Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records.

JANUARY 2017 SUPPLEMENT TO THE HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S NOVEMBER 19, 2007 PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This Supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

1. *The following replaces the "**Average Annual Total Returns**" table on page **1** of the January 2016 Supplement to the Plan Disclosure Statement and Participation Agreement:*

AVERAGE ANNUAL TOTAL RETURNS AS OF SEPTEMBER 30, 2016					
NAME	**1 YEAR**	**3 YEAR**	**5 YEAR**	**SINCE INCEPTION**	**INCEPTION DATE**
Growth Portfolio	10.94%	6.83%	11.17%	5.16%	11/16/07
Moderate Growth Portfolio	8.90%	5.78%	8.22%	4.99%	11/16/07
Conservative Growth Portfolio	6.76%	4.56%	5.30%	4.56%	11/16/07
Income Portfolio	3.67%	1.96%	1.32%	2.75%	11/16/07
Total Stock Market Index Portfolio	14.14%	9.62%	15.49%	6.41%	11/16/07
Money Market Portfolio	0.00%	0.00%	0.00%	0.33%	11/16/07

2. *Target Index Name Change*

   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 Plan Disclosure Statement and Participation Agreement, 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.

Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records.

July 2016 SUPPLEMENT TO THE HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S NOVEMBER 19, 2007 PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This Supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

1. *Effective October 7, 2016, the **Vanguard Federal Money Market Fund** replaces the **Vanguard Prime Money Market Fund** within the **Vanguard Income Portfolio** and the **Vanguard Money Market Portfolio**. All references to "**Vanguard Prime Money Market Fund**" found throughout the Plan Disclosure Statement are replaced with "**Vanguard Federal Money Market Fund**."*

2. *Effective October 7, 2016, the following replaces the chart in "**The Individual Portfolios**" section on page 13 of the Plan Disclosure Statement:*

Investment Option	Underlying Investments
Vanguard Growth Portfolio	60% Vanguard Total Stock Market Index Fund 15% Vanguard Developed Markets Index Fund 25% Vanguard Total Bond Market II Index Fund
Vanguard Moderate Growth Portfolio	40% Vanguard Total Stock Market Index Fund 10% Vanguard Developed Markets Index Fund 50% Vanguard Total Bond Market II Index Fund
Vanguard Conservative Growth Portfolio	20% Vanguard Total Stock Market Index Fund 5% Vanguard Developed Markets Index Fund 75% Vanguard Total Bond Market II Index Fund
Vanguard Income Portfolio	50% Vanguard Total Bond Market II Index Fund 25% Vanguard Inflation-Protected Securities Fund 25% Vanguard Federal Money Market Fund
Vanguard Total Stock Market Index Portfolio	100% Vanguard Total Stock Market Index Fund
Vanguard Money Market Portfolio	100% Vanguard Federal Money Market Fund

3. *Effective October 7, 2016, the following replaces the **Investment Strategy** section of the **Vanguard Income Portfolio** on page 15 of the Plan Disclosure Statement:*

Investment Strategy

The Portfolio invests in two Vanguard bond funds and one Vanguard money market fund, resulting in an allocation of 75% of assets to investment-grade U.S. bonds and 25% of assets to money market investments. The percentages of the Portfolio's assets allocated to each Underlying Fund are:

Vanguard Total Bond Market II Index Fund	50%
Vanguard Inflation-Protected Securities Fund	25%
Vanguard Federal Money Market Fund	25%

Through its ownership of the Vanguard Total Bond Market II Index Fund, the Portfolio indirectly holds a mix of bonds —including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities — that represents a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than one (1) year. The Fund maintains a dollar-weighted average maturity consistent with that of the Barclays U.S. Aggregate Float Adjusted Index, which generally ranges between five (5) and ten (10) years.

Through its ownership of the Vanguard Inflation-Protected Securities Fund, the Portfolio indirectly owns investment-grade, inflation-indexed bonds issued by the U.S. government, its agencies and instrumentalities, and corporations. The Fund may invest in bonds of any maturity; however, its dollar-weighted average maturity is expected to be in the range of seven (7) to twenty (20) years.

Through its ownership of the Vanguard Federal Money Market Fund, the Portfolio indirectly invests in high-quality, short-term money market instruments issued by the U.S. government and its agencies and instrumentalities. The Fund maintains a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life of 120 days or less. See, "Note" in the Vanguard Money Market Portfolio description.

4. *Effective October 7, 2016, the following replaces the **Investment Risks** section of the **Vanguard Income Portfolio** on page 15 of the Plan Disclosure Statement:*

Investment Risks

Because it invests mainly in bond funds, the Portfolio is primarily subject to a moderate level of income fluctuation risk and low to moderate levels of interest rate risk, credit risk, income risk, and call/prepayment risk. The Portfolio also has low levels of manager risk and index sampling risk.

5. *Effective October 7, 2016, the following replaces the **Investment Strategy** section of the **Vanguard Money Market Portfolio** on page 15 of the Plan Disclosure Statement:*

The Portfolio invests all of its assets in Vanguard Federal Money Market Fund. Through its investment in Vanguard Federal Money Market Fund, the Portfolio indirectly invests in high-quality, short-term money market instruments issued by the U.S. government and its agencies and instrumentalities. Although these securities are high-quality, most of the securities held by the Fund are neither guaranteed by the U.S. Treasury nor supported by the full faith and credit of the U.S. government. To be considered high-quality, a security generally must be rated in one of the two highest credit-quality categories for short-term securities by at least two nationally recognized rating services (or by one, if only one rating service has rated the security). The Fund maintains a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life of 120 days or less. Under the new money market reforms, government money market funds are required to invest at least 99.5% of their total assets in cash, government securities, and/or repurchase agreements that are collateralized solely by government securities or cash (collectively, government securities). The Fund generally invests 100% of its assets in government securities and therefore will satisfy the 99.5% requirement for designation as a government money market fund.

Note: Vanguard Income Portfolio's and Vanguard Money Market Portfolio's investments in Vanguard Federal Money Market Fund are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of the investment at $1 per share, it is possible that the Portfolios may lose money by investing in the Fund.

6. *Effective October 7, 2016, the following replaces the **Investment Risks** section of the **Vanguard Money Market Portfolio** on page 16 of the Plan Disclosure Statement:*

The Portfolio primarily is subject to income risk. It also has low levels of credit risk, manager risk and derivatives risk.

7. *Effective October 7, 2016, the **Industry Concentration Risk** is removed from the section entitled "**Explanation of the Risk Factors of the Portfolios and the Underlying Funds**" on page 17 of the Plan Disclosure Statement.*

Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records.

FEBRUARY 2016 SUPPLEMENT TO THE HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S NOVEMBER 19, 2007 PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This Supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

Qualified Higher Education Expenses Expanded to Include Computer Technology and Equipment

Pursuant to recent changes in federal law, the list of Qualified Higher Education Expenses has been expanded to include computer and related equipment, software and services, with a retroactive effective date of January 1, 2015.

*Accordingly, the following replaces the row entitled "**Qualified Withdrawals**" in the "**HI529 PLAN HIGHLIGHTS**" table on page **5** of the Plan Disclosure Statement:*

Qualified Withdrawals	The earnings portion of Qualified Withdrawals are federal income tax free if used to pay for Qualified Higher Education Expenses, including: tuition, books, supplies, fees, and equipment required for enrollment or attendance at an Eligible Educational Institution, room and board (with limitations), and expenses for the purchase of computer or peripheral equipment, computer software, or Internet access and related services, if such 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. You can generally determine if a school is an Eligible Educational Institution by referring to the Department of Education's website at www.fafsa.ed.gov. **See, Part VIII. Federal and State Tax Treatment**

*Accordingly, the following replaces the definition of "Qualified Higher Education Expenses" in the section entitled "**Key Terms**" on page **9** of the Plan Disclosure Statement:*

> ***Qualified Higher Education Expenses*** — Expenses include tuition, fees, and the cost of books, supplies, and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution (including expenses for special needs services in the case of a special needs Beneficiary which are incurred in connection with such enrollment or attendance), along with certain room and board expenses of a Beneficiary attending school at least half-time, as allowable under Section 529, and 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 such 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.

*Accordingly, the following is added as a fourth bullet point to the end of the first paragraph of the section entitled "**Qualified Higher Education Expenses**" on page **24** of the Plan Disclosure Statement:*

- 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 such 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.

Refunds from Eligible Educational Institutions can be Recontributed

Pursuant to recent changes in federal law, a beneficiary who receives a refund of any Qualified Higher Education Expenses from an Eligible Educational Institution may recontribute to an account in a 529 Plan for the same beneficiary funds originally withdrawn from a 529 Plan up to the refunded amount within 60 days after the date of the refund without being subject to federal income tax, including the Additional 10% Federal Tax. This change is retroactively effective January 1, 2015 and allows for such refunds received after December 31, 2014 and before December 18, 2015 to be recontributed up to and including February 16, 2016.

*Accordingly, the following section is added after the section entitled "**Transfer of Assets to the Same Beneficiary Within the Plan**" on page **23** of the Plan Disclosure Statement:*

Recontribution of Refunds from Eligible Educational Institutions. In the event the Beneficiary receives from an Eligible Educational Institution a refund of funds originally withdrawn from an Account to pay for Qualified Higher Education Expenses, such funds may be recontributed to an account in a 529 Plan for the same Beneficiary up to the amount of the refund provided that the recontribution is made within 60 days of the date of the refund. For refunds received after December 31, 2014 and before December 18, 2015, recontributions must be made by February 16, 2016. Such funds also will not be subject to federal income tax or the Additional 10% Federal Tax. For tax purposes, please maintain proper documentation evidencing the refund from the Eligible Educational Institution.

*Accordingly, the following replaces the third paragraph under the section entitled "**Withdrawals**" on page **23** of the Plan Disclosure Statement:*

There are two types of withdrawals: Qualified and Non-Qualified.

- In a Qualified Withdrawal, the proceeds are used for the Qualified Higher Education Expenses (as defined below) of your Beneficiary
- A Non-Qualified Withdrawal is any withdrawal that is NOT:
    - A Qualified Withdrawal;
    - A withdrawal paid to a beneficiary of the Beneficiary (or the estate of the Beneficiary) on or after the death of the Beneficiary;
    - A withdrawal by reason of the disability of the Beneficiary;
    - A withdrawal by reason of the receipt of a qualified scholarship or attendance at certain specified military academies by the Beneficiary (to the extent the amount withdrawn does not exceed the amount of the scholarship);
    - A withdrawal that is rolled over into another 529 Plan in accordance with Section 529;
    - A transfer of assets to the credit of another Beneficiary within the Plan, so long as the other Beneficiary is a Member of the Family of the former Beneficiary; or
    - A refund from an Eligible Educational Institution that is recontributed to a 529 Plan to the extent such recontribution is made not later than 60 days after the date of the refund and does not exceed the refund amount.

*Accordingly, the following section is added after the section entitled "**Rollovers to Other 529 Plans**" beginning on page **24** of the Plan Disclosure Statement:*

Refunds from Eligible Educational Institutions. In the event the Beneficiary receives from an Eligible Educational Institution a refund of funds originally withdrawn from an Account to pay for Qualified Higher Education Expenses, such funds up to the amount of the refund will not be subject to federal income tax or the Additional 10% Federal Tax; provided that the funds are recontributed to an account in a 529 Plan for the same Beneficiary, to the extent such recontribution is made not later than 60 days after the date of the refund and does not exceed the refund amount. For refunds received after December 31, 2014 and before December 18, 2015, recontributions must be made by February 16, 2016. For tax purposes, please maintain proper documentation evidencing the refund from the Eligible Educational Institution.

*Accordingly, the following replaces the second paragraph of the section entitled "**529 Plan Contributions and Withdrawals**" on page **27** of the Plan Disclosure Statement:*

The Additional 10% Federal Tax does not apply to certain withdrawals made because of (1) the death or disability of the Beneficiary, (2) a qualified rollover, as described below, (3) attendance at a U.S. Military Academy or receipt of a qualified scholarship, allowance, or similar payment made to the Beneficiary, but only to the extent of such qualified scholarship, allowance, or payment or (4) a refund from an Eligible Institution that is recontributed to a 529 Plan within 60 days of the date of the refund. ***See Part VII. Transacting Business with the Plan — Certain Other Withdrawals Exempt From the Additional 10% Federal Tax.***

Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records.

JANUARY 2016 SUPPLEMENT TO THE HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S NOVEMBER 19, 2007 PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This Supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

1. *The following replaces the "**Average Annual Total Returns**" table on page **1** of the January 2015 Supplement:*

AVERAGE ANNUAL TOTAL RETURNS AS OF SEPTEMBER 30, 2015					
NAME	**1 YEAR**	**3 YEAR**	**5 YEAR**	**SINCE INCEPTION**	**INCEPTION DATE**
Growth Portfolio	-1.33%	8.12%	8.81%	4.44%	11/16/07
Moderate Growth Portfolio	0.00%	5.76%	6.72%	4.51%	11/16/07
Conservative Growth Portfolio	1.16%	3.35%	4.60%	4.28%	11/16/07
Income Portfolio	0.57%	-0.32%	1.46%	2.63%	11/16/07
Total Stock Market Index Portfolio	-1.36%	11.68%	12.47%	5.47%	11/16/07
Money Market Portfolio	0.00%	0.00%	0.00%	0.38%	11/16/07

2. *The following replaces the "**Plan Fee and Expense Information**" table under the heading "**Fees and Expenses**" on page **18** of the Plan Disclosure Statement:*

ANNUAL ASSET-BASED FEE as of September 30, 2015				**Additional Investor Expense**
Portfolio	**Estimated Underlying Fund Expenses***	**Plan Management Fee****	**Total Annual Asset-Based Fee*****	**Annual Account Maintenance Fee*******
Vanguard Growth Portfolio	0.07%	0.68%	0.75%	$20
Vanguard Moderate Growth Portfolio	0.08%	0.67%	0.75%	$20
Vanguard Conservative Growth Portfolio	0.09%	0.66%	0.75%	$20
Vanguard Income Portfolio	0.10%	0.65%	0.75%	$20
Vanguard Total Stock Market Index Portfolio	0.05%	0.70%	0.75%	$20
Vanguard Money Market Portfolio	0.10%	0.65%	0.75%	$20

* The Estimated Underlying Fund Expenses include investment advisory fees, administrative, and other expenses as of September 30, 2015, which are paid to Vanguard.

** The Program Manager and Vanguard have agreed to a specific formula for the allocation of the Plan Management Fee.

*** The Total Annual Asset-Based Fee is the fee charged to Account Owners for their ownership of Portfolio Units, and includes the Underlying Fund Expenses and the Plan Management Fee.

****The Annual Account Maintenance Fee is $10 for residents of Hawaii with a Hawaii permanent or mailing address on file with the Plan.

3. *The following replaces the "**Investment Cost Example**" section on page **19** of the Plan Disclosure Statement:*

Investment Cost Examples

The following examples are intended to help you compare the cost of investing in the Portfolios over different time periods. The costs are the same for each Portfolio. These examples illustrate the hypothetical expenses that you would incur over various periods if you invest $10,000 in a Portfolio. These examples assume that a Portfolio provides a return of 5% a year, and that the Portfolio's expense ratio (currently 0.75%) remains the same. **<u>Note:</u>** The first example includes the $20 Annual Account Maintenance Fee in the calculation and the second example includes the $10 Annual Account Maintenance Fee for residents of Hawaii. The results apply whether or not the investment is redeemed at the end of the period, but they do not take into account any Non-Qualified Withdrawals (defined in **Part VII. Other Account Information—Withdrawals**) or withdrawals otherwise subject to state or federal income taxes, or any penalties. This hypothetical is not intended to predict or project investment performance. Past performance is no guarantee of future results. Your own results may vary.

APPROXIMATE COST OF A $10,000 INVESTMENT IN EACH INVESTMENT OPTION INCLUDING THE $20 ANNUAL ACCOUNT MAINTENANCE FEE

1 Year	3 Years	5 Years	10 Years
$96.59	$299.22	$515.34	$1,122.59

APPROXIMATE COST OF A $10,000 INVESTMENT IN EACH INVESTMENT OPTION INCLUDING THE $10 ANNUAL ACCOUNT MAINTENANCE FEE FOR RESIDENTS OF HAWAII

1 Year	3 Years	5 Years	10 Years
$86.59	$269.22	$565.34	$1,022.59

Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records

OCTOBER 2015 SUPPLEMENT TO THE HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S NOVEMBER 19, 2007 PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This Supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

Changes to Annual Account Maintenance Fee

Effective November 16, 2015, the Annual Account Maintenance Fee will be reduced from $20 to $10 for Account Owners who are residents of Hawaii and have a Hawaii permanent or mailing address on file with the Plan.

*Effective November 16, 2015, the following replaces the "*Fees & Expenses*" row in the "*Plan Highlights*" table on page* 5 *of the Plan Disclosure Statement and Participation Agreement:*

Fees & Expenses	Annual Account Maintenance Fee: $20; $10 for residents of Hawaii with a Hawaii permanent or mailing address on file with the Plan. Total Annual Asset-Based Fee: 0.75% for each Portfolio. See, Part IV. Plan Fees and Expenses

*Effective November 16, 2015, the following replaces the "*Annual Account Maintenance Fee*" section on page* 18 *of the Plan Disclosure Statement and Participation Agreement, as supplemented by the October 2008 Supplement:*

> Each Account is subject to an Annual Account Maintenance Fee of $20; however, if the Account Owner is a resident of Hawaii and has a Hawaii permanent or mailing address on file with the Plan at the time the Annual Account Maintenance Fee is assessed, the Account will be subject to an Account Maintenance Fee of $10. The Annual Account Maintenance Fee is assessed during the month following the twelve (12) month anniversary date of the Account opening. If you make a complete withdrawal from your Account prior to the anniversary date in a given year, a prorated Annual Account Maintenance Fee may be charged against the amount of the withdrawal.

Effective November 16, 2015, the following replaces Section 8(b) of the Participation Agreement on page 35 *of the Plan Disclosure Statement and Participation Agreement:*

> (b) *Annual Account Maintenance Fee*. Each Account is subject to an Annual Account Maintenance Fee of $20; however, if the Account Owner is a resident of Hawaii and has a Hawaii permanent or mailing address on file with the Plan at the time the Annual Account Maintenance Fee is assessed, the Account will be subject to an Account Maintenance Fee of $10.

Address Change

*The following replaces the "*Overnight Delivery*" address in the "*Contact Information*" section of the "*Plan Highlights*" section on page* 6 *of the Plan Disclosure Statement and Participation Agreement, as supplemented by the October 2011 Supplement and the October 2008 Supplement:*

> Overnight Delivery:
> HI529 — Hawaii's College Savings Plan
> 920 Main Street, Suite 900
> Kansas City, MO 64105

*The following replaces the "*Overnight Delivery*" address in the "*Contacting HI529*" section on page 30 of the Plan Disclosure Statement and Participation Agreement, as supplemented by the October 2011 Supplement and the October 2008 Supplement:*

> Overnight Delivery:
> HI529 — Hawaii's College Savings Plan
> 920 Main Street, Suite 900
> Kansas City, MO 64105

New Target Index

> *The board of trustees of Vanguard Developed Markets Index Fund has approved the adoption of the FTSE Developed All Cap ex US Index as the new target index for the Fund, replacing the FTSE Developed ex North America Index. The board has also approved the addition of the Canadian market to the Fund's investment objective. The new index will add small-capitalization and Canadian equity securities to the Fund's Portfolio. The board believes that the new index will result in a more comprehensive representation of the Fund's market segment. The Fund is expected to begin implementation of the index change in the third or fourth quarter of 2015, with the change occurring in two phases.*

Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records

FEBRUARY 2015 SUPPLEMENT TO THE HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S NOVEMBER 19, 2007 PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This Supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

Annual investment change limits

Under the recently enacted federal law known as the Achieving a Better Life Experience Act of 2014 or the "ABLE Act of 2014", you are now allowed to change the investment option for all or a portion of the assets in your account for any reason up to two times during each calendar year beginning in 2015. Accordingly, all references to the once per calendar year restriction found throughout this "Plan Disclosure Statement and Participation Agreement" should be changed to twice per calendar year.

JANUARY 2015 SUPPLEMENT TO THE HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S NOVEMBER 19, 2007 PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This Supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

1. *The following replaces the "Average Annual Total Returns" table on page 2 of the January 2014 Supplement:*

AVERAGE ANNUAL TOTAL RETURNS AS OF SEPTEMBER 30, 2014					
NAME	**1 YEAR**	**3 YEAR**	**5 YEAR**	**SINCE INCEPTION**	**INCEPTION DATE**
Vanguard Growth Portfolio	11.40%	15.76%	11.02%	5.31%	11/16/07
Vanguard Moderate Growth Portfolio	8.68%	10.88%	8.55%	5.18%	11/16/07
Vanguard Conservative Growth Portfolio	5.85%	6.23%	6.01%	4.74%	11/16/07
Vanguard Income Portfolio	1.67%	0.81%	2.47%	2.94%	11/16/07
Vanguard Total Stock Market Index Portfolio	17.00%	22.20%	15.05%	6.51%	11/16/07
Vanguard Money Market Portfolio*	0.00%	0.00%	0.00%	0.43%	11/16/07

* The Program Manager may voluntarily limit the Vanguard Money Market Portfolio's Plan Management Fee in an effort to maintain a net yield of 0.00%.

