Education Trust of Alaska
Governance and Investment Policy
(New Policy)

I. INTRODUCTION

The Education Trust of Alaska (the “Trust”), formerly the University of Alaska Savings Trust, was established on April 20, 2001 by the University of Alaska Board of Regents (the “Board”), to implement and manage the Alaska College Savings Program in accordance with Section 529 of the Internal Revenue Code of 1986, as amended (the “Code”), the Alaska College Savings Act (AS 14.40.802 – 14.40.817) (the “Act”), and the applicable Investment Powers and Duties (AS 37.10.071) (the “Investment Powers”). The University of Alaska serves as trustee (the “University” or “Trustee”) for the Trust. The primary purposes of the Trust are to secure obligations to participants including the ACT Tuition-Value Guarantee and to help participants save for the increasing cost of postsecondary education.

The Trust currently offers three college savings plans, the University of Alaska College Savings Plan (the “UA Plan”), the T. Rowe Price College Savings Plan (the “TRP Plan”), and the John Hancock Freedom 529 (the “JH Plan”). The UA Plan and the TRP Plan are sometimes collectively referred to as the direct plan or plans (the “Direct Plan(s)”) and the JH Plan as the advisor sold plan (the “Advisor Sold Plan”).

T. Rowe Price Associates serves as program manager (the “Program Manager” or “T. Rowe Price”) for all three college savings plans administered by the Trust, including the UA Plan, the TRP Plan and the JH Plan. John Hancock Distributors LLC has been engaged by T. Rowe Price to construct and distribute the JH Plan through financial advisors.

II. PURPOSE AND SCOPE

This Governance and Investment Policy (the “Policy”) and other related policies of the Board applicable to the Education Trust of Alaska (P05.07.040 – 05.07.043) are intended to establish a framework that will provide a guide to implementation and administration of the terms and conditions of the Declaration of Trust, the college savings plans, the disclosure documents, and the requirements of law. This Policy is adopted by and changes are subject to the approval of the Board.

III. ADMINISTRATION

The Board of Regents is responsible for the overall stewardship of the Trust. The Regents’ Audit Committee (the “Committee” or the “Audit Committee”) shall provide the primary oversight of the College Savings Program and activities of the Trust on behalf of the Board. The University President (“President”) shall appoint a Trust Administrator to conduct the day-to-day business affairs of the Trust and advise the University’s Chief Finance Officer (“CFO”) and the Board on issues related to the College Savings Program and Trust.

IV. Fiduciary Duties

The Board, the Audit Committee, the President, the Trust Administrator, and others while serving in a fiduciary capacity for the Trust have the duties of undivided loyalty, reasonable care, and obedience. "Undivided loyalty" in that fiduciary decisions must be made in the best financial interest of the respective portfolio or fund and the beneficiaries must be treated with impartiality; "reasonable care" in that the prudent expert standard shall apply to all fiduciary activities and that delegated duties are performed adequately shall be sought; and "obedience" in that fiduciaries shall comply with the law and be faithful to the goals of the organization. For all non-fiduciary matters, except for professionals or experts engaged by the Trust or the Program Manager, the prudent person standard shall apply.

V. Primary Investment Goal, Principles and Considerations

The Primary Investment Goal of the Trust is to achieve a market rate of return or greater, which is consistent with the expected risk profile and needs of the intended beneficiary.

The greatest investment risk is the probability of not meeting the Primary Investment Goal. In order to minimize this risk the Program Manager, the Trust Administrator in conjunction with the CFO, and the Board shall consider this risk in all aspects of the investment decision-making process, including the structure of each portfolio, asset allocation, fund selection, reporting and monitoring. Achievement of the Primary Investment Goal will be driven by the following core considerations:

- *Time Horizon:* Investment strategies may take a long-term perspective, unless the life cycle of a particular portfolio or its expected use by participants is limited.
- *Total Return:* The portfolios of the Trust shall be managed on a Total Return basis without regard to the distinction between current income and net realized or unrealized gains and losses.
- *Liquidity:* The portfolios shall only be invested in underlying investments or funds that are marked-to-market daily and do not hold significant proportions of illiquid investments.
- *Volatility:* The expected level of volatility of a portfolio shall be considered in the development, implementation and management of each of the portfolios.
- *Diversification:* The diversity of positions among the various investments of the portfolios shall be considered in the development and implementation of the portfolios.
- *Fees and Expenses:* Fees and expenses associated with investment activities shall be reviewed on a periodic basis and the Program Manager and Trust Administrator shall strive to maintain such fees and expenses at reasonable levels.
- *Inflation:* The Consumer Price Index ("CPI") shall be used as the measure of inflation for purposes of meeting inflation objectives of the portfolios.

