invesco Equity and Income Portfolio seeks current income and, secondarily, capital appreciation.

**Principal Strategies:** The Underlying Fund invests, under normal circumstances, at least 80% of its net assets (plus any borrowings for investment purposes) in equity and income securities, and in derivatives and other instruments that have economic characteristics similar to such securities. The Underlying Fund may invest in securities of issuers of all capitalization sizes; however, a substantial number of the issuers in which the Underlying Fund invests are large-capitalization issuers.

The Underlying Fund invests, under normal circumstances, at least 65% of its net assets in income-producing equity investments, such as dividend paying common or preferred stocks. The Underlying Fund may invest in income-producing equity instruments (subject to the 65% policy above), debt securities and warrants or rights to acquire such securities, in such proportions as economic conditions indicate would best accomplish the Underlying Fund’s objectives. It is the current operating policy of the Underlying Fund to invest in debt securities rated investment grade. This operating policy does not apply to convertible securities, which are selected primarily on the basis of their equity characteristics. The Underlying Fund may invest up to 15% of its net assets in real estate investment trusts (REITs). The Underlying Fund may invest up to 25% of its net assets in securities of foreign issuers or depository receipts.

**Risks:** Changing Fixed Income Market Conditions Risk, Convertible Securities Risk, Debt Securities Risk, Depository Receipts Risk, Derivatives Risk, Foreign Securities Risk, Management Risk, Market Risk, Preferred Securities Risk, REIT Risk/Real Estate Risk, Small- and Mid- Capitalizations Risk and Value Investing Style Risk

### **Invesco Global Sustainable Equity Portfolio**

**Underlying Fund:** Invesco Global Responsibility Equity Fund  
**Investment Objective:** The Invesco Global Sustainable Equity Portfolio seeks to provide long-term growth of capital.

**Principal Strategies:** The Underlying Fund invests, under normal circumstances, at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities and other instruments that have economic characteristics similar to such securities. The Underlying Fund invests primarily in equity securities and depository receipts of U.S. and foreign issuers. The principal types of equity securities in which the Underlying Fund invests are common and preferred stocks. The Underlying Fund may also invest in real estate investment trusts (REITs) of domestic and foreign issuers. The Underlying Fund is an all-capitalization portfolio, which will invest primarily in securities within the market capitalization range of the MSCI World Index during the most recent 11-month period (based on month-end data) plus the most recent data during the current month. Occasionally it may also hold small-capitalization securities which fall below the market capitalization range.

Under normal circumstances, the Underlying Fund will provide exposure to investments that are economically tied to at least three different countries, including the U.S. Under normal circumstances, at least 40% of the Underlying Fund’s net assets will provide exposure to investments that are economically tied to countries other than the United States. The Underlying Fund seeks to provide long-term growth of capital while investing in companies that meet certain environmental and social standards. The Underlying Fund can use futures contracts, including index futures, to gain exposure to the broad market in connection with managing cash balances.

The Underlying Fund engages a third party vendor with a global research universe of around 3,500 companies to identify companies that do not meet certain environmental and social standards, which include but are not limited to companies involved in fossil fuels, nuclear power, firearms and armaments, alcohol, cluster munitions, pornography, tobacco and genetic engineering of crops and animals. The portfolio managers then remove those companies that do not meet the environmental and social standards from the Underlying Fund’s investable universe. With the remaining investable universe of securities, the security selection process is applied to attempt to systematically evaluate fundamental and behavioral factors to forecast individual security returns and rank these securities based on their attractiveness relative to industry peers. This process includes evaluating each security based on its earnings expectations, market sentiment, management and quality, and value. Using proprietary portfolio construction and risk management tools, the portfolio managers incorporate these individual security return forecasts to construct an optimal portfolio. When constructing the portfolio, securities or investments of any company that falls into specified industries that do not meet the environmental standards may be excluded.

**Risks:** Active Trading Risk, Derivatives Risk, Depository Receipts Risk, Environmental and Social Investing Risk, Foreign Securities Risk, Geographic Focus Risk, Investing In the European Union Risk,

Management Risk, Market Risk, Preferred Securities Risk, REIT Risk/ Real Estate Risk and Mid-Capitalization Companies Risk.

### **Invesco Stable Value Portfolio**

**Investment Objective:** The Invesco Stable Value Portfolio invests 100% of its assets in the Invesco Stable Value separate account. The Invesco Stable Value separate account invests in investment contracts (also referred to as “wrap contracts”) and seeks to produce a stable return while avoiding negative returns. In most market environments, it should provide investors with a higher return than a money market fund while striving to maintain liquidity for Account Owner-initiated transactions and safety of principal.

**Principal Strategies:** The separate account typically invests in wrap or investment contracts issued by insurance companies and banks, which are in turn backed by a diversified portfolio of high-quality bonds, including government securities, corporate bonds, mortgage-backed and asset-backed securities and cash equivalents. Interest rate futures, options and swaps may be used to manage yield curve or duration or other risk positions and must abide by the duration, credit quality and other constraints in the Portfolio’s investment guidelines. Each wrap contract contains general obligations of the issuing company to pay Account Owner distributions at contract value, even if the market value of the assets in the Portfolio is less than the contract value of those assets. The contract value is generally equal to the Portfolio’s invested capital plus a rate of return related to the investment performance of the assets.

Invesco diversifies the Portfolio by adding external sub-advisors for style diversification, which can lead to improved consistency. The fixed income portfolios provide investment returns, while the wrap contracts are designed to protect against interest rate volatility and allow Account Owners to transact at their invested balance plus any accrued interest. The contracts also provide for periodic interest crediting rates that are used to post a composite rate of return to Accounts daily. Although the Portfolio seeks to preserve the value of Account Owner investments, it is possible to lose money by investing in the Portfolio. The Stable Value Portfolio is not guaranteed by Invesco. Any guarantees provided by the investment contracts are subject to risks described in the Wrap Contract Risk.

To reduce risk of default of contracts or bonds, Invesco selects only investment contract issuers that have been approved by Invesco’s credit research team, and typically buys only securities that are rated investment grade and above by national rating agencies such as Moody’s or Standard & Poor’s. Invesco conducts its own in-depth securities analysis of bond issuers and financial institutions, and manages the Portfolio in accordance with strict credit and diversification guidelines. The Stable Value Portfolio is a conservative option and carries relatively low risk, but it has a number of investment-related risks described below. The Stable Value Portfolio does not invest in a single Underlying Fund, accordingly there is no separate prospectus available.

**Risks:** Wrap Contract Risk, Market and Default Risk – Stable Value, Interest Rate and Yield Curve Risk, Crediting Rate Risk, Equity Wash or Liquidity Risk, Call Risk, Prepayment Risk and Derivatives Risk.

### **Invesco Short Duration Inflation Protected Portfolio**

**Underlying Fund:** Invesco Short Duration Inflation Protected Fund

**Investment Objective:** The Invesco Short Duration Inflation Protected Portfolio seeks to provide protection from the negative effects of unanticipated inflation.

**Principal Strategies:** The Underlying Fund invests under normal circumstances at least 80% of its net assets (plus any borrowings for investment purposes) in the component securities of The BofA Merrill Lynch 1-5 Year US Inflation-Linked Treasury Index (the Index) and in derivatives and other instruments that have economic characteristics similar to such securities. The Index is comprised of U.S. Treasury Inflation Protected Securities (TIPS) with at least \$1 billion in outstanding face value and a remaining term to final maturity of at least 1 year and less than 5 years at the time of index rebalancing. The Underlying Fund can also invest the remainder of its assets in fixed income securities that are not included in the Index, but which the Underlying Fund’s investment adviser, Invesco Advisers, Inc. (Invesco or the Adviser), believes will help the Fund track the Index. The Underlying Fund generally expects that its duration, yield and maturity will be substantially similar to those of the Index.

The Underlying Fund normally seeks to maintain an average portfolio effective duration that is within +/- 1 year of the duration of the Index, which was 1.62 years as of November 30, 2015. TIPS are publicly issued, dollar denominated U.S. government securities issued by the U.S. Treasury that have principal and interest payments linked to official inflation (as measured by the Consumer Price Index or CPI) and their payments are supported by the full faith and credit of the United States. As of November 30, 2015, there were 12 TIPS in the Index. The Underlying Fund can invest in derivative instruments, such as swap contracts, options and futures contracts, to seek exposure to certain securities or groups of securities included in the Index.

**Risks:** Changing Fixed Income Market Conditions Risk, Debt Securities Risk, Derivatives Risk, Indexing Risk, Inflation-Indexed Securities Risk, Inflation-Indexed Securities Tax Risk, Market Risk, Sampling Risk, US Government Obligations Risk and When-Issued, Delayed Delivery and Forward Commitment Risk

## **EXPLANATIONS OF INVESTMENT RISK FACTORS**

The information provided below is a summary of the main risks of the Underlying Funds. For Underlying Funds that are mutual funds or ETFs, the current prospectus and statement of additional information contains information not summarized here and identifies additional principal risks to which the respective Underlying Fund may be subject.

**Active Trading Risk.** Active trading of portfolio securities may result in added expenses, a lower return and increased tax liability.



**ADR and GDR Risk.** ADRs are certificates that evidence ownership of shares of a foreign issuer and are alternatives to purchasing directly the underlying foreign securities in their national markets and currencies. GDRs are certificates issued by an international bank that generally are traded and denominated in the currencies of countries other than the home country of the issuer of the underlying shares. ADRs and GDRs may be subject to certain of the risks associated with direct investments in the securities of foreign companies, such as currency, political, economic and market risks, because their values depend on the performance of the non-dollar denominated underlying foreign securities. Certain countries may limit the ability to convert ADRs into the underlying foreign securities and vice versa, which may cause the securities of the foreign company to trade at a discount or premium to the market price of the related ADR. ADRs may be purchased through “sponsored” or “unsponsored” facilities. A sponsored facility is established jointly by a depository and the issuer of the underlying security. A depository may establish an unsponsored facility without participation by the issuer of the deposited security. Unsponsored receipts may involve higher expenses and may be less liquid. Holders of unsponsored ADRs generally bear all the costs of such facilities, and the depository of an unsponsored facility frequently is under no obligation to distribute shareholder communications received from the issuer of the deposited security or to pass through voting rights to the holders of such receipts in respect of the deposited securities. GDRs can involve currency risk since, unlike ADRs, they may not be U.S. dollar-denominated. Because the Fund’s NAV is determined in U.S. dollars, the Fund’s NAV could decline if the currency of the non-U.S. market in which the Fund invests depreciates against the U.S. dollar, even if the value of the Fund’s holdings, measured in the foreign currency, increases.

**Bank Loan Risk.** There are a number of risks associated with an investment in bank loans including credit risk, interest rate risk, liquidity risk and prepayment risk. Lack of an active trading market, restrictions on resale, irregular trading activity, wide bid/ask spreads and extended trade settlement periods may impair the Fund’s ability to sell bank loans within its desired time frame or at an acceptable price and its ability to accurately value existing and prospective investments. Extended trade settlement periods may result in cash not being immediately available to the Fund. As a result, the Fund may have to sell other investments or engage in borrowing transactions to raise cash to meet its obligations. The risk of holding bank loans is also directly tied to the risk of insolvency or bankruptcy of the issuing banks. These risks could cause the Fund to lose income or principal on a particular investment, which in turn could affect the Fund’s returns. The value of bank loans can be affected by and sensitive to changes in government regulation and to economic downturns in the United States and abroad. Bank loans generally are floating rate loans, which are subject to interest rate risk as the interest paid on the floating rate loans adjusts periodically based on changes in widely accepted reference rates.

**Borrowing Risk.** Borrowing money to buy securities exposes the Fund to leverage and will cause the Fund’s share price to be more volatile because leverage will exaggerate the effect of any increase or decrease in the value of the Fund’s portfolio securities. Borrowing money may also require the Fund to liquidate positions when it may not be advantageous to do so. In addition, the Fund will incur interest expenses and other fees on borrowed money. There can be no assurance that the Fund’s borrowing strategy will enhance and not reduce the Fund’s returns.