2. *Name Changes for Upromise Investments Inc., Upromise Investment Advisors, LLC, and Upromise Investments Recordkeeping Services, LLC:*

On December 2, 2013, Ascensus, Inc. acquired Upromise Investments, Inc., and its affiliates Upromise Investment Advisors, LLC and Upromise Investments Recordkeeping Services, LLC (the "Upromise Entities").

Effective May 14, 2014, the names of the Upromise Entities have changed as follows:

Prior Entity Name	New Entity Name
Upromise Investments, Inc.	Ascensus Broker Dealer Services, Inc.
Upromise Investment Advisors, LLC.	Ascensus Investment Advisors, LLC.
Upromise Investments Recordkeeping Services, LLC.	Ascensus College Savings Recordkeeping Services, LLC.

Each reference to a Prior Entity Name in the Plan Disclosure Statement and Participation Agreement and all supplements thereto is hereby replaced with its corresponding New Entity Name. Each reference to the term "Upromise" as it is used to describe the Upromise Entities and their affiliates is hereby replaced with the term "Ascensus College Savings." Upromise, Inc., which is not affiliated with the Ascensus College Savings companies, continues to offer the Upromise Service under the name "Upromise" as described in the Plan Disclosure Statement and Participation Agreement and supplements thereto.

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Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records.

JANUARY 2014 SUPPLEMENT TO THE HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S NOVEMBER 19, 2007 PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This Supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

1. *Effective December 2, 2013, Upromise Investments, Inc., Upromise Investment Advisors, LLC and Upromise Investments Recordkeeping Services, LLC are no longer affiliated with Upromise, Inc.*

2. *New Target Indexes*

   Two Underlying Funds in the Plan have begun tracking their new indexes, as previously approved by each Fund's board of trustees. The boards believe that the new indexes are well-constructed and offer comprehensive coverage of the Funds' respective market segments. Please refer to the Supplement dated January 2013 for a complete list of the affected Underlying Funds and the benchmark changes.

   *The following replaces the first sentence of the second paragraph of the **"Investment Strategy"** for the **"Vanguard Growth Portfolio"** and the **"Vanguard Moderate Growth Portfolio"** on page **14** of the Plan Disclosure Statement and Participation Agreement:*

   Through its ownership of the two stock funds, the Portfolio indirectly owns primarily large-capitalization U.S. stocks and, to a lesser degree, mid-, small-, and micro-capitalization U.S. stocks and international stocks.

   *The preceding replaces the last sentence of the second paragraph of the **"Investment Strategy"** for the **"Vanguard Conservative Growth Portfolio"** on page **14** of the Plan Disclosure Statement and Participation Agreement.*

   *The following replaces the **"Investment Strategy"** for the **"Vanguard Total Stock Market Index Portfolio"** on page **15** of the Plan Disclosure Statement and Participation Agreement:*

   The Portfolio invests 100% of its assets in Vanguard Total Stock Market Index Fund, which employs an indexing investment approach to track the performance of the CRSP US Total Market Index. The Index represents approximately 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap stocks regularly traded on the New York Stock Exchange and Nasdaq. The Fund invests by sampling the Index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full Index in terms of key characteristics. These key characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield.

   *The following replaces the **"Investment Strategy"** for the **"Vanguard Developed Markets Index Fund"** on page **16** of the Plan Disclosure Statement and Participation Agreement and as further supplemented on page **1** of the July 2009 Supplement:*

   Vanguard Developed Markets Index Fund employs an indexing investment approach designed to track the performance of the FTSE Developed ex North America Index, which includes approximately 1,383 common stocks of companies located in developed countries of Europe, Australia, Asia, and the Far East. The Fund attempts to replicate the target index by investing all, or substantially all, of its assets in the common stocks that make up the Index, holding each stock in approximately the same proportion as its weighting in the Index.

3. *The following replaces the last sentence of the **"Investment Strategy"** for the **"Vanguard Money Market Portfolio"** on page **15** of the Plan Disclosure Statement and Participation Agreement:*

   The Fund maintains a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life of 120 days.

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4. *The following replaces the **"Average Annual Total Returns"** table on page **2** of the January 2013 Supplement:*

AVERAGE ANNUAL TOTAL RETURNS AS OF SEPTEMBER 30, 2013					
NAME	**1 YEAR**	**3 YEAR**	**5 YEAR**	**SINCE INCEPTION**	**INCEPTION DATE**
Growth Portfolio	14.99%	11.54%	8.60%	4.31%	11/16/07
Moderate Growth Portfolio	8.86%	8.41%	7.64%	4.60%	11/16/07
Conservative Growth Portfolio	3.10%	5.35%	6.28%	4.56%	11/16/07
Income Portfolio	-3.15%	1.69%	3.36%	3.15%	11/16/07
Total Stock Market Index Portfolio	20.70%	15.97%	10.01%	4.82%	11/16/07
Money Market Portfolio	0.00%	0.00%	0.16%	0.50%	11/16/07

UIIHI MKT8605 1213

Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records.

JANUARY 2013 SUPPLEMENT TO THE HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S NOVEMBER 19, 2007 PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This Supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

Extension of the Program Management Agreement and Addition of a New Party to the Program Management Agreement

The Program Management Agreement between Upromise Investments, Inc., Upromise Investment Advisors, LLC and Upromise Investments Recordkeeping Services, LLC shall be extended for an additional three (3) years from November 16, 2012 to November 16, 2015. Effective on or about January 1, 2013, Upromise Investments Recordkeeping Services, LLC ("UIR") will provide recordkeeping and administrative services for the HI529 Plan. UIR is affiliated with Upromise Investments, Inc. and Upromise Investment Advisors, LLC.

Hours of Operation

Effective on or about January 1, 2013, the HI529 Plan will be staffed with call center representatives from 8:00 a.m. to 4:00 p.m. (Hawaii Standard Time) and from 7:00 a.m. to 3:00 p.m. (Hawaii Standard Time during Daylight Savings Times).

New Target Indexes for Vanguard Total Stock Market Index Fund and Vanguard Developed Markets Index Fund

This table describes important changes to two Underlying Funds in the HI529 Plan. The boards of trustees of these Underlying Funds have approved the adoption of new target indexes for each of these funds. The boards believe that the new indexes, listed below, are well-constructed and offer comprehensive coverage of these Underlying Funds' respective market segments.

FUND	CURRENT BENCHMARK	NEW BENCHMARK
Vanguard Total Stock Market Index Fund	MSCI US Broad Market Index	CRSP US Total Market Index
Vanguard Developed Markets Index Fund	MSCI EAFE Index	FTSE Developed Index North America Index

Each new index measures the same market segment as the corresponding current index, so the investment objectives and risks of these Underlying Funds will not change. The transitions will be staggered and are expected to occur over a number of months. For more information, visit vanguard.com.

IRS Increases Annual Federal Gift Tax Exclusion

As of January 1, 2013, the federal annual gift tax exclusion has increased to $14,000 if filing single, $28,000 if married filing jointly (assuming spouses consent to gift-splitting). This applies to 529 plan contributions, although contributors may make up to a $70,000 ($140,000 if married filing jointly and spouses consent to gift-splitting) contribution free of the gift tax if they elect to take that amount into account proportionately over (5) years. Accordingly, all references to the exclusion of contributions from federal gift tax found throughout the HI529—Hawaii's College Savings Program Plan Disclosure Statement should be updated to reflect these increased amounts.

The following table replaces the "Average Annual Total Returns" table on page 1 of the Supplement dated January 2012 of the HI529—Hawaii's College Savings Program Plan Disclosure Statement:

AVERAGE ANNUAL TOTAL RETURNS AS OF SEPTEMBER 30, 2012				
NAME	**1 YEAR**	**3 YEAR**	**SINCE INCEPTION**	**INCEPTION DATE**
Growth Portfolio	21.09%	9.61%	2.24%	11/16/07
Moderate Growth Portfolio	15.22%	8.40%	3.74%	11/16/07
Conservative Growth Portfolio	9.85%	7.05%	4.86%	11/16/07
Income Portfolio	4.03%	4.68%	4.50%	11/16/07
Total Stock Market Index Portfolio	29.23%	12.60%	1.82%	11/16/07
Money Market Portfolio	0.00%	0.00%	0.61%	11/16/07

The following replaces the last two sentences of the first paragraph of the section entitled "Withdrawals" on page 23 of the HI529–Hawaii's College Savings Program Plan Disclosure Statement as supplemented October 2008:

Contributions made by check, AIP, or EBT will not be available for withdrawal for seven (7) business days after the deposit.

The following replaces the second paragraph of the section entitled "Withdrawals" on page 23 of the HI529–Hawaii's College Savings Program Plan Disclosure Statement as supplemented October 2008:

Please note that there will be a hold on withdrawal requests for nine (9) business days when there is a change to the Account Owner's address. There will also be a hold on withdrawal requests for fifteen (15) calendar days, if bank information has been added or edited.

The following replaces the first paragraph of the section entitled "Confirmations and Statements/Safeguarding Your Account" on page 25 of the HI529—Hawaii's College Savings Program Plan Disclosure Statement as supplemented October 2008:

You will receive quarterly Account statements to reflect financial transactions only if you have made financial transactions within the quarter. These transactions include: (i) Contributions made to the Account; (2) withdrawals made from the Account; (3) investment exchanges; (4) Contribution percentages among the selected Investment Options in the Account; and (5) the total value of the Account at the end of that time period. You will receive an annual Account statement even if you have made no financial transactions within the year. You will receive transaction confirmations for any activity in the Account, except for Contributions made by AIP or payroll direct deposit, automatic transfers from a Upromise rewards service account to your Account (if applicable), or for Account assets that are automatically moved to a more conservative Age-Based Portfolio as a Beneficiary ages; instead, these transactions will appear on your quarterly statement.

The following replaces the bullets under the section entitled "Special Considerations" on page 30 of the HI529—Hawaii's College Savings Program Plan Disclosure Statement as supplemented October 2008:

- Refuse, change, discontinue, or temporarily suspend account services, including accepting Contributions and processing withdrawal requests, for any reason.
- Delay sending out the proceeds of a withdrawal request for up to ten (10) calendar days (this generally applies only to very large withdrawal requests without advance notice or during unusual market conditions).
- Delay sending out the proceeds of a withdrawal request for up to nine (9) business days when a mailing address has changed and if the proceeds are requested to be sent by check to either the Account Owner or a Beneficiary.
- Following receipt of any Contributions made by check, AIP, or EBT, hold withdrawal requests for up to seven (7) business days.
- Delay sending out the proceeds of a withdrawal request for up to fifteen (15) calendar days if bank information has been added or edited.
- Suspend the processing of withdrawal requests or postpone sending out the proceeds of a withdrawal request when the New York Stock Exchange is closed for any reason other than its usual weekend or holiday closings, when trading is restricted by the Securities and Exchange Commission, or under any emergency circumstances.

Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records.

JANUARY 2012 SUPPLEMENT TO THE NOVEMBER 19, 2007 HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This Supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

The following replaces the text under ***"Portfolio Performance"*** *of the section entitled* ***"Part III Plan Investment Options"*** *on page* ***17****:*

The following table shows how the performance of the Portfolios has varied over the periods indicated. The performance data includes each Portfolio's total annual asset-based fee, but does not include other charges associated with an investment in HI529. **See Fees and Expenses** on page **18**.

The performance of the Portfolios will differ from the performance of the Underlying Funds. Because the Portfolios have higher expense ratios than those of the Underlying Funds, over comparable periods of time, all other things being equal, a Portfolio would have lower performance than its comparable Underlying Fund. (Of course, the Underlying Funds do not offer the same tax advantages as the Portfolios.) Performance differences also are caused by differences in the trade dates of Portfolio purchases. The Portfolio will use your money to purchase shares of an Underlying Fund. However, the trade date for the Portfolio's purchase of Underlying Fund shares typically will be one business day after the trade date for your purchase of Units. Depending on the amount of cash flow into or out of the Portfolio and whether the Underlying Fund is going up or down in value, this timing difference may cause the Portfolio's performance either to trail or exceed the Underlying Fund's performance. **The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investor's portfolio 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.hi529.com.**

AVERAGE ANNUAL TOTAL RETURNS AS OF OCTOBER 31, 2011				
NAME	**1 YEAR**	**3 YEAR**	**SINCE INCEPTION**	**INCEPTION DATE**
Growth Portfolio	4.94%	11.14%	-0.05%	11/16/07
Moderate Growth Portfolio	4.99%	10.62%	2.32%	11/16/07
Conservative Growth Portfolio	4.89%	9.54%	4.25%	11/16/07
Income Portfolio	4.18%	6.82%	4.65%	11/16/07
Total Stock Market Index Portfolio	7.29%	11.81%	-1.50%	11/16/07
Money Market Portfolio	0.00%	0.19%	0.75%	11/16/07

Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records.

OCTOBER 2011 SUPPLEMENT TO THE NOVEMBER 19, 2007 HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This Supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

1. *The following replaces the "**Regular Mail**" address throughout the HI529 – Hawaii's College Savings Program Plan Disclosure Statement:*

   "**Regular Mail**

   HI529 - Hawaii's College Savings Plan
   P.O. Box 219779
   Kansas City, MO 64121-9779"

2. *The following replaces the "**Overnight Delivery**" address throughout the HI529 – Hawaii's College Savings Program Plan Disclosure Statement:*

   "**Overnight Delivery**

   HI529 - Hawaii's College Savings Plan
   Upromise Investments Service Center
   2534 Madison Avenue, 3rd Floor
   Kansas City, MO 64108"

3. *The following is added to the end of the first sentence of the first paragraph of the section entitled "**Automatic Investment Plan (AIP)**" on page **21**:*

   "subject to certain processing restrictions. You may elect to authorize an annual increase to your AIP contribution."

4. *The following is added to the end of the first sentence of the section entitled "**Electronic Bank Transfer (EBT)**" on page **22**:*

   "subject to certain processing restrictions."

5. *The word "**Qualified**" is deleted in the first sentence of the first paragraph of the section entitled "Withdrawals" on page **23**.*

6. *The second sentence of the first paragraph of the section entitled "**Withdrawals**" is deleted.*

7. *The following replaces the second sentence of the first paragraph of the section entitled "**Maximum Contribution Limit**" on page **25**:*

   "Accounts that have reached the Maximum Contribution Limit may continue to accrue earnings, although future Contributions may not be made to such accounts. If, however, the market value of such Account falls below the Maximum Contribution Limit, additional Contributions will be accepted."

8. *The following replaces the fourth sentence of the first paragraph of the section entitled "**Creditor Protection Under U.S. Laws**" on page **29**:*

   "In addition, contributions made to all 529 plan accounts for the same beneficiary are protected from becoming property of the debtor's estate as follows:

   - Contributions made to all 529 Plan accounts for the same beneficiary at least 720 days before a federal bankruptcy filing are completely protected;
   - Contributions made to all 529 Plan accounts for the same beneficiary more than 365 days but less than, 720 days before a federal bankruptcy filing are protected up to $5,850; and
   - Contributions made to all 529 Plan accounts for the same beneficiary less than 365 days before a federal bankruptcy filing are not protected against creditor claims in federal bankruptcy proceedings."

Please file this Supplement to the November 19, 2007 "HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement" with your records.

JANUARY 2010 SUPPLEMENT TO THE NOVEMBER 19, 2007 HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This supplement describes an important change affecting HI529 – Hawaii's College Savings Program.

Vanguard Total Bond Market II Index Fund

This is to inform you that in January 2010, the target index of the Vanguard Total Bond Market II Index Fund ("Fund") has changed from the Barclays Capital U.S. Aggregate Bond Index to the Barclays Capital U.S. Aggregate Float Adjusted Index. This change was made because the Fund's board of trustees believes that the Barclays Capital U.S. Aggregate Float Adjusted Index better tracks the bond markets targeted by the Fund's investment objectives. The new target index and former target index track the same market segments, so the investment objectives and risks described in the Fund's portfolio profile will not change. Accordingly, all references to Barclays Capital U.S. Aggregate Bond Index in the HI529 – Hawaii's College Savings Program Plan Disclosure Statement and Participation Agreement should be changed to Barclays Capital U.S. Aggregate Float Adjusted Index.

Please file this Supplement to the November 19, 2007 "HI529 — Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement" with your records.

NOVEMBER 2009 SUPPLEMENT TO THE NOVEMBER 19, 2007 HI529 — HAWAII'S COLLEGE SAVINGS PROGRAM'S PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This supplement describes important changes affecting HI529 — Hawaii's College Savings Program. Effective on or about November 22, 2009, Ugift® — Give College Savings, a new HI529 Plan feature, is expected to be available to Account Owners in the Plan. This supplement amends the following portions of the November 19, 2007 "HI529 — Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement."

The following replaces the "Subsequent Contribution" portion of the "HI529 Plan Highlights" box for the section entitled "Contributions" on page 4:

Subsequent Contribution: The minimum additional investment is $15. You can also add to an existing Account by (i) automatically contributing through an AIP with a minimum of $15 per month or $45 per quarter; (ii) automatically contributing through payroll direct deposit with a minimum of $15, if provided by your employer; (iii) transferring from the Upromise® rewards service with minimum Contributions of $25; and/or (iv) making a contribution by check or through Ugift® — Give College Savings, subject to the $15 minimum.

The following replaces the first sentence under the heading "Contributions" on page 21:

You may contribute money to the Plan by any of the following methods: check, money order, AIP, payroll direct deposit, EBT, transfer from a Upromise rewards service account, Ugift — Give College Savings, third-party checks up to $10,000 payable to an Account Owner or a Beneficiary and properly endorsed to the Plan, or rollover.

The following is added between the sections entitled "Incoming Rollover Contributions" and "Contributions from a Coverdell Education Savings Account or Qualified U.S. Savings Bond" on page 22:

Ugift® — Give College Savings

Account Owners may invite family and friends to contribute to their accounts through Ugift — Give College Savings, a new HI529 feature, by either sending an email invitation or providing a gift contribution coupon to selected family and friends. Gifts may be contributed either in connection with a special event or to just provide a gift to the Account Owner's Beneficiary. The gift givers fill in their name and gift contribution amount on the contribution coupon provided and mail a check for that amount along with the contribution coupon to the address provided. The minimum Ugift contribution is $15 by check made payable to Ugift — HI529 Plan. An optional gift certificate can be completed by the gift giver and presented to let the Account Owner know a contribution has been made to the Account Owner's account.

Gift contributions associated with a special event will be held by Upromise Investments upon receipt and transferred into the applicable Account Owner's account approximately five business days after the special event. If the contribution is received less than two business days prior to the special event, or if the gift contribution is not associated with a special event, then the contribution will be held for approximately seven business days before being transferred into the applicable Account Owner's account. Gift contributions through Ugift are subject to the general contribution limitations. Gift contributions will be invested according to the Portfolio allocation on file for the account at the time the gift contribution is transferred. There may be potential tax consequences of gift contributions to a HI529 account. You and the gift giver should consult a tax advisor for more information.

The following sentence is added to the end of paragraph 3(b), "Subsequent Contributions" on page 32:

You may also receive a minimum gift contribution of $15 through Ugift — Give College Savings.

The following replaces the first sentence of paragraph 3(d), "Acceptable Contribution Methods" on page 32:

Contributions to an Account may be made via check, AIP, payroll direct deposit, electronic bank transfer, Ugift — Give College Savings, or any other method permitted by federal law (including Section 529), HRS chapter 256, the Plan Regulations and the Plan Disclosure Statement.

Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records.

SUPPLEMENT DATED JULY 2009 TO THE HI529 – HAWAII'S COLLEGE SAVINGS PROGRAM'S PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT DATED NOVEMBER 19, 2007

This supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

Vanguard Total Bond Market II Index Fund

Vanguard Total Bond Market Index Fund has been replaced with Vanguard Total Bond Market II Index Fund as a Fund in the Portfolios. The two bond market index funds seek to track the same target index and have the same investment objectives, strategies, and risks. Accordingly, all references in the Plan Disclosure Statement and Participation Agreement to Vanguard Total Bond Market Index Fund should be changed to Vanguard Total Bond Market II Index Fund.

Third-party contributions now accepted by HI529

Effective July 1, 2009, the State of Hawaii passed a law that allows third-party contributions to HI529 – Hawaii's College Savings Program. Family and friends are now permitted to contribute directly to an existing Plan account by making checks payable to HI529. Previously, only account owners could contribute directly to accounts. Account owners will remain in control of their accounts. The limit on contributions has not changed.

The following replaces the second paragraph of the section entitled ***"Open an Account"*** *on page 11:*

Contributions may be made by anyone; however, only the Account Owner can control how those assets are invested and used. There can be only one Account Owner per Account. You may name a Successor Account Owner to assume control of the Account if you die or become incapacitated.

The following replaces the section entitled "Investment Strategy" for ***Vanguard Developed Markets Index Fund*** *on page 16:*

Investment Strategy

The Fund employs a "passive management" – or indexing – investment approach by investing all, or substantially all, of its assets in the common stocks included in the Morgan Stanley Capital International Europe, Australasia, Far East (MSCI EAFE) Index. The MSCI EAFE Index includes approximately 1,020 common stocks of companies located in Europe, Australia, Asia, and the Far East.