VI. INVESTMENT PHILOSOPHY

The Primary Investment Goal is to achieve a market rate of return or greater, which is consistent with the expected risk profile and needs of the intended beneficiary. The cost increase of education has far exceeded the increase in family income for decades resulting in excessive borrowing and unsustainable debt burdens for students and their families. Every $1 of savings for a young child can help a family avoid $2 to $3 in debt payments later in life. As such, each portfolio will strive to offset, to the extent practicable within its risk parameters, the impact of the increasing cost of education.

This philosophy provides a framework intended to guide the investment process and strategies employed to achieve the Primary Investment Goal. The philosophy is critical to structuring the portfolios and establishing a plan to accomplish the purposes of the overall College Savings Program. Underlying this philosophy are the basic beliefs that the public markets are generally efficient, sensitive to the economic environment, and reflect the growth of the real economy; expected returns are roughly proportional to the risk assumed; diversification is the primary defense against material losses; and liquidity is essential to meeting the higher education funding needs of the beneficiaries.

The philosophy favors a diversified combination of long-term allocations and modest use of tactical allocations to incorporate near-term market outlook. Equity securities consisting of domestic, international and emerging market funds will serve as the primary growth driver for the longer-term portfolios. Fixed income investments shall include U.S. investment grade bonds as well as allocations to diversifying sectors of the bond market, such as high yield bonds, emerging market bonds, and non-dollar bonds. The fixed income investments will primarily provide income, diversification, more predictable cash flows, and less volatility than equities. Inclusion of allocations to diversifying sectors of the bond market, such as high yield bonds, emerging market bonds, and non-dollar bonds may offer the potential for higher return over time as well as the potential to moderate volatility relative to a portfolio of only U.S. investment grade bonds. Real assets and inflation focused bonds (TIPS) will help provide short-term inflation protection. These will be supplemented by other value added investments and strategies depending upon economic and market conditions.

Monte Carlo analysis will be the primary building block used to structure the portfolios and develop target asset allocations. Active management by high quality managers will provide the best opportunity for above average performance; however, passive strategies may also be utilized to reduce tracking error associated with active management and to achieve lower expense ratios. Fees and expenses can have a major impact on performance over time; therefore the Trust will strive to maintain fees at reasonable levels where practicable.

VII. Target Asset Allocation

The Program Manager shall identify the target asset allocation and underlying investment funds that it believes will offer a reasonable probability of achieving each portfolio's intended objectives within a framework of commonly accepted risk factors. The Trust Administrator shall annually review and evaluate the asset allocation. If applicable the Trust Administrator will request that the Program Manager recommend alternative options for meeting the portfolio's objectives as considered appropriate.

VIII. Asset Allocation Rebalancing

The asset allocation shall be rebalanced regularly by the Program Manager to minimize extraordinary deviations. The Program Manager shall report to the Trust Administrator each quarter the tactical variations from neutral asset allocation level as of the end of the quarter, significant deviations from the planned asset allocations (those deviations that are outside of the pre-defined asset allocation variance bands), and the plan to correct such deviations if not already corrected. The current target allocation to a broad asset class is not expected to vary from its predetermined target allocation by more than plus or minus 5%. Any variance of the target allocation for a broad asset class may be applied to any combination of funds, or to any single fund, within that broad asset class. There may be short-term variances from adjusted target allocations to allow for changing conditions, such as market fluctuations, cash flows and authorized tactical allocation strategies.

IX. Investment Options

In order to help participants meet their savings goals, the Trust will offer a broad range of investment options across the traditional risk/return continuum for a diverse group of investors that have varying levels of risk tolerance and knowledge of investment principles.

