

Enjoy Today

While Helping Create a Better Tomorrow





HI529: Because College is on the Horizon

As a parent, one of the greatest gifts you can give a child is a bright future. Today, more than ever, that means providing for a quality education. Yet, college costs have been rising, which can make saving for a child's education seem daunting. Relax. Help is here.

Introducing HI529 — Hawaii's College Savings Program ("HI529"): a smart, affordable way to save for a child's future. 529 programs were created specifically for families looking for a viable savings vehicle with a range of options designed to suit their needs. What's so wonderful about HI529 is that your savings grow free from federal taxes. And any withdrawals used for qualified educational expenses are also free from federal taxes. That means, your money has the potential to stretch further than it could with other savings methods that do not offer these same tax advantages.

Options Tailored to Your Needs

HI529 provides different types of investments to suit your personal investment preferences. You'll find options designed to fit both your time horizon and your personal comfort level with the varying degrees of investment risk. The investment lineup offers a comprehensive menu of seven investment options—one Age-Based Option, five Fixed Asset Allocation Options, and a Money Market Portfolio.

Age-Based Option

You can simplify saving for college by selecting an investment option that automatically changes over time as the beneficiary gets older. When you invest in the Age-Based Option, your assets will be managed and invested according to the age of your account's beneficiary. For younger beneficiaries, your assets will be placed initially in a portfolio that invests in mutual funds with higher concentrations of stocks. As the beneficiary ages, the assets automatically shift to more conservative mutual funds that invest in bonds and short-term reserves in an effort to reduce your exposure to dramatic market fluctuations before you begin making withdrawais.

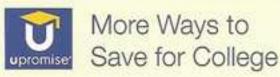
For more information, please see "The Age-Based Option" on page 12 of the Plan Disclosure Statement.

Customized Savings

The HI529 program offers you five Fixed Asset Allocation Portfolio options and a Money Market Portfolio that let you build and manage your own college savings program. Unlike the Age-Based Option, your allocation to these portfolios remains fixed until you decide to make a change. As the beneficiary nears college age, you can move your assets to more conservative investments to help preserve capital and minimize the effects of market fluctuations. Remember: Federal law allows you to make one exchange per calendar year as a non-taxable event.

For more information, please see "The Individual Portfolios" on page 13 of the Plan Disclosure Statement.





Earn additional savings with Upromise® Rewards Service

Upromise Rewards Service is a free service that is designed to help families save and pay for college. Through Upromise, hundreds of America's leading companies help you save by giving you back a percentage of the qualified dollars you spend with them. When you sign up for the Upromise Rewards Service, and buy goods and services at more than 23,000 grocery stores and drug stores and 14,000 gas stations nationwide, a percentage of the dollar value of your purchases can be directed to your Upromise Rewards Service account. Upromise Rewards Service members also can get additional savings for college by dining at more than 8,000 participating restaurants and shopping online at more than 550 participating stores. You can also easily link your Upromise Rewards Service account with your HI529 account and have your college savings automatically transferred. Visit upromise.com for more information.

3 Steps to Savings

1 Read

this entire Enrollment Kit, including the Plan Disclosure Statement and Participation Agreement, carefully before investing.

2 Decide

which investment approach is best for you.

3 Enroll

- . Online at www.hi529.com.
- . By mail with the enclosed Enrollment Form.









Why HI529?

Tax Benefits:

- Your earnings grow tax-deferred (both federal and Hawaii State taxes).
- Qualified withdrawals are tax-free (both federal and Hawaii State taxes)."

Budget-Smart Investing Benefits:

- . You can open an account with as little as \$15.
- You can select from a range of investment options, professionally managed by The Vanguard Group, Inc.
- Automatic investments can be set up for \$15, so even small monthly contributions can add up over time."
- Anyone including friends, grandparents and other family members — can open an account.
- You can contribute as much as \$12,000 each year (or \$24,000 for married couples filing jointly) without incurring federal gift-tax consequences. You can also treat a single \$60,000 contribution (\$120,000 for married couples filing jointly) as if it were made over a five (5) year period.***

Flexible Overall Benefits:

- As account owner, you maintain control of the assets.
- Withdrawals can be applied to any eligible college, university, or institution of higher education—not just those in Hawaii.
- HI529 withdrawals can be applied to qualified higher education expenses, including tuition, fees, certain room and board expenses—even some books and supplies—for undergraduate and/or graduate education.*
- www.hi529.com allows you to manage your account and complete certain transactions virtually 24/7.

www.hi529.com

Please see the strached Plan Disclosure Statement and Participation Agreement for important legal information.

Experienced Investment and Program Management

Your HI529 account is being managed by two leaders in the 529 industry. The Vanguard Group, Inc. ("Vanguard") and Upromise Investments, Inc. ("Upromise") work together to provide low cost savings options for you and your family.

Renowned for its dedication to outstanding investment performance, superior service, and low costs, Vanguard provides investors in HI529 a number of flexible investment options to suit both your timeframe and risk preference. Vanguard focuses on attaining superior long-term performance for investors rather than short-term results. By using sophisticated portfolio management tools, Vanguard keeps costs low while striving to ensure that its index funds—such as those held within the HI529 portfolios—track market benchmarks.

Upromise provides daily, hands-on program management for HI529. Upromise Investments, Inc., and its affiliate, Upromise Investment Advisors, LLC, currently administer 529 college savings accounts for more than one million investors around the country with more than \$18 billion in combined assets under administration. Upromise is committed to providing excellent customer service to all its investors, and strives to make the college savings process as easy as possible.

- * Earnings on non-qualified withdrawals are subject to federal income tax and may be subject to a 10% federal penalty tax, as well as state and local income taxes. The availability of tax or other benefits may be contingent on meeting other requirements.
- ** A plan of regular investment cannot assure a profit or protect against a loss in a declining market.
- *** In the event the donor does not survive the five (5) year period, a pro-rated amount will revert back to the donor's taxable estate.