Please file this Supplement to the HI529 – Hawaii's College Savings Program's Plan Disclosure Statement and Participation Agreement with your records.

SUPPLEMENT DATED APRIL 2009 TO THE HI529 — HAWAII'S COLLEGE SAVINGS PROGRAM PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT DATED NOVEMBER 19, 2007

This supplement describes important changes affecting HI529 – Hawaii's College Savings Program.

2009 Annual Exchange Policy

The Internal Revenue Service recently announced that for the 2009 calendar year only, a Section 529 account owner may make two investment exchanges (reallocations) of their current investments. Current rules contain a once-per-calendar year investment exchange restriction. Accordingly, all references to the once-per-calendar year restriction found throughout this Plan Disclosure Statement and Participation Agreement should be changed to twice-per-calendar year only for 2009.

The following is added as a new paragraph under the heading entitled "General Information About 529 Plans and HI529" on page 10:

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. Taxpayers may wish to seek tax advice from an independent tax advisor based on their own particular circumstances.

The following replaces the fifth and sixth sentences of the section entitled "Electronic Bank Transfer (EBT)" on page 22:

Please note, you may only contribute up to $130,000 per Account, per day by EBT. EBT Contributions in excess of $130,000 per Account, per day will be returned.

Federal Gift Tax Limits

As of 2009, the federal annual gift tax exclusion has increased to $13,000 if filing singly; $26,000 if married, filing jointly (assuming spouses consent to gift-splitting). This applies to 529 plan contributions, although contributors may make up to a $65,000 ($130,000 for spouses that consent to gift-splitting) contribution free of the gift tax if they elect to take that amount into account proportionately over five years. Accordingly, all references to the exclusion of contributions from federal gift tax found throughout this Plan Disclosure Statement and Participation Agreement should be updated to reflect these increased amounts.

Lehman Brothers Indexes become Barclays Capital Indexes

On September 20, 2008, Barclays Capital acquired the investment banking and capital markets operations of Lehman Brothers, Inc. As a result of this acquisition, the Lehman Brothers indexes have been rebranded as Barclays Capital indexes. All references to Lehman Brothers as part of an index name are replaced with Barclays Capital. At this time, there have been no changes to the composition of the indexes as a result of the rebranding.

Qualified Higher Education Expenses

For 2009 and 2010 only, qualified higher education expenses include expenses paid or incurred for the purchase of any computer technology or equipment or Internet access and related services, if such technology, equipment, or services are to be used by the Beneficiary and the Beneficiary's family during any of the years the Beneficiary is enrolled at an eligible educational institution. Expenses for computer software designed for sports, games, or hobbies are not included unless the software is predominantly educational in nature.

OCTOBER 2008

SUPPLEMENT TO THE HI529 — HAWAII'S COLLEGE SAVINGS PROGRAM'S NOVEMBER 19, 2007 PLAN DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

This supplement describes important changes to the HI529 — Hawaii's College Savings Program November 19, 2007 Plan Disclosure Statement and Participation Agreement.

1. *All references to the "Upromise Processing Center" found throughout the HI529 — Hawaii's College Savings Program Plan Disclosure Statement are revised to the "Upromise Investments Service Center."*

2. *The following replaces the Overnight Delivery address throughout the HI529 — Hawaii's College Savings Program Plan Disclosure Statement:*

"Overnight Delivery	HI529 — Hawaii's College Savings Program Upromise Investments Service Center 95 Wells Avenue, Suite 155 Newton, MA 02459-3204"

3. *The following replaces the paragraph of the section entitled "Annual Account Maintenance Fee" on page 18 of the HI529 — Hawaii's College Savings Program Plan Disclosure Statement:*

"There is an Annual Account Maintenance Fee of $20 per Account. The $20 fee is assessed during the month of the twelve (12) month anniversary date of the Account opening. If you make a complete withdrawal from your Account prior to the anniversary date in a given year, a prorated Annual Account Maintenance Fee may be charged against the amount of the withdrawal."

4. *The following replaces the last two sentences of the first paragraph of the section entitled "Withdrawals" on page 23 of the HI529 — Hawaii's College Savings Program Plan Disclosure Statement:*

"Contributions made by check, AIP, or EBT will not be available for distribution for ten (10) calendar days."

5. *The following replaces the second paragraph of the section entitled "Distributions" on page 26 of the HI529 — Hawaii's College Savings Program Plan Disclosure Statement:*

"Upon a mailing address change, distributions will be held for fifteen (15) calendar days if proceeds are requested by check to the Account Owner or to the Beneficiary. Withdrawals by EBT will not be available for fifteen (15) calendar days after bank information has been added or edited."

6. *The following replaces the first paragraph of the section entitled "Confirmations and Statements/Safeguarding Your Account" on page 25 of the HI529 — Hawaii's College Savings Program Plan Disclosure Statement:*

"You will receive quarterly Account statements indicating, for the applicable time period: (1) Contributions made to the Account, (2) distributions made from the Account, (3) investment exchanges, (4) Contribution percentages among selected Investment Options in the Account, and (5) the total value of the Account at the end of that time period. You will receive transaction confirmations for any activity in the Account, except for Contributions made by AIP or payroll direct deposit, automatic transfers from a Upromise rewards service account to your Account (if applicable) or for Account assets that are automatically moved to a more conservative Age-Based Portfolio as a beneficiary ages; instead, these transactions will appear on your quarterly statement."

7. The following replaces the second and third bullets under the section entitled "Special Considerations" on page 30 of the HI529 — Hawaii's College Savings Program Plan Disclosure Statement:

"• Delay sending out the proceeds of a withdrawal request for up to ten (10) calendar days (this generally applies only to very large withdrawal requests without advance notice or during unusual market conditions).

• Delay sending out the proceeds of a withdrawal request for fifteen (15) calendar days from a mailing address change if the proceeds are requested by check to the Account Owner, or for a Beneficiary address change if the proceeds are requested by check to the Beneficiary. Withdrawals by electronic bank transfer (EBT) will not be available for fifteen (15) calendar days after bank information has been added or edited.

• Following receipt of any contributions, hold withdrawal requests for ten (10) calendar days."

NOTE: Please keep this Supplement with your November 19, 2007 Plan Disclosure Statement and Participation Agreement to ensure that you have the most current version.

HI529

Hawaii's College Savings Program

Hawaii's College Savings Program

Plan Disclosure Statement and Participation Agreement

November 19, 2007

Hawaii's College Savings Program (either "HI529" or the "Plan") is a 529 Plan authorized by chapter 256 of the Hawaii Revised Statutes, as amended. The Plan is established and maintained by the State of Hawaii (the "State") acting through the State fo Hawaii Director of Finance (the "Director") of the Department of Budget and Finance (the "Department"), which has the responsibility for administering the Plan. Investment oversight is provided by the Director, as trustee for the State of Hawaii College Savings Trust Fund (the "Trust"). The Trust was established by the State in order to hold the assets of the Plan. Upromise Investments, Inc. and Upromise Investment Advisors, LLC serve as the Program Manager and recordkeeping and administrative servicing Agent of the Plan, respectively. Upromise Investments, Inc. also serves as the Distributor of the Plan. ("Upromise" is used to refer collectively or individually, as the case requires, to Upromise Investments, Inc., Upromise Investment Advisors, LLC, and their affiliates.) This Plan Disclosure Statement and Participation Agreement contain information you should know before participating in the Plan, including information about fees, expenses, and risks. Please read it carefully before you invest and keep it for future reference.

Units of the Portfolios held by Accounts in the Plan are municipal fund securities and the value of Units will vary with market conditions. Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or passed upon the adequacy of the Plan Disclosure Statement or the Participation Agreement. Any representation to the contrary is a criminal offense. These securities have not been registered with the Securities and Exchange Commission or any state securities regulator.

Accounts in the Plan are not bank deposits, are not insured by any entity, including without limitation the Federal Deposit Insurance Corporation, are not debt or obligations of, or guaranteed by, any bank or other financial institution or the Plan, the Trust, the Trustee, the State of Hawaii or any agency thereof, Upromise Investments, Inc., Upromise Investment Advisors, LLC, the investment manager, any financial advisor, broker, dealer, or their respective affiliates and involve investment risks, including the possible loss of principal.

If you are not a Hawaii taxpayer, consider before investing whether your or the Beneficiary's home state offers a 529 Plan that provides its taxpayers with favorable state tax or other benefits that may only be available through investment in the home state's 529 Plan, and which are not available through investment in HI529. Since different states have different tax provisions, this Plan Disclosure Statement contains limited information about the state tax consequences of investing in HI529. Therefore, please consult your financial, tax, or other advisor to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances. You also may wish to contact your home state's 529 Plan(s), or any other 529 Plan, to learn more about those plans' features, benefits, and limitations. Keep in mind that state-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision.

Information in this Plan Disclosure Statement is believed to be accurate as of the date of the Plan Disclosure Statement and is subject to change without notice.

TABLE OF CONTENTS

This section highlights certain key features of HI529. Please read the complete Plan Disclosure Statement before you invest. The Plan Disclosure Statement does not contain tax advice. You should consult your tax advisor for more information.

HI529 PLAN HIGHLIGHTS

Who's Who in the HI529 Plan	The State of Hawaii sponsors the Hawaii College Savings Program (the "HI529 Plan" or the "Plan"), which is offered by the Hawaii College Savings Trust Fund (the "Trust"). The Trust is administered by the State of Hawaii Director of Finance (the "Director"). Upromise Investments, Inc. serves as the Program Manager and has overall responsibility for the day-to-day operations. Upromise Investment Advisors, LLC provides recordkeeping and administrative services to the Plan. The Program Management Agreement between Upromise Investments, Inc., Upromise Investment Advisors, LLC and the Director on behalf of the State expires in 2012. The Vanguard Group, Inc. ("Vanguard") serves as Investment Manager. **See, Part I. Introduction — Who's Who in the Plan**
Participation	HI529 is open to all Account Owners and Beneficiaries who are U.S. citizens or resident aliens, with a Social Security number or taxpayer identification number. An Account Owner must be 18 years old or older and have a U.S. permanent 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. Certain other entities, including business entities, custodial and trust accounts, and state or local government or tax-exempt organizations described in section 501(c)(3) of the Code, with a valid taxpayer identification number, may participate in the Plan. **See, Part II. How to Enroll — Open an Account**
Contributions	The Account Owner can determine how the assets are invested or used, and only the Account Owner is entitled to certain tax benefits. Initial Contribution: The Plan requires a minimum of $15 to open an Account. You can establish an automatic investment plan ("AIP") with a minimum initial Contribution of $15 per month or $45 per quarter. Subsequent Contribution: The minimum additional investment is $15. You can also add to an existing Account by (i) automatically contributing through an AIP with a minimum of $15 per month or $45 per quarter; (ii) automatically contributing through payroll direct deposit with a minimum of $15, if provided by your employer and/or (iii) transferring from the Upromise® rewards service with minimum Contributions of $25. An Account Owner may allocate his or her Contributions among as many as five Portfolios per Contribution, and the minimum allocation per selected Portfolio is 5% of the Contribution amount. **See, Part II. How to Enroll — Contribute to Your Account**

Maximum Contribution Limit	Section 529 requires that investments in the Plan be limited to amounts that can reasonably be expected to be used to meet Qualified Higher Education Expenses for an individual. The Director expects to evaluate the Maximum Contribution Limit annually, but reserves the right to make adjustments more or less frequently. The Maximum Contribution Limit is based on certain higher education costs. The Maximum Contribution Limit is currently $305,000. **See, Part VII. Other Account Information — Maximum Contribution Limit**
Fees & Expenses	Annual Account Maintenance Fee: $20. Total Annual Asset-Based Fee: 0.75% for each Portfolio. **See, Part IV. Plan Fees and Expenses**
Investment Options and Performance	You may allocate Contributions to one or more of HI529's six Portfolios managed by Vanguard. The Portfolios commenced operations in November 2007 and, as such, Portfolio performance information is not currently available. Past Portfolio performance is not indicative of future Portfolio performance. **See, Part III. Plan Investment Options**
Tax Advantages	• Federal income tax-deferred growth. • No federal income tax currently on Qualified Withdrawals. • No federal gift tax on contributions up to $60,000 ($120,000 for spouses electing to split gifts) – prorated over five years. • No federal generation skipping transfer (GST) tax on contributions up to $60,000 ($120,000 for spouses electing to split gifts) — prorated over five years. • Contributions are considered completed gifts for federal gift and estate tax purposes. • Participation is not subject to annual adjusted gross income (AGI) limits. • Depending on the state where you live or pay state income tax, your earnings may or may not be subject to state income tax. However, Contributions to the Plan are not currently deductible for Hawaii income tax purposes. **See, Part VII. Federal and State Tax Treatment**
Qualified Withdrawals	The earnings portion of Qualified Withdrawals are federal income tax free if used to pay for tuition, room and board (with limitations), books, supplies, fees and equipment required for enrollment or attendance at any Eligible Educational Institution in the U.S. or abroad (which are defined as Qualified Higher Education Expenses). You can generally determine if a school is an Eligible Educational Institution by referring to the Department of Education's website at www.fafsa.ed.gov. **See, Part VIII. Federal and State Tax Treatment**
Investment Exchanges	You may reallocate your Contributions and earnings among the Portfolios once every calendar year for a given Beneficiary or upon a change of the Beneficiary. You may invest future Contributions in a different Portfolio(s) at any time. **See, Part VII. Other Account Information — Changing Investment Options for Current Balances and Future Contributions**

Control of the Account	• Account Owner retains control of how and when money is used. • Account Owner can change the Beneficiary to a qualifying “member of the family” of the existing Beneficiary at any time without federal income tax consequences. • Account Owner can withdraw money from the account, subject to possible federal and state income tax and an additional 10% federal tax on the earnings portion of the withdrawal. • Account Owner can change the investment allocation of the account once per calendar year, and upon a change in Beneficiary. **See, Part VII. Other Account Information — Changing Investment Options for Current Balances and Future Contributions**
Risk Factors of the Plan	An investment in the Portfolios is subject to risks including (i) the risk of losing money over short or even long periods, (ii) investment risks of the Portfolios which include, without limitation, stock market risk, interest rate risk, foreign securities risk, and credit risk, (iii) the risk of changes to the Plan, including changes in fees, (iv) the risk of tax law changes, and (v) the risk that Contributions to the Plan may adversely affect the eligibility of the Beneficiary or the Account Owner for financial aid or other benefits. **See, Part III. Plan Investment Options — Explanation of the Risk Factors of the Portfolios and the Underlying Funds and Part V. Risks of Investing in the Plan**
Online Applications and Account Information	• Account Owners may complete an application online at www.hi529.com, or by mail. • Account Owners may choose to receive periodic account statements, transaction confirmations and other personal correspondence online, rather than in paper format.
Contact Information	**Phone:** 1-866-529-3343 (8:00 a.m. – 5:00 p.m. Hawaii standard time (HST), Mon. – Fri.) **Online:** www.hi529.com **Regular Mail:** HI529 — Hawaii’s College Savings Program Upromise Processing Center P.O. Box 55574 Boston, MA 02205-5574 **Overnight Delivery:** HI529 — Hawaii’s College Savings Program Upromise Processing Center 95 Wells Avenue, Suite 160 Newton, MA 02459-3204

This Plan Disclosure Statement contains important information concerning the following topics:

(i) Fees and expenses (*See, Part IV. Plan Fees and Expenses*);

(ii) Investment Options and the investment manager and how and when the Trustee may change both (See, *Part III. Plan Investment Options* and *Part V. Risks of Investing in the Plan*);

(iii) Portfolio investment performance (See, *Part III. Plan Investment Options — Portfolio Performance*);

(iv) Federal and state tax considerations (*See, Part VIII. Federal and State Tax Treatment*);

(v) Risk factors (*See, Part III. Plan Investment Options — Explanation of the Risk Factors of the Portfolios and the Underlying Funds* and *Part V. Risks of Investing in the Plan*); and

(vi) Limitations or penalties imposed by the Plan upon transfers between Investment Options, transfers to other Section 529 savings plans or Non-Qualified Withdrawals generally (See, *Part VIII. Federal and State Tax Treatment*).

KEY TERMS

529 Plan — A tax-advantaged higher education savings plan established under and operated in accordance with Section 529.

Account — An account within the Trust established for an Account Owner pursuant to a Participation Agreement. More than one Account may be established for the same Beneficiary.

Account Owner — The person or entity that establishes an Account and controls the assets held in the Account on behalf of a Beneficiary and any person or entity who is the successor in interest to such person or entity in accordance with HRS, chapter 256. References in this document to "you" mean you in your capacity as the Account Owner.

Additional 10% Federal Tax — An additional 10% federal tax on the earnings portion of certain taxable withdrawals.

Beneficiary — (a) the individual designated as the beneficiary of the Account at the time the Account is established; (b) the individual who is designated as the new beneficiary when the beneficiary of an Account is changed; and (c) the individual receiving the benefits from an Account established by any state or local government or an organization described in Section 501(c)(3) of the Code, as part of a scholarship program operated by such government or organization.

Code — The Internal Revenue Code of 1986, interpreted in accordance with the regulations promulgated thereunder, as amended from time to time.

Contribution — Any payment to an Account for the benefit of a Beneficiary.

Department — The State of Hawaii Department of Budget and Finance.

Director — The State of Hawaii Director of Finance, who is responsible for administering the Plan.

Distributee — The person who is subject to tax on a withdrawal from an Account. The Distributee may be the Account Owner or the Beneficiary.

Eligible Educational Institution — An institution as defined in Section 529. Generally, the term includes post-secondary educational institutions offering credit toward a bachelor's degree, an associate's degree, a graduate level or professional degree, or another recognized post-secondary credential. Certain proprietary institutions and post-secondary vocational institutions are also eligible educational institutions. 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. Section 1088).

Enrollment Form — The HI529 Enrollment Form that is to be completed and submitted to the Program Manager by an Account Owner to open an Account. By completing and submitting an Enrollment Form, the Account Owner agrees to be bound by the terms and conditions of the Participation Agreement.

HRS chapter 256 — The Plan is authorized under Hawaii Revised Statutes, chapter 256, as amended, and is established and maintained by the State, acting through the Director and the Department.

Investment Exchange — A reallocation of your account balance among Portfolios allowed once every calendar year for a given Beneficiary and upon a change in the Beneficiary (**See, Part VII. Other Account Information — Changing Investment Options for Current Balances and Future Contributions**).

Investment Options — The Portfolios available to Account Owners in the Plan.

Maximum Contribution Limit — The maximum amount established by the Director that can be contributed on behalf of the same Beneficiary.

Member of the Family — A member of the family as defined in Section 529 (**See, Part VII. Other Account Information — Changing the Beneficiary**).

Non-Qualified Withdrawal — A withdrawal from an Account that is not used to pay for Qualified Higher Education Expenses. These withdrawals will be treated as income to the Distributee and taxed at the Distributee's tax rate. In addition, the Additional 10% Federal Tax may apply to the earnings portion of Non-Qualified Withdrawals.

Participation Agreement — The written agreement between an Account Owner and the Director, substantially in the form approved by the Director. An Account Owner agrees to the terms and conditions of the Participation Agreement by completing and submitting an Enrollment Form.

Plan Disclosure Statement — Means this HI529 Plan Disclosure Statement and any applicable supplement thereto, each as amended and supplemented from time to time.

Portfolio — The set of mutual funds in which assets in the Investment Options are invested in accordance with the asset allocation adopted by the Director. An Account is assigned to a Portfolio based upon the selections properly made by the Account Owner.

Qualified Withdrawal — A withdrawal from an Account that is used to pay for Qualified Higher Education Expenses.

Qualified Higher Education Expenses — Expenses include tuition, fees and the cost of books, supplies and equipment required for the enrollment or attendance of a Beneficiary (including expenses for special needs services in the case of a special needs Beneficiary) at an Eligible Educational Institution, along with certain room and board expenses of a Beneficiary attending school at least half-time, as allowable under Section 529.

Section 529 — Section 529 of the Internal Revenue Code.

Successor Account Owner — The person designated by the Account Owner to assume ownership of the Account in the event of the Account Owner's death or legal incapacity while there is still money in the Account. The Successor Account Owner must be a U.S. resident at least 18 years old or older.

Trust — The Hawaii College Savings Trust Fund, which consists of a trust account and an operating account.

Trustee — The Trustee of the Trust Fund is the Director.

Underlying Funds — The registered mutual funds in which assets of Portfolios are invested. The Underlying Funds for each Portfolio are recommended to the Director by the Program Manager and approved by the Director.

Unit — Refers to the unit of measurement used for determining the value of a Portfolio. The value of a unit is based upon the net asset value of the applicable Underlying Funds for the Portfolio to which an Account is assigned, and any fees and expenses charged to such Portfolio. A unit of the Portfolio is a municipal fund security.

U.S. Military Academy — United States Military Academy, the United States Naval Academy, the United States Air Force Academy, the United States Coast Guard Academy, and the United States Merchant Marine Academy.

Withdrawal Request Form — The form approved by the Director for use in requesting a withdrawal from an Account.

