



Dear CollegeAdvantage Direct 529 Plan Account Owner,

We are writing to provide you with details about an upcoming change to the Ohio CollegeAdvantage Direct 529 Plan. This change will be implemented in approximately 30 days.

Ohio CollegeAdvantage 529 Direct Plan will enhance its investment menu by providing you with a new way to invest for all levels of education. We're transitioning our current Vanguard Ready-Made Age-Based investment portfolios to a more flexible and simplified college savings approach, known as Vanguard Ohio Target Enrollment Portfolios.

A Target Enrollment Portfolio (TEP) invests based on the date your beneficiary will begin using the funds for their higher education, whether at a four-year college or university, a two-year community or technical college, trade or vocational school, qualifying apprenticeship, or certificate program.

In a TEP, your savings are invested based on the date that the beneficiary of your Ohio 529 account will need the funds to start their higher education. TEPs follow a smooth glide path asset allocation strategy, which shifts from investments that have more risk, like stocks, toward more conservative investments, like bonds and cash, as your beneficiary approaches the time frame for post-high school education. So, while your 529 beneficiary is young, their investments will be more exposed to fluctuations in the market, affording the ability to capture more growth from market upswings, while there is still time for investments to recover if there is an economic downturn. As your beneficiary grows older and approaches the intended time frame for use of the funds, the asset allocation mix will adjust to reduce the amount of stocks and increase the amount of more conservative investments such as fixed-income and cash preservation options.

You may note that a TEP has a similar strategy to the current Vanguard Ready-Made Age-Based portfolios. However, an advantage of a TEP is that no fund exchanges are required which will reduce market timing risk. Unlike the Vanguard Ready-Made Age-Based portfolios in which you stay in the college-enrollment date fund which fits your child's birth date and an assumed college entry at age 18, with a TEP, you have flexibility to adjust investments to your risk tolerance. You may adjust the risk profile of your investments by moving up (to a TEP fund with a later date for more equity exposure) or down (to a TEP fund with a date that is sooner for more fixed income exposure) the glide path after the conversion is completed. You will be using one of your two annual exchanges in order to move to a different TEP dated fund with a different risk profile. Please consult your own tax or legal advisor for advice.

The targeted enrollment date can be found in the name of the TEP fund. For instance, if your child is entering kindergarten in 2022 and planning to enroll in college 13 years later, you would want to consider the 2034/2035 fund.

Ohio's 529 Plan and Ascensus, our Program Recordkeeper, will map your Vanguard Ready-Made Age-Based investment in the Aggressive, Moderate, and Conservative portfolios into the new Vanguard Ohio Target Enrollment Portfolios. For investments in the Aggressive and Moderate portfolios, the funds will be mapped based on the age of the beneficiary assuming that higher education expenses will begin at age 18. For investments in the Conservative Age-Based, funds will be mapped based into the TEP Fund that best matches the risk profile of the existing investment track.

This change requires no action on your part. As this change is being initiated by Ohio's 529 Plan, it will not be counted as one of your two yearly permissible exchanges.

If you are currently invested in a Vanguard Ready-Made Age-Based Portfolio and don't want to be automatically transitioned into a Vanguard Ohio Target Enrollment Portfolio, you will need to use one of your two annual exchanges to switch to another investment option with Ohio's 529 Plan prior to March 17, 2022.

These changes will be reflected effective March 21, 2022, in a new Direct Plan Offering Statement And Participation Agreement Dated March 21, 2022. At that time, the new Direct Plan Offering Statement And Participation Agreement will be available on the Ohio 529 Plan website, CollegeAdvantage.com.

KEY DATES TO KEEP IN MIND

Thursday, March 17, 2022: Target Enrollment Portfolio transition begins at 4 p.m. EST.

Blackout period: 4 p.m. EST Thursday, March 17, 2022 – 8 a.m. Monday, March 21, 2022: During this time, Ohio's 529 Plan and Ascensus will be unable to process **any** Ohio 529 account transactions or account changes, including withdrawals, contributions, and investment option changes, online or by phone. All transaction requests, including recurring contributions (automatic investments), received after 4 p.m. EST on Thursday, March 17, and up until the market close on Friday, March 18, won't be processed until Monday, March 21, using portfolio net asset values as of March 21.

During the blackout period, Customer Service Representatives will be able to assist account owners with reviewing account balances only. The ReadySave 529 app resources will also be affected during the blackout period. Account owners will only be able to look at their account balances during this time.

Monday, March 21, 2022: The transition is complete. Normal service will resume at 8:30 a.m. EST.

IF YOU HAVE QUESTIONS

The Ohio Tuition Trust Authority remains committed to providing quick, friendly, and professional customer service through our Columbus, Ohio-based customer service representatives. If you have any questions or concerns about the upcoming changes, or if you need information or assistance with your account, please call CollegeAdvantage at 1-800-AFFORD-IT (233-6734). Our customer service representatives are available to assist you from 8:30 a.m. - 6 p.m. ET Monday through Friday. You may also send your non-account specific questions at your convenience via email to CustomerService@CollegeAdvantage.com.

If you would like to view the Investment Option Choices chart, which illustrates the asset allocation within each Vanguard Ohio Target Enrollment Portfolios as well as the other investment options available in Ohio's 529 Plan, please [click here](#) or scan this QR code:



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Disclaimer:

Participation in the CollegeAdvantage Direct Plan does not guarantee that contributions, or the investment return on contributions, if any, will be adequate to cover the future tuition and other 529-qualified higher education expenses, or that a beneficiary will be admitted or permitted to continue to attend an institution of higher education. To learn more about CollegeAdvantage, its investment objectives, risks, and costs, read the Direct Plan Offering Statement and Participation Agreement available at CollegeAdvantage.com. If you are not an Ohio resident, check with your home state to learn if it offers state tax or other benefits for investing in its own 529 plan.