**Call Risk.** Call risk is the cash flow risk resulting from the possibility that a callable bond will be redeemed before maturity. Callable bonds can be called by the company that issued them, meaning the bonds have to be redeemed by the bondholder, usually so that the issuer can issue new bonds at a lower interest rate. This forces the investor to reinvest the principal sooner than expected, usually at a lower interest rate.

**Changing Fixed Income Market Conditions Risk.** The current low interest rate environment was created in part by the Federal Reserve Board (FRB) and certain foreign central banks keeping the federal funds and equivalent foreign rates at or near zero. There is a risk that interest rates will rise when the FRB and central banks raise these rates. Increases in the federal funds and equivalent foreign rates may expose fixed income markets to heightened volatility and reduced liquidity for certain fixed income investments, particularly those with longer maturities. In addition, decreases in fixed income dealer market-making capacity may also potentially lead to heightened volatility and reduced liquidity in the fixed income markets. As a result, the value of the Fund’s investments and share price may decline. Changes in central bank policies could also result in higher than normal shareholder redemptions, which could potentially increase portfolio turnover and the Fund’s transaction costs.

**China Investment Risk.** The Fund may invest a significant portion of its total assets in securities of issuers from China. Investing in securities of Chinese companies involves additional risks, including, but not limited to: the economy of China differs, often unfavorably, from the U.S. economy in such respects as structure, general development, government involvement, wealth distribution, rate of inflation, growth rate, allocation of resources and capital reinvestment, among others; the central government has historically exercised substantial control over virtually every sector of the Chinese economy through administrative regulation and/or state ownership; and actions of the Chinese central and local government authorities continue to have a substantial effect on economic conditions in China. In addition, previously the Chinese government has from time to time taken actions that influence the prices at which certain goods may be sold, encourage companies to invest or concentrate in particular industries, induce mergers between companies in certain industries and induce private companies to publicly offer their securities to increase or continue the rate of economic growth, control the rate of inflation or otherwise regulate economic expansion.

**Convertible Securities Risk.** The market values of convertible securities are affected by market interest rates, the risk of actual issuer default on interest or principal payments and the value of the underlying common stock into which the convertible security may be converted. Additionally, a convertible security is subject to the same types of market and issuer risks as apply to the underlying common stock. In addition, certain convertible securities are subject to involuntary conversions and may undergo principal write-downs upon the occurrence of certain triggering events, and, as a result, are subject to an increased risk of loss.

**Collateralized Loan Obligations Risk.** CLOs are subject to the risks of substantial losses due to actual defaults by underlying borrowers, which will be greater during periods of economic or financial stress. CLOs may also lose value due to collateral defaults and disappearance of subordinate tranches, market anticipation of defaults, and investor aversion to CLO securities as a class. The risks of CLOs will be greater if the Fund invests in CLOs that hold loans of uncreditworthy

borrowers or if the Fund holds subordinate tranches of the CLO that absorbs losses from the defaults before senior tranches. In addition, CLOs are subject to interest rate risk and credit risk.

**Credit Linked Notes Risk.** Risks of credit linked notes include those risks associated with the underlying reference obligation including but not limited to market risk, interest rate risk, credit risk, default risk and, in some cases, foreign currency risk. An investor in a credit linked note bears counterparty risk or the risk that the issuer of the credit linked note will default or become bankrupt and not make timely payment of principal and interest of the structured security. Credit linked notes may be less liquid than other investments and therefore harder to dispose of at the desired time and price. In addition, credit linked notes may be leveraged and, as a result, small changes in the value of the underlying reference obligation may produce disproportionate losses to the Fund.

**Crediting Rate Risk.** In some circumstances, the Fund's yield may not reflect prevailing market interest rates. The basic function of the crediting rate formula used to determine the Fund's yield is to amortize the gain or loss experience of the underlying portfolio over the duration of the contract, also known as "smoothing". The formula's components include portfolio duration, market value and book value. An investment contract's crediting rate provides a fixed return for a period of time until the next rate reset. The use of the crediting rate formula and periodic reset schedule allow the portfolio's return to track market interest rates on a lagged basis. A stable value portfolio's yield is the aggregate of all of the investment contracts' individual crediting rates. The Stable Value Portfolio's credited rate will generally lag market interest rates. Wrap contract crediting rates may be affected, positively or negatively, if a large number of participants request redemptions from the Portfolio or add new contributions to the Portfolio.

**Credit Risk.** The issuer of instruments in which the Fund invests may be unable to meet interest and/or principal payments, thereby causing its instruments to decrease in value and lowering the issuer's credit rating.

**Currency Risk.** The Fund may invest in non-U.S. dollar denominated equity securities of foreign issuers. Because the Fund's NAV is determined in U.S. dollars, the Fund's NAV could decline if the currency of the non-U.S. market in which the Fund invests depreciates against the U.S. dollar, even if the value of the Fund's holdings, measured in the foreign currency, increases.

**Debt Securities Risk.** The prices of debt securities held by the Fund will be affected by changes in interest rates, the creditworthiness of the issuer and other factors. An increase in prevailing interest rates typically causes the value of existing debt securities to fall and often has a greater impact on longer-duration debt securities and higher quality debt securities. Falling interest rates will cause the Fund to reinvest the proceeds of debt securities that have been repaid by the issuer at lower interest rates. Falling interest rates may also reduce the Fund's distributable income because interest payments on floating rate debt instruments held by the Fund will decline. The Fund could lose money on investments in debt securities if the issuer or borrower fails to meet its obligations to make interest payments and/or to repay principal in a timely manner. Changes in an issuer's financial strength, the market's perception of such strength or in the credit rating of the issuer or the security may affect the value of debt

securities. The Adviser's credit analysis may fail to anticipate such changes, which could result in buying a debt security at an inopportune time or failing to sell a debt security in advance of a price decline or other credit event.

**Defaulted Securities Risk.** Defaulted securities pose a greater risk that principal will not be repaid than non-defaulted securities. Defaulted securities and any securities received in an exchange for such securities may be subject to restrictions on resale.

**Depository Receipts Risk.** Investing in depository receipts involves the same risks as direct investments in foreign securities. In addition, the underlying issuers of certain depository receipts are under no obligation to distribute shareholder communications or pass through any voting rights with respect to the deposited securities to the holders of such receipts. The Fund may therefore receive less timely information or have less control than if it invested directly in the foreign issuer.

**Derivatives Risk.** The value of a derivative instrument depends largely on (and is derived from) the value of an underlying security, currency, commodity, interest rate, index or other asset (each referred to as an underlying asset). In addition to risks relating to the underlying assets, the use of derivatives may include other, possibly greater, risks, including counterparty, leverage and liquidity risks. Counterparty risk is the risk that the counterparty to the derivative contract will default on its obligation to pay the Fund the amount owed or otherwise perform under the derivative contract. Derivatives create leverage risk because they do not require payment up front equal to the economic exposure created by owning the derivative. As a result, an adverse change in the value of the underlying asset could result in the Fund sustaining a loss that is substantially greater than the amount invested in the derivative, which may make the Fund's returns more volatile and increase the risk of loss. Derivative instruments may also be less liquid than more traditional investments and the Fund may be unable to sell or close out its derivative positions at a desirable time or price. This risk may be more acute under adverse market conditions, during which the Fund may be most in need of liquidating its derivative positions. Derivatives may also be harder to value, less tax efficient and subject to changing government regulation that could impact the Fund's ability to use certain derivatives or their cost. Also, derivatives used for hedging or to gain or limit exposure to a particular market segment may not provide the expected benefits, particularly during adverse market conditions.

**Emerging Markets Investment Risk.** Investments in the securities of issuers in emerging market (also referred to as developing markets) countries involve risks often not associated with investments in the securities of issuers in developed countries. Securities in emerging markets may be subject to greater price fluctuations than securities in more developed markets. Fluctuations in the value of the U.S. dollar relative to the values of other currencies may adversely affect investments in emerging market securities, and emerging market securities may have relatively low market liquidity, decreased publicly available information about issuers, and inconsistent and potentially less stringent accounting, auditing and financial reporting requirements and standards of practice comparable to those applicable to domestic issuers. Emerging market securities also are subject to the risks of expropriation, nationalization or other adverse political or economic developments and the difficulty of enforcing obligations in other countries. Investments in emerging market



securities also may be subject to dividend withholding or confiscatory taxes, currency blockage and/or transfer restrictions. Emerging markets usually are subject to greater market volatility, lower trading volume, political and economic instability, uncertainty regarding the existence of trading markets and more governmental limitations on foreign investment than are more developed markets. Securities law in many emerging market countries is relatively new and unsettled. Therefore, laws regarding foreign investment in emerging market securities, securities regulation, title to securities, and shareholder rights may change quickly and unpredictably. In addition, the enforcement of systems of taxation at federal, regional and local levels in emerging market countries may be inconsistent and subject to sudden change.

**Environmental and Social Investing Risk.** Because the Fund uses environmental and social factors to exclude certain investments for non-financial reasons, the Fund may forego some market opportunities available to other funds that do not use these criteria. Further, there is a risk that information used by the Fund to evaluate the environmental and social factors may not be readily available, complete or accurate, which could negatively impact the Fund's ability to apply its environmental and social standards, which may negatively impact the Fund's performance.

**Equity Risk.** Equity risk is the risk that the value of equity securities, including common stocks, may fall due to both changes in general economic conditions that impact the market as a whole, as well as factors that directly relate to a specific company or its industry. Such general economic conditions include changes in interest rates, periods of market turbulence or instability, or general and prolonged periods of economic decline and cyclical change. It is possible that a drop in the stock market may depress the price of most or all of the common stocks that the Fund holds. In addition, equity risk includes the risk that investor sentiment toward particular industries will become negative. The value of a company's common stock may fall solely because of factors, such as an increase in production costs that negatively impact other companies in the same region, industry or sector of the market. A company's common stock also may decline significantly in price over a short period of time due to factors specific to that company, including decisions made by its management or lower demand for the company's products or services. For example, an adverse event, such as an unfavorable earnings report or the failure to make anticipated dividend payments, may depress the value of common stock.

**Equity Wash or Liquidity Risks.** The Stable Value Portfolio's investment contracts (also called "wrap contracts") may have provisions that require transfers from the Stable Value Portfolio to a competing option (generally a short term bond fund or money market fund) to move first to a non-competing option for a period of 90 days. There are currently no Investment Options that are considered competing Investment Options. This so-called equity wash does not apply to distributions from the Program. Any changes to investment options offered by CollegeBound 529, including competing options, will be described in a revised Program Description or Supplement.

While your distributions from the Stable Value Portfolio will generally occur at the value per Unit reported to you (the "book value" of the Stable Value Portfolio), there may be situations where your distributions occur at the market value per Unit, which may be higher or lower than the book value at the time of your distribution. A market

value distribution would occur when you request your distribution after the occurrence of certain including, but not limited to: changes in the Program design, changes in governing laws and regulations, the failure of the Program to qualify as a 529 Plan or termination of the Program. Invesco does not guarantee that investors will not have losses associated with investing in the Stable Value Portfolio.

**Financial Services Sector Risk.** The Fund may be susceptible to adverse economic or regulatory occurrences affecting the financial services sector. Financial services companies are subject to extensive government regulation and are disproportionately affected by unstable interest rates, each of which could adversely affect the profitability of such companies. Financial services companies may also have concentrated portfolios, which makes them especially vulnerable to unstable economic conditions.

**Foreign Credit Exposure Risk.** U.S. dollar-denominated securities carrying foreign credit exposure may be affected by unfavorable political, economic or governmental developments that could affect payments of principal and interest.

**Foreign Securities Risk.** The Fund's foreign investments may be adversely affected by political and social instability, changes in economic or taxation policies, difficulty in enforcing obligations, decreased liquidity or increased volatility. Foreign investments also involve the risk of the possible seizure, nationalization or expropriation of the issuer or foreign deposits (in which the Fund could lose its entire investments in a certain market) and the possible adoption of foreign governmental restrictions such as exchange controls. Unless the Fund has hedged its foreign securities risk, foreign securities risk also involves the risk of negative foreign currency rate fluctuations, which may cause the value of securities denominated in such foreign currency (or other instruments through which the Fund has exposure to foreign currencies) to decline in value. Currency exchange rates may fluctuate significantly over short periods of time. Currency hedging strategies, if used, are not always successful.