PART I. INTRODUCTION

General Information About 529 Plans and HI529

Section 529 permits states and state agencies to sponsor qualified tuition programs ("529 Plans"), which are tax-advantaged programs intended to help individuals and families pay the costs of higher education. HI529 is a 529 Plan administered by the Director. Even if you do not live in Hawaii, you may invest in the Plan.

Prospective Account Owners should consider many factors before deciding to invest in a 529 Plan such as HI529, including the Plan's Investment Options and its performance history, its flexibility and features, the reputation and expertise of the Investment Manager, the Maximum Contribution Limit, fees and expenses, and federal and state tax benefits associated with an investment in the Plan.

Who's Who in the Plan

The Plan—HI529 is a higher education savings plan established under HRS chapter 256 to help investors save for the costs of higher education. The Plan is designed to qualify for treatment as a qualified tuition program under Section 529.

The Director—The Director administers the Plan and, acting as the Trustee of the Trust, causes the assets of the Portfolios to be invested in the Underlying Funds. The Director is authorized to employ service providers, agents, counsel and other third-party contractors to administer the Plan, to market the Plan, to provide investment advice for the Plan, to provide accounting and recordkeeping services for the Plan, to offer and sell interests in the Trust denominated in Units, to process forms approved for use in connection with the Plan and to provide other services relating to the Plan and the Trust.

Upromise—Upromise Investments, Inc. and Upromise Investment Advisors, LLC are the entities chosen by the Director to be the Program Manager and recordkeeping and administrative servicing agent respectively for the Plan, responsible for the day-to-day operations of the Plan. Upromise Investments, Inc. also serves as the Distributor of the Plan. ("Upromise" is used to refer collectively or individually, as the case requires, to Upromise Investments, Inc., Upromise Investment Advisors, LLC, and their affiliates.) The Program Management Agreement between Upromise and the Director on behalf of the State expires in 2012 and may be terminated sooner under certain circumstances. With the exception of service providers authorized by the Director and retained by Upromise to provide certain services under the Program Management Agreement, Upromise will not be liable for the acts or omissions of other service providers to the Plan or the Director.

Vanguard—Vanguard is the entity chosen by the Director and Upromise to be the Plan's Investment Manager. ("Vanguard" is used to refer collectively or individually, as the case requires, to The Vanguard Group, Inc., and its affiliates.)

Throughout this document, the State of Hawaii, the Plan, the Department, the Director, Upromise, and Vanguard are referred to collectively as "Associated Persons" of the Plan.

IMPORTANT LEGAL INFORMATION

Important Information About Opening a New Account. The Plan is required by federal law to obtain from each person who opens an Account certain personal information—including name, street address, and date of birth, among other information—that will be used to verify identity. If you do not provide us with this information, we will not be able to open your Account. If we are unable to verify your identity, the Plan reserves the right to close your Account or take other steps we deem reasonable.

Tax disclaimer. In order to comply with federal regulations, we advise you that this Plan Disclosure Statement is not intended to constitute, nor does it constitute, legal or tax advice. This Plan Disclosure Statement was developed to support the marketing of the Plan and cannot be relied upon for purposes of avoiding the payment of federal tax penalties. You should consult your legal or tax advisor about the impact of these rules on your individual situation.

State tax and other benefits. If you are not a Hawaii taxpayer, consider before investing whether your or the Beneficiary's home state offers a 529 Plan that provides its taxpayers with favorable state tax or other benefits that may only be available through investment in the home state's 529 Plan, and which are not available through investment in the Plan. Because different states have different tax provisions, this Plan Disclosure Statement contains limited information about the state tax consequences of investing in the Plan. Therefore, please consult your financial, tax, or other advisor to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances. You also may wish to contact your home state's 529 Plan[s], or any other 529 Plan, to learn more about those plans' features, benefits, and limitations. Keep in mind that state-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision.

Investments are not guaranteed or insured. Investments in the Plan are not guaranteed or insured by the Plan, any of its Associated Persons, the Federal Deposit Insurance Corporation ("FDIC"), or any other entity. The value of your Account will depend on market conditions and the performance of the Investment Options you select. Investments in the Plan can go up or down in value, and you could lose money by investing in the Plan.

The Plan is not a mutual fund. Although money contributed to the Plan will be invested in Portfolios that hold Vanguard® mutual funds, neither the Plan, nor any of the Plan's investment Portfolios are mutual funds. An investment in the Plan is an investment in municipal fund securities that are issued and offered by the Plan. These securities are not registered with the U.S. Securities and Exchange Commission ("SEC") or any state. The Plan's Portfolios are not registered as investment companies with the SEC or any state.

PART II. HOW TO ENROLL

This section offers a brief overview of the process needed to: (1) open an Account, (2) choose a Beneficiary, (3) choose a Successor Account Owner, (4) choose your Investment Options, and (5) contribute money to an Account.

Before you begin, it is important that you understand two terms used throughout this Plan Disclosure Statement:

- The **Account Owner** is the person who opens an Account with the Plan and controls the assets held in the Account. References in this document to "you" mean you in your capacity as the Account Owner.
- The **Beneficiary** (future student) is the person designated by the Account Owner whose higher education expenses will be paid (in whole or in part) using money from the Account.

Open an Account

Who Can Open an Account? To be an Account Owner, you must be a U.S. citizen or resident alien, be 18 years or older, and must have a Social Security number or taxpayer identification number. You must provide the Plan with a U.S. permanent address that is not a post office box. Certain other types of entities such as a trust or business entity may be Account Owners **(See, Business Entities and Trusts** in this Section). A local government (or agency or instrumentality) or organization described in Section 501(c)(3) of the Code may open an Account to fund scholarships. Please provide any legal documentation that identifies the person(s) who has the authority to act on behalf of the Account.

Only the Account Owner can make contributions to an Account. The Account Owner can control how those assets are invested and used. There can be only one Account Owner per Account. You may name a Successor Account Owner to assume control of the Account if you die or become incapacitated.

Business Entities and Trusts. A business entity, such as a corporation, company, partnership, or association, or trust may open an Account, provided that one individual authorized by the business entity or trust (the "Authorized Representative") executes an Enrollment Form for entities certifying to HI529 the legal status of the applicable entity and its capacity to open an Account. The business entity or trust must also document for the Plan that the Authorized Representative has the authority to act on behalf of and bind the business entity or trust that is the Account Owner. An Authorized Representative, who is considering establishing an Account in a fiduciary or representative capacity, should consult a tax advisor about the tax consequences associated with opening and holding Accounts in the Plan, as well as an attorney about the Authorized Representative's rights and responsibilities in that capacity. Discussion of any aspect of an Account unique to a business entity, trust or an estate is beyond the scope of this Plan Disclosure Statement.

How Do You Open an Account?

- Online: Complete the Enrollment Form online at **www.hi529.com.**
- By mail: Complete, sign, and mail an Enrollment Form to HI529—Hawaii's College Savings Program, Upromise Processing Center, P.O. Box 55574, Boston, MA 02205-5574.

See, Part VII. Other Account Information for a description of the Enrollment process and for more details on setting up an Account.

Choose a Beneficiary

- Identify a Beneficiary for the Account on your Enrollment Form. A Beneficiary must be a U.S. citizen or resident alien, and have a Social Security number or individual taxpayer identification number.
- You may designate only one Beneficiary per Account, but different Account Owners may establish different Accounts for the same Beneficiary.
- You do not have to be related to the Beneficiary.
- You may designate yourself as the Beneficiary.

Designate a Successor Account Owner

As the Account Owner, you may designate a Successor Account Owner to succeed to all of your rights, title, and interest in an Account (including the right to change the Beneficiary) upon your death or legal incapacity as the Account Owner. This designation can be made on the Enrollment Form when opening your Account or at a later date. **See, Part VII. Other Account Information—Designating a Successor Account Owner** for more information.

Choose Investment Options

You may select from a number of Investment Options. The options fall into two categories:

- Age-Based Option: The asset allocation of money invested in the Age-Based Option is automatically adjusted over time to become more conservative as the Beneficiary approaches college age.
- Individual Portfolios (six Investment Options): The asset allocation of money invested in any of the Individual Portfolios is static, meaning it does not change over time.

Each time you contribute you may choose up to five Investment Options. You must allocate a minimum of 5% of the Contribution to each option you choose. **See, Part III. Plan Investment Options** for details about the Plan's Investment Options, including investment objectives, strategies, risks, and fees.

Contribute to Your Account

Initial Contribution. You must open an Account with a minimum initial investment of $15.

Subsequent Contributions. You may make additional Contributions to your Account at any time. The minimum additional Contribution is $15.

Rollover Contributions and Other Transfers. You may contribute to the Plan through a rollover or transfer from another state's 529 Plan, or from another Account in the Plan, subject to limitations imposed by Section 529 on certain rollovers and such transfers. **See, Part VII. Other Account Information — Contributions — Incoming Rollover Contributions.**

Other Contributions. You may contribute with assets liquidated from an UGMA/UTMA custodial account, a Coverdell Education Savings Account, or certain qualified U.S. Savings Bonds.

Note: Any Contribution to the Plan made after 11:00 a.m. HST on November 12, 2007, if submitted electronically through your financial intermediary or November 13, 2007, for all other contributions referencing an old account number on the check or form will be invested according to the Account Owner's current Portfolio allocations on file.

See, Part VII. Other Account Information — Contributions for additional details on contributing to your Account, setting up an Automatic Investment Plan, and the guidelines relating to transfers and rollovers.

PART III. PLAN INVESTMENT OPTIONS

Investment Options Summary

Federal law prohibits Account Owners from selecting the underlying investments of the Investment Options. The Plan's menu of professionally managed Investment Options is designed by the Trustee to give you a full range of Investment Options.

The Plan offers many different Investment Options for your Account Contributions.

- You can choose the Age-Based Option, in which your money automatically is moved to progressively more conservative Portfolios as your Beneficiary approaches college age.
- You can choose from among six Individual Portfolios that offer investment choices of stock funds, bond funds, and a money market fund. If you choose an Individual Portfolio, your money will remain in that Portfolio until you instruct the Plan to move it.

Whenever you contribute money to your Account, you may allocate the Contribution among a maximum of five Investment Options. For example, you may choose five Individual Portfolios, or the Age-Based Option and four Individual Portfolios, etc.

Regardless of how many Investment Options you select, you must allocate a minimum of 5% of your Contribution to each option. For example, you could choose three Investment Options and allocate your Contribution 60%, 35%, and 5%.

Each Portfolio invests its assets in one or more mutual funds managed by Vanguard (the "Underlying Funds"). Please keep in mind that you will not own shares of the mutual funds. You are purchasing Units of the Portfolios that make up the Plan. The Director reserves the right to change, at any time, the Portfolios, the asset allocations of and/or the Underlying Funds that make up the Age-Based Option, or the Underlying Funds in which the Portfolios invest.

Note: The holding period for college investing is very short relative to that for retirement investing (i.e., 5 to 20 years versus 30 to 60 years). Also, the need for liquidity during the withdrawal phase (to pay for certain educational expenses) generally is very important. You should seriously consider the level of risk you wish to assume, your investment time horizon, and other factors important to you, before you select Investment Options.

The Age-Based Option

The Age-Based Option is designed to take into account a Beneficiary's age and your investing time horizon—i.e., the number of years before the Beneficiary is expected to attend an Eligible Educational Institution. In general, for younger Beneficiaries, the Age-Based Option will be invested in Portfolios more heavily weighted in stocks to capitalize on the longer investment horizon and to try to maximize returns. As time passes, Account assets are automatically moved to more conservative Portfolios in an attempt to preserve capital as the withdrawal phase approaches. There is no assurance that any Portfolio will be able to achieve its goals.

Portfolios with higher allocations in bonds and short-term reserves tend to be less volatile than those with higher stock allocations. Less-volatile Portfolios generally will not decline as far when stock markets go down, but also generally will not appreciate in value as much when stock markets go up.

For the Age-Based Option, the Plan will automatically exchange assets from one Portfolio to another as the Beneficiary ages. The exchange occurs during the month following the month of the Beneficiary's birth date, according to the following schedule:

AGE-BASED OPTION

Age of Beneficiary	Vanguard Age-Based Option
Newborn through 5	Vanguard Growth Portfolio
6 through 10	Vanguard Moderate Growth Portfolio
11 through 15	Vanguard Conservative Growth Portfolio
16 or older	Vanguard Income Portfolio

The Individual Portfolios

Unlike the Age-Based Option, the Individual Portfolios do not change asset allocations as the Beneficiary ages. Instead, the asset allocation of each Portfolio remains fixed over time.

If you choose to invest in Individual Portfolios that have a significant weighting in stocks, you should consider moving your assets to more conservative Portfolios as your Beneficiary approaches college age. Please note that there are limitations on your ability to move assets from one Portfolio to another. **See, Part VII. Other Account Information—Changing Investment Options for Current Balances and Future Contributions.**

The Individual Portfolios consist of four Multi-Fund Individual Portfolios, which invest in multiple Underlying Funds (the percentages of those investments are detailed in the table below), and two Single-Fund Individual Portfolios, which each invest in a single Underlying Fund.

Multi-Fund Individual Portfolios:

- Vanguard Growth Portfolio
- Vanguard Moderate Growth Portfolio
- Vanguard Conservative Growth Portfolio
- Vanguard Income Portfolio

Single-Fund Individual Portfolios:
- Vanguard Total Stock Market Index Portfolio
- Vanguard Money Market Portfolio

The following table provides the allocations of the Underlying Funds for each Individual Portfolio:

Investment Option	Underlying Investments
Vanguard Growth Portfolio	60% Vanguard Total Stock Market Index Fund 15% Vanguard Developed Markets Index Fund 25% Vanguard Total Bond Market Index Fund
Vanguard Moderate Growth Portfolio	40% Vanguard Total Stock Market Index Fund 10% Vanguard Developed Markets Index Fund 50% Vanguard Total Bond Market Index Fund
Vanguard Conservative Growth Portfolio	20% Vanguard Total Stock Market Index Fund 5% Vanguard Developed Markets Index Fund 75% Vanguard Total Bond Market Index Fund
Vanguard Income Portfolio	50% Vanguard Total Bond Market Index Fund 25% Vanguard Inflation-Protected Securities Fund 25% Vanguard Prime Money Market Fund
Vanguard Total Stock Market Index Portfolio	100% Vanguard Total Stock Market Index Fund
Vanguard Money Market Portfolio	100% Vanguard Prime Money Market Fund

Portfolio Profiles

Vanguard Growth Portfolio

Investment Objective

The Portfolio seeks to provide capital appreciation with some current income.

Investment Strategy

The Portfolio invests in two Vanguard stock index funds and one Vanguard bond index fund, resulting in an allocation of 75% of assets to stocks and 25% to investment-grade U.S. bonds. The percentages of the Portfolio's assets allocated to each Underlying Fund are:

Vanguard Total Stock Market Index Fund	60%
Vanguard Developed Markets Index Fund	15%
Vanguard Total Bond Market Index Fund	25%

Through its ownership of the two stock funds, the Portfolio indirectly owns primarily large-capitalization U.S. stocks and, to a lesser extent, mid- and small-capitalization U.S. stocks and international stocks. Through its ownership of the bond fund, the Portfolio also indirectly holds a mix of bonds—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—that represents a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than one (1) year. The bond fund maintains a dollar-weighted average maturity consistent with that of the Lehman Brothers U.S. Aggregate Bond Index, which currently ranges between five (5) and ten (10) years.

Investment Risks

Because it invests mainly in stock funds, the Portfolio primarily is subject to **stock market risk**. Through its bond fund holding, the Portfolio has low to moderate levels of **interest rate risk, credit risk, income risk,** and **call/prepayment risk.** The Portfolio also has low levels of **foreign securities risk, index sampling risk,** and **derivatives risk.**

Vanguard Moderate Growth Portfolio

Investment Objective

The Portfolio seeks to provide capital appreciation and low to moderate current income.

Investment Strategy

The Portfolio invests in two Vanguard stock index funds and one Vanguard bond index fund, resulting in an allocation of 50% of assets to stocks and 50% to investment-grade U.S. bonds. The percentages of the Portfolio's assets allocated to each Underlying Fund are:

Vanguard Total Stock Market Index Fund	40%
Vanguard Developed Markets Index Fund	10%
Vanguard Total Bond Market Index Fund	50%

Through its ownership of the two stock funds, the Portfolio indirectly owns primarily large-capitalization U.S. stocks and, to a lesser extent, mid- and small-capitalization U.S. stocks and international stocks. Through its ownership of the bond fund, the Portfolio also indirectly holds a mix of bonds—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—that represents a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than one (1) year. The bond fund maintains a dollar-weighted average maturity consistent with that of the Lehman Brothers U.S. Aggregate Bond Index, which currently ranges between five (5) and ten (10) years.

Investment Risks

Through its stock fund holdings, the Portfolio is subject to **stock market risk.** Through its bond fund holdings, the Portfolio has low to moderate levels of **interest rate risk, credit risk, income risk,** and **call/prepayment risk.** The Portfolio also has low levels of **foreign securities risk, index sampling risk,** and **derivatives risk.**

Vanguard Conservative Growth Portfolio

Investment Objective

The Portfolio seeks to provide current income and low to moderate capital appreciation.

Investment Strategy

The Portfolio invests in one Vanguard bond index fund and two Vanguard stock index funds, resulting in an allocation of 75% of assets to investment-grade U.S. bonds and 25% of assets to stocks. The percentages of the Portfolio's assets allocated to each Underlying Fund are:

Vanguard Total Stock Market Index Fund	20%
Vanguard Developed Markets Index Fund	5%
Vanguard Total Bond Market Index Fund	75%

Through its ownership of the bond fund, the Portfolio indirectly holds a mix of bonds — including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities — that represents a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than one (1) year. The bond fund maintains a dollar-weighted average maturity consistent with that of the Lehman Brothers U.S. Aggregate Bond Index, which currently ranges between five (5) and ten (10) years. Through its ownership of the stock funds, the Portfolio also indirectly owns primarily large-capitalization U.S. stocks and, to a lesser extent, mid- and small-capitalization U.S. stocks and international stocks.

Investment Risks

Because it invests mainly in a bond fund, the Portfolio primarily is subject to low to moderate levels of **interest rate risk, credit risk, income risk,** and **call/prepayment risk.** Through its stock fund holdings, the Portfolio is subject to **stock market risk.** The Portfolio has low levels of **foreign securities risk, index sampling risk,** and **derivatives risk.**

Vanguard Income Portfolio

Investment Objective

The Portfolio seeks to provide current income and some capital appreciation.

Investment Strategy

The Portfolio invests in two Vanguard bond funds and one Vanguard money market fund, resulting in an allocation of 75% of assets to investment-grade U.S. bonds and 25% of assets to money market investments. The percentages of the Portfolio's assets allocated to each Underlying Fund are:

Vanguard Total Bond Market Index Fund	50%
Vanguard Inflation-Protected Securities Fund	25%
Vanguard Prime Money Market Fund	25%

Through its ownership of the Vanguard Total Bond Market Index Fund, the Portfolio indirectly holds a mix of bonds — including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities — that represents a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than one (1) year. The Fund maintains a dollar-weighted average maturity consistent with that of the Lehman Brothers U.S. Aggregate Bond Index, which currently ranges between five (5) and ten (10) years.

Through its ownership of the Vanguard Inflation-Protected Securities Fund, the Portfolio indirectly owns investment-grade, inflation-indexed bonds issued by the U.S. government, its agencies and instrumentalities, and corporations. The Fund may invest in bonds of any maturity; however, its dollar-weighted average maturity is expected to be in the range of seven (7) to twenty (20) years.

Through its ownership of the Vanguard Prime Money Market Fund, the Portfolio indirectly holds high-quality, short-term money market instruments, including certificates of deposit, banker's acceptances, commercial paper, and other money market securities. See, "Note" in the Vanguard Money Market Portfolio description.

Investment Risks

Because it invests mainly in bond funds, the Portfolio primarily is subject to low to moderate levels of **interest rate risk, credit risk, income risk,** and **call/prepayment risk.** The Portfolio also has low levels of **income fluctuation risk, manager risk, index sampling risk, industry concentration risk,** and **derivatives risk.**

Vanguard Total Stock Market Index Portfolio

Investment Objective

The Portfolio seeks to track the performance of a benchmark index that measures the investment return of the overall stock market.

Investment Strategy

The Portfolio invests 100% of its assets in the Vanguard Total Stock Market Index Fund which employs a "passive management" — or indexing — investment approach designed to track the performance of the Morgan Stanley Capital International (MSCI) US Broad Market Index. The Index represents 99.5% or more of the total market capitalization of all the U.S. common stocks regularly traded on the New York and American Stock Exchanges and the Nasdaq over-the-counter market. The Fund typically holds 1,200-1,300 stocks in its target index (covering nearly 95% of the Index's total market capitalization) and a representative sample of the remaining stocks. The Fund holds a range of securities that, in the aggregate, approximates the full index in terms of key characteristics. These key characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield.

Investment Risks

The Portfolio primarily is subject to **stock market risk.** The Portfolio also has low levels **index sampling risk** and **derivatives risk.**

Vanguard Money Market Portfolio

Investment Objective

The Portfolio seeks income consistent with the preservation of principal.