The TRP Plan investment options include a series of enrollment-based and static portfolios, as follows:

- **Eight enrollment-based portfolios:** These portfolios are structured to provide a balance of risk and earnings potential that is adjusted by the Program Manager from aggressive to conservative over time as the expected period of enrollment approaches. The portfolios range from an aggressive portfolio, generally intended for beneficiaries that are newborns and the very young, to a conservative portfolio, intended for beneficiaries attending or about to attend college and those individuals who are risk averse. When a portfolio is within 15 years of moving into the Portfolio for College, the portfolio's assets will typically be shifted every quarter to more conservative allocations through increased exposure to fixed income. Assets are moved to the Portfolio for College in the year corresponding to the title of the portfolio.

- **Five static portfolios:** These portfolios are structured with an asset allocation that remains constant within specified ranges for the life of the portfolio. These portfolios are designed to facilitate the development of custom asset allocations by participants or to supplement other investments by the participant.

    - **Equity Portfolio:** This portfolio consists primarily of stock funds and is intended to provide greater earnings potential for investors with higher risk tolerance and/or a long-term investment horizon.
    - **Total Equity Market Index Portfolio:** This portfolio consists primarily of stocks and invests in a passively managed fund. The portfolio seeks to match the performance of the entire U.S. stock market, but does not attempt to fully replicate the index by holding each of those stocks.
    - **Fixed Income Portfolio:** This portfolio consists primarily of bond funds and is intended to provide income for investors with a relatively low risk tolerance, a shorter investment horizon, or a preference for fixed income investments.
    - **Balanced Portfolio:** This portfolio consists of an allocation of approximately 60 percent (60%) stock funds and 40 percent (40%) fixed income funds. This portfolio is designed to blend the earnings opportunities of an aggressive portfolio and the capital preservation potential of a conservative portfolio for investors with a moderate risk tolerance and/or an intermediate investment horizon.
    - **Money Market Portfolio:** This portfolio consists of a money market fund and is intended to preserve investment principal, while offering modest current income, by investing in high-quality, U.S. dollar-denominated money market securities of U.S. and foreign issuers. The portfolio is designed primarily for conservative investors who may have a Beneficiary nearing college enrollment or who may want to dollar cost average large contributions into other portfolios.

The UA Plan investment options are identical to those of the TRP Plan except for the inclusion of one additional portfolio, the ACT Portfolio.

- **ACT Portfolio:** This portfolio uses a moderate-risk, broad-based diversification, and low management fee approach and invests primarily in a combination of U.S. bond and U.S. stock index funds. The portfolio may also invest in funds focused on high-quality money market instruments and investment-grade bonds with weighted average effective maturities of three years or less. The allocations are adjusted periodically to their optimal levels within predefined asset allocation ranges based on market conditions as determined by the investment manager. The authorized investment ranges are 35 percent (35%) to 45 percent (45%) stock funds, 15 percent (15%) to 65 percent (65%) bond funds, and zero percent (0%) to 40 percent (40%) money market funds. This portfolio is designed for those who may be interested in attending the University of Alaska, investors with modest risk tolerance and earnings expectations, and those seeking a low fee investment option. The portfolio carries a guarantee by the Trust that the long-term earnings on the portfolio will keep pace with tuition inflation at the University of Alaska, if used to pay tuition at the University of Alaska for the beneficiary. There are no fees on moneys invested in the ACT Portfolio and participants are not subject to the annual account fee.

The JH Plan investment options are intended to provide intermediaries (financial advisors and brokers) with the opportunity to match their client's college savings needs with their particular risk tolerance and investment goals. The investment options include a series of enrollment-based, static, lifestyle, and individual fund portfolios, as follows:

- **Six enrollment-based portfolios:** These portfolios are structured to provide a balance of risk and earnings potential that is adjusted by the Program Manager from aggressive to conservative over time as the expected period of enrollment approaches. Portfolios range from an aggressive portfolio, generally intended for beneficiaries that are newborns and the very young, to a conservative portfolio generally intended for beneficiaries attending or about to attend college or for individuals who are risk averse. In general, once a portfolio is within 15 years of its target college enrollment date, the portfolio's assets will be shifted every quarter to more conservative allocations to reflect the need for reduced investment risks and lower volatility. Assets are automatically moved to the College Portfolio in the second quarter of the last year in the title of the portfolio, at which point the asset mix of the portfolio generally stops becoming more conservative over time.