**Geographic Focus Risk.** The Fund may from time to time invest a substantial amount of its assets in securities of issuers located in a single country or a limited number of countries. Adverse economic, political or social conditions in those countries may therefore have a significant negative impact on the Fund's investment performance.

**Growth Investing Risk.** Growth stocks tend to be more expensive relative to the issuing company's earnings or assets compared with other types of stock. As a result, they tend to be more sensitive to changes in, or investors' expectations of, the issuing company's earnings and can be more volatile.

**High Yield Debt Securities (Junk Bond) Risk.** Investments in high yield debt securities ("junk bonds") and other lower-rated securities will subject the Fund to substantial risk of loss. These securities are considered to be speculative with respect to the issuer's ability to pay interest and principal when due, are more susceptible to default or decline in market value and are less liquid than investment grade debt securities. Prices of high yield debt securities tend to be very volatile.

**Index Risk.** Unlike many investment companies, the Fund does not utilize an investing strategy that seeks return in excess of its underlying index. Therefore, it would not necessarily buy or sell a security

unless that security is added or removed, respectively, from the underlying index, even if that security generally is underperforming.

**Indexing Risk.** The Fund is operated as a passively managed index fund and, therefore, the adverse performance of a particular security necessarily will not result in the elimination of the security from the Fund's portfolio. Ordinarily, the Adviser will not sell the Fund's portfolio securities except to reflect additions or deletions of the securities that comprise the Index, or as may be necessary to raise cash to pay Fund shareholders who sell Fund shares. As such, the Fund will be negatively affected by declines in the securities represented by the Index. Also, there is no guarantee that the Adviser will be able to correlate the Fund's performance with that of the Index.

**Industry Concentration Risk.** In following its methodology, the underlying index from time to time may be concentrated to a significant degree in securities of issuers located in a single industry or sector. To the extent that the underlying index concentrates in the securities of issuers in a particular industry or sector, the Fund will also concentrate its investments to approximately the same extent. By concentrating its investments in an industry or sector, the Fund faces more risks than if it were diversified broadly over numerous industries or sectors. Such industry-based risks, any of which may adversely affect the companies in which the Fund invests, may include, but are not limited to, the following: general economic conditions or cyclical market patterns that could negatively affect supply and demand in a particular industry; competition for resources, adverse labor relations, political or world events; obsolescence of technologies; and increased competition or new product introductions that may affect the profitability or viability of companies in an industry. In addition, at times, such industry or sector may be out of favor and underperform other industries or the market as a whole.

**Inflation-Indexed Securities Tax Risk.** Any increase in the principal amount of an inflation-indexed security may be included for tax purposes in the Fund's gross income, even though no cash attributable to such gross income has been received by the Fund. In such event, the Fund may be required to make annual distributions to shareholders that exceed the cash it has otherwise received. In order to pay such distributions, the Fund may be required to raise cash by selling portfolio investments. The sale of such investments could result in capital gains to the Fund and additional capital gain distributions to shareholders. In addition, adjustments during the taxable year for deflation to an inflation-indexed bond held by the Fund may cause amounts previously distributed to shareholders in the taxable year as income to be characterized as a return of capital.

**Inflation Risk.** Inflation risk is the possibility that your principal investment will not maintain the same purchasing power in the future.

**Interest Rate Risk.** Interest rate risk refers to the risk that bond prices generally fall as interest rates rise; conversely, bond prices generally rise as interest rates fall. Specific bonds differ in their sensitivity to changes in interest rates depending on their individual characteristics, including duration.

**Investing in the European Union Risk.** Investments in certain countries in the European Union are susceptible to high economic risks associated with high levels of debt, such as investments in

sovereign debt of Greece, Italy and Spain. Separately, the European Union faces issues involving its membership, structure, procedures and policies. The exit of one or more member states from the European Union would place its currency and banking system in jeopardy. Efforts of the member states to further unify their economic and monetary policies may increase the potential for the downward movement of one member state's market to cause a similar effect on other member states' markets.

**Issuer-Specific Changes Risk.** The value of an individual security or particular type of security may be more volatile than the market as a whole and may perform differently from the value of the market as a whole.

**Leverage Risk.** The use of derivatives may give rise to a form of leverage. Leverage may cause the Fund's portfolio to be more volatile than if the portfolio had not been leveraged because leverage can exaggerate the effect of any increase or decrease in the value of securities held by the Fund.

**Liquidity Risk.** The Fund may be unable to sell illiquid investments at the time or price it desires and, as a result, could lose its entire investment in such investments. Liquid securities can become illiquid during periods of market stress. If a significant amount of the Fund's securities become illiquid, the Fund may not be able to timely pay redemption proceeds and may need to sell securities at significantly reduced prices.

**Management Risk.** The Fund is actively managed and depends heavily on the Adviser's judgment about markets, interest rates or the attractiveness, relative values, liquidity, or potential appreciation of particular investments made for the Fund's portfolio. The Fund could experience losses if these judgments prove to be incorrect. Additionally, legislative, regulatory, or tax developments may adversely affect management of the Fund and, therefore, the ability of the Fund to achieve its investment objective.

**Market and Default Risk – Stable Value.** This is the risk that securities' values may decline if the financial strength of the securities' issuers drops and if there are changes in economic and market conditions, regional or global economic instability, or interest rate fluctuations. Such declines in values may be reflected in reduced future crediting rates. Wrap contracts do not cover defaults on fixed income securities in the Portfolio. Substantial defaults could cause the Portfolio's credited rate to fall below zero, and if you withdraw your investments at that time you may not receive back the full principal amount paid.

**Market Risk.** The market values of the Fund's investments, and therefore the value of the Fund's shares, will go up and down, sometimes rapidly or unpredictably. Market risk may affect a single issuer, industry or section of the economy, or it may affect the market as a whole. Individual stock prices tend to go up and down more dramatically than those of certain other types of investments, such as bonds. During a general downturn in the financial markets, multiple asset classes may decline in value. When markets perform well, there can be no assurance that specific investments held by the Fund will rise in value.

**Market Risk – PowerShares.** Securities in the underlying index are subject to market fluctuations. You should anticipate that the value

of the Shares will decline, more or less, in correlation with any decline in value of the securities in the underlying index.

**Market Trading Risk.** The Fund faces numerous market trading risks, including the potential lack of an active market for the Shares, losses from trading in secondary markets, and disruption in the creation/redemption process of the Fund. Any of these factors may lead to the Shares trading at a premium or discount to the Fund's NAV.

**Mid-Capitalization Companies Risk.** Mid-capitalization companies tend to be more vulnerable to changing market conditions and may have more limited product lines and markets, less experienced management and fewer financial resources than larger companies. These companies' securities may be more volatile and less liquid than those of more established companies, and their returns may vary, sometimes significantly, from the overall securities market.

**Money Market Fund Risk.** Although the Fund seeks to preserve the value of your investment at \$1.00 per share, you may lose money by investing in the Fund. The share price of money market funds can fall below the \$1.00 share price. You should not rely on or expect the Fund's adviser or its affiliates to enter into support agreements or take other actions to maintain the Fund's \$1.00 share price. The credit quality of the Fund's holdings can change rapidly in certain markets, and the default of a single holding could have an adverse impact on the Fund's share price. The Fund's share price can also be negatively affected during periods of high redemption pressures and/or illiquid markets. Furthermore, amendments to money market fund regulations could impact the Fund's operations and possibly negatively impact its return.

**Mortgage- and Asset-Backed Securities Risk.** Mortgage- and asset-backed securities, including collateralized debt obligations and collateralized mortgage obligations, are subject to prepayment or call risk, which is the risk that a borrower's payments may be received earlier or later than expected due to changes in prepayment rates on underlying loans. This could result in the Fund reinvesting these early payments at lower interest rates, thereby reducing the Fund's income. Mortgage- and asset-backed securities also are subject to extension risk, which is the risk that an unexpected rise in interest rates could reduce the rate of prepayments, causing the price of the mortgage- and asset-backed securities and the Fund's share price to fall. An unexpectedly high rate of defaults on the mortgages held by a mortgage pool may adversely affect the value of mortgage backed securities and could result in losses to the Fund. The Fund may invest in mortgage pools that include subprime mortgages, which are loans made to borrowers with weakened credit histories or with lower capacity to make timely payments on their mortgages. Privately issued mortgage related securities are not subject to the same underwriting requirements as those with government or government-sponsored entity guarantee and, therefore, mortgage loans underlying privately issued mortgage related securities may have less favorable collateral, credit risk or other underwriting characteristics, and wider variances in interest rate, term, size, purpose and borrower characteristics.

**Municipal Securities Risk.** The risk of a municipal obligation generally depends on the financial and credit status of the issuer. Constitutional amendments, legislative enactments, executive orders, administrative regulations, voter initiatives, and the issuer's regional economic conditions may affect the municipal security's value,

interest payments, repayment of principal and the Fund's ability to sell the security. Failure of a municipal security issuer to comply with applicable tax requirements may make income paid thereon taxable, resulting in a decline in the security's value. In addition, there could be changes in applicable tax laws or tax treatments that reduce or eliminate the current federal income tax exemption on municipal securities or otherwise adversely affect the current federal or state tax status of municipal securities.

**Non-Correlation Risk.** The Fund's return may not match the return of the underlying index for a number of reasons. For example, the Fund incurs operating expenses not applicable to the underlying index, and incurs costs in buying and selling securities, especially when rebalancing the Fund's securities holdings to reflect changes in the composition of the underlying index. In addition, the performance of the Fund and the underlying index may vary due to asset valuation differences and differences between the Fund's portfolio and the underlying index resulting from legal restrictions, costs or liquidity constraints.

**Non-Diversified Fund Risk.** The Fund is non-diversified and can invest a greater portion of its assets in the obligations or securities of a small number of issuers or any single issuer than a diversified fund can. A change in the value of one or a few issuers' securities will therefore affect the value of the Fund more than if it was a diversified fund.

**Preferred Securities Risk.** Preferred securities are subject to issuer-specific and market risks applicable generally to equity securities. Preferred securities also may be subordinated to bonds or other debt instruments, subjecting them to a greater risk of non-payment, may be less liquid than many other securities, such as common stocks, and generally offer no voting rights with respect to the issuer.

**Prepayment Risk.** Prepayment risk is the possibility that homeowners will pay off their mortgage loans early, such as when interest rates fall and they decide to refinance. This forces the investor to reinvest the principal sooner than expected, usually at a lower interest rate.

**Reinvestment Risk.** Reinvestment risk is the risk that a bond's cash flows (coupon income and principal repayment) will be reinvested at an interest rate below that on the original bond.

**REIT Risk/Real Estate Risk.** Investments in real estate related instruments may be affected by economic, legal, cultural, environmental or technological factors that affect property values, rents or occupancies of real estate related to the Fund's holdings. Shares of real estate related companies, which tend to be small and mid-cap companies, may be more volatile and less liquid.

**Repurchase Agreement Risk.** If the seller of a repurchase agreement defaults or otherwise does not fulfill its obligations, the Fund may incur delays and losses arising from selling the underlying securities, enforcing its rights, or declining collateral value.

**Risks Associated with Investing in an Investment Vehicle.** The Fund may itself invest in an investment vehicle, such as a private investment or commingled fund. When it does so, the investing fund is subject to the underlying risk of that investment vehicle's portfolio securities.

**Sampling Risk.** The Fund's use of a representative sampling approach will result in its holding a smaller number of securities than are in the Index and in the Fund holding securities not included in the Index. As a result, an adverse development respecting an issuer of securities held by the Fund could result in a greater decline in the Fund's NAV than would be the case if all of the securities in the Index were held. The Fund's use of a representative sampling approach may also include the risk that it may not track the return of the Index as well as it would have if the Fund held all of the securities in the Index.

**Sector Focus Risk.** The Fund may from time to time invest a significant amount of its assets (i.e. over 25%) in one market sector or group of related industries. In this event, the Fund's performance will depend to a greater extent on the overall condition of the sector or group of industries and there is increased risk that the Fund will lose significant value if conditions adversely affect that sector or group of industries.