Investment Strategy

The Portfolio invests 100% of its assets in the Vanguard Prime Money Market Fund, which invests primarily in high-quality, short-term money market instruments, including certificates of deposit, banker's acceptances, commercial paper, and other money market securities. To be considered high-quality, a security generally must be rated in one of the two highest credit-quality categories for short-term securities by at least two nationally recognized rating services (or by one, if only one rating service has rated the security). If unrated, the security must be determined by Vanguard to be of quality equivalent to those in the two highest credit-quality categories. The Fund invests more than 25% of its assets in securities issued by companies in the financial services industry. The Fund maintains a dollar-weighted average maturity of ninety (90) days or less.

Note: *Vanguard Income Portfolio's and Vanguard Money Market Portfolio's investments in Vanguard Prime Money Market Fund are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of the investment at $1 per share, it is possible that the Portfolios may lose money by investing in the Fund.*

Investment Risks

The Portfolio primarily is subject to **income risk.** It also has low levels of **credit risk, manager risk, industry concentration risk,** and **derivatives risk.**

Certain Underlying Fund Profiles

The Age-Based Option and Multi-Fund Individual Portfolios invest in one or more Underlying Funds, two of which are available for investment as an Individual Portfolio, and information about each has therefore been provided above. However, because the remaining Underlying Funds are not available as Individual Portfolios, more information about their investment strategies and risks are presented below.

Vanguard Inflation-Protected Securities Fund

Investment Objective

The Fund seeks to provide inflation protection and income consistent with investment in inflation-indexed securities.

Investment Strategy

Vanguard Inflation-Protected Securities Fund invests at least 80% of its assets in inflation-indexed bonds issued by the U.S. government, its agencies and instrumentalities, and corporations. The Fund may invest in bonds of any maturity; however, its dollar-weighted average maturity is expected to be in the range of seven (7) to twenty (20) years. At a minimum, all bonds purchased by the Fund will be rated "investment-grade." However, unlike a conventional bond, which makes regular fixed interest payments and repays the face value of the bond at maturity, an inflation-indexed security ("IIS") provides principal and interest payments that are adjusted over time to reflect a rise (inflation) or a drop (deflation) in the general price level for goods and services. In the event of deflation, the U.S. Treasury has guaranteed that it will repay at least the original face value of an IIS issued by the U.S. government.

Note: *The Inflation-Protected Securities Fund seeks to provide protection from inflation as measured by the Consumer Price Index. It is possible that the costs of higher education may increase at a rate that exceeds the rate of increase of the Consumer Price Index. There is no guarantee that the Fund will protect investors from the rising costs of higher education.*

Investment Risks

The Fund primarily is subject to a high level of **income fluctuation risk.** The Fund has a moderate level of **interest rate risk,** a low to moderate level of **manager risk,** and a low level of **derivatives risk.**

Vanguard Developed Markets Index Fund

Investment Objective

The Fund seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in the major markets of Europe and the Pacific region.

Investment Strategy

Vanguard Developed Markets Index Fund employs a "passive management" — or indexing — investment approach. The Fund seeks to track the performance of the Morgan Stanley Capital International ("MSCI") Europe, Australasia, Far East ("EAFE") Index by investing in two other Vanguard funds — Vanguard European Stock Index Fund and Vanguard Pacific Stock Index Fund. These other funds seek to track the MSCI Europe Index and the MSCI Pacific Index, which together make up the MSCI EAFE Index. The Fund allocates all, or substantially all, of its assets between and the European Stock Index Fund and the Pacific Stock Index Fund, based on the market capitalizations of European and Pacific stocks in the MSCI EAFE Index. The index includes approximately 1,165 common stocks of companies located in Europe, Australia, Asia, and the Far East.

Investment Risks

The Fund primarily is subject to **stock market risk** and **foreign securities risk.** The Fund has a low level of **derivatives risk.**

Vanguard Total Bond Market Index Fund

Investment Objective

The Fund seeks to track the performance of a broad, market-weighted bond index.

Investment Strategy

Vanguard Total Bond Market Index Fund employs a "passive management" — or indexing — investment approach designed to track the performance of the Lehman Brothers U.S. Aggregate Bond Index. This Index measures a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States — including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities — all with maturities of more than one (1) year.

The Fund invests by sampling the Index, meaning that it holds a range of securities that, in the aggregate, approximates the full Index in terms of key risk factors and other characteristics. All of the Fund's investments will be selected through the sampling process, and at least 80% of the Fund's assets will be invested in bonds held in the Index. The Fund maintains a dollar-weighted average maturity consistent with that of the Lehman Brothers U.S. Aggregate Bond Index, which currently ranges between five (5) and ten (10) years.

Investment Risks

The Fund primarily is subject to moderate levels of **interest rate risk, income risk,** and **call/prepayment risk,** and low levels of **credit risk, index sampling risk** and **derivatives risk.**

Requesting Additional Information About the Underlying Funds. Your Contributions to a Portfolio will be invested in one or more of the Underlying Funds. Please keep in mind that you will not own shares of the Underlying Funds. Instead, you will own interests in the Plan created and administered by the Director. Additional information about the investment strategies and risks of each Underlying Fund is available in its current prospectus and statement of additional information. You can request a copy of the current prospectus, the statement of additional information, or the most recent semiannual or annual report of any Underlying Fund by visiting Vanguard's website at **www.vanguard.com** or by calling **1-866-529-3343.**

The target indexes of certain of the Underlying Funds may change. Many 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 Underlying Funds' board of trustees. In any such instance, a substitute index would measure the same market segment as the current index.

Explanation of the Risk Factors of the Portfolios and the Underlying Funds

Call/Prepayment Risk. This is the risk that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The Underlying Fund would lose potential price appreciation and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the Underlying Fund's income. For mortgage-backed securities, this risk is known as prepayment risk.

Credit Risk. This is the risk that an issuer of a security owned by an Underlying Fund will fail to pay principal or interest in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that security to decline.

Derivatives Risk. Each of the Underlying Funds may invest, to a limited extent, in derivatives. Generally speaking, a derivative is a financial contract whose value is based on the value of a financial asset (such as a stock, bond, or currency), a physical asset (such as gold), or a market index (such as the S&P 500 Index). The Underlying Funds will not use derivatives for speculation or for the purpose of leveraging (magnifying) investment returns.

Foreign Securities Risk. Underlying Funds that invest in foreign securities are subject to country risk, which is the chance that domestic events—such as political upheaval, financial troubles, or natural disasters—will weaken a country's securities markets. They are also subject to currency risk, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates. Finally, investments in foreign stock markets can be riskier than U.S. stock investments. The prices of foreign stocks and the prices of U.S. stocks have, at times, moved in opposite directions.

Income Fluctuation Risk. This is the risk that an Underlying Fund's quarterly income distributions will fluctuate considerably more than the income distributions of a typical bond fund. For Vanguard Inflation-Protected Securities Fund, income fluctuations associated with changes in interest rates are expected to be low; however, income fluctuations associated with changes in inflation rates are expected to be high.

Income Risk. This is the risk that falling interest rates will cause an Underlying Fund's income to decline. Income risk is generally higher for short-term bond funds and lower for long-term bond funds.

Index Sampling Risk. This is the risk that the securities selected for an Underlying Fund using the sampling method of indexing will not provide investment performance matching that of the target index.

Industry Concentration Risk. This is the risk that there will be overall problems affecting a particular industry in which an Underlying Fund invests more than 25% of its assets. Because of indirect investments in Vanguard Prime Money Market Fund, which invests more than 25% of its assets in securities of companies in the financial services industry, Portfolio performance will depend to a greater extent on the overall condition of that industry.

Interest Rate Risk. This is the risk that bond prices overall will decline because of rising interest rates. Interest rate risk should be high for long-term bond funds and low for short-term bond funds.

Manager Risk. This is the risk that poor security selection will cause an Underlying Fund to underperform relevant benchmarks or other funds with a similar investment objective.

Stock Market Risk. This is the risk that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Prices of mid- and small-cap stocks often fluctuate more than those of large-company stocks.

Portfolio Performance

The Portfolios commenced operations in mid-November 2007, and no performance information for the Portfolios is yet available. However, certain Portfolio price and performance information will be made available on **www.hi529.com.**

The performance of the Portfolios will differ from the performance of the Underlying Funds. Because the Portfolios have higher expense ratios than the Underlying Funds, over comparable periods of time, all other things being equal, a Portfolio would have lower performance than its comparable Underlying Fund. (Of course, the Underlying Funds do not offer the same tax advantages as the Portfolios.) Performance differences also are caused by differences in the trade dates of Portfolio purchases. When you invest money in a Portfolio, you will receive Portfolio Units as of the trade date noted in **Part VII. Other Account Information—Pricing of Portfolio Units.** The Portfolio will use your money to purchase shares of an Underlying Fund. However, the trade date for the Portfolio's purchase of Underlying Fund shares typically will be one business day after the trade date for your purchase of Portfolio Units. Depending on the amount of cash flow into or out of the Portfolio and whether the Underlying Fund is going up or down in value, this timing difference may cause the Portfolio's performance either to trail or exceed the Underlying Fund's performance.

PART IV. PLAN FEES AND EXPENSES

The Director will establish, and may change at any time, the fees and expenses it deems appropriate for the Plan. In the future, the Plan's fees and expenses could be higher or lower than those discussed in this Plan Disclosure Statement.

Account Owners will bear fees and expenses at the Plan level and also bear the cost of investing in the Underlying Funds. At the Plan level, an Account will be subject to certain fees that are charged daily against the assets of each Portfolio, an annual Account Maintenance Fee, and certain transaction fees.

Asset-Based Fees

The Plan charges an expense ratio (annual asset-based fee), of 0.75% (i.e., seventy-five basis points) for each Investment Option. These fees include both administrative and investment management costs. The Director, Upromise, and Vanguard have agreed to a specific formula for the allocation among the parties of the asset-based fee.

Under the asset-based fee, each Account also indirectly bears its pro rata share of the annual fees and expenses associated with the Underlying Funds in which each Portfolio held by an Account invests. The asset-based fee is charged daily against the assets of each Portfolio at an annualized rate approximately equal to the expense ratio. The expense ratio of a Portfolio, and that of an Underlying Fund, may change.

Annual Account Maintenance Fee

There is an Annual Account Maintenance Fee of $20 per Account. The $20 fee is assessed during the month following the twelve (12) month anniversary date of the Account opening. If you make a complete withdrawal from your Account prior to the anniversary date in a given year, a prorated Annual Account Maintenance Fee may be charged against the amount of the withdrawal.

PLAN FEE AND EXPENSE INFORMATION

				Additional Investor Expenses
Portfolio	**Underlying Fund Expenses***	**Plan Management Fee****	**Total Annual Asset-Based Fee*****	**Annual Account Maintenance Fee**
Vanguard Growth Portfolio	0.09%	0.66%	0.75%	$20
Vanguard Moderate Growth Portfolio	0.09%	0.66%	0.75%	$20
Vanguard Conservative Growth Portfolio	0.08%	0.67%	0.75%	$20
Vanguard Income Portfolio	0.12%	0.63%	0.75%	$20
Vanguard Total Stock Market Index Portfolio	0.06%	0.69%	0.75%	$20
Vanguard Money Market Portfolio	0.24%	0.51%	0.75%	$20

* The Underlying Fund Expenses include investment advisory fees, administrative, and other expenses as of December 31, 2006, which are paid to Vanguard.

** Upromise and Vanguard have agreed to a specific formula for the allocation of the Plan Management Fee.

*** The Total Annual Asset-Based Fee is the fee charged to Account Owners for their ownership of Portfolio Units, and includes the Underlying Fund Expenses and the Plan Management Fee.

Audit Expenses

Expenses for an independent annual audit of the Plan will be borne by the Program Manager.

Other Charges

The Plan reserves the right to charge an Account in any circumstance in which the Plan incurs expenses on behalf of the Account (e.g., when a check, Automatic Investment Plan ("AIP") payment, or electronic bank transfer ("EBT") is returned unpaid by the financial institution upon which it is drawn). The Plan may deduct the fees and expenses identified in this paragraph directly from your Account. If you request delivery of withdrawal proceeds or any other item by express delivery service, the Plan may charge you for this service.

Transaction	Fee Amount*
Returned Check	$25
Rejected AIP Payment	$25
Rejected EBT	$25
Overnight Delivery	$15 weekday $25 Saturday
Outgoing Wires	$5
Reissue of Disbursement Checks	$15
Request for Historical Statement	$10 per yearly statement $30 maximum per household

*Subject to change without prior notice.

Investment Cost Example

The following example is intended to help you compare the cost of investing in the Portfolios over different time periods. The costs are the same for each Portfolio. This example illustrates the hypothetical expenses that you would incur over various periods if you invest $10,000 in a Portfolio. This example assumes that a Portfolio provides a return of 5% a year, and that the Portfolio's expense ratio (currently 0.75%) remains the same. **Note:** The $20 Annual Account Maintenance Fee has been included in the calculation. The results apply whether or not the investment is redeemed at the end of the period, but they do not take into account any Non-Qualified Withdrawals (defined in **Part VII. Other Account Information—Withdrawals**) or withdrawals otherwise subject to state or federal income taxes, or any penalties. This hypothetical is not intended to predict or project investment performance. Past performance is no guarantee of future results. Your own results may vary.

APPROXIMATE COST OF A $10,000 INVESTMENT IN EACH INVESTMENT OPTION

1 Year	3 Years	5 Years	10 Years
$96.59	$299.22	$515.34	$1,122.59

PART V. RISKS OF INVESTING IN THE PLAN

Investing in the Plan involves certain risks, including the possibility that you may lose money over short or even long periods of time. In addition to the investment risks of the Portfolios, described in Part III, there are certain risks relating to the Plan generally. These risks are described below.

No Guarantee of Principal or Earnings; No Insurance. The value of your Account may increase or decrease over time based on the performance of the Portfolio(s) you select. It is possible that, at any given time, your Account's value may be less than the total amount contributed. Neither the Plan nor any of its Associated Persons makes any guarantee of, or has any legal obligations to ensure, a particular level of investment return. An investment in the Plan is not a bank deposit, and it is not insured or guaranteed by the federal government, the FDIC, or any other government agency.

Limited Investment Direction. An Account Owner may not direct the underlying investments of a Portfolio. The ongoing money management is the responsibility of the Director, Upromise, and Vanguard.

Limited Liquidity. Investments in a 529 Plan, such as HI529, are considered less liquid than other types of investments (for example, investments in mutual fund shares), because the circumstances in which you may withdraw money from an Account without a penalty or adverse tax consequences are significantly more limited.

Potential Future Changes to the Plan. The Director reserves the right to discontinue the Plan or to change any aspect of the Plan. For example, the Director may change the Plan's fees and expenses; add, subtract, or merge Portfolios; close a Portfolio to new investors; or change the Underlying Fund(s) of a Portfolio. Depending on the nature of the change, Account Owners may be required to participate in, or be prohibited from participating in, the change with respect to Accounts established before the change. Upromise may not necessarily continue as Program Manager, and Vanguard may not necessarily continue as Investment Manager, indefinitely.

Change in Status of Federal and State Law and Regulations Governing the Plan. Federal and state law and regulations governing the administration of 529 Plans could change in the future. In addition, federal and state laws on related matters, such as the funding of higher education expenses, treatment of financial aid, and tax rules, are subject to frequent change. It is unknown what effect these kinds of changes could have on an Account. You should also consider the potential impact of any other state laws on your Account.

No Indemnification. Neither the Plan nor Upromise or Vanguard will indemnify any Account Owner or Beneficiary against losses or other claims arising from the official or unofficial acts, negligent or otherwise, of State employees.

Eligibility for Financial Aid. Being the owner or beneficiary of a 529 Plan account may adversely affect one's eligibility for financial aid.

- In making decisions about eligibility for financial aid programs offered by the U.S. government and the amount of such aid required, the U.S. Department of Education takes into consideration a variety of factors, including the assets owned by the student (i.e., the Beneficiary) and the assets owned by the student's parents. The U.S. Department of Education generally expects the student to spend a substantially larger portion of his or her own assets on educational expenses than the parents. Currently, the law specifies that the value of a 529 Plan account is to be treated for federal financial aid determinations as the assets of the parent if the parent is owner of the account. Beginning with the 2009/2010 school year, available balances in a 529 Plan account will be treated as an asset of (a) the student if the student is an independent student; or (b) the parent if the student is a dependent student, regardless of whether the owner of the 529 Plan account is the student or the parent. An Account Owner should consult a qualified financial aid advisor for further information on the impact of a 529 Plan account on federal financial aid and on other forms of financial aid, including state financial aid and financial aid provided by educational institutions, in the circumstances of a particular financial aid applicant.
- With respect to financial aid programs offered by educational institutions and other non-federal sources, the effect of being the owner or beneficiary of a 529 Plan account varies from institution to institution. Accordingly, no generalizations can be made about the effect of being the owner or beneficiary of a 529 Plan account on the student's eligibility for financial aid, or the amount of aid the student may qualify for, from such sources. The federal and non-federal financial aid program treatments of assets in a 529 Plan are subject to change at any time. You should therefore check and periodically monitor the applicable laws and other official guidance, as well as particular program and institutional rules and requirements, to determine the impact of 529 Plan assets on eligibility under particular financial aid programs.

No Guarantee That Investments Will Cover Education-Related Expenses. There is no guarantee that the money in your Account will be sufficient to cover all of a Beneficiary's higher education expenses, even if Contributions are made in the maximum allowable amount for the Beneficiary. The future rate of increase in higher education expenses is uncertain and could exceed the rate of investment return earned by any or all of the Portfolios over any relevant period of time.

Education Savings and Investment Alternatives. In addition to the Plan, there are many other 529 Plans, including programs designed to provide prepaid tuition and certain other educational expenses, as well as other education savings and investment alternatives. These alternative programs may offer different investment vehicles, and may result in different tax and other consequences. They may have different eligibility requirements and other features, as well as fees and expenses that may be more or less than those charged by the Plan. You should consider other investment alternatives before establishing an Account.

Medicaid and Other Federal and State Benefits. The effect of an Account on eligibility for Medicaid or other state and federal benefits is uncertain. It is possible that an Account in the Plan will be viewed as a "countable resource" in determining an individual's financial eligibility for Medicaid. Withdrawals from an Account during certain periods also may have the effect of delaying the disbursement of Medicaid payments. You should consult a qualified advisor to determine how a 529 Plan account may affect eligibility for Medicaid or other state and federal benefits.

No Guarantee of Admittance. Participation in the Plan does not guarantee or otherwise provide a commitment that the Beneficiary will be admitted to, be allowed to continue to attend, or receive a degree from any educational institution. Participation in the Plan also does not guarantee that a Beneficiary will be treated as a resident of any state for tuition or any other purpose.

PART VI. INFORMATION ABOUT THE PLAN AND UPROMISE

The Plan

The Plan is administered by the Director and is authorized by HRS chapter 256. The Plan, established as an investment vehicle for saving for higher education expenses, is designed to qualify for treatment as a qualified tuition program under Section 529. HRS chapter 256 authorized the creation of the Trust to hold all of the assets of the Plan. Upromise serves as Program Manager and provides program management, recordkeeping, and administrative services for the Plan. Upromise's affiliate offers the Upromise rewards service (described below) and is in the business of providing program management and administrative services to qualified tuition programs. Vanguard provides investment management for the mutual funds held in each Portfolio.

Upromise Rewards Service

The Program Manager's affiliate, Upromise, Inc., offers a rewards service that allows members to get back a percentage of their qualified spending with hundreds of America's leading companies as college savings. You may join the Upromise rewards service for free. Once you enroll in the Plan, your

Upromise rewards service account and your HI529 Account can be linked so that your rebate dollars are automatically transferred to your Account on a periodic basis. The minimum amount for an automatic transfer from a Upromise rewards service account to an existing Account within the Plan is $25.

Upromise rewards service is offered by Upromise Inc., an affiliate of Upromise Investments, Inc. and is a separate service from the Plan. This Plan Disclosure Statement provides information concerning the Plan, but is not intended to provide detailed information concerning the Upromise rewards service. The Upromise rewards 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 on the Upromise website. If you want more information about Upromise, please visit www.upromise.com.

PART VII. OTHER ACCOUNT INFORMATION

Contributions

You may contribute money to the Plan by any of the following methods: check, money order, AIP, payroll direct deposit, EBT, transfer from a Upromise rewards service account, third-party checks up to $10,000 payable to an Account Owner or a Beneficiary and properly endorsed to the Plan, or rollover. The Plan will not accept Contributions made with cash, traveler's checks, starter checks, bank courtesy checks, credit cards, credit card checks, instant loan checks, third-party checks over $10,000, foreign checks not in U.S. dollars, checks dated more than one hundred eighty (180) days before the Plan receives it, postdated checks, checks with unclear instructions, other checks the Plan deems unacceptable, stocks, securities, or other non-bank account assets. Please note that any Contribution to the Plan made after 11:00 a.m. HST on November 12, 2007, if submitted electronically through your financial intermediary or November 13, 2007, for all other Contributions referencing an old account number on the check or form will be invested according to the Account Owner's current Portfolio allocations on file.

