

CollegeCounts 529 Fund Advisor Plan

Plan Options
Age-Based Tracks: 3 Static Portfolios/Funds: 30

Issuing State
Alabama

Morningstar Analyst Rating

Bronze

Morningstar Pillars

Process	⊕ Positive
Performance	⊖ Neutral
People	⊕ Positive
Parent	⊕ Positive
Price	⊖ Neutral

Analyst Rating Spectrum



Analysis by Jeff Holt, CFA 2014-10-20

Alabama's CollegeCounts 529 Fund hits the mark for its residents and nonresident do-it-yourselfers.

This advisor-sold plan's three age-based tracks travel sensible paths. The Moderate track's equity exposure periodically aligns with the industry average, but the portfolios usually have a higher stake in stocks than the typical peer (up to 14 percentage points). The Aggressive and Conservative tracks' equity exposures run roughly 20 percentage points above or below the Moderate track, respectively.

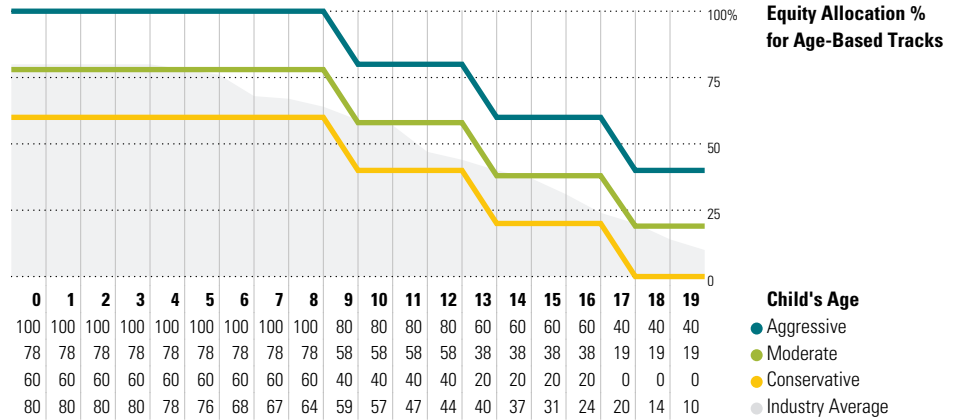
The plan's age-based options and six balanced portfolios invest in solid strategies. They hold a mix of 18 actively and passively managed strategies, eight of which earn a Medalist rating from Morningstar analysts—a mark that reflects analysts' confidence in a fund's future prospects. Medalists include Silver-rated T. Rowe Price Institutional Large-Cap Growth and Bronze-rated Neuberger Berman International Select. The remaining nonrated active strategies have tenured portfolio managers who have delivered competitive results, reinforcing confidence in the underlying lineup. Using a variety of topnotch managers can lead to higher costs, but this plan remains competitively priced relative to other advisor-sold options.

The plan also offers an exceptional selection of individual options for investors to create customized portfolios. The lineup includes a mix of 24 passive and active strategies managed by well-regarded investment firms. Investors have access to firms such as BlackRock, DFA, PIMCO, and T. Rowe Price, among others. In October 2014, the plan removed PIMCO Total Return from the lineup in response to veteran portfolio manager Bill Gross' departure. The plan moved the corresponding assets in the age-based and balanced portfolios into Northern Funds Bond Index.

Investors can be confident in the plan's oversight. Program manager Union Bank & Trust enlists Wilshire Associates to design and select investments for the plan. Alabama also employs a consultant. Furthermore, Alabama discloses board meeting materials on its Treasury Department's website, providing ample transparency to investors.

The plan's strong lineup, coupled with Alabama's state tax deduction on contributions (\$5,000 individual/\$10,000 joint), make it an attractive option for residents. Nonresidents may also find the plan compelling.

Web Address	http://www.collegecounts529advisor.com/
Program Manager	Union Bank & Trust Company (Lincoln, NE)
Trustee	Board of Trustees of CollCounts 529 Fund
Advisor Sold	Resident and non-resident
Direct Sold	—
Fee Range (Age-based)	0.44-2.03
Minimum Initial Investment	\$0
Annual State Tax Deduction (per Taxpayer)	Single filing up to \$5,000 Joint filing up to \$10,000



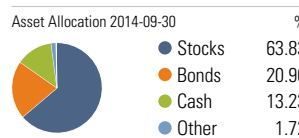
Plan Option Overview 2014-09-30

Option Name	Overall Star Rating	Current Equity %	Total Fees %	Fee Level	YTD Total Rtn %	Cat Rank %	3-Year		5-Year	
							Total Rtn %	Cat Rank %	Total Rtn %	Cat Rank %
Aggressive										
AL CollCounts Adv Age-Based Agg 0-8 A	★	95.57	1.28	+ Avg	2.45	83	17.80	85	—	—
AL CollCounts Adv Age-Based Agg 9-12 A	★★	63.83	1.24	High	2.42	82	14.70	60	—	—
AL CollCounts Adv Age-Based Agg 13-16 A	★★★	40.89	1.18	+ Avg	2.30	67	11.57	35	—	—
AL CollCounts Adv Age-Based Agg 17-20 A	★	23.15	1.13	+ Avg	2.40	56	8.60	87	—	—
AL CollCounts Adv Age-Based Agg 21+ A	★★★	11.99	1.05	High	2.02	37	5.30	32	—	—
Moderate										
AL CollCounts Adv Age-Based Mod 0-8 A	★★	63.83	1.24	+ Avg	2.42	75	14.70	68	—	—
AL CollCounts Adv Age-Based Mod 9-12 A	★★	40.89	1.18	+ Avg	2.30	80	11.57	70	—	—
AL CollCounts Adv Age-Based Mod 13-16 A	★★★	23.15	1.13	+ Avg	2.40	68	8.60	50	—	—
AL CollCounts Adv Age-Based Mod 17-20 A	★	11.99	1.05	Avg	2.02	82	5.30	91	—	—
AL CollCounts Adv Age-Based Mod 21+ A	★	0.01	0.94	- Avg	0.29	97	0.65	97	—	—
Conservative										
AL CollCounts Adv Age-Based Con 0-8 A	★★	40.89	1.18	Avg	2.30	79	11.57	25	—	—
AL CollCounts Adv Age-Based Con 9-12 A	★	23.15	1.13	+ Avg	2.40	78	8.60	97	—	—
AL CollCounts Adv Age-Based Con 13-16 A	★★★	11.99	1.05	Avg	2.02	56	5.30	35	—	—
AL CollCounts Adv Age-Based Con 17-20 A	★	0.01	0.94	- Avg	0.29	96	0.65	93	—	—
AL CollCounts Adv Age-Based Con 21+ A	★★	0.00	0.44	Low	0.02	87	0.08	73	—	—
AL CollCounts Adv Fund 60 A	★★	40.89	1.18	Avg	2.30	85	11.57	74	—	—
AL CollCounts Adv Fund 80 A	★	63.83	1.24	+ Avg	2.42	75	14.70	89	—	—
AL CollCounts Adv Fund 40 A	★★★	23.15	1.13	+ Avg	2.40	65	8.60	38	—	—
AL CollCounts Adv Fund 100 A	★★★	95.57	1.28	+ Avg	2.45	74	17.80	24	—	—
AL CollCounts Adv Fund 20 A	★★	11.99	1.05	Avg	2.02	77	5.30	78	—	—
AL CollCounts Adv TRP Bal A	★★★	63.32	1.32	+ Avg	3.63	48	14.10	30	—	—
AL CollCounts Adv Cohen Steers Div Val A	—	96.70	1.32	+ Avg	9.46	1	—	—	—	—
AL CollCounts Adv Fixed Income A	★	0.01	0.94	- Avg	0.29	97	0.65	94	—	—

Current Equity % is as-of the most recent portfolio date available. For Category Rank %, 1 = highest rank, 100 = lowest rank.

Moderate Highlights 2014-09-30

AL CollegeCounts 529 Age-Based Modera

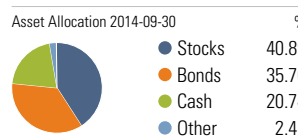


Top Asset Managers	%
Northern Funds	30.05
Neuberger Berman	11.96

529 Category
Age 0-6 Medium Equity

Return vs Category: Below Average
Risk vs Category: Average

AL CollegeCounts 529 Age-Based Modera

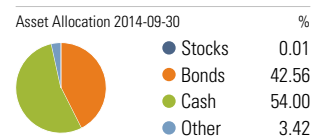


Top Asset Managers	%
Northern Funds	29.96
PIMCO	18.17

529 Category
Age 7-12 Medium Equity

Return vs Category: Below Average
Risk vs Category: Average

AL CollegeCounts 529 Age-Based Modera



Top Asset Managers	%
BlackRock	50.08
PIMCO	33.95

529 Category
Age 19+ Medium Equity

Return vs Category: Low
Risk vs Category: Low