**Securities Lending Risk.** Securities lending involves a risk of loss because the borrower may fail to return the securities in a timely manner or at all, which may force the Fund to sell the collateral and purchase a replacement security in the market at a disadvantageous time. Any cash received as collateral will be invested in an affiliated money market fund and the Fund will bear any loss on the investment of cash collateral.

**Short Position Risk.** Because the Fund's potential loss on a short position arises from increases in the value of the asset sold short, the Fund will incur a loss on a short position, which is theoretically unlimited, if the price of the asset sold short increases from the short sale price. The counterparty to a short position or other market factors may prevent the Fund from closing out a short position at a desirable time or price and may reduce or eliminate any gain or result in a loss. In a rising market, the Fund's short positions will cause the Fund to underperform the overall market and its peers that do not engage in shorting. If the Fund holds both long and short positions, and both positions decline simultaneously, the short positions will not provide any buffer (hedge) from declines in value of the Fund's long positions. Certain types of short positions involve leverage, which may exaggerate any losses, potentially more than the actual cost of the investment, and will increase the volatility of the Fund's returns.

**Small- and Mid-Capitalization Risks.** Small- and mid-capitalization companies tend to be more vulnerable to changing market conditions, may have little or no operating history or track record of success, and may have more limited product lines and markets, less experienced management and fewer financial resources than larger companies. These companies' securities may be more volatile and less liquid than those of more established companies, and their returns may vary, sometimes significantly, from the overall securities market.

**Spread Risk.** Credit spread is the difference in yield between different securities due to different credit quality. The credit spread reflects the additional net yield (risk premium) an investor can earn from a security with more credit risk relative to one with less credit risk. The credit spread of a particular security is often quoted in relation to the yield on a credit risk-free benchmark security or reference rate, in the United States, Treasury issues are the benchmark yields.

As mentioned above the part of the risk premium or spread attributable to default risk is called the credit spread risk.

**Suitability Risk.** Investors are expected to select investments whose investment strategies are consistent with their financial goals and risk tolerance.

**TBA Transactions Risk.** TBA transactions involve the risk of loss if the securities received are less favorable than what was anticipated by the Fund when entering into the TBA transaction, or if the counterparty fails to deliver the securities. When the Fund enters into a short sale of a TBA mortgage it does not own, the Fund may have to purchase deliverable mortgages to settle the short sale at a higher price than anticipated, thereby causing a loss. As there is no limit on how much the price of mortgage securities can increase, the Fund's exposure is unlimited. The Fund may not always be able to purchase mortgage securities to close out the short position at a particular time or at an acceptable price. In addition, taking short positions results in a form of leverage, which could increase the volatility of the Fund's share price.

**U.S. Government Obligations Risk.** Obligations of U.S. Government agencies and authorities receive varying levels of support from the government and may not be backed by the full faith and credit of the U.S. Government, which could affect the Fund's ability to recover should they default. No assurance can be given that the U.S. Government will provide financial support to its agencies and authorities if it is not obligated by law to do so.

**Value Investing Style Risk.** A value investing style subjects the Fund to the risk that the valuations never improve or that the returns on value equity securities are less than returns on other styles of investing or the overall stock market.

**When-Issued and Delayed Delivery Risks.** When-issued and delayed delivery transactions are subject to market risk as the value or yield of a security at delivery may be more or less than the purchase price or the yield generally available on securities when delivery occurs. In addition, the Fund is subject to counterparty risk because it relies on the buyer or seller, as the case may be, to consummate the transaction, and failure by the other party to complete the transaction may result in the Fund missing the opportunity of obtaining a price or yield considered to be advantageous.

**Wrap Contract Risk.** These are the risks that (i) the investment ("wrap") contract issuer could default, with the potential result of loss of principal should market value of securities backing the contract be less than the book value of the contract; (ii) costs incurred to buy the wrap contracts reduce the Portfolio's return; (iii) a terminated wrap contract may be replaced with a contract with less favorable terms or higher costs; (iv) poor market value performance of underlying securities may lead a wrap contract issuer to exercise its right to terminate the contract or direct the management of the Portfolio's investments, potentially reducing the Portfolio's performance; (v) use of a small number of wrap contract issuers concentrates exposure to the companies issuing the wrap contracts; (vi) a wrap contract could terminate, resulting in the loss of book value coverage; (vii) certain program sponsor events, including but not limited to, bankruptcy or termination of the program, may result in your withdrawals or exchanges being made at a market value lower than book value; (viii) the wrap contracts and the underlying bonds



are not guaranteed by the U.S. government or by Invesco; (ix) in the event that an investment contract is terminated, there is no guarantee that the Portfolio will be able to obtain a replacement contract.

**Yield Curve Risk.** Yield curve risk is the risk of experiencing an adverse shift in market interest rates associated with investing in a fixed income instrument. The risk is associated with either a flattening or steepening of the yield curve, which is a result of changing yields among comparable bonds with different maturities. When market yields change, this will impact the price of a fixed-income instrument. When market interest rates, or yields, increase, the price of a bond will decrease and vice versa.

**Yield Risk.** The Fund's yield will vary as the short-term securities in its portfolio mature or are sold and the proceeds are reinvested in other securities. When interest rates are very low, the Fund's expenses could absorb all or a portion of the Fund's income and yield. Additionally, inflation may outpace and diminish investment returns over time.

**Zero Coupon or Pay-In-Kind Securities Risk.** The value, interest rates, and liquidity of non-cash paying instruments, such as zero coupon and pay-in-kind securities, are subject to greater fluctuation than other types of securities. The higher yields and interest rates on pay-in-kind securities reflect the payment deferral and increased credit risk associated with such instruments and that such investments may represent a higher credit risk than loans that periodically pay interest.

## ADDITIONAL INVESTMENT INFORMATION

**How Your Units Are Valued.** The Unit Value of each Portfolio is normally calculated as of the close of the NYSE each day. If securities held by an Underlying Fund in your Portfolio are traded in other markets on days when the NYSE is closed, that Portfolio's value may fluctuate on days when you do not have access to it to purchase or redeem Units. If events that are expected to materially affect the value of securities traded in other markets occur between the close of those markets and the close of business on the NYSE, those securities may be valued at their fair value.

**Investment Policy.** The Rhode Island State Investment Commission (SIC) has adopted an Investment Policy Statement, restated and available as of May 25, 2016.

The Program Manager and the underlying Investment Manager have developed Portfolios and selected the Underlying Funds for each Portfolio based on the guidelines set forth in the Investment Policy Statement. The Portfolios have been approved by the SIC.

**Treatment of Dividends and Capital Gains.** Some Underlying Funds may distribute dividends and capital gains. Any dividends and capital gains will be reinvested into the Portfolios containing the Underlying Funds and will be reflected as increases or decreases in the Portfolio's Unit Value.

**Differences between Performance of the Portfolios and Underlying Funds.** The performance of the Portfolios will differ from the performance of the Underlying Funds. For more details, see the **Investment Performance** section on page 67.

**Requesting Additional Information about Certain Underlying Funds.** Additional information about the investment strategies and risks of each Underlying Fund that is a mutual fund or ETF is available in its current prospectus and Statement of Additional Information (SAI). You can request a copy of the current prospectus, the SAI, or the most recent semiannual or annual report of any Underlying Fund that is a mutual fund or ETF by visiting Invesco's website at [www.invesco.com](http://www.invesco.com) or by calling (800) 959-4246. Because the Stable Value Portfolio invests in a separate account created for CollegeBound 529, all the information regarding the Stable Value Portfolio can be found in this Program Description or on [www.collegebound529.com](http://www.collegebound529.com). You can also ask your financial advisor for more information about the Underlying Funds.

# INVESTMENT PERFORMANCE

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Portfolio price and performance information will be available once the Portfolios commence operations in July 2016. For up to date price and performance information, go to [www.collegebound529.com](http://www.collegebound529.com) or call us at **877.615.4116**.

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**Performance:** Current performance information is available online at [www.collegebound529.com](http://www.collegebound529.com).

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The performance of the Portfolios will differ from the performance of the Underlying Funds. The Portfolios may have higher expense ratios than the Underlying Funds. However, they may receive more advantageous tax treatment. Portfolio performance may also be affected by cash flows into and out of the Portfolios; typically the

Portfolio purchases shares of Underlying Funds one business day after the date funds are contributed. Depending on market conditions, the collective impact of these differences may cause the Portfolio's performance to trail or exceed the Underlying Funds' returns.

**Portfolio performance information represents past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so your Units, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit [www.collegebound529.com](http://www.collegebound529.com).**



# IMPORTANT TAX INFORMATION

## FEDERAL TAXES

### AT A GLANCE

In this section, you will learn more about:

- Federal Tax Benefits
- Gift/Estate Tax Limits
- Transfers and Rollovers

**General.** This section describes some of the federal tax considerations to be aware of when investing in CollegeBound 529. This information is by no means exhaustive and is not meant as tax advice. The federal tax consequences associated with an investment in CollegeBound 529 can be complex and CollegeBound 529 should not be used for the purposes of avoiding federal taxes or penalties. You may not deduct your contributions from income for purposes of determining federal income taxes. Contributions do not result in taxable income to the Beneficiary. However, they may be considered gifts to the Beneficiary subject to the federal gift and generation-skipping transfer taxes discussed below. **Before you invest, you may wish to consult an independent tax advisor regarding the application of tax laws to your particular circumstances.**

States other than Rhode Island may impose taxes and/or penalties on investments in or distributions from a Qualified Tuition Program offered by other states. These penalties and taxes may, in certain cases, have the effect of offsetting some or all of the federal tax benefits discussed below.

**Risk of Tax law changes.** The IRS has issued only proposed regulations and certain other guidance under Section 529. See *IRS Regulations Not Final* on page 43, for a discussion of the risk of tax law changes.

**Federal Taxes:** The federal taxation of your CollegeBound Saver Account can be complex. Make sure you understand the federal tax benefits and obligations before you invest.

**Federal Tax-Deferred and Tax-Free Earnings.** Any earnings on contributions are not subject to federal income tax, which means your Account assets grow free of current federal income tax and are tax-free if withdrawn to pay for Qualified Expenses, as described below.

**Federal Gift/Estate Tax.** If your contributions, together with any other gifts to your Beneficiary over and above those made to your Account, do not exceed \$14,000 per year (\$28,000 for married couples making a proper election), no gift tax is imposed for that year. If you wish to move assets into tax-advantaged investments

more quickly, you can make gifts of up to \$70,000 in a single year (\$140,000 for married couples making a proper election) if you elect to apply the contribution against the annual exclusion equally over a five-year period. This allows you to move assets out of your estate more quickly where those assets can grow free of federal income tax. For purposes of Federal estate tax, Account assets are generally considered part of your Beneficiary's – and not your – estate. There are some exceptions as well as further rules regarding gifts that may apply in the case of distributions, changes of Beneficiaries, and other situations. The federal generation-skipping transfer tax may apply to Contributions made to an Account if the Beneficiary is deemed to be a member of a generation that is more than one generation younger than the generation of the Account Owner or other individual contributing to the Account, or if the new Beneficiary is more than one generation below that of the previous Beneficiary. Contributions that qualify for the annual gift tax exclusion are not subject to generation skipping transfer tax. The state law treatment of gift and estate taxes also varies. You should check with your tax advisor for the specific effect of federal and state (if any) gift tax and generation-skipping transfer tax on your situation.

**Transfers and Rollovers.** You can transfer assets for the same Beneficiary from another Qualified Tuition Program to your Account without adverse tax consequences if no other rollovers have occurred within the prior twelve (12) months, and you contribute the distribution into another Account or Qualified Tuition Program within sixty (60) days of receipt. Changes in your Beneficiary could potentially cause federal gift and/or generation-skipping transfer tax consequences to you and your Beneficiary. Because gift and generation-skipping transfer tax issues are complex, you should consult with your tax advisor.