__Note:__ The Plan may deduct money from your Account for any expenses incurred by the Plan on your behalf as a result of any check, automatic investment, or electronic bank transfer being returned unpaid by the financial institution upon which it is drawn.

Minimum Contributions. You must contribute at least $15 to open an Account. The minimum amount for subsequent Contributions is also $15.

Contributions by Check. Please make all checks payable to HI529 and send them to the following address: HI529 — Hawaii's College Savings Program, Upromise Processing Center, P.O. Box 55574, Boston, MA 02205-5574.

Payroll Direct Deposit.* You may be eligible to make automatic Contributions (payroll direct deposit) to your Account, provided your employer has agreed to offer this benefit. The minimum initial and subsequent payroll Contribution is $15. Contributions by payroll direct deposit will only be permitted from employers able to meet the Plan's operational and administrative requirements. Please check with your employer to see whether you are eligible to contribute to the Plan through payroll direct deposit. You may set up payroll direct deposit by submitting the appropriate form, which you can get online at **www.hi529.com** or by calling **1-866-529-3343.**

Automatic Investment Plan (AIP).* You may contribute to the Plan through periodic automatic debits in an amount equal to at least $15 per month or $45 per quarter from a checking or savings account at your bank, if your bank is a member of the Automated Clearing House network. You cannot make automatic investments from a money market mutual fund or cash management account. There is no charge for establishing or maintaining an AIP. Either you or the Plan may terminate your enrollment in an AIP at any time.

To establish an AIP during enrollment, complete the appropriate section of the Enrollment Form. You may establish or make changes to an AIP for an existing Account at any time either online at **www.hi529.com** or by submitting the appropriate form.

Your bank account will be debited on the day you designate, provided the day is a regular business day. If the day you designate falls on a weekend or a holiday, the AIP debit will occur on the next business day. You will receive a trade date of one business day prior to the day the bank debit occurs. For example, if the 15th of every month was selected as the debit date and the 15th falls on a business day, then the trade date for the transaction will be the 14th. If you indicate a start date that is within the first four days of the month, there is a chance that your investment will be credited on the last business day of the previous month. Therefore, the 1st through the 4th of the month are not recommended start dates. Please note that AIPs with a debit date of January 1st, 2nd, 3rd, 4th will be credited in the same year as the debit date. The first debit of an AIP must be at least three days from the receipt of the AIP request. Quarterly AIP investments will be made on the day indicated every three months, not on a calendar quarter basis. If no date is designated, your bank account will be debited on the 20th of the month. (If the 20th is not a business day, the debit will be made on the next business day.)

To be effective, a change to, or termination of, an AIP must be received by us at least five business days before the next AIP debit is scheduled to be deducted from your bank account. If your AIP Contribution cannot be processed because the bank account on which it is drawn contains insufficient funds or because of incomplete or inaccurate information, we reserve the right to suspend processing of future AIP Contributions.

*An investment plan of regular investment cannot assure a profit or protect against a loss in a declining market.

Electronic Bank Transfer (EBT). You may contribute to your Account by giving authorization to make a one-time EBT bank from a checking or savings account at your bank. To authorize an EBT, you must provide certain information about the bank account from which money will be withdrawn (the same information required to establish an AIP). Once you have provided that information, you may make an EBT from the designated bank account to the Plan online at **www.hi529.com** or by calling **1-866-529-3343.** There is no charge for making an EBT. Please note, you may only contribute up to $120,000 per Account per day by EBT. EBT Contributions in excess of $120,000 per Account, per day will be returned. EBT purchase requests that are received in good order by the Plan before 10:00 p.m., Eastern time (ET), will be given a trade date of the next business day after the date of receipt and will be effected at that day's closing price for Units of the applicable Portfolio. In such cases, the EBT debit from your bank account will occur on the second business day after the request is received. EBT purchase requests that are received in good order by the Plan after 10:00 p.m., ET, will be given a trade date of the second business day after the date the request is received, and will be effected at that day's closing price for Units of the applicable Portfolio. In such cases, the EBT debit will occur on the third business day after the request is received. If your EBT Contribution cannot be processed because the bank account on which it is drawn contains insufficient funds or because of incomplete information or inaccurate information, the Plan reserves the right to suspend processing of future EBT Contributions.

Incoming Rollover Contributions. You can contribute to the Plan with money transferred from another state's 529 Plan. This transaction is known as a "rollover." You may roll over assets from an account in another state's 529 Plan to an Account in the Plan for the same Beneficiary without penalty or federal income tax consequences provided it has been more than twelve (12) months since any previous rollover for that Beneficiary. You also may roll over money from an account in another state's 529 Plan to an Account in the Plan at any time without penalty or federal income tax consequences when you change Beneficiaries, provided that the new Beneficiary is a Member of the Family of the former Beneficiary (**See, Changing the Beneficiary** in this section for a list of the persons eligible). A 529 Plan rollover that does not meet these criteria will be considered a Non-Qualified Withdrawal (defined in **Withdrawals** in this section) that is subject to federal income tax, the Additional 10% Federal Tax, and possibly state income tax.

Incoming rollovers can be direct or indirect. Direct rollovers involve the transfer of money from one 529 Plan directly to another. Indirect rollovers involve the transfer of money from an account in another state's 529 Plan to the Account Owner, who then contributes the money to an Account in the Plan. To avoid penalties and federal income tax consequences, money received by a Account Owner in an indirect rollover must be contributed to the Plan within sixty (60) days of the distribution. You should be aware that not all states permit direct rollovers from 529 Plans. In addition, there may be state income tax consequences (and in some cases state-imposed penalties) resulting from a rollover out of a state's 529 Plan.

You can roll over assets to the Plan either as an initial Contribution when you open an Account or as an additional Contribution to an existing Account. When making the rollover, you will need to provide the Plan with an account statement or other documentation from the distributing 529 Plan account indicating how much of the rollover money is attributable to earnings. Until the Plan receives this documentation, the entire amount of your Contribution will be treated as earnings, which would be subject to taxation in the case of a Non-Qualified Withdrawal.

Contributions From a Coverdell Education Savings Account or Qualified U.S. Savings Bond. You can contribute to the Plan with proceeds from the sale of assets held in a Coverdell Education Savings Account (formerly known as an Education IRA) or a qualified U.S. Savings Bond. You will need to provide the Plan with the following documentation:

- For assets from a Coverdell Education Savings Account: An account statement or other documentation from the custodial financial institution showing the total amount contributed and the proportion of the assets that represent earnings.
- For assets obtained by redeeming a qualified U.S. Savings Bond: An account statement, a Form 1099-INT, or other documentation from the financial institution that redeemed the bond showing how much of the proceeds represented interest and how much represented principal.

Until the Plan receives this documentation, the entire amount of your Contribution will be treated as earnings, which would be subject to taxation in the case of a Non-Qualified Withdrawal.

Contributions From UGMA/UTMA Custodial Accounts. The custodian for a minor under the Uniform Gifts to Minors Act or Uniform Transfers to Minors Act (UGMA/UTMA) may use the assets previously held in an UGMA/UTMA Account to open an Account and act as the Account Owner, subject to the laws of the state under which the UGMA/UTMA Account was established. The minor and/or the minor's parent may incur capital gains (or losses) from the sale of non-cash assets held by an UGMA/UTMA account. Please contact a tax professional to determine how to transfer UGMA/UTMA custodial assets, and what the implications of such a transfer may be for you.

UGMA/UTMA custodians should consider the following:

- The custodian may make distributions only as permitted under UGMA/UTMA and the Plan;
- The custodian may not change the Beneficiary of the Account (directly or by means of a rollover distribution), except as permitted under UGMA/UTMA;

- The custodian should not change the Account Owner to anyone other than a successor custodian during the term of the custodial account under UGMA/UTMA;
- When the custodianship terminates, the Beneficiary is legally entitled to take control of the Account and may become the Account Owner subject to the provisions of the Plan that are applicable to Accounts established or funded with non-UGMA/UTMA assets, if applicable; and
- Additional Contributions of money not previously gifted to the Beneficiary under the UGMA/UTMA should be made to a separate and non-custodial 529 Plan account. A non-custodial 529 Plan account will allow the Account Owner to retain control of the assets and make Beneficiary changes.

Neither the Plan nor any of its Associated Persons will be liable for any consequences related to a custodian's improper use, transfer, or characterization of custodial funds.

Transfer of Assets to Another Beneficiary Within the Plan. You may transfer assets from one Beneficiary's Account to the Account of another Beneficiary within the Plan without imposition of federal income tax or the Additional 10% Federal Tax, if such transfer is made within sixty (60) days of distribution from the originating Account into an Account for a new Beneficiary who is a Member of the Family (**See, Changing the Beneficiary** in this section) of the former Beneficiary.

Transfer of Assets to the Same Beneficiary Within the Plan. You may transfer assets into an Account from another Account for the benefit of the same Beneficiary. If the funds are transferred directly between Plan Accounts, the transfer will be treated as an Investment Exchange, rather than as a tax-free rollover. **See, Changing Investment Options for Current Balances and Future Contributions**, below, for more information on changes to Investment Options. If you take a withdrawal (i.e. receive a withdrawal check from the transferring Account), the withdrawal will be treated as a Non-Qualified Withdrawal subject to applicable state and federal income tax and the Additional 10% Federal Tax.

Changing Investment Options for Current Balances and Future Contributions

You may perform an Investment Exchange within the Plan (i.e., make exchanges or reallocate) only once per calendar year. Systematic exchanges that occur because the assets are in an age-based option do not count as your once-per-calendar-year exchange. If you reallocate your money within the Plan, this may be deemed your calendar year reallocation of assets. You may make exchanges anytime you change the Beneficiary (**See, Changing the Beneficiary** in this section). However, the Plan reserves the right to suspend processing a Beneficiary transfer if it suspects it is being requested for reasons other than intended by the Plan.

You may change the allocation of future Contributions at any time. Please note that a decision to change the allocation of future Contributions will not affect the allocation of assets already in your Account, and vice versa. For example, assume that since you opened your Account, your Contributions have been allocated 60% to Option A and 40% to Option B. You decide to reallocate existing assets as follows: 60% to Option A and 40% to Option C. At the same time, you decide to allocate 100% of future Contributions to Option D. You may not make any other changes to the allocation of existing assets in your Account during the current calendar year. However, you may continue to change the allocation of future Contributions.

You may exchange existing assets or change the allocation of future Contributions online at **www.hi529.com,** by calling **1-866-529-3343** or by submitting the appropriate form.

Withdrawals

You may request a Qualified Withdrawal online at **www.hi529.com** or by mailing a Withdrawal Request Form to the Plan. Non-Qualified Withdrawals must be requested by mailing a Withdrawal Request Form to the Plan. If the request is in good order, the Plan typically will process the withdrawal and initiate payment of a withdrawal within three (3) business days after the trade date (the trade date is determined in accordance with the policies described in **Pricing of Portfolio Units** in this section). During unusual conditions such as when the NYSE is closed and during emergency circumstances as determined by the SEC, or during heavy year-end processing, withdrawal requests may take up to five business days to process. Please allow ten (10) business days to receive the withdrawal. The Plan will not send any proceeds from your withdrawal request until all the money has been collected (i.e., until the money's availability in your Account is confirmed). Contributions made by check will not be available for withdrawal for ten (10) business days. Contributions by AIP or EBT will be held for five (5) business days.

Upon a mailing address change, withdrawals will be held for fifteen (15) business days if proceeds are requested by check to the Account Owner or to the Beneficiary. Withdrawals by EBT will not be available for fifteen (15) business days after bank information has been added or edited.

There are two types of withdrawals: Qualified and Non-Qualified.

- In a Qualified Withdrawal, the proceeds are used for the Qualified Higher Education Expenses (as defined below) of your Beneficiary.
- A Non-Qualified Withdrawal is any withdrawal that is NOT:
  - A Qualified Withdrawal;
  - A withdrawal paid to a beneficiary of the Beneficiary (or the estate of the Beneficiary) on or after the death of the Beneficiary;

- A withdrawal by reason of the disability of the Beneficiary;
- A withdrawal by reason of the receipt of a scholarship or attendance at certain specified military academies by the Beneficiary (to the extent the amount withdrawn does not exceed the amount of the scholarship);
- A withdrawal that is rolled over into another 529 Plan in accordance with Section 529; or
- A transfer of assets to the credit of another Beneficiary within the Plan, so long as the other Beneficiary is a Member of the Family of the former Beneficiary.

Each of these exceptions to treatment as a Non-Qualified Withdrawal is explained in more detail below.

The earnings portion of a Qualified Withdrawal is not subject to federal income tax. The earnings portion of a Non-Qualified Withdrawal (a) is treated as income to the person who receives it and thus subject to applicable federal and state income taxes, and (b) is subject to the Additional 10% Federal Tax. Although the Plan will report the earnings portion of all withdrawals, it is solely the responsibility of the person receiving the withdrawal to calculate and report any resulting tax liability.

Qualified Higher Education Expenses. Under current Internal Revenue Service ("IRS") rules, Qualified Higher Education Expenses include:

- Tuition, fees, and the costs of books, supplies, and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution;
- Certain room and board costs incurred while attending an Eligible Educational Institution at least half-time; and
- In the case of a special-needs Beneficiary, expenses for special-needs services incurred in connection with enrollment or attendance at an Eligible Educational Institution.

Room and board expenses (unlike expenses for tuition, fees, books, supplies, equipment, and special-needs services) may be treated as a Qualified Higher Education Expense only if the Beneficiary is enrolled at least half-time. Half-time is defined as half of a full-time academic workload for the course of study the Beneficiary pursues, based on the standard at the institution where the Beneficiary is enrolled. Room and board expenses that may be treated as Qualified Higher Education Expenses generally will be limited to the room and board allowance calculated by the Eligible Educational Institution in its "cost of attendance" for purposes of determining eligibility for federal education assistance for that year. For students living in housing owned or operated by the Eligible Educational Institution, if the actual amount charged for room and board is higher than the "cost of attendance" figure, then the actual amount may be treated as qualified room and board costs.

Eligible Educational Institutions. Eligible Educational Institutions include accredited postsecondary educational institutions in the United States or abroad offering credit toward an associate's degree, a bachelor's degree, a graduate-level or professional degree, or another recognized postsecondary credential, and certain postsecondary vocational and proprietary institutions. To be an Eligible Educational Institution for purposes of Section 529, an institution must be eligible to participate in U.S. Department of Education student financial aid programs.

Certain Other Withdrawals Exempt From the Additional 10% Federal Tax

Death of the Beneficiary. If the Beneficiary dies, you may select a new Beneficiary or authorize a payment to a beneficiary of the Beneficiary or the estate of the Beneficiary. A payment to a beneficiary of the Beneficiary or the estate of the Beneficiary will not be subject to the Additional 10% Federal Tax, but earnings will be subject to any applicable federal and state income taxes at the recipient's (the party receiving the withdrawal) tax rate. If you select a new Beneficiary who is a Member of the Family of the former Beneficiary (**See, Changing the Beneficiary** in this section), you will not owe federal income tax or the Additional 10% Federal Tax.

Disability of the Beneficiary. If the Beneficiary becomes disabled, you may change the Beneficiary or withdraw all or a portion of the Account balance. A withdrawal because of the disability of the Beneficiary will not be subject to the Additional 10% Federal Tax, but earnings will be subject to any applicable federal and state income taxes at the recipient's (the party receiving the withdrawal) tax rate. If you change the Beneficiary to an individual who is a Member of the Family of the former Beneficiary (**See, Changing the Beneficiary** in this section), you will not owe federal income tax or a penalty on withdrawals.

Receipt of Scholarship/Attendance of U.S. Military Academy. If the Beneficiary receives a qualified scholarship or attends a U.S. Military Academy, you may withdraw money from the Account for non-educational purposes up to the amount of the scholarship or the cost of attendance at a U.S. Military Academy without imposition of the Additional 10% Federal Tax on earnings. A qualified scholarship includes certain educational assistance allowances under federal law as well as certain payments for educational expenses (or attributable to attendance at certain educational institutions) that are exempt from federal income tax. The earnings portion of a withdrawal because of a qualified scholarship or attendance at a U.S. Military Academy is subject to any applicable federal and state income taxes at the recipient's (the party receiving the withdrawal) tax rate.

Rollovers to Other 529 Plans. You may perform a tax-free rollover of a 529 Plan account for the same Beneficiary once every twelve (12) months. Additionally, tax-free rollovers are permitted for a 529 Plan account with a different Beneficiary provided that the new Beneficiary is a Member of the Family of the former Beneficiary (**See, Changing the Beneficiary** in this section). The Plan will accept another custodian's rollover request to process a rollover and send a check directly to the 529 Plan custodian, if the request is in good order.

Maximum Contribution Limit

You may contribute to an Account for a Beneficiary provided the aggregate balance of all Accounts for the same Beneficiary does not exceed the Maximum Contribution Limit, which currently is **$305,000.** Accounts that have reached the Maximum Contribution Limit may continue to accrue earnings, but the excess portion of any Contribution that would cause the Account balance to exceed the Maximum Contribution Limit will not be accepted and will be returned to the contributor. The determination of whether the Maximum Contribution Limit has been reached is based on the aggregate market value of the Account(s) for a Beneficiary, and not on the aggregate Contributions made to the Account(s).

The Director expects to evaluate the Maximum Contribution Limit annually, but reserves the right to make adjustments more or less frequently.

Unused Account Assets

If the Beneficiary graduates from an Eligible Educational Institution or chooses not to pursue higher education, and assets remain in the Account, you have three options:

1. You can change the Beneficiary to an eligible Member of the Family of the former Beneficiary;
2. You can keep the assets in the Account to pay future Qualified Higher Education Expenses, such as graduate or professional school expenses, of the existing Beneficiary; or
3. You can withdraw the remaining assets (including earnings).

Options 1 and 2 are not subject to federal and state income taxes or penalties. Option 3 is a Non-Qualified Withdrawal subject to applicable federal and state income taxes, including the Additional 10% Federal Tax on earnings.

Pricing of Portfolio Units

When you contribute to the Plan, your money will be invested in Units of one or more Portfolios, depending on the Investment Option(s) you select. The unit value of each Portfolio is calculated each business day after the close of trading on the New York Stock Exchange ("NYSE"). The unit value is determined by dividing the dollar value of the Portfolio's net assets (i.e., total Portfolio assets minus total Portfolio liabilities) by the number of Portfolio Units outstanding. On holidays or other days when the NYSE is closed, the Portfolio's unit value is not calculated, and the Plan does not process purchase, exchange, transfer, or redemption requests.

When you purchase or redeem Units of a Portfolio, you will do so at the unit value of the Portfolio's Units on the trade date. Your trade date will be determined as follows:

- If the Plan receives your transaction request (whether to contribute money, withdraw money, or exchange money between Investment Options) in good order on a business day prior to the close of trading on the NYSE, your transaction will receive that day's trade date.
- If the Plan receives your transaction request in good order on a business day after the close of trading on the NYSE or at any time on a non-business day, your transaction will receive the next business day's trade date.
- As an exception to the two points above, AIP and EBT Contributions will receive a trade date of the business day before the day the bank debit occurs. Please note that AIPs with a debit date of January 1st, 2nd, 3rd, or 4th will receive a trade date of the same day as the bank debit occurs. **See, Automatic Investment Plan (AIP)** in this section.

Confirmations and Statements/Safeguarding Your Account

You will receive quarterly Account statements indicating, for the applicable time period: (1) Contributions made to the Account, (2) withdrawals made from the Account, (3) investment exchanges, (4) Contribution percentages among selected Investment Options in the Account, and (5) the total value of the Account at the end of that time period. You will receive transaction confirmations for any activity in the Account, except for Contributions made by AIP or payroll direct deposit, or for Account assets that are automatically moved to a more conservative Age-Based Portfolio as a Beneficiary ages; instead, these transactions will appear on your quarterly statement.

The Plan 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 by first-class mail, such as Account statements, will be undeliverable.

You can securely access and manage your Account information—including quarterly statements, transaction confirmations, and tax forms—twenty four (24) hours a day at **www.hi529.com** once you have created an online username and password. If you open an Account online, the Plan requires you to select a username and password right away. If you open an Account by submitting a paper application, you may establish a username and password at **www.hi529.com**.

The Plan uses reasonable procedures to confirm that transaction requests are genuine. However, you may be responsible for losses resulting from fraudulent or unauthorized instructions received by the Plan, provided the Plan reasonably believed the instructions were genuine. To safeguard your Account, please keep your information confidential. Contact the Plan immediately if you believe there is a discrepancy between a transaction you requested and your confirmation statement, or if you believe someone has obtained unauthorized access to your Account.

If you receive a confirmation that you believe does not accurately reflect your 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 have sixty (60) days from the date of the confirmation to notify the Plan of the error. If you do not notify the Plan within sixty (60) days, you will be considered to have approved the information in the confirmation and to have released the Plan and its Associated Persons from all responsibility for matters covered by the confirmation.

Control Over the Account

Pursuant to Section 529, the Account Owner controls the Account and the disposition of all assets held in the Account, including earnings. A Beneficiary who is not the Account Owner has no control over any of the Account assets.

