

In this newsletter you'll find important information about the changes to IDeal, including:

Changes to the investment lineup

How your money will move

A timeline of key dates



IDeal: Now better than ever.



Jeff and Celia

We're pleased to tell you about some terrific improvements coming soon to the IDeal – Idaho College Savings Program including lower fees, newly designed Age-Based Options and enhancements to the program's website.

26%
REDUCTION
IN FEES

The total annual asset-based fee will be reduced from .69% to .51% (\$5.10 per \$1,000 invested). This represents a 26% reduction in fees and ultimately keeps more money in your accounts for college.

The glidepath for the three Age-Based Options will be expanded to include additional steps as the Beneficiary approaches college age. Additionally, the Vanguard Money Market Fund within the Income Portfolio will be replaced with Vanguard Stable Value Securities and the Money Market Portfolio will be replaced by the Interest Accumulation Portfolio.



Alesia

These changes will be automatic; you do not have to take any action and it will not count against the twice-per-calendar-year investment exchange restriction on existing assets in your account.



Calvin, Ben and Nick

We have also worked on a new design for the Program's website. The site will now be fully compatible with all desktop, tablet and phone displays. Other changes include the addition of a college saving calculator, a calendar featuring locations and dates of scheduled presentations and information for employers, community organizations and Advisors. Idaho Account Owners and their beneficiaries are also featured throughout the site and on program materials such as this newsletter.

The new IDEal investment lineup

We are pleased to continue to offer three types of investment options for IDEal:

3 AGE-BASED
OPTIONS

6 FIXED ASSET
ALLOCATION PORTFOLIOS

1 SAVINGS
PORTFOLIO

More detailed information on the investment options can be found in the Disclosure Statement. A new Disclosure Statement which includes the changes to the investment lineup as described in this newsletter will be separately mailed to you in advance of the transition.

Age-Based Options

The enhanced Age-Based Options continue to allow you to choose an investment track that matches your comfort level with risk: Conservative, Moderate, or Aggressive. Your money will then be automatically re-allocated over time to become more conservative as your child gets closer to college-age.

What will change with the Age-Based Options? While the names of the three Age-Based Options are staying the same, we've expanded the glidepath from five steps to eight steps as the beneficiary approaches college age. Extra steps means there will be a more gradual approach to reducing the equity exposure in your account as your investment allocations become more conservative.

The chart below details the three Age-Based Options' glidepaths and the additional steps added, with the new portfolios highlighted.

Age-Based Options			
Age of Beneficiary	Conservative	Moderate	Aggressive
	4 or younger Blended Growth Portfolio 62.5% Stocks 37.5% Bonds	Moderately Aggressive Growth Portfolio 87.5% Stocks 12.5% Bonds	Aggressive Growth Portfolio 100% Stocks
	5 to 6 Moderate Growth Portfolio 50% Stocks 50% Bonds	Growth Portfolio 75% Stocks 25% Bonds	Moderately Aggressive Growth Portfolio 87.5% Stocks 12.5% Bonds
	7 to 9 Moderately Conservative Growth Portfolio 37.5% Stocks 62.5% Bonds	Blended Growth Portfolio 62.5% Stocks 37.5% Bonds	Growth Portfolio 75% Stocks 25% Bonds
	10 to 11 Conservative Growth Portfolio 25% Stocks 75% Bonds	Moderate Growth Portfolio 50% Stocks 50% Bonds	Blended Growth Portfolio 62.5% Stocks 37.5% Bonds
	12 to 14 Blended Income Portfolio 12.5% Stocks 87.5% Bonds	Moderately Conservative Growth Portfolio 37.5% Stocks 62.5% Bonds	Moderate Growth Portfolio 50% Stocks 50% Bonds
	15 to 16 Income Portfolio 75% Bonds 25% Stable Value Securities	Conservative Growth Portfolio 25% Stocks 75% Bonds	Moderately Conservative Growth Portfolio 37.5% Stocks 62.5% Bonds
	17 to 18 Income Portfolio 75% Bonds 25% Stable Value Securities	Blended Income Portfolio 12.5% Stocks 87.5% Bonds	Conservative Growth Portfolio 25% Stocks 75% Bonds
	19 or older Interest Accumulation Portfolio 100% Stable Value Securities	Income Portfolio 75% Bonds 25% Stable Value Securities	Blended Income Portfolio 12.5% Stocks 87.5% Bonds

Fixed Asset Allocation Portfolios

Choose from six Fixed Asset Allocation Portfolios to create your own personalized investment mix.

What will change with the Fixed Asset Allocation Portfolios? Vanguard Prime Money Market Fund will be replaced with Vanguard Short-Term Reserves Account resulting in changes to the following Fixed Asset Allocation Portfolios:

- **The Money Market Portfolio will be replaced by the Interest Accumulation Portfolio.** The underlying investment for this option is 100% Vanguard Short-Term Reserves Account.
- **The Income Portfolio's underlying investment composition will change.** The 25% allocation to the Vanguard Prime Money Market Fund will be replaced by Vanguard Short-Term Reserves Account.