**Transfers Between CollegeBound 529 and CollegeBound Saver for the Same Beneficiary.** Under Section 529, CollegeBound 529 and CollegeBound Saver are considered part of the same Qualified Tuition Program. You can, therefore, transfer assets directly between CollegeBound 529 and CollegeBound Saver up to two (2) times per calendar year for the same Beneficiary. This direct transfer is considered an investment exchange for federal and state tax purposes and is therefore subject to the restrictions described in

**Changing Investment Direction** on page 14. An indirect transfer, in which you receive funds from CollegeBound 529 or CollegeBound Saver and then reinvest them in another CollegeBound offering, is treated by the IRS as a taxable Non-Qualified Distribution (and not as an investment exchange).

Please contact us at **877.615.4116**, for assistance with transfers between CollegeBound 529 and CollegeBound Saver.

**Refunded Distributions.** Refunds received from an Eligible Educational Institution that are recontributed to an Account and qualify as a Refunded Distribution will not be subject to federal income tax or the Federal Penalty Tax.

**Coverdell ESA.** Generally, contributions may be made to both a Coverdell ESA (defined in Section 530 of the Code) and a Qualified Tuition Program in the same year on behalf of the same Beneficiary. However, the same educational expenses cannot be claimed for a tax-exempt distribution from both the Coverdell ESA and the Qualified Tuition Program. See **Moving Assets from a Coverdell ESA** on page 10 to learn more about moving assets from a Coverdell ESA into an Account in CollegeBound 529.

**Education Tax Credits.** You and your Beneficiary, if eligible, can take advantage of Education Tax Credits without affecting your participation in CollegeBound 529 or its benefits. For more details, see **Use of Education Tax Credits** on page 12.

**All Distributions.** Distributions may be comprised of: (1) principal, which is not taxable, and (2) earnings, if any, which may be subject to federal income tax. CollegeBound 529 determines the earnings portion applying IRS rules and report to the IRS and the recipient. However, CollegeBound 529 does not report whether the distribution is a Qualified Distribution or a Non-Qualified Distribution. The earnings portion of a distribution will generally be calculated on an Account-by-Account basis. If you don't select a specific Investment Option(s) from which to take a distribution, the distribution will be taken proportionally from all the Portfolios in the Account. If you request that a distribution be taken from one or more specific Portfolio(s), the earnings, for tax reporting purposes, will be calculated based on the earnings of all the Portfolios in your Account. You are responsible for preparing and filing the appropriate forms when completing your federal income tax return and for paying any applicable tax directly to the IRS.

**Qualified Distributions.** If you take a distribution from your Account to pay for Qualified Expenses, your Beneficiary generally does not have to include as income any earnings attributable to that distribution for the applicable taxable year if the total distributions for that year are less than or equal to the total distributions for Qualified Expenses for that year minus any tax-free Educational Assistance and expenses considered in determining any Education Tax Credits claimed for that taxable year.

You, or your Beneficiary, as applicable, are responsible for determining the amount of the earnings portion of any distribution from your Account that may be taxable and are responsible for reporting any earnings that must be included in taxable income. You should consult with your tax advisor and IRS Publication 970 available at <http://www.irs.gov/publications/p970> for further information.

**Other Distributions.** For federal income tax purposes, you or your Beneficiary may be subject to federal and state income tax on the earnings portion of a distribution in the event of the death or Disability of a Beneficiary, the receipt by the Beneficiary of a scholarship, grant, or other tax-free Educational Assistance, attendance at a U.S. military academy, the use of Education Tax Credits, or a Refunded Distribution. The distributions discussed in this paragraph are not subject to the Federal Penalty Tax. For a detailed discussion of each of these situations, see **Other Distributions** on page 12.

**Non-Qualified Distributions.** You, or your Beneficiary, as applicable, are subject to federal and state income tax and the Federal Penalty Tax on the earnings portion of any distribution that is not exempt from tax as described above. There may also be a "recapture" of the deduction in computing Rhode Island state income tax with respect to any Non-Qualified Distribution as discussed in **Recapture of Rhode Island Deduction in Computing Income Tax** on page 70.

**Determination of Taxable Earnings.** The earnings portion of a distribution will generally be calculated on an Account-by-Account basis. If you don't select a specific Investment Option(s) from which to take a distribution, the distribution will be taken proportionally from all the Portfolios in the Account. If you request that a withdrawal be taken from one or more specific Portfolio(s), the earnings, for tax reporting purposes, will be calculated based on the earnings of all the Investment Options in your Account.

**Records Retention.** Under current federal tax law, you are responsible for obtaining and retaining records, invoices, or other documentation relating to your Account, including records adequate to substantiate, among other things, the following: (i) expenses which you claim are Qualified Expenses, (ii) the death or Disability of a Beneficiary, (iii) the receipt by a Beneficiary of Educational Assistance, (iv) the attendance by a Beneficiary at a U.S. military academy, or (v) a Refunded Distribution.

**Tax Reports.** CollegeBound 529 will report withdrawals and other matters to you or the Beneficiary, the IRS, and other persons, if any, to the extent required pursuant to federal, state, or local law, regulation, or ruling. Under federal law, IRS Form 1099-Q will be filed by CollegeBound 529 with the IRS reporting withdrawals, whether taxable or tax-exempt (excluding certain transfers). The form will also be sent to you or the Beneficiary, as appropriate, reflecting, among other information, the earnings portion withdrawn during the calendar year. The IRS currently requires CollegeBound 529 to issue IRS Form 1099-Q to: (1) the Beneficiary if a withdrawal has been paid to the Eligible Educational Institution or to the Beneficiary; (2) to the Beneficiary's estate if the withdrawal was paid to the estate; and (3) to the Account Owner for all other withdrawals.

## STATE TAXES

### AT A GLANCE

In this section, you will learn more about:

- Rhode Island Income Tax Deduction
- Rhode Island Recapture Situations
- Gift/Estate Tax Limits
- State Tax Benefits

**General.** The Rhode Island state tax consequences associated with an investment in CollegeBound 529 can be complex. CollegeBound 529 should not be used for the purposes of avoiding state tax or tax penalties. This discussion is by no means exhaustive and is not meant as tax advice. **Before you invest, you may wish to consult an independent tax advisor regarding the application of tax laws to your particular circumstances.**

**Rhode Island Tax-Free Earnings.** Contributions to an Account are not includable in the Rhode Island taxable income of the Beneficiary. Earnings credited to your Account are not subject to federal or Rhode Island income tax while held in your Account.

**Deduction in Computing Income Tax for Rhode Island Taxpayers.** If you are an individual Rhode Island taxpayer (resident or non-resident) filing a single or joint return, you may receive a deduction in computing state tax of up to \$500 (individual tax filer) or up to a \$1,000 (married couples filing jointly) for contributions to an Account. The contributor must be the Account Owner to receive this deduction. Any contributions which are not deductible in computing state tax due to the \$500 or \$1,000 maximum may be carried forward and deducted in future years (subject in each case to the same annual maximums).

**Recapture of Rhode Island Deduction in Computing Income Tax.** If you, as the Account Owner take a Non-Qualified Distribution or a Roll-over Distribution, there may be a “recapture” of certain previous deductions in computing Rhode Island state income tax. Consult your tax advisor concerning who must include the recapture amount in computing Rhode Island tax and how that recapture amount is computed.

**Rhode Island Gift/Estate Tax.** While Rhode Island does not impose any gift or inheritance taxes, Rhode Island does impose an estate tax equal to the maximum credit for state death taxes allowed by federal law as it was in effect as of January 1, 2001. The Rhode Island credit amount is \$64,400 in 2016, effectively shielding from taxation the first \$1.5 million of an estate. Rhode Island also imposes a generation-skipping transfer tax equal to the unused maximum credit that federal law allows for state generation-skipping transfer taxes; however, federal law currently does not allow a credit. The relevant federal tax rules apply in determining the amount of these Rhode Island taxes in connection with the transfer of an interest in an Account upon the death of a participant or a Beneficiary of an

Account who is a Rhode Island resident. Participants and Beneficiaries should consult their tax advisors regarding the potential applicability of the Rhode Island generation-skipping transfer tax and the Rhode Island estate tax with respect to their Accounts in their particular circumstances.

**Rhode Island Tax-Free Distributions for Qualified Expenses.** Rhode Island taxable income, which is generally derived from federal adjusted gross income, is taxed by the State. As a result, you or the Beneficiary are generally not subject to Rhode Island income tax on the earnings portion of any distributions for Qualified Expenses. Since different states have different tax provisions, if you or your Beneficiary, as applicable, are not a Rhode Island taxpayer, you should consult your own state’s tax laws or your tax advisor for more information on your state’s taxation of distributions for Qualified Expenses.

**Refunds of Qualified Expenses.** Because Rhode Island taxable income is generally derived from federal adjusted gross income, if you contribute a Refunded Distribution to your Account, the contribution will not result in the “recapture” of the deduction in computing Rhode Island tax discussed above in this section. Any amounts recontributed may not be eligible for the Rhode Island deduction in computing Rhode Island income tax. Please consult your tax advisor for more information on recontributing refunds of Qualified Expenses.

**Rhode Island Taxation of Non-Qualified and Other Distributions.** Because Rhode Island taxable income is generally derived from federal adjusted gross income, you or the Beneficiary, as applicable, will be subject to Rhode Island income tax on the earnings portion of any distribution that is included in your federal adjusted gross income. In addition, a Non-Qualified Distribution may be subject to recapture of some or all of any deduction previously taken in computing Rhode Island income tax.

**Non-Rhode Island Taxpayers.** If you are not a Rhode Island taxpayer, consider any state tax or other benefits that may be available in your or your Beneficiary’s home state Qualified Tuition Program. State-based benefits should be one of many factors to be considered when making an investment decision, and different states have different tax provisions. Consider consulting your tax advisor to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances.

# GENERAL INFORMATION

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**CollegeBoundbaby.** CollegeBoundbaby is an enhancement of CollegeBound 529, designed to help Rhode Island families get an early start at saving for their child's higher education. Starting January 1, 2015, children born to or adopted by Rhode Island families are eligible for a \$100 CollegeBoundbaby grant to be used for Qualified Expenses if the request is received by the Treasurer within one (1) year of their birth or adoption. The grant will be held and invested by the Treasurer in a CollegeBound 529 master account on behalf of the child until the child is ready to attend an Eligible Educational Institution. It cannot be used to establish an individual account. Only one CollegeBoundbaby grant will be awarded for each eligible child. Additional information about CollegeBoundbaby can be found at [www.collegeboundbaby.com](http://www.collegeboundbaby.com).

**Customer Identification Verification.** When completing an *Enrollment Form*, CollegeBound 529 requires your name, permanent U.S. street address, date of birth, and Social Security number. If you represent a trust or other entity, we require a tax identification number and information for the person(s), such as Custodian, agent under power of attorney, trustee, or corporate officer, opening your Account. We may also require other information to properly verify your identity. If CollegeBound 529 does not receive all of the required information, there could be a delay in opening your Account. If, after making reasonable efforts, CollegeBound 529 is unable to verify your identity, we may take any action permitted by law, without prior notice to you, including rejecting contribution and transfer requests, suspending Account services, or closing your Account and issuing a refund at the Unit Value calculated the day your Account is closed. Any refund made under these circumstances may be considered a Non-Qualified Distribution. The risk of market loss, tax implications, and any other expenses, as a result of the liquidation, will be solely your responsibility.

**Documents in Good Order.** To process any transaction in CollegeBound 529, all necessary documents must be in good order, which means executed when required and properly, fully, and accurately completed.

**Purpose of Qualified Tuition Programs.** Qualified Tuition Programs are intended to be used only to save for Qualified Expenses. Qualified Tuition Programs are not intended to be used, nor should they be used, by any taxpayer for the purpose of evading federal or state taxes or tax penalties. You may wish to seek tax advice from an independent tax advisor based on your own particular circumstances.