Designating a Successor Account Owner

You may designate a Successor Account Owner (to the extent permitted under applicable law) to succeed to all of your rights, title, and interest in an Account (including the right to change the Beneficiary) upon your death or legal incapacity. This designation can be made on the initial Enrollment Form, which is available online at **www.hi529.com**. If you do not initially designate a Successor Account Owner but later decide to do so, or if you wish to revoke or change a designation, you may either make the change online or submit the appropriate form to the Plan. The designation will become effective for the Successor Account Owner once the request has been received in good order and processed. All requests to transfer ownership to a Successor Account Owner after your death or legal incapacity must be submitted by authorized persons in writing. In the event of your death, the Successor Account Owner will be required to give the Program Manager a certified copy of a death certificate sufficiently identifying you by name and Social Security number or other proof recognized under applicable law and acceptable to the Program Manager before taking any action regarding the Account following your death. In the event of your incapacity, the Successor Account Owner will be required to give the Program Manager court certified declaration of your incapacity or other proof recognized under applicable law and acceptable to the Program Manager before taking any action regarding the Account following your incapacity. To complete the transfer, your Successor Account Owner must also complete a new Enrollment Form. Contact the Plan at **1-866-529-3343** for information needed to complete the change of ownership. Please note that a change in Account Owner may have adverse tax consequences.

If the Beneficiary is at least eighteen (18) years old, the Beneficiary may be named as the Successor Account Owner. In the event a Successor Account Owner is not named on the Enrollment Form, or the named Successor Account Owner does not accept the Account, the surviving spouse of the Account Owner will become the Account Owner for the Account. An Account Owner that is not a natural person will not be deemed to have a surviving spouse. In the event there is no surviving spouse and the Beneficiary is not a minor, the Beneficiary will become the Account Owner for the Account. If the Beneficiary is a minor, the Beneficiary's custodial parent will become the Account Owner for the Account. If the Beneficiary has more than one custodial parent, the custodial parent whose birthday is earlier in the calendar year will become the Account Owner for the Account. **In the event there is a dispute relating to who is duly authorized to act with respect to the Account, the Program Manager may, in its sole discretion, refuse to accept any Contribution to an Account or make any withdrawal from an Account until such dispute is resolved to its reasonable satisfaction.**

Changing the Beneficiary

Section 529 permits a Account Owner to change the Beneficiary without adverse federal income tax consequences if the new Beneficiary is a Member of the Family (as defined below) of the former Beneficiary. If the new Beneficiary is not a Member of the Family of the former Beneficiary, then the change is treated as a Non-Qualified Withdrawal subject to applicable state and federal income tax on the earnings portion of the withdrawal and the Additional 10% Federal Tax.

There may be federal gift tax, estate tax, or GST tax consequences in connection with changing the Beneficiary of a 529 Plan account. **See, Part VIII. Federal and State Tax Treatment—Federal Gift and Estate Taxes.**

To change a Beneficiary, you must submit the appropriate form. At the time you change a Beneficiary, you may reallocate assets in the Account to a different mix of Investment Options. The Plan reserves the right to suspend the processing of Beneficiary transfers if it suspects that such transfers are intended to avoid the Plan's exchange limits.

Note: Assets invested in the Age-Based Option, if not reallocated to a different investment option, will automatically be moved to the Portfolio within the Age-Based Option that corresponds to the age of the new Beneficiary (unless the new Beneficiary is in the same age bracket as the former Beneficiary).

Member of the Family. A "Member of the Family" of the Beneficiary is defined as:

- Father, mother, or an ancestor of either.
- Son, daughter, or a descendant of either.
- Stepfather or stepmother.
- Stepson or stepdaughter.
- Brother, sister, stepbrother or stepsister, half-brother or half-sister.
- Brother or sister of the father or mother.
- Brother-in-law, sister-in-law, son-in-law, daughter-in-law, father-in-law, or mother-in-law.
- Son or daughter of a brother or sister.
- Spouse of the Beneficiary or any of the individuals mentioned above.
- First cousin.

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

PART VIII. FEDERAL AND STATE TAX TREATMENT

This section summarizes certain key aspects of the federal and state tax treatment of Contributions to, and withdrawals from, Accounts. The information provided below is not exhaustive. It is based on the Plan's understanding of current law and regulatory interpretations relating to 529 Plans generally and is meant to provide Account Owners with general background information about the tax characteristics of these programs. Neither this Part VIII, nor any other information provided throughout this Plan Disclosure Statement is intended to constitute, nor does it constitute, legal or tax advice. This Plan Disclosure Statement was developed to support the marketing of the Plan and cannot be relied upon for purposes of avoiding the payment of federal tax penalties. You should consult your legal or tax advisor about the impact of these rules on your individual situation.

The summary tax and legal description provided below is based on the Code, and proposed regulations in effect as of the date of this Plan Disclosure Statement, as well as other administrative guidance and announcements issued by the IRS and the U.S. Department of Treasury. It is possible that Congress, the Treasury Department, the IRS, or federal or state courts may take action that will affect the tax treatment of 529 Plan Contributions, earnings, withdrawals, or the availability of state tax deductions. Individual state legislation may also affect the state tax treatment of a 529 Plan for residents of that state.

The Plan strongly encourages Account Owners and Beneficiaries to consult with their tax advisors regarding the tax consequences of contributing money to, or distributing money from, an Account.

If you are not a Hawaii taxpayer, consider before investing whether your or the Beneficiary's home state offers a 529 Plan that provides its taxpayers with favorable state tax or other benefits that may only be available through investment in the home state's 529 Plan, and which are not available through investment in HI529. Since different states have different tax provisions, this Plan Disclosure Statement contains limited information about the state tax consequences of investing in HI529. Therefore, please consult your financial, tax, or other advisor to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances. You also may wish to contact your home state's 529 Plan(s), or any other 529 Plan, to learn more about those plans' features, benefits, and limitations. Keep in mind that state-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision.

General 529 Plan Tax Treatment

The Pension Protection Act of 2006 made permanent certain tax advantages and other related rules for 529 Plans that had been scheduled to expire after 2010. Among the most notable tax advantages that were made permanent is that the earnings portion of a qualified withdrawal is exempt from federal taxes. To be eligible for these tax benefits, 529 Plan account assets must be used to pay the Qualified Higher Education Expenses of the Beneficiary at an Eligible Educational Institution. The terms "Qualified Higher Education Expenses" and "Eligible Educational Institution" are defined in **Part VII. Other Account Information—Withdrawals.**

529 Plan Contributions and Withdrawals

Federal law does not allow a tax deduction for Contributions to 529 Plans. However, the income earned on any such Contributions may generally grow free of federal income tax until distributed. Qualified Withdrawals (i.e., withdrawals to pay for the Qualified Higher Education Expenses of a Beneficiary) and qualified rollovers are not subject to federal income taxation. The earnings portion of Non-Qualified Withdrawals, however, is subject to all applicable federal and state income taxes and, in most cases, to the Additional 10% Federal Tax.

The Additional 10% Federal Tax does not apply to certain withdrawals made because of (1) the death or disability of the Beneficiary, (2) a qualified rollover, as described below, or (3) attendance at a U.S. Military Academy or a scholarship, allowance, or similar payment made to the Beneficiary, but only to the extent of such payment. **See, Part VII. Other Account Information — Certain Other Withdrawals Exempt From the Additional 10% Federal Tax.**

All Accounts in the Plan with the same Account Owner and Beneficiary will be aggregated for purposes of calculating the earnings portion of a particular withdrawal. This calculation will be made as of the withdrawal date.

Qualified Rollovers

An Account Owner may transfer all or part of the funds in a 529 Plan account to an account in another 529 Plan without adverse federal income tax consequences if, within sixty (60) days of the withdrawal from the distributing account, such funds are transferred to or deposited into another 529 Plan account for the benefit of (1) an individual who is a Member of the Family (defined in **Part VII. Other Account Information — Changing the Beneficiary**) of the former Beneficiary, or (2) the same Beneficiary, but only if no other such rollover withdrawal or transfer has been made for the benefit of such individual within the preceding twelve (12) months. **See, Part VII. Other Information about Your Account — Changing Investment Options for Current Balances and Future Contributions.**

Other Contributions and Transfers

An individual may generally transfer into a 529 Plan account, without adverse federal income tax consequences, all or part of (1) money held in an Account in the Plan for a Member of the Family of the Beneficiary, if the money is transferred within sixty (60) days of the withdrawal from the distributing account, (2) money from a Coverdell Education Savings Account described in Section 530 of the Code, or (3) the proceeds from the redemption of a qualified U.S. Savings Bond described in Section 135 of the Code.

Coordination With Other Higher Education Expense Benefit Plans

The tax benefits afforded to 529 Plans must be coordinated with other programs designed to provide tax benefits for meeting higher education expenses in order to avoid the duplication of such benefits. The coordinated programs include Coverdell Education Savings Accounts under Section 530 of the Code and the Hope and Lifetime Learning Credits under Section 25A of the Code.

Coverdell Education Savings Accounts. An individual may contribute money to, or withdraw money from, both a 529 Plan account and a Coverdell Education Savings Account in the same year. However, to the extent the total withdrawals from both accounts exceed the amount of the Qualified Higher Education Expenses incurred, the recipient must allocate his or her Qualified Higher Education Expenses between both such withdrawals in order to determine how much may be treated as tax-free under each program.

Hope Scholarship and Lifetime Learning Tax Credits. The use of a Hope Scholarship tax credit or Lifetime Learning tax credit by a qualifying Account Owner and Beneficiary will not affect participation in or benefits from a 529 Plan account, so long as the 529 Plan assets are not used for the same expenses for which the credit was claimed.

Federal Gift and Estate Taxes

Contributions (including certain rollover Contributions) to a 529 Plan account generally are considered completed gifts to the Beneficiary and are eligible for the applicable annual exclusion from gift and GST taxes (currently $12,000 for a single individual or $24,000 for a married couple). Except in the situations described in the following paragraph, if the Account Owner were to die while assets remain in a 529 Plan account, the value of the account would not be included in the Account Owner's estate. In cases where Contributions to a 529 Plan account exceed the applicable annual exclusion amount for a single Beneficiary, the Contributions may be subject to federal gift tax and possibly the GST tax in the year of Contribution. However, in these cases, a contributor may elect to apply the Contribution against the annual exclusion equally over a five (5)-year period. This option is applicable only for Contributions up to five times the available annual exclusion amount in the year of the Contribution. Once this election is made, if the contributor makes any additional gifts to the same Beneficiary in the same or the next four (4) years, such gifts may be subject to gift or GST taxes in the calendar year of the gift. However, any excess gifts may be applied against the contributor's lifetime gift or GST tax exclusions.

If the Account Owner chooses to use the five (5)-year forward election and dies before the end of the five (5)-year period, the portion of the Contribution allocable to the years remaining in the five (5)-year period (beginning with the year after the Account Owner's death) would be included in the Account Owner's estate for federal estate or GST tax purposes.

If the Beneficiary of a 529 Plan account is changed, or amounts in an Account are rolled over to a new Beneficiary of the same generation as the old Beneficiary (or an older generation), a gift or GST tax will not apply. If the new Beneficiary is of a younger generation than the former Beneficiary, there will be a taxable gift to the extent of the amount transferred. GST taxes may apply if the new Beneficiary is two (2) or more generations below (younger than) the old beneficiary. The five (5)-year rule explained above may be applicable here. In certain circumstances, the gross estate of a Beneficiary may include the value of the 529 Plan account. Estate, gift, and GST tax issues arising in conjunction with 529 Plans can be quite complicated. You should consult your tax advisor if you have any questions about these issues.

State Tax Treatment

In General. The tax benefits described in this Plan Disclosure Statement generally relate to federal tax benefits. State tax treatment may differ based on the state or states in which you pay taxes. You should consult with your tax advisor about any state or local taxes, including income, gift, estate and GST taxes.

Persons Subject to Hawaii State Tax. Hawaii does not currently offer a state tax deduction for Contributions to the Plan. The Hawaii Revised Statutes do not currently contain provisions directly addressing the state income tax consequences of investments in Accounts under the Plan and of withdrawals from such Accounts. The starting point for calculating the Hawaii state income tax is federal taxable income, with certain state adjustments. Thus, for purposes of calculating state income tax under Hawaii law, an Account Owner or Beneficiary will not recognize income on earnings that are not distributed from the Plan. In addition, under current Hawaii law, the earnings portion of a Qualified Withdrawal will not be subject to Hawaii income tax.

Tax Reports

The Plan will report withdrawals and other matters to the IRS, the State of Hawaii Department of Taxation, Distributees, and other persons, if any, to the extent required pursuant to federal, state, or local law, regulation, or ruling. Under federal law, a separate report will be filed by the Program Manager with the IRS reporting withdrawals from an Account to each Distributee reflecting, among other information, the earnings portion withdrawn during the calendar year to which the report pertains.

PART IX. LEGAL AND ADMINISTRATIVE INFORMATION ABOUT THE PLAN

Dispute Resolution and Arbitration

The Participation Agreement contains a mandatory arbitration clause which is a condition to investing in HI529. Any controversy or claim arising out of or relating to the Plan Disclosure Statement or Participation Agreement, or the breach, termination, or the validity of the Plan or the Participation Agreement, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules (except that if Upromise or Vanguard is a party to the arbitration, it may elect that arbitration will instead be subject to the Code of Arbitration Procedure of the National Association of Securities Dealers), which are made part of the Participation Agreement, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

Continuing Disclosure

To comply with Rule 15c2-12(b)(5) of the Securities Exchange Act of 1934 (the "Rule"), the Department or its designee, as appropriate, will make appropriate arrangements for the benefit of Account Owners to produce and disseminate certain financial information and operating data (the "Annual Information") relating to the Plan and notices of the occurrence of certain enumerated events as required by the Rule. The Department or its designee will make provision for the filing of the Annual Information with each Nationally Recognized Municipal Securities Information Repository ("NRMSIR"). The Department or its designee will also make appropriate arrangements to file notices of certain enumerated events with the NRMSIR or the Municipal Securities Rulemaking Board.

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 a 529 Plan account. However, bankruptcy protection in this respect is limited and has certain conditions. For the 529 Plan account to be excluded from the debtor's estate, the account 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 529 Plan accounts for the same beneficiary are protected from becoming property of the debtor's estate as follows: (1) There is no exclusion for assets up to $5,000 if they have been contributed less than three hundred sixty-five (365) days before the bankruptcy filing, (2) 529 Plan account assets are excluded in an amount up to $5,000 if they have been contributed between three hundred sixty-five (365) and seven hundred twenty (720) days before the bankruptcy filing, and (3) 529 Plan accounts are fully excluded if they have been contributed more than 720 days before the bankruptcy filing.

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.

Independent Registered Public Accounting Firm

Pursuant to the Program Management Agreement, the Program Manager is required to cause an independent registered public accounting firm to conduct an annual audit of Plan administrative and investment activities in accordance with generally accepted auditing standards and practices.

Custodial Arrangements

Mellon Trust of New England, N.A. ("Mellon Trust") is the Plan's custodian. As such, Mellon Trust holds in safekeeping cash and shares of the Underlying Funds belonging to the Plan. Upon instruction, Mellon Trust receives and delivers cash and shares of the Underlying Funds in connection with Portfolio transactions and collects all income payable to and all withdrawals made with respect to the Plan's shares of the Underlying Funds.

Special Considerations

Additional Rights. The Director reserves the right to:

- Refuse, change, discontinue, or temporarily suspend account services, including accepting Contributions and processing withdrawal requests, for any reason.
- Delay sending out the proceeds of a withdrawal request for up to five (5) business days (this generally applies only to very large withdrawal requests made without advance notice or during unusual market conditions).
- Refuse, following receipt of any Contributions, withdrawal requests for up to ten (10) business days.
- Suspend the processing of withdrawal requests or postpone sending out the proceeds of a withdrawal request when the NYSE is closed for any reason other than its usual weekend or holiday closings, when trading is restricted by the SEC, when a mailing address has changed and the proceeds are requested to be sent to either the Account Owner or the Beneficiary, or under any emergency circumstances.

Account Closings and Withdrawals Initiated by the Director or the Program Manager. The Director or the Program Manager may close, or cause its agents to close an Account if: (i) the Account Owner or Beneficiary provides false or misleading information to the Plan; or (ii) such action is necessary, in the discretion of the Director or the Program Manager, to ensure that the Plan qualifies as a 529 Plan and complies with all applicable securities laws and other applicable federal and state constitutional, statutory, or regulatory provisions. In addition, the Director or the Program Manager, may, without closing an Account, require an Account Owner to receive a withdrawal from the Account of such amount as the Director or the Program Manager may determine, if such action is necessary, in the discretion of the Director or the Program Manager, to ensure that the Plan qualifies as a 529 Plan and complies with all applicable securities laws and other applicable federal and state constitutional, statutory, or regulatory provisions. In either case, the withdrawal of funds from the Account in such circumstances may be subject to income taxes and the Additional 10% Federal Tax.

Suitability. The Plan and its Associated Persons make no representations regarding the suitability of the Plan's Investment Options for any particular investor. Other types of investments and other types of college savings vehicles may be more appropriate depending upon your personal circumstances. Please consult your tax or investment advisor for more information.

Not an offer to sell. This Plan Disclosure Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of a security issued by the Plan by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation, or sale.

Information subject to change. The information in this Plan Disclosure Statement is believed to be accurate as of the cover date but 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 Plan Disclosure Statement and any amendments to this Plan Disclosure Statement.

Important reference material. Please keep this Plan Disclosure Statement for future reference. This document gives you important information about the Plan, including information about the investment risks associated with, and the terms under which you agree to participate in the Plan.

Conflicts

In the event of any conflicts, the Hawaii laws and rules and the Code shall prevail over this Plan Disclosure Statement.

Representations

STATEMENTS CONTAINED IN THIS PLAN DISCLOSURE STATEMENT THAT INVOLVE ESTIMATES, FORECASTS, OR MATTERS OF OPINION, WHETHER OR NOT EXPRESSLY SO DESCRIBED HEREIN, ARE INTENDED SOLELY AS SUCH AND ARE NOT TO BE CONSTRUED AS REPRESENTATIONS OF FACTS.

Contacting HI529

Phone: 1-866-529-3343
8:00 a.m. – 5:00 p.m. HST, Mon. – Fri.

Online: www.hi529.com

Regular Mail:
HI529 — Hawaii's College Savings Program
Upromise Processing Center
P.O. Box 55574
Boston, MA 02205-5574

Overnight Delivery:
HI529 — Hawaii's College Savings Program
Upromise Processing Center
95 Wells Avenue, Suite 160
Newton, MA 02459-3204

PART. X. PRIVACY POLICY

Upromise Privacy Policy

Under the terms of the Program Management Agreement between Upromise Investments, Inc., Upromise Investment Advisors, LLC and the Director, both Upromise parties are required to treat all Account Owner and Beneficiary information confidentially. Both Upromise parties are prohibited from using or disclosing such information, except as may be necessary to perform its obligations under the terms of its contract with the Director, or if required by applicable law, by court order, or other order.

HI529 PARTICIPATION AGREEMENT

THIS PARTICIPATION AGREEMENT (the "Participation Agreement") is entered into between the Account Owner ("you," "I," or the "Account Owner") whose name appears on the Enrollment Form (the "Application") and the State of Hawaii Director of Finance (the "Director") who serves as the administrator of the College Saving Program (the "Plan" or "HI529")) and the Trustee of the State of Hawaii College Savings Trust Fund (the "Trust"), which holds the assets of the Plan. The Plan was established under Hawaii Revised Statutes chapter 256, as amended ("HRS chapter 256") and is designed to qualify for treatment as a qualified tuition program within the meaning of Section 529 of the Internal Revenue Code of 1986, as amended from time to time, and any regulations or other guidance issued thereunder (collectively, "Section 529"). Terms used in this Participation Agreement and not otherwise defined herein have the meanings defined in the Plan Disclosure Statement, receipt of which is hereby acknowledged by the Account Owner. By signing the Application, you agree to be bound by the requirements of federal and state law, the terms of this Participation Agreement, the Plan Disclosure Statement and rules, if any, adopted by the Plan (the "Plan Regulations") and represent that you have completed and agree to the terms of the Application.

1. Establishment of Account. This Participation Agreement and the complete Application executed by the Account Owner with respect to an account (an "Account") shall constitute the entire contract between the Director and the Account Owner with respect to the Account. You request that the Director establish an Account pursuant to the Application for the benefit of the Beneficiary on the Application (the "Beneficiary"). Your Account and this Agreement are subject to federal law, HRS chapter 256, and the Plan Regulations. Your Account assets will be held, subject to federal law (including Section 529), HRS chapter 256, the Plan Regulations and the Plan Disclosure Statement, for the exclusive benefit of you and the Beneficiary.

2. Program Management. The Director has retained Upromise Investments, Inc. and Upromise Investment Advisors, LLC to serve as the Program Manager and recordkeeping and administrative servicing agent, respectively, with overall responsibility for the day-to-day operations, including effecting transactions and marketing and distributing the Plan. The Program Manager will establish your Account upon receipt of a duly completed Application in good order and the minimum initial contribution required for an Account.