- **Five static portfolios:** Two of these portfolios target a constant asset allocation for the life of the portfolio and three have pre-defined asset allocation ranges for each asset class within which the Program Manager may vary the allocation.

    - **The Future Trends Portfolio:** This portfolio is an aggressive sector-based equity portfolio consisting of three sector-based stock funds and is intended to provide high earnings potential for investors with relatively high-risk tolerance and/or long-term investment horizons. This portfolio will be invested in the underlying stock funds within pre-defined ranges.
    - **The Equity Portfolio:** This portfolio consists primarily of stock funds and is intended to provide greater earnings potential for investors with higher risk tolerance and/or a long-term investment horizon.
    - **The Fixed Income Portfolio:** This portfolio consists primarily of bond funds and is intended to provide income for investors with a relatively low risk tolerance, a shorter investment horizon, or a preference for fixed income investments.
    - **The Short-Term Bond Portfolio:** This portfolio emphasizes investment in high-income, short-term bonds. The portfolio's characteristics reflect a lower-risk investment approach, with the goal of preserving capital.
    - **The Money Market Portfolio:** This portfolio consists of a money market fund and is intended to preserve investment principal, while offering modest

current income, by investing in high-quality, U.S. dollar-denominated money market securities of U.S. and foreign issuers. The portfolio is designed primarily for conservative investors who may have a Beneficiary nearing college enrollment or who may want to dollar cost average large contributions into other portfolios.

- **Three Lifestyle Portfolios:** Each portfolio will invest in a matching John Hancock Lifestyle Portfolio that is invested in a number of different mutual funds managed by a host of high quality investment managers. Similar to the static portfolios, the lifestyle portfolios target a constant asset allocation and utilize a broader range of asset classes, managers, and investment styles to meet their objectives.

    - **The Lifestyle Growth 529 Portfolio:** This portfolio seeks long-term growth of capital by investing approximately 80% of its assets in equity funds and approximately 20% in fixed-income funds.
    - **The Lifestyle Balanced 529 Portfolio:** This portfolio seeks to provide a balance between a high level of current income and growth of capital, with a greater emphasis on growth of capital. The portfolio invests approximately 60% of its assets in equity funds and approximately 40% in fixed-income funds.
    - **The Lifestyle Moderate 529 Portfolio:** This portfolio seeks to provide a balance between a high level of current income and growth of capital, with a greater emphasis on income. The portfolio invests approximately 40% of its assets in equity funds and approximately 60% in fixed-income funds.

- **Eight individual portfolios**: These portfolios will invest only in one specific mutual fund, each with a specific style, asset class, or investment strategy. The portfolios are intended to supplement broader self- or advisor-directed allocations or to supplement other investments. Each is managed by a high quality investment firm.

X. PORTFOLIO PERFORMANCE REVIEW AND BENCHMARKS

Performance for each portfolio and underlying investment fund shall be measured on a regular basis against several benchmarks in order to evaluate its performance relative to the general market and its peers. The portfolios and underlying investment funds will be assigned asset and/or style class benchmarks and peer group benchmarks approved by the University's CFO. Each portfolio will be evaluated relative to a broad weighted asset class performance benchmark and a Morningstar universe composed of similar 529 plan portfolios. The underlying investment funds will be evaluated relative to a style class performance benchmark and the appropriate Morningstar and Lipper peer group.

Because underperformance of a portfolio can generally be traced directly to the underperformance of one or more underlying mutual fund investments, the Trust Administrator may classify certain underlying mutual funds as "Funds of Special

Interest." These funds will be the subjected to of more in-depth review and attention during performance reporting sessions as well as consideration for replacement or other action. In general, funds classified as "Funds of Special Interest" will be funds with consistent significant underperformance relative to its benchmark; material underperformance (bottom quartile) or outperformance (top decile) relative to its peers on an annual and/or rolling three year period; or a fund that has simply raised the concern of the Trust Administrator or the Program Manager's internal oversight committee.