**Your Account.** A completed *Enrollment Form* includes an acknowledgement that you agree to be bound by the terms and conditions of this Program Description and the *Enrollment Form*. The Program Description and the *Enrollment Form*, when executed by you, are

considered the entire agreement between you and the Program with respect to your Account. By signing the *Enrollment Form*, you are requesting that CollegeBound 529 opens an Account for the benefit of your Beneficiary. Your Account, the Program Description and your signed *Enrollment Form* are subject to the Enabling Legislation and any rules we may adopt under the Enabling Legislation. Your Account assets will be held, subject to the Enabling Legislation and the Code, the Program Description, and your signed *Enrollment Form*, for the exclusive benefit of you and your Beneficiary.

**Changes to Your Account.** We are not responsible for the accuracy of the documentation you submit to us to make changes to your Account, whether submitted online or in paper form. If acceptable, notices, changes, Portfolios, and elections relating to your Account will take effect within a reasonable time after CollegeBound 529 has received the appropriate documentation in good order, unless we notify you otherwise.

**Accuracy of Information in Program Description.** The information in this Program Description is believed to be accurate as of the cover date and is subject to change without notice. No one is authorized to provide information that is different from the information in the most current form of this Program Description and any subsequent Supplements.

**Changes to the Program Description.** CollegeBound 529 may amend the Program Description from time to time to comply with changes in the law or regulations or if we determine that it is in CollegeBound 529's best interest to do so. However, CollegeBound 529 will not retroactively modify existing terms and conditions applicable to an Account in a manner adverse to you or your Beneficiary, except to the extent necessary to assure compliance with applicable state and federal laws or regulations or to preserve the favorable tax treatment for you, your Beneficiary, the State Administrators and CollegeBound 529.

**Keep Legal Documents for Your Records.** You should retain this Program Description for your records. CollegeBound 529 may make modifications to CollegeBound 529 in the future. If so, a Supplement to the Program Description may be sent to your address of record or notice sent to you by email if you choose to receive documents electronically. If material modifications are made to CollegeBound 529, a revised Program Description or Supplement will be sent to your address of record or notice sent to you by email if you choose to receive documents electronically. In these cases, the new Supplement and/or Program Description will supersede all prior versions. Please note that CollegeBound 529 periodically matches and updates the addresses of record against a change of address database maintained by the U.S. Postal Service to reduce the possibility that items sent First Class Mail, such as Account statements, will be undeliverable.



**Changes to State Statutes; Adoption of Rules.** The Rhode Island General Assembly may, from time to time, pass legislation, which may directly or indirectly affect the terms and conditions of CollegeBound 529 and the Program Description.

**Guide to Interpretation.** CollegeBound 529 is intended to qualify for the tax benefits of Section 529. Notwithstanding anything in the Program Description to the contrary, the terms and conditions applicable to your Account will be interpreted and/or amended to comply with the requirements of that Section and applicable regulations.

**Continuing Disclosure.** Certain financial information and operating data relating to the Program will be filed by or on behalf of the Program in electronic form with the Electronic Municipal Market Access system (EMMA) maintained by the MSRB pursuant to Rule 15c2-12 as promulgated by the SEC under the Securities Exchange Act of 1934. Notices of certain enumerated events will be filed by or on behalf of the Program with the MSRB.

**Independent Registered Public Accounting Firm.** CollegeBound 529 has engaged an independent public accounting firm to audit the financial statements for CollegeBound 529.

**Privacy Policy.** CollegeBound 529 is required to treat all Account Owner and Beneficiary information confidentially. CollegeBound 529 is prohibited from using or disclosing this information, except as may be necessary to perform our obligations to CollegeBound 529, or if required by applicable law, by court or other order. You can access a copy of the most recent privacy policy on CollegeBound 529's website at [www.collegebound529.com](http://www.collegebound529.com).

**Custodial Arrangements.** The Bank of New York Mellon (Mellon) is CollegeBound 529's custodian. As custodian, Mellon is responsible for maintaining CollegeBound 529's assets.

**Creditor Protection under U.S. Laws.** Federal bankruptcy law excludes from property of the debtor's bankruptcy estate certain assets that have been contributed to accounts in a Qualified Tuition Program. However, bankruptcy protection in this respect is limited and has certain conditions. For a Qualified Tuition Program account to be excluded from the debtor's estate, the Beneficiary must be a child, stepchild, grandchild, or step-grandchild (including a legally adopted child or a foster child) of the individual who files for bankruptcy protection. In addition, contributions made to all Qualified Tuition Program accounts for the same Beneficiary are protected from becoming property of the debtor's estate as follows:

- contributions to all Qualified Tuition Program accounts for the same beneficiary more than seven-hundred twenty (720) days before a federal bankruptcy filing are completely protected;
- contributions to all Qualified Tuition Program accounts for the same beneficiary more than three hundred and sixty-five (365) days but less than seven hundred and twenty (720) days before a federal bankruptcy filing are, as of April 1, 2016, protected up to six-thousand four-hundred twenty-five dollars (\$6,425.00), an amount currently revised every three (3) years by the Judicial Conference of the United States; and
- contributions to all Qualified Tuition Program accounts for the same beneficiary less than three hundred sixty-five (365) days before a federal bankruptcy filing are not protected against creditor claims in federal bankruptcy proceedings.

Federal bankruptcy law permits a debtor to exempt certain specified assets from liability notwithstanding the assets being property of the debtor's estate. Under federal bankruptcy law, assets held in a 529 plan account that are property of the debtor's estate are not exempt from debt for domestic support obligations. This information is not meant to constitute individual tax or bankruptcy advice, and you should consult with your own advisors concerning your individual circumstances.

**Representation.** All factual determinations regarding your or your Beneficiary's residency, Disabled status, and any other factual determinations regarding your Account will be made by the Program based on the facts and circumstances of each case.

**Severability.** In the event that any clause or portion of the Program Description or the *Enrollment Form*, including your representations, warranties, certifications, and acknowledgements, is found to be invalid or unenforceable by a valid court order, that clause or portion will be severed from the Program Description or the *Enrollment Form*, as applicable, and the remainder of the Program Description or *Enrollment Form*, as applicable, will continue in full force and effect as if such clause or portion had never been included.

**Precedence.** In the event of inconsistencies between the Program Description, the Management Agreement, Treasurer policy or any rules adopted by the Treasurer, and the Code or Rhode Island statutes, the provisions of the Rhode Island statutes or the Code, as applicable, will govern. To the extent permitted by Rhode Island law, the Code will govern in the event of any inconsistencies between Rhode Island statutes and the Code.

**Rhode Island Law.** CollegeBound 529 is created under the laws of the state of Rhode Island. It is governed by, construed, and administered in accordance with the laws of the State. The venue for disputes and all other matters relating to CollegeBound 529 will only be in the State.

**Claims; Disputes.** All decisions and interpretations by the Program Administrators in connection with the operation of CollegeBound 529 will be final and binding upon you, the Beneficiary, and any other person affected. Any claim by you or your Beneficiary against the Program Administrators, individually or collectively, with respect to your Account will be made solely against the assets in your Account. The obligations of CollegeBound 529 under an *Enrollment Form* are moneys received from you and earnings and/or losses from your Account investments, and neither you nor your Beneficiary will have recourse against the Program Administrators, collectively or individually, in connection with any right or obligations arising out of an Account. Assets in your Account are not an obligation of the State. Accounts are not insured by the State and neither the principal contributed nor the investment return is guaranteed by the State of Rhode Island or Program Administrators. Establishment of an Account does not guarantee that a Beneficiary will be admitted to an Eligible Educational Institution or be allowed to continue enrollment at or graduate from an Eligible Educational Institution after admission. Establishing an Account does not establish Rhode Island residence for a Beneficiary. The Program Administrators do not guarantee that amounts saved in an Account will be sufficient to cover the Qualified Expenses of a Beneficiary. All obligations under your Account and the Program Description are legally binding contractual obligations of the Program only.

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# PROGRAM GOVERNANCE

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**CollegeBound 529.** CollegeBound 529 is a Qualified Tuition Program established pursuant to the Enabling Legislation. The Enabling Legislation authorizes the State Administrators to establish and administer Qualified Tuition Programs and gives the SIC power to invest Program money. In addition, the Treasurer is provided discretion with regard to the formation of CollegeBound 529, including the establishment of minimum Account contributions and retention of professional services necessary to assist in the administration of CollegeBound 529.

**State Administrators.** CollegeBound 529 is offered by the State of Rhode Island Office of General Treasurer (Treasurer) in conjunction with the Rhode Island Division of Higher Education, the Rhode Island State Investment Commission (SIC), the Executive Director of the Rhode Island Student Loan Authority and the Commissioner of Post-secondary Education (collectively with the Treasurer, the State Administrators). CollegeBound 529 is part of the Rhode Island Tuition Savings Program, the assets of which are considered to be held in trust.

The Treasurer is responsible for implementing the Rhode Island Tuition Savings Program and makes rules and regulations governing the Program. The SIC oversees the investment of the Program's assets.

**Other Qualified Tuition Programs Administered by the Treasurer.** The Treasurer administers two (2) Qualified Tuition Programs: CollegeBound 529 and CollegeBound Saver. CollegeBound 529 is described in this Program Description, is sold exclusively through financial advisory firms which have entered into selling agreements with Invesco Distributors, Inc. and offers investment options that are not available under CollegeBound Saver. However, the fees and expenses of CollegeBound Saver, which is sold directly by CollegeBound Saver and is not described in this Program Description, may be lower and do not include compensation to the financial advisory firm. Be sure to understand the options available before making an investment decision.

**Program Manager.** Ascensus College Savings Recordkeeping Services, LLC (ACSR) serves as the Program Manager of CollegeBound 529. ACSR and its affiliates (collectively, Ascensus College Savings) have overall responsibility for the day-to-day operations of CollegeBound 529 including recordkeeping and administrative services, and marketing. The Management Agreement between ACSR and the Treasurer expires in 2026 (inclusive of a 5 year automatic renewal) unless earlier terminated.

**Program Manager Address.** 95 Wells Ave, Suite 155, Newton, MA 02459. All general correspondence, however, should be addressed to **CollegeBound 529, P. O. Box 55986, Boston, MA 02205.**

**Investment Manager.** Ascensus College Savings has contracted with Invesco Advisers Inc. to provide investment advisory services to CollegeBound 529. The agreement between Ascensus College Savings and Invesco expires concurrently with the Management Agreement.

Invesco is responsible for the asset allocation of CollegeBound 529 assets and for recommending Underlying Funds for inclusion in CollegeBound 529. Invesco is also the investment adviser for certain Underlying Funds held by the Portfolios. Invesco PowerShares Capital Management LLC (PowerShares), an affiliate of Invesco, is also an investment adviser for certain Underlying Funds held by the Portfolios. Invesco and PowerShares are registered as investment advisers with the SEC.

Invesco's affiliate, Invesco Distributors is responsible for marketing and distributing CollegeBound 529. Invesco Distributors is an SEC-registered broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA). Invesco Distributors is also registered with the MSRB.

# GLOSSARY OF DEFINED TERMS

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These terms are used often throughout this Program Description.

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**Defined Terms.** Terms used in this Program Description have the following meanings:

**Account:** An account in CollegeBound 529 established by an Account Owner for a Beneficiary.

**Account Owner or you:** An individual 18 years or older, an emancipated minor (as determined by Rhode Island law), a trust, an estate, a partnership, an association, a company, a corporation, or a qualified Custodian under the UGMA/UTMA, who signs an *Enrollment Form* establishing an Account. In certain cases, the Account Owner and Beneficiary may be the same person.

**ACH:** Automated Clearing House.

**ACSR:** Ascensus College Savings Recordkeeping Services, LLC

**Ascensus College Savings:** Ascensus College Savings is used to refer collectively or individually, as the case requires, to ACSR, Ascensus Investment Advisors, LLC, and Ascensus Broker Dealer Services, Inc., as applicable.

**Beneficiary:** The individual designated by an Account Owner, or as otherwise provided in writing to CollegeBound 529, to receive the benefit of an Account.

**CDSC:** Contingent deferred sales charge.

**Code:** Internal Revenue Code of 1986, as amended. References to various Sections of the Code throughout this Program Description include Section 529 as it currently exists and as it may subsequently be amended, and any regulations adopted under it.