The chart below details the Fixed Asset Allocation Portfolios and their underlying investments. The changes are highlighted:

Underlying Fund	Aggressive Growth Portfolio	Growth Portfolio	Moderate Growth Portfolio	Conservative Growth Portfolio	Income Portfolio	Interest Accumulation Portfolio
Vanguard Total Stock Market Index Fund	60%	45%	30%	15%	0%	0%
Vanguard Total International Stock Index Fund	40%	30%	20%	10%	0%	0%
Stock Subtotal	100%	75%	50%	25%	0%	0%
Vanguard Total Bond Market II Index Fund	0%	17.5%	35%	52.5%	34.5%	0%
Vanguard Total International Bond Index Fund	0%	7.5%	15%	22.5%	22.5%	0%
Vanguard Short-Term Inflation-Protected Securities Index Fund	0%	0%	0%	0%	18%	0%
Bond Subtotal	0%	25%	50%	75%	75%	0%
Vanguard Short-Term Reserves Account	0%	0%	0%	0%	25%	100%
Short-Term Investment Subtotal	0%	0%	0%	0%	25%	100%
TOTAL	100%	100%	100%	100%	100%	100%

The Income Portfolio and Interest Accumulation Portfolio invest in the Vanguard Short-Term Reserves Account which is comprised of traditional and synthetic guaranteed investment contracts as well as an investment in cash via the Federal Money Market Fund. The Vanguard Short-Term Reserves Account's investment in the Vanguard Federal Money Market Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund seeks to preserve the value of the investment at \$1 per share, it is possible that the Vanguard Short-Term Reserves Account will lose money by investing in the Fund.

Savings Portfolio

There is no change to the Savings Portfolio. It is a lower-risk, Federal Deposit Insurance Corporation (FDIC)-insured option for account owners seeking a conservative investment choice for their college savings.

Transitioning existing portfolios to the new line up

If you are currently invested in any of the three Age-Based Options, your assets within the Portfolio that you are invested in may transition to a new Portfolio depending on the beneficiary's age as of May 13, 2016. If you are currently invested in the Money Market Portfolio, your assets will automatically transition to the Interest Accumulation Portfolio. No action is required on your part for these transitions to happen. In order to determine which Portfolio your assets will be moved to, if applicable, see the chart on page 3 and pick the age of your beneficiary as of May 13, 2016 under the type of Age-Based Option in which you are currently invested.

Your investments following the transition

If applicable, after the close of business on May 13, 2016, your balances will automatically transition to the new investment option(s) as described above, and as highlighted in the previous tables. Additionally, your contribution allocations will be updated and future contribution will be invested according to the new allocations. You are able to change the allocation instructions for new contributions at any time with no annual restrictions.

Transition Timeline	
Key Dates	Action
Thursday, May 12, 2016	Transaction or other account-change requests are processed as usual until 2 p.m., Mountain Time. Such requests received after 2 p.m., Mountain Time on Thursday, May 12, 2016 and through Friday, May 13, 2016, will be processed on Monday, May 16, 2016, using portfolio net asset values as of Friday, May 13, 2016.
Friday, May 13, 2016 and Saturday, May 14, 2016	Account assets are transferred from existing portfolios to new portfolios.
Monday, May 16, 2016	Transaction or other account-change requests received after 2 p.m., Mountain Time, on Thursday, May 12, 2016 and through Friday, May 13, 2016, are processed under the new allocations using portfolio net asset values as of Friday, May 13, 2016.

Please note that you will not be able to initiate or request any transactions, including withdrawals or investment option changes, nor will you be able to initiate or request other changes to your account between 2:00 p.m., Mountain Time on Thursday, May 12, 2016 and 6:00 a.m. Mountain Time on Monday, May 16, 2016.

Your account statement is coming

Following the transition, you will receive a confirmation statement detailing the changes in your account. You can also log on to your account at idsaves.org on or after Monday, May 16 to view the details.

Questions?

We're certain you'll find that these enhancements make IDeal better than ever. If you have any questions about this transition, please call **1-866-433-2533**.

Sincerely,



Christine Stoll, *Executive Director on behalf of the Idaho College Savings Program Board*

Client service representatives are available Monday - Friday, 6 a.m. to 6 p.m., Mountain Time.

For more information about the Idaho College Savings Program (IDeal), call 866-433-2533 or visit www.idsaves.org to obtain a Disclosure Statement. The Disclosure Statement discusses investment objectives, risks, charges, expenses, and other important information. Because investing in IDeal is an important decision for you and your family, you should read and consider the Disclosure Statement carefully before investing. Ascensus Broker Dealer Services, Inc. (ABD) is Distributor of IDeal.

If you are not an Idaho taxpayer, consider before investing whether your or the beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's qualified tuition program.

IDeal is administered by the Idaho College Savings Program Board (Board). Ascensus Broker Dealer Services, Inc., the program manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory and recordkeeping and administrative services. The Vanguard Group, Inc. (Vanguard) serves as Investment Manager for IDeal. Sallie Mae Bank serves as the Savings Portfolio Manager for IDeal. IDeal's Portfolios invest in either: (i) mutual funds and stable value portfolios offered or managed by Vanguard; or (ii) an FDIC-insured omnibus savings account held in trust by the Board at Sallie Mae Bank. Except for the Savings Portfolio, investments in IDeal are not insured by the FDIC. Units of the Portfolios are municipal securities and the value of units will vary with market conditions. Investment returns will vary depending upon the performance of the Portfolios you choose. Except to the extent of FDIC insurance available for the Savings Portfolio, you could lose all or a portion of your money by investing in IDeal, depending on market conditions. Account Owners assume all investment risks as well as responsibility for any federal and state tax consequences.

Not FDIC-Insured (except for the Savings Portfolio). No Bank, State or Federal Guarantee. May Lose Value.

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