On a semi-annual basis a meeting will be held in which the Program Manager will provide an in-depth formal report on the performance of the portfolios and the underlying mutual fund investments. This will include performance of the portfolios and underlying mutual funds relative to their respective benchmarks, portfolio attribution analysis, Morningstar's peer group percentile ranking for the portfolios, Lipper and Morningstar percentile rankings for the underlying mutual funds, and a supplemental report on Funds of Special Interest. On the two quarters that don't fall on the semi-annual cycle, the Program Manager will provide a summary of investment performance that includes performance relative to asset and style class benchmarks, Morningstar's peer group percentile ranking for the portfolios, and the tactical variances from the neutral target allocations of the applicable portfolios.

XI. DELEGATION AND ASSIGNMENT OF DUTIES AND AUTHORITY

Effective and cohesive relationships between the Board, the Audit Committee, the President, the CFO, the Trust Administrator, the Program Manager, Investment Advisors, and others are important to fulfilling the purposes of the Trust. The major duties and responsibilities of the parties are assigned and authority delegated as presented below. Authority to carry out the duties delegated or assigned to the Audit Committee, President, or the Trust Administrator may be further delegated to qualified members of the University of Alaska staff or independent contractors.

1. Board Responsibilities:

- Assure the overall stewardship of the Trust assets in accordance with Section 529 of the Code, the Act, and the Investment Powers, as each may be amended or restated from time to time;
- Adopt the policies needed for the prudent administration of the Trust and investment of Trust assets;
- Adopt amendments to the Declaration of Trust;
- Approve the selection and termination of the Program Managers;
- Delegate authority and assign duties to the Audit Committee, the President, the CFO, and the Trust Administrator; and
- Review the financial condition, investment management, and administrative activities of the Trust on a regular basis.

2. Audit Committee Responsibilities:

- Review and select the process for solicitation and selection of a Program Manager and Investment Advisors;
- Develop recommendations for the Board regarding policy issues related to the Trust and the College Savings Program; and
- Review the conduct and outcome of due diligence activities of the Trust Administrator on a semi-annual basis.

3. University President's Responsibilities:

- Notwithstanding delegations to other University employees or contractors herein, the President is delegated all powers and authority necessary and convenient to administer, operate, and manage the Trust and College Savings Program;
- Approve amendments to the College Savings Plans and General Conditions; and
- Appoint a Trust Administrator on the recommendation of the CFO to conduct the day-to-day operations and activities of the Trust.

4. University Chief Finance Officer's Responsibilities:

- Oversee the due diligence and other College Savings Program activities of Trust Administrator;
- Approve guidelines for the conduct of due diligence for the Trust and the College Savings Program;
- Approve performance benchmarks for the evaluation of individual portfolios and underlying investment funds; and
- Approve due diligence guidelines and procedures for evaluation of portfolios and underlying investment funds.

5. Trust Administrator Responsibilities:

- Support the initiatives of the Board, the Committee, and the President;
- Facilitate communications with and between the Board, the Committee, the President, the Program Manager, and Investment Advisors;
- Report to the Committee, the Board, and the CFO on a regular basis the investment performance and material matters related to administration of the Trust and the College Savings Program;
- Report to the Committee, the Board, and the CFO any litigation or violations of applicable laws or regulations involving the Trust, the Program Manager,

Investment Advisors or underlying fund managers that come to the attention of the Trust Administrator;

- Make final interpretation regarding the terms of the Trust and the College Savings Program;
- Provide for final administrative resolution of all disputes and claims by participants, contractors, and others arising out of the administration operation and management of the Trust and the College Savings Program;
- Monitor laws and regulations for compliance and reporting and establish systems and procedures to assure compliance with external requirements;
- Monitor investment and operating processes and activities to assure compliance with this Policy, the Program Management Agreement with TRP, and each Plan's disclosure documents;
- Cause an annual report for each Plan offered by the Trust to be prepared and made available to all participants by direct mail or inclusion on the applicable website;
- Cause an annual financial audit of the Trust and affiliated Plans;
- Comply with MSRB continuing disclosure requirements on a timely basis;
- Review and approve all disclosure documents;
- Review portfolio asset allocations periodically and develop recommendations for consideration by the Program Manager;
- Review and evaluate the fees and costs assigned to the various portfolios and underlying investment funds on a periodic basis;
- Execute agreements with program and investment managers, advisors and other entities as may be considered necessary or desirable for operation of the Trust;
- Serve as primary contact and relationship manager for the Program Managers, distributors, and Investment Advisors; and
- Perform all administrative duties necessary for the efficient administration of the Trust that have not been delegated or assigned to others by the President.