**CollegeBound 529:** CollegeBound 529, the advisor-sold Qualified Tuition Program offered by the State of Rhode Island.

**CollegeBound Saver:** the direct Qualified Tuition Program offered by the State of Rhode Island.

**Custodian:** The individual who opens an Account on behalf of a minor Beneficiary with assets from an UGMA/UTMA account. Generally, the Custodian will be required to perform all duties of the Account Owner with regard to the Account until the Account Owner attains the age of majority, is otherwise emancipated, or the Custodian is released or replaced by a valid court order. The Custodian of an Account funded from an UGMA/UTMA account may not change the Account Owner or Beneficiary.

**Disabled or Disability:** Condition of a Beneficiary who is unable to do any substantial gainful activity because of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration. CollegeBound 529 will require medical documentation to verify this condition.

**Educational Assistance:** Educational Assistance generally refers to the tax-free portion of any scholarships or fellowships, Pell or other grants; employer provided educational assistance, veteran's education assistance, and other tax-free educational assistance (other than gifts or inheritances). See IRS Publication 970 online at <http://www.irs.gov/publications/p970/ch08.html> for more information.

**Education Tax Credits:** American Opportunity Tax Credit or Lifetime Learning Tax Credits. These are federal tax credits available to eligible students to offset qualified higher education expenses.

**Electronic Funds Transfer or EFT:** A service in which an Account Owner authorizes CollegeBound 529 to transfer money from a bank or other financial institution to an Account in CollegeBound 529.

**Eligible Educational Institution:** An institution as defined in Section 529(e) of the Code. Generally, the term includes accredited postsecondary educational institutions or vocational schools in the United States and some accredited postsecondary educational institutions or vocational schools abroad offering credit toward a bachelor's, an associate's, a graduate level or professional degree, or another recognized postsecondary credential. The institution must be eligible to participate in a student financial aid program under Title IV of the Higher Education Act of 1965 (20 U.S.C. §1088). To determine if a school is an Eligible Education Institution, search for its Federal School Code (identification number for Title IV financial aid programs) at: <https://fafsa.ed.gov/>.

**Enabling Legislation:** The law that established the Program, Rhode Island Public Laws: 1997 Ch. 81, section 2; 1997 Ch. 91, section 2; 2001 Ch. 364, section 2; 2015, Ch. 141 Art 7, Section 6.

**Enrollment Form:** A participation agreement between an Account Owner and the Program, establishing the obligations of each and prepared in accordance with the provisions of CollegeBound 529.

**Federal Penalty Tax:** A federal surtax required by the Code that is equal to 10% of the earnings portion of a Non-Qualified Distribution.

**Fees:** The Underlying Fund Fees, Program Management Fee, Administrative Fee and any other fees, costs, expenses, and charges associated with CollegeBound 529.

**Invesco:** Invesco Advisers, Inc., and its affiliates, which includes PowerShares Capital Management LLC and Invesco Distributors.

**Invesco Distributors:** Invesco Distributors, Inc.

**Investment Option:** The Age-Based Portfolios, Target Risk Portfolios, or Individual Portfolios, available to Account Owners in CollegeBound 529.

**Investment Manager:** Invesco.

**IRS:** Internal Revenue Service.

**Legacy Units:** Class B, Class BX and Class CX Units, which are closed to new investments.

**Management Agreement:** An agreement between the Treasurer and ACSR to provide CollegeBound 529 with program management, investment advisory, recordkeeping and administrative services, and marketing. The Management Agreement between the Treasurer and ACSR is now effective and will terminate in 2021, or earlier as provided in the Management Agreement. The Management Agreement may be extended for up to two (2) additional five (5) year terms.

**Maximum Account Balance:** The maximum aggregate balance of all accounts for the same Beneficiary in Qualified Tuition Programs sponsored by the State of Rhode Island, as established by the Treasurer from time to time, which will limit the amount of contributions that may be made to Accounts for any one Beneficiary, as required by Section 529. The current Maximum Account Balance is \$395,000.

**Member of the Family:** An individual as defined in Section 529(e)(2) of the Code who is related to the Beneficiary including:

1. a child or stepchild;
2. a sibling, stepsibling, or half-sibling (i.e., brother or sister);
3. a parent, or stepparent;
4. a grandparent;
5. a grandchild;
6. a niece or nephew;
7. an aunt or uncle;
8. a first cousin;
9. a mother- or father-in-law, son- or daughter-in-law, brother- or sister-in-law; or
10. a spouse of any individual listed (except first cousin).

For purposes of determining who is a Member of the Family, a legally adopted child or a foster child of an individual is treated as the child of that individual by blood.

**MSRB:** Municipal Securities Rulemaking Board.

**NAV:** Net Asset Value.

**Non-Qualified Distributions:** A distribution from an Account that is not a Qualified Distribution or an Other Distribution.

**Non-Rhode Island Resident:** An Account Owner or Beneficiary who does not reside in Rhode Island or an Account Owner who does not work for a Rhode Island Employer nor have a principal place of business in Rhode Island.

**Non-Rhode Island Resident Account:** An Account of a Non-Rhode Island Resident.

**Other Distribution:** A distribution from your Account that is

- paid to the estate of the Beneficiary (or to a beneficiary other than the Beneficiary) on or after the death of the Beneficiary;
- by reason of the Disability of the Beneficiary;
- included in income because the Beneficiary received Educational Assistance, but only to the extent of the Educational Assistance;
- by reason of the Beneficiary's attendance at a U.S. military academy, to the extent of the costs of advanced education (as defined in 10 U.S.C. 2005(d)(3)) attributable to that attendance;
- included in income only because of the use of Education Credits as allowed under federal income tax law; or
- a Rollover Distribution to another Qualified Tuition Program that is not sponsored by the State of Rhode Island in accordance with the Code.

**Portfolio:** The Age-Based Portfolio, Target Risk Portfolio, or Individual Portfolio, available to Account Owners in CollegeBound 529.

**Program:** CollegeBound 529.

**Program Administrators:** The State, the SIC, the Treasurer, any other agency of the State (including their respective affiliates and agents), the Program Manager (including its affiliates and agents), or the Investment Manager (including its respective affiliates and agents), and any other counsel, advisor, or consultant retained by, or on behalf of, those entities and any employee, officer, official, or agent of those entities.

**Program Description:** This document, intended to provide substantive disclosure of the terms and conditions of an investment in CollegeBound 529, including any other Supplements distributed from time to time.

**Program Management Fee:** The Program Management Fee as described under **Fees** on page 17. This fee is only applicable to Non-Rhode Island Resident Accounts.

**Program Management Services:** ACSR has been engaged by the Treasurer to provide program management services, including program management, investment advisory, recordkeeping and administrative services and marketing, as an independent contractor, on behalf of CollegeBound 529.

**Program Manager:** Ascensus College Savings Recordkeeping Services, LLC has been engaged by the Treasurer to provide the Program Management Services, as an independent contractor, on behalf of CollegeBound 529.

**Qualified Distribution:** A distribution from an Account that is used to pay Qualified Expenses of the Beneficiary.

**Qualified Expenses:** Qualified higher education expenses as defined in the Code and proposed federal tax regulations and as may be further limited by CollegeBound 529. Generally, these include:

- 1 tuition, fees and costs of textbooks, supplies, and equipment required for enrollment or attendance of a Beneficiary at an Eligible Educational Institution;
- 2 certain costs of the room and board of a Beneficiary for any academic period during which the student is enrolled at least half-time at an Eligible Educational Institution;
- 3 expenses for special needs Beneficiaries that are necessary in connection with their enrollment or attendance at an Eligible Educational Institution; and
- 4 expenses for the purchase of computer or peripheral equipment (as defined in section 168(i)(2)(B) of the Code), computer software (as defined in section 197(e)(3)(B) of the Code), or Internet access and related services, if the equipment, software, or services are to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution.

**Qualified Tuition Program or 529 Plan:** A qualified tuition program established under Section 529 of the Code and sponsored by a state, state agency, and educational institution to help pay for college and related Qualified Expenses at eligible educational institutions.

**Recurring Contribution:** A service in which an Account Owner authorizes CollegeBound 529 to transfer money, on a regular and predetermined basis, from a bank or other financial institution to an Account in CollegeBound 529.

**Refunded Distribution:** A distribution taken for Qualified Expenses in the same year of a refund by the Eligible Educational Institution recontributed to a Qualified Tuition Program that meets the following requirements:

- The recontribution must not exceed the amount of the refund from the Eligible Educational Institution;
- The recontribution must not exceed the amount of distributions previously taken to pay the Qualified Higher Education Expenses of the beneficiary;
- The recontribution must be made to an account in a Qualified Tuition Program of the same beneficiary to whom the refund was made; and
- The funds must be recontributed to a Qualified Tuition Program within sixty (60) days of the date of the refund from the Eligible Educational Institution.

**Rhode Island Resident:** An Account Owner or Beneficiary who resides in Rhode Island, and/or an Account Owner who works for a Rhode Island Employer or has a principal place of business in Rhode Island.

**Rhode Island Resident Account:** An Account of a Rhode Island Resident.

**Rollover Distribution:** A distribution resulting from a change of Beneficiary to another Beneficiary who is a Member of the Family, either within CollegeBound 529 or between Qualified Tuition Programs, or a rollover or transfer of assets between Qualified Tuition Programs for the same Beneficiary, provided another rollover or transfer for the same Beneficiary has not occurred in the previous twelve (12) months.

**SEC:** U.S. Securities and Exchange Commission.

**Section 529:** Section 529 of the Internal Revenue Code of 1986, as amended.

**SIC:** The Rhode Island State Investment Commission.

**Standing Allocation:** The selection made by an Account Owner indicating how contributions are allocated among Investment Options.

**State:** The State of Rhode Island.

**State Administrators:** The Treasurer, the Rhode Island Division of Higher Education, the SIC, the Executive Director of the Rhode Island Student Loan Authority and the Commissioner of Postsecondary Education.

**Successor Account Owner:** The person named in the *Enrollment Form* or otherwise in writing to CollegeBound 529 by the Account Owner, who may exercise the rights of the Account Owner under CollegeBound 529 if the Account Owner dies or is declared legally incompetent. The Successor Account Owner may be the Beneficiary if the Beneficiary is 18 years or older.

**Supplement:** An addendum to the Program Description, issued from time to time.

**Systematic Reallocation:** An optional feature which allows you to automatically reallocate assets in your Account from an Investment Option to one or more other Investment Options.

**Total Annual Asset-Based Fee:** The sum of the Underlying Fund Fee, Program Management Fee, Distribution and Service Fee, Administrative Fee and Portfolio Student Fund Fee as applicable based on Unit Class and as described under **Fees** on page 17.

**Treasurer:** Office of the General Treasurer of the State of Rhode Island.

**UGMA/UTMA:** Uniform Gifts to Minors Act / Uniform Transfers to Minors Act.

**Underlying Funds or Funds:** The mutual funds, exchange traded funds and other investments, in which assets of the Portfolios are invested.

**Unit or Units:** The measurement of an Account's interest in a Portfolio.

**Unit Class:** A designation that indicates the type and amount of fees charged for the Units in a Portfolio.

**Unit Value:** The value per Unit in a Portfolio.

**Upromise Service:** A loyalty program offered by Upromise, Inc. that enables Account Owners who have signed up for this optional service to earn rewards from participating merchants. The Upromise Service is a separate service from CollegeBound 529 and not affiliated with the Program Administrators.

**We, our or us:** CollegeBound 529 and the Program Administrators, as applicable.

# PARTICIPATION AGREEMENT

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**In this section, CollegeBound 529 asks you to indemnify the Program Administrators, to make certain representations to us and to acknowledge your responsibilities. When you sign the Enrollment Form, you agree to the terms and conditions specified in the Program Description and this Participation Agreement.**

## Indemnity

As an Account Owner, I agree to and acknowledge the following:

- I am opening, whether directly or through a financial advisor acting on my behalf, an Account in the Program based upon my statements, agreements, representations, warranties, and covenants as set forth in the Program Description and the *Enrollment Form*.
- I, through the *Enrollment Form* and the Program Description, indemnify and hold harmless the Program Administrators from and against any and all loss, damage, liability, penalty, tax, or expense, including costs of reasonable attorneys' fees, which they incur by reason of, or in connection with, any misstatement or misrepresentation that is made by me or my Beneficiary, any breach by me of the acknowledgements, representations, or warranties in the Program Description or the *Enrollment Form*, or any failure by me to fulfill any covenants or agreements in the Program Description, or the *Enrollment Form*.