3. Contributions to Accounts.

(a) *Required Initial Contribution.* You must make an initial contribution of at least $15 to your Account at the time the Account is opened, or if you elect to establish an Automatic Investment Plan ("AIP") as described in the Plan Disclosure Statement, you may automatically transfer funds from a bank account to your Account in minimum amounts of $15 per month or $45 per quarter. In the future, the minimum initial contribution to the Plan may be higher or lower, and is subject to change at any time by the Director.

(b) *Subsequent Contributions.* You may make additional contributions of $15 or more to your Account at any time, subject to the maximum limits on Contributions described below and, if you have established an AIP, you may automatically transfer funds from a bank account to your Account in minimum amounts of $15 per month or $45 per quarter.

(c) *Minimum Contribution Per Portfolio.* An Account Owner may allocate his or her Contributions among as many as five Investment Options per Contribution, and the minimum allocation per selected Portfolio is 5% of the Contribution amount.

(d) *Acceptable Contribution Methods.* Contributions to an Account may be made via check, electronic bank transfer, or any other method permitted by federal law (including Section 529), HRS chapter 256, the Plan Regulations and the Plan Disclosure Statement. Certain methods of Contributions may not be accepted as outlined from time to time in the Plan Disclosure Statement.

(e) *Maximum Permissible Contributions.* The Director will, from time to time, establish the maximum aggregate account balance value (the "Maximum Contribution Limit"), which will limit the amount of Contributions that may be made to Accounts for any one Beneficiary, as required by federal law (including Section 529), HRS chapter 256 and the Plan Regulations. Accounts that have reached the Maximum Contribution Limit may continue to accrue earnings, but the excess portion of any Contributions that would cause the aggregate balance in all the Accounts for the same Beneficiary to exceed the Maximum Contribution Limit will not be accepted and will be returned to the contributor. The current Maximum Contribution Limit is set forth in the Plan Disclosure Statement and is subject to change at any time by the Director.

(f) *Right to Refuse Contributions.* Both the Director and the Program Manager reserve the right to refuse any Contributions.

4. Designation of Beneficiary; Change of Beneficiary. The Account Owner will name a single Beneficiary for each Account on the Application. The Account Owner may change the Beneficiary of an Account without adverse federal income tax consequences, provided the new Beneficiary is a Member of the Family, within the meaning of Section 529, of the current Beneficiary. Any change in the Beneficiary of an Account to a new Beneficiary who is not a Member of the Family, within the meaning of Section 529, of the current Beneficiary will be treated as a Non-Qualified Withdrawal subject to all applicable federal and state taxes on earnings, including the Additional

10% Federal Tax. To change a Beneficiary, the Account Owner must complete and sign the appropriate form. The change will be effective when the Program Manager has received and processed the appropriate form. A change of Beneficiary will result in the assignment of a new Account number.

5. Investment Options. The Plan has established several Portfolios for the investment of assets in the Account. Your Account will be established by the Program Manager so that Contributions are automatically allocated to the Portfolio(s) selected on the Application. Initial and subsequent Contributions to your Account will be invested in accordance with the Portfolio(s) selected, and allocations chosen, by you, as described in the Plan Disclosure Statement, and Units of the Portfolio(s) (or any successor Portfolio(s)) selected will be allocated to your Account. Each Portfolio will invest in mutual funds. The Portfolios are not insured or guaranteed by the Federal Deposit Insurance Corporation, the State of Hawaii, the Director, the Trust, any other government agency or the Program Manager, its affiliates or subcontractors.

6. Withdrawals from Accounts; Termination of Accounts. You may direct withdrawals from your Account or terminate your Account at any time subject to the Plan's procedures (as described in the Plan Disclosure Statement) and any fees, penalties and additional tax that may be applicable as described below and in the Plan Disclosure Statement or as required by HRS chapter 256 or Section 529.

(a) *Withdrawals from Accounts.* You may direct withdrawals from your Account following the Program Manager's acceptance of a Withdrawal Request Form and any additional information or documentation required by the Plan.

(b) *Tax on Non-Qualified Withdrawals.* Non-Qualified Withdrawals will be subject to all applicable federal and state taxes on earnings, including the Additional 10% Federal Tax.

(c) *Termination of Accounts.* The Director or the Account Owner may terminate an Account, and the Director may terminate the Plan, in accordance with HRS chapter 256, Section 529, and/or the Plan Regulations at any time. If the Director or the Program Manager finds that the Account Owner or a Beneficiary has provided false or misleading information to the Director, the Program Manager or an Eligible Educational Institution with respect to an Account, the Director may take such action permitted by HRS chapter 256 and the Plan Regulations such as termination of the Account and distribution of the account balance. Upon termination of your Account, the account balance will be distributed to you and Contributions and all earnings thereon will be subject to all applicable federal and state taxes or penalties on Non-Qualified Withdrawals.

7. Account Owner's Representations. You represent and agree as follows:

(a) I have carefully reviewed and understand the Plan Disclosure Statement, including, without limitation, the discussion of risks in the Plan Disclosure Statement under the heading "Risks of Investing in the Plan." I agree that the Plan Disclosure Statement is incorporated by reference herein. In making my decision to open an Account and enter into this Participation Agreement, I have not relied upon any representations or other information, whether written or oral, other than as set forth in the Plan Disclosure Statement and this Participation Agreement.

(b) I UNDERSTAND THAT (i) THE VALUE OF AN ACCOUNT WILL INCREASE OR DECREASE BASED ON THE INVESTMENT PERFORMANCE OF THE PORTFOLIO(S) IN WHICH CONTRIBUTIONS TO THE ACCOUNT HAVE BEEN ALLOCATED AND THE UNDERLYING FUNDS IN WHICH THEY INVEST OR SUCH OTHER FUNDS, SECURITIES OR INVESTMENTS SELECTED BY THE DIRECTOR; (ii) THE VALUE OF AN ACCOUNT MAY BE MORE OR LESS THAN THE AMOUNT CONTRIBUTED TO THE ACCOUNT; (iii) ALL CONTRIBUTIONS TO AN ACCOUNT ARE SUBJECT TO INVESTMENT RISKS, INCLUDING THE RISK OF LOSS OF ALL OR PART OF THE CONTRIBUTIONS AND ANY RETURN OR INTEREST EARNED THEREON; AND (iv) THE VALUE OF THE ACCOUNT MAY NOT BE ADEQUATE TO FUND ACTUAL HIGHER EDUCATION EXPENSES. I ACKNOWLEDGE THAT THERE IS NO GUARANTEE OF A RATE OF INTEREST OR RETURN ON ANY ACCOUNT. I UNDERSTAND THAT THE INTENDED TAX ADVANTAGES FOR THE ACCOUNT MAY BE NEGATIVELY AFFECTED BY FUTURE CHANGES IN TAX LAWS, REGULATIONS OR RULES. NEITHER THE DIRECTOR, THE STATE OF HAWAII, OR THE PROGRAM MANAGER, ITS AFFILIATES AND SUBCONTRACTORS INSURES ANY ACCOUNT OR GUARANTEES ANY RATE OF RETURN OR ANY INTEREST RATE ON ANY CONTRIBUTION, AND NONE OF THE AFOREMENTIONED SHALL BE LIABLE FOR ANY LOSS INCURRED BY ANY PERSON AS A RESULT OF PARTICIPATING IN THE PLAN.

(c) I understand that: (i) the state(s) in which I live or pay taxes may offer a Section 529 college savings plan, (ii) that Section 529 college savings plan may offer me state income tax or other benefits not available through the Plan, and (iii) I may want to consult with a qualified tax advisor regarding the state tax consequences of investing in the Plan.

(d) I understand that once invested in a particular Portfolio, Contributions and any earnings may only be transferred to another Portfolio once per calendar year or upon a change of Beneficiary. Except as otherwise permitted under Section 529, HRS chapter 256, or the Plan Regulations, all investment decisions for the Portfolio(s) and assets in each Account once a particular Portfolio is selected will be made by the Plan. I understand that only the Director will have the authority to make decisions concerning the Underlying Funds and the selection of the Program Manager. I understand that any Portfolio may at any time be merged, terminated, reorganized or cease accepting new contributions, and any such action affecting a Portfolio may result in Contributions being reinvested in a Portfolio different from the Portfolio in which Contributions were originally invested.

(e) With respect to each Investment Option, I understand and acknowledge that neither my Contributions nor investment returns so allocated to my Account are guaranteed or insured by any person or entity. I understand that there is no guarantee that the Plan's investment objectives will be achieved.

(f) I understand that although I own Units in a Portfolio, I do not have a direct beneficial interest in the mutual funds approved by the Director from time to time, and, therefore, I do not have the rights of an owner or shareholder of such mutual funds. I further understand that I received no advice or investment recommendation from, or on behalf of, the State of Hawaii, the Director, the Plan, or the Program Manager, its affiliates, or subcontractors.

(g) I agree that each Contribution to the Account shall constitute my representation that each Contribution (together with the current Account and all other accounts of which I am aware that have been established under the Plan for the same Beneficiary) will not cause the aggregate balances in such accounts to exceed the amount reasonably believed by me to be necessary to provide for the Beneficiary's future qualified higher education expenses, and in any event will not cause such aggregate balances to exceed the Maximum Contribution Limit then in effect.

(h) 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 the Plan may not be suitable, and that the Plan 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 the Plan is a suitable investment for me as a means of saving for the Qualified Higher Education Expenses of the Beneficiary of my Account.

(i) I certify that all of the information that I provided in the Application and any other documentation subsequently furnished in connection with the opening or maintenance of, or any withdrawals from, the Account is and shall be accurate and complete, and I agree to notify the Director or the Program Manager promptly of any material changes in such information.

(j) I understand that participation in the Plan does not guarantee that any Beneficiary: (i) will be admitted as a student to any Eligible Educational Institution; (ii) if accepted, will be permitted to continue as a student; (iii) will graduate from any Eligible Educational Institution; (iv) will be treated as a state resident of any state for tuition purposes; or (v) will achieve any particular treatment under applicable federal or state financial aid programs. Further, I understand that participation in the Plan does not guarantee Hawaii in-state tuition rates at Hawaii state schools.

(k) I will not use an Account as collateral for any loan, and agree that any attempted use of an Account as collateral for a loan shall be void.

(l) I will not assign or transfer any interest in any Account except as permitted by federal law (including Section 529), HRS chapter 256, the Plan Regulations, or the Director, and agree that any attempted assignment or transfer of such an interest shall be void. Notwithstanding the foregoing, I understand that I may designate a Successor Account Owner to whom the Account will be assigned in the event of my death or legal incapacity as the Account Owner. Accounts registered as trust accounts may not designate a Successor Account Owner.

(m) I understand that the Plan will not lend money or other assets to any Account Owner or Beneficiary.

(n) I understand that the Plan is established and maintained pursuant to HRS chapter 256 and is intended to qualify for treatment as a qualified tuition program within the meaning of Section 529. HRS chapter 256 and Section 529 are subject to change and neither the Director nor the Program Manager makes any representations that either HRS chapter 256 or Section 529, federal or state regulations, rules, guidance, notices, or other guidance issued thereunder will not be changed or repealed, or that the terms and conditions of the Plan will remain as currently described in the Plan Disclosure Statement and this Participation Agreement.

(o) I certify that I am a natural person, at least eighteen (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 on behalf of the Beneficiary. I also certify that the person named Beneficiary of the Account is a citizen or a resident of the United States of America.

(p) I understand that any Contributions credited to my Account will be deemed by the Director and the Program Manager to have been received from me and that Contributions by third parties may result in adverse tax or other consequences to me or such third parties.

(q) I agree and acknowledge that included in the Fees and Expenses section of the Plan Disclosure Statement are investment management fees and other expenses charged by each of the mutual funds in which account assets are invested under the applicable Portfolio(s) investments.

(r) I understand that I am opening this Account to provide funds for Qualified Higher Education Expenses of the Beneficiary of the Account.

(s) I understand that the Director or the Program Manager may ask me to provide additional documentation that may be required by applicable law, the Plan Regulations or the Plan Disclosure Statement, and I agree to promptly comply with any such requests for additional documents.

(t) I understand that purchases and sales of Units held in my Account may be confirmed to me on periodic account statements in lieu of an immediate confirmation.

(u) I agree that I have been given an opportunity, within a reasonable time prior to my execution of the Application, to ask questions of representatives of the Program Manager and to receive satisfactory answers concerning: (i) my participation in the Plan; (ii) the terms and conditions governing the Plan; (iii) the particular Investment Options that are available for the Beneficiary of the Account; (iv) the Plan Disclosure Description, the Plan Regulations, the Participation Agreement and the Application; (v) the applicable fees and expenses charged in connection with the Plan; and (vi) my ability to obtain such additional information necessary to verify the accuracy of any information furnished.

(v) I understand that Plan assets may be allocated among equity funds, fixed income funds, cash management funds, funding agreements and other such investments.

(w) 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.

(x) If I am establishing an Account as a trustee for a trust, I represent that (i) the trust is the Account Owner; (ii) the individual executing this Agreement is duly authorized to act as trustee for the trust; (iii) the Plan Disclosure Statement may not discuss tax consequences and other aspects of the Plan of particular relevance to the trust and individuals having an interest therein; and (iv) the trustee, for the benefit of the trust, has consulted with and relied on a professional advisor, as deemed appropriate by the trustee, before becoming an Account Owner.

(y) If I am establishing an Account as an agent for a business entity such as a corporation, company, partnership, or association (each a "Business Entity"), I represent that (i) the Business Entity is the Account Owner; (ii) the individual executing this Agreement is a Corporate Officer, General Partner or Member, Individual (sole proprietor), Trustee or Executor who is duly authorized to act as an agent for the Business Entity; (iii) the Plan Disclosure Statement may not discuss tax consequences and other aspects of the Plan of particular relevance to the Business Entity and individuals having an interest therein; and (iv) the agent, for the benefit of the Business Entity, has consulted with and relied on a professional advisor, as deemed appropriate by the agent, before becoming an Account Owner.

(z) I understand that tax laws are subject to change, and that any such change may have adverse tax and other consequences to me.

(aa) I understand that no part of my participation in the Plan will be considered to be a provision of an investment advisory service by the Trust, the Director, the Program Manager, its affiliates or subcontractors.

(bb) I understand that Upromise and Vanguard, to the extent permitted by applicable law, may direct mailings to me or my Beneficiary regarding products or services other than the Plan.

8. Fees and Expenses. The Account is subject to the following fees and expenses to pay for the costs of managing and administering the Plan as described in the Plan Disclosure Statement under Part IV. Plan Fees and Expenses.

(a) *Annual Asset-Based Plan Fee.* Each Portfolio will be subject to annual asset-based fee of 0.75% as described in the Plan Disclosure Statement.

(b) *Annual Account Maintenance Fee.* Each Account is subject to an Annual Account Maintenance Fee of $20.

(c) *Audit Expenses.* Expenses for an independent annual audit of the Plan will be borne by the Program Manager.

(d) *Other Charges.* Each Account may be subject to fees for certain transactions, charged in the amounts and as described in the Plan Disclosure Statement.

9. Necessity of Qualification. The Plan intends to qualify for favorable federal tax treatment under Section 529. Because this qualification is vital to the Plan, the Director may modify the Plan or amend this Participation Agreement at any time if the Director decides that the change is needed to meet the requirements of federal law (including Section 529), HRS chapter 256, or the Plan Regulations, or to ensure the proper administration of the Plan.

10. Reports. The Program Manager will send you periodic statements of your account. The Program Manager will provide tax reporting as required by applicable law. If you do not write to the Program Manager to object to a statement or report within sixty (60) days after it has been sent to you, you will be considered to have approved it and to have released the Director, the Trust and the Program Manager from all responsibility for matters covered by the report. You agree to provide all information the Director or the Program Manager may need to comply with any legal reporting requirements. You will continue to be responsible for filing your federal tax return and any other reports required of you by law.

11. Amendment and Termination. The Director may from time to time amend the Plan, this Participation Agreement, the Plan Disclosure Statement, or the Plan Regulations, and may suspend or terminate the Plan by giving you written notice (which amendment shall be effective upon the date specified in the notice), but the Plan may not thereby be diverted from the exclusive benefit of you and your Beneficiary. Nothing contained in the Plan Disclosure Statement, this Participation Agreement, or the Plan Regulations is an agreement or representation by the Director, the Trust, Program Manager, its affiliates or subcontractors or any other person that it will continue to maintain the Plan indefinitely. A termination of the Plan or this Participation Agreement by the Director or the Trust may result in a Non-Qualified Withdrawal for which tax and penalties may be assessed. No provision of this Participation Agreement can be amended or waived except in writing signed by an authorized representative of the Director.

12. Effective Date; Incorporation of Application. This Participation Agreement shall become effective between the Director and you upon the first deposit to your Account or the acceptance of your properly completed Application by the Program Manager by and on behalf of the Director, whichever occurs first, subject to the Director's right to reject the Application if, in processing the Application, it is determined that the Application has not been fully and properly completed.

13. Applicable Law. This Participation Agreement is governed by the laws of the State of Hawaii without regard to its conflicts of law principles.

14. Extraordinary Events. The Director, the Trust and the Program Manager shall not be 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.

15. Severability. In the event that any clause, provision, or portion of this Participation Agreement is found to be invalid, illegal, void, or unenforceable by reason of any law, rule, administrative order or judicial decision of a court of competent jurisdiction, that clause or portion will be severed from this Participation Agreement and the remainder shall continue in full force and effect as if such clause or portion had never been included.

16. Disputes. All decisions and interpretations by the Director and the Program Manager in connection with the operation of the Plan shall be final and binding upon you, the Beneficiary and any other person affected thereby. Any claim by you or your Beneficiary against the State of Hawaii, the Director, the Trust, the Plan, or any of their respective officers, employees, or agents, pursuant to this Participation Agreement or the Plan shall be made solely against the assets of the Plan. If you have a substantial interest affected by a decision of the Director you may appeal to the Director in writing in accordance with the Director's procedures. The Director shall review the documentation and other submissions and make a determination within sixty (60) days. The Director's appeal determination shall be in writing and returned to the appellant. All appeal decisions of the Director shall be final.

17. Arbitration. Any controversy or claim arising out of or relating to the Plan or the Participation Agreement, or the breach, termination or validity of the Plan or the Participation Agreement, shall be settled by arbitration administered by the American Arbitration Association (the "AAA") in accordance with its Commercial Arbitration Rules (except that if Upromise or Vanguard is a party to the arbitration, it may elect that arbitration will instead by subject to the Code of Arbitration Procedure of the National Association of Securities Dealers), 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.

By the Account Owner signing an Enrollment Form and upon acceptance of the Account Owner's initial Contribution, the Account Owner and the other parties agree as follows:

(a) All parties to the Plan are giving up important rights under state law, including the right to sue each other in court and the right to a trial by jury, except as provided by the rules of the arbitration forum;

(b) Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited;

(c) The ability of the parties to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings;

(d) The potential costs of arbitration may be more or less than the cost of litigation;

(e) The arbitrators do not have to explain the reason(s) for their award;

(f) The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry;

(g) The rules of the arbitration forum may impose time limits for bringing a claim in arbitration;

(h) In some cases, a claim that is eligible for arbitration may be brought in court; and

(i) No person shall bring a putative or certified class action to arbitration, nor 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 customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent set forth in this section.

18. Lawsuits Involving Your Account. By opening an Account, you hereby submit (on behalf of yourself and your Beneficiary) to exclusive jurisdiction of courts in Hawaii for all legal proceedings arising out of or relating to this Participation Agreement. The Director or Department may apply to a court at any time for judicial settlement of any matter involving your Account. If the Director or Department does so, they must give you or your Beneficiary the opportunity to participate in the court proceeding, but they also can involve other persons. Any expense incurred by the Director or Department in legal proceedings involving your Account, including attorney's fees and expenses, are chargeable to your Account and payable by you or your Beneficiary if not paid from your Account.

19. Binding Nature. This Participation Agreement shall be binding upon the parties and their respective heirs, successors, beneficiaries and permitted assigns. You agree that all of your representations and obligations under this Participation Agreement shall inure to the benefit of the Director and the Program Manager, all of whom can rely upon and enforce your representations and obligations contained in this Participation Agreement.

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HI529
Hawaii's College Savings Program

HI529 — Hawaii's College Savings Program
Upromise Processing Center
P.O. Box 55574
Boston, MA 02205-5574

www.hi529.com

The State of Hawaii's College Savings Program Trust Fund (the "Trust") is a trust created by the State of Hawaii administered by the State of Hawaii Director of Finance.

The HI529 Plan is a 529 Plan established by the State of Hawaii. The Director acts as trustee of the Trust and is responsible for administering the Plan. Upromise Investments, Inc. and Upromise Investment Advisors, LLC serve as the Program Manager and recordkeeping and administrative servicing Agent, respectively, with overall responsibility for the day-to-day operations, including effecting transactions and marketing and distribution of the Plan. The Vanguard Group, Inc., provides underlying investments for the Plan. The Plan's Portfolios, although they invest in mutual funds, are not mutual funds. Units of the Portfolios are municipal fund securities and the value of units will vary with market conditions.

Investment returns are not guaranteed, and you could lose money by investing in the Plan. Account Owners assume all investment risks, including the potential for loss of principal, as well as responsibility for any federal and state tax consequences.

upromise INVESTMENTS

Vanguard®

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