6. Investment Advisor Responsibilities:

- Prepare investment performance evaluation reports at least annually and more frequently as may be requested by the Trust Administrator;
- Monitor manager adherence to fund mandates and report to the Trust Administrator significant deviations that may come to the advisors attention;
- Recommends changes in investment strategy, asset allocation, underlying fund investments, and benchmarks to the Trust Administrator, as considered appropriate;

- Provide background and other qualitative information on managers and sub-advisors, asset classes, investment products and funds, as requested;
- Provide research and advise the Trust Administrator on investment issues, as requested;
- Notify the Trust Administrator of any significant changes in personnel or ownership, litigation or violation of laws or regulations, or noteworthy events regarding the advisor and/or any investment manager for the Trust, which may come to the attention of the Advisor;
- Provide the Trust Administrator with the Advisor's capital market assumptions, upon request; and
- Attend Audit Committee meetings, as may be requested.

5. Program Manager Responsibilities:

- Provide assistance in development, implementation and maintenance of the program, including recordkeeping, distribution, marketing, customer relations, investment management, compliance, and reporting services;
- Provide a quarterly report to the Trust Administrator on the status of the capital markets, performance of the College Savings Program's portfolios and underlying investment funds, updates on legal and legislative activities, participant complaints, and marketing and operations activities;
- Provide a brief monthly report to the Trust Administrator regarding the performance of each Plan's portfolios and underlying investment funds and respond to inquiries, as may be requested by the Trust Administrator;
- Notify the Trust Administrator as soon as practicable of any violations of applicable laws and regulations, litigation, key staff or ownership changes, or other material events that come to the Program Manager's attention, which may impact the Trust or its program;
- Provide the Trust Administrator annually with a copy of the Program Manager's Form ADV Parts I and II, a copy of its annual report including its audited financial statements, and applicable SSAE 16 reports; and
- Comply with the regulatory provisions of the law and the terms and conditions of the Program Management Agreement, the Declaration of Trust, and Plan disclosure documents.

XII. CONFLICTS OF INTEREST

Members of the Board, the Trust Administrator, and other staff responsible for making or advising on administrative or investment matters of the College Savings Program shall comply with this Conflict of Interest provision, the University of Alaska Ethics Policies and Regulations, and the Alaska Executive Branch Ethics Act (AS 39.52, hereafter AEBEA) to the extent that it is more restrictive than this Conflict of Interest provision, the University of Alaska Ethics Policies and Regulations. All other persons providing advice to the Audit Committee or the Board on administrative or investment matters shall disclose at the beginning of any discussion or consideration of any issue, any relationships, material interest or beneficial ownership, which the person has or may reasonably be expected to have, with respect to the issue(s) under discussion or consideration. This provision is not intended to apply to the payment of ordinary fees and expenses to the Program Manager or Investment Advisors in the course of their services on behalf of the Trust.

Any member of the Board or employee responsible for making decisions or providing independent advice on administrative or investment matters shall disclose to their respective designated ethics supervisor under the AEBEA any personal or financial interest, including but not limited to remuneration, commission, gift, favor, service, benefit or investment that might reasonably be perceived to influence them in the discharge of their duties before taking any official action that may affect such personal or financial interest as such terms are defined in the AEBEA. Failure to disclose any material issues or benefits may be grounds for disciplinary action or other sanctions permissible under applicable law.

XIII. PRIVACY POLICY*

The Act requires that the name, address, and other information identifying a person as an "Account Owner" or "Beneficiary" in the Trust be confidential. The Trust recognizes its obligation to keep information about each account owner and beneficiary secure and confidential. The Trust has selected T. Rowe Price Associates, Inc. and its affiliates (collectively "T. Rowe Price") to act as Program Manager for the Trust