## Representations, Warranties and Acknowledgements

I, as Account Owner, represent and warrant to, and acknowledge and agree with, the Program Administrators regarding the matters set forth in the Program Description and the *Enrollment Form* including that:

1. I have received, read, and understand the terms and conditions of the Program Description and *Enrollment Form* and any additional information provided to me by the Program Administrators with respect to CollegeBound 529.
2. I certify that I am a natural person, at least 18 years of age and a citizen or a resident of the United States of America, who resides in the United States of America or, that I have the requisite authority to enter into this Participation Agreement and to open an Account or have my financial advisor open an Account on my behalf for the benefit of the Beneficiary. I also certify that the person named as Beneficiary of the Account is a citizen or a resident of the United States of America.
3. I understand that CollegeBound 529 is intended to be used only to save for Qualified Expenses of the Beneficiary.
4. I understand that any contributions credited to my Account will be deemed by the Program Administrators to have been received from me and that contributions by third parties may result in adverse tax or other consequences to me or those third parties.
5. If I am establishing an Account as a Custodian for a minor under UGMA/UTMA, I understand and agree that I assume responsibility for any adverse consequences resulting from the establishment, maintenance, or termination of the Account.
6. If I am establishing an Account as a trustee for a trust, I represent that (i) I, in my capacity as trustee, am the Account Owner; (ii) I am duly authorized to act as trustee for the trust; (iii) the Program Description may not discuss tax consequences and other aspects of CollegeBound 529 of particular relevance to the trust and individuals having an interest in the trust; and (iv) I, as trustee, for the benefit of the trust, have consulted with and relied on a professional advisor, as deemed appropriate by the trustee, before becoming an Account Owner.
7. If I am establishing an Account on behalf of an entity, I represent that I have the requisite authority to enter into, and bind such entity to, this Participation Agreement and open an Account for the benefit of the Beneficiary.
8. I understand and agree that, if the Account is opened by my financial advisor and my financial advisor utilizes the settlement services provided by the National Securities Clearing Corporation (NSCC). I will be deemed to have agreed to this Participation Agreement through my financial advisor; and I agree that in such case this Participation Agreement may be accepted by the Program Administrators, and a binding agreement between us created, by the Program Administrator's act of establishing an Account on my behalf.
9. I have been given an opportunity to ask questions and receive answers concerning the terms and conditions of CollegeBound 529 and the Program Description.
10. I understand that CollegeBound 529 assets may be allocated among equity funds, fixed-income funds, cash management funds, and other investments.
11. In making my decision to open an Account (or have an Account opened on my behalf by my financial advisor) and completing my *Enrollment Form*, I have not relied upon any representations or other information, whether written or oral, other than as set forth in the Program Description, and I have considered the availability of alternative education savings and investment programs, including other Qualified Tuition Programs.



12. I understand that I am solely responsible for determining which Qualified Tuition Program is best suited to my needs and objectives. I understand that each of the Investment Options within CollegeBound 529 may not be suitable, and that CollegeBound 529 may not be suitable, for all investors as a means of saving and investing for higher education costs. I have determined that an investment in CollegeBound 529 is a suitable investment for me as a means of saving for the Qualified Expenses of the Beneficiary.

13. I have been given an opportunity to obtain any additional information needed to complete my *Enrollment Form* and/or verify the accuracy of any information I have furnished. I certify that all of the information that I provided in the *Enrollment Form* and any other documentation subsequently furnished in connection with the opening or maintenance of, or any distributions from, my Account is and shall be accurate and complete. I agree to notify the Program Administrators or CollegeBound 529 promptly of any material changes in such information.

14. The value of my Account depends upon the performance of the Portfolios. I understand that at any time the value of my Account may be more or less than the amounts contributed to the Account. I understand that all contributions to my Account are subject to investment risks, including the risk of loss of all or part of the contributions and any return or interest earned. I understand that the value of my Account may not be adequate to fund actual Qualified Expenses.

15. I understand that although I own Program interests in a Portfolio, I do not have a direct beneficial interest in the Underlying Funds and other investment products approved by the SIC from time to time, and therefore, I do not have the rights of an owner or shareholder of those Underlying Funds or other investments. I further understand that I received no advice or investment recommendation from, or on behalf of, the Program Administrators.

16. I understand that after I make my initial contribution to a specific Investment Option, I will be allowed to direct the further investment of that contribution no more than two times per calendar year.

17. I cannot use my Account as collateral for any loan. I understand that any attempt to use my Account as collateral for a loan would be void. I also understand that CollegeBound 529 will not lend any assets to my Beneficiary or to me.

18. I understand that the Program Manager has the right to provide a financial advisor or registered investment adviser identified by me to CollegeBound 529 with access to financial and other information regarding my Account.

19. I understand that, unless otherwise provided in a written agreement between me and a registered investment adviser, or between me and the Treasurer or the Program Manager, Ascensus Investment Advisors, LLC, or an Investment Manager, no part of my participation in CollegeBound 529 will be considered the provision of an investment advisory service.

20. Except as described in this Program Description, I will not assign or transfer any interest in my Account. I understand that, except as provided under Rhode Island law, any attempt to assign or transfer that interest is void.

21. I acknowledge that CollegeBound 529 intends to qualify for favorable federal tax treatment under the Code. Because this qualification is vital to CollegeBound 529, the Treasurer may modify CollegeBound 529 or amend this Program Description at any time if the Treasurer decides that the change is needed to meet the requirements of the Code or the regulations administered by the IRS pursuant to the Code or State law or to ensure the proper administration of CollegeBound 529.

22. I understand that my Account(s), including assets and records, may be transferred to a different program manager, and/ or investment manager at the Treasurer's direction in the event of a change in Program Manager or Investment Manager.

23. The Program Administrators, individually and collectively, do not guarantee that my Beneficiary: will be accepted as a student by any institution of higher education or other institution of postsecondary education; if accepted, will be permitted to continue as a student; will be treated as a state resident of any state for tuition and fee purposes; will graduate from any institution of higher education or other institution of postsecondary education; or will achieve any particular treatment under any applicable state or federal financial aid programs.

24. The Program Administrators, individually and collectively, do not guarantee any rate of return or benefit for contributions made to my Account or guarantee the amount of tuition and fees that may be charged by an Eligible Educational Institution.

25. The Program Administrators, individually and collectively, are not:

- a. liable for a failure of CollegeBound 529 to qualify or to remain a Qualified Tuition Program under the Code including any subsequent loss of favorable tax treatment under state or federal law;
- b. liable for any loss of funds contributed to my Account or for the denial to me of a perceived tax or other benefit under CollegeBound 529, the Program Description or the *Enrollment Form*; or
- c. liable for loss caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading, war, acts of terrorism, strikes, or other conditions beyond their control.

26. I understand that under Rhode Island law, Rhode Island residency is not established for the Beneficiary merely because I have designated him or her as the Beneficiary of the Account.

**27. Arbitration. This is a pre-dispute arbitration clause. Any controversy or claim arising out of or relating to the Program or the Program Description, or the breach, termination, or validity of this Program or the Enrollment Form, may be submitted to arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules (except that if the Program Manager, or an Investment Manager is a party to the arbitration, it may elect that arbitration will instead be subject to the Code of Arbitration Procedure of the Financial Industry Regulatory Treasurer), both of which are made part of this Agreement, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.**



**In connection with any arbitration , I understand that :**

**I am giving up important rights under state law , including the right to sue in court and the right to a trial by jury , except as provided by the rules of the arbitration forum in which the claim is filed :**

- 1. arbitration awards are generally final and binding ; my ability to have a court reverse or modify an arbitration award is very limited ;**
- 2. my ability to obtain documents , witness statements , and other discovery is generally more limited in arbitration than in court proceedings ;**
- 3. the potential cost of arbitration may be more or less than the cost of litigation ;**
- 4. the arbitrators do not have to explain the reason(s) for their award , unless in an eligible case , a joint request for an explained decision has been submitted by all parties to the panel at least twenty (20) days prior to the first scheduled hearing date ;**
- 5. the panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry ;**
- 6. the rules of the arbitration forum may impose time limits for bringing a claim in arbitration . In some cases , a claim that is ineligible for arbitration may be brought in court ; and**
- 7. the rules of the arbitration forum are incorporated by reference into this Participation Agreement and are available by contacting the Program .**

**To the extent permitted by applicable law : (1) the terms and conditions of the agreement between me and the Program and Rhode Island law will be applied by the arbitrator(s) without regard to conflict of laws principles ; (2) the place of arbitration will be Providence , Rhode Island ; and (3) the arbitrator(s) is not empowered to award consequential or punitive damages under any circumstances , whether statutory or common law in nature , including treble damages by statute . I may have other rights under FINRA's Code of Arbitration Procedure .**

**I cannot bring a putative or certified class action to arbitration , or seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action ; who is a member of a putative class who has opted out of the class with respect to any claims encompassed by the putative class action until : (i) the class certification is denied ; or (ii) the class is decertified ; or (iii) the person is excluded from the class by the court . A failure to enforce this arbitration provision does not constitute a waiver of any of the Program Official's rights under the Program Description or the *Enrollment Form* or my Account except to the extent set forth in this Arbitration Section .**

28. By opening an Account, I am submitting (on behalf of myself and my Beneficiary) to the exclusive jurisdiction of courts in Rhode Island for all legal proceedings arising out of or relating to my Account. The Treasurer or the Program Manager may apply to a court at any time for judicial settlement of any matter involving my Account. If the Treasurer or the Program Manager does so, they will give me or my Beneficiary the opportunity to participate in the court proceeding,

but they may also involve other persons. Any expense incurred by the Program Officials in legal proceedings involving my Account, including attorney's fees and expenses, are chargeable to my Account and payable by me or my Beneficiary if not paid from my Account.

29. The Program Description and this Participation Agreement are binding upon the parties and their respective heirs, successors, beneficiaries, and permitted assigns. By signing the *Enrollment Form*, I agree that all of my representations and obligations are for the benefit of the Program Officials, all of whom can rely upon and enforce my representations and obligations contained in the Program Description and the *Enrollment Form*.

30. My statements, representations, warranties, and covenants will survive the termination of my Account.

**Contact Information :**

<u>Regular Mail</u> <b>CollegeBound 529</b> <b>P. O. Box 55987</b> <b>Boston, MA 02205-9722</b>	<u>Phone</u> <b>877.615.4116</b>
<u>Overnight Mail</u> <b>CollegeBound 529</b> <b>95 Wells Ave Suite 155</b> <b>Newton, MA 02459</b>	<u>Email</u> <b>clientservices@collegebound529.com</b>
	<u>Online</u> <b>www.collegebound529.com</b>

CollegeBound 529 (CollegeBound 529) is administered by the State of Rhode Island Office of the General Treasurer. Ascensus College Savings Recordkeeping Services, LLC, the Program Manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory, recordkeeping and administrative services, and marketing. CollegeBound 529's Portfolios invest in mutual funds ETFs and other investments. Investments in CollegeBound 529 are not insured by the FDIC. Units of the Portfolios are municipal securities and the value of units will vary with market conditions.

Investment returns will vary depending upon the performance of the Portfolios you choose. You could lose all or a portion of your money by investing in CollegeBound 529 depending on market conditions. Account Owners assume all investment risks as well as responsibility for any federal and state tax consequences.

The Upromise Service is an optional service offered by Upromise, Inc. and is separate from CollegeBound 529. Specific terms and conditions apply. Participating companies, contribution levels, terms and conditions are subject to change. Upromise, Inc. is not affiliated with the Program Manager.

Upromise is a registered service mark of Upromise, Inc.

Ugift is a registered service mark of Ascensus Broker Dealer Services, Inc.

All other marks are the exclusive property of their respective owners.

**Not FDIC-Insured . No Bank , State or Federal Guarantee . May Lose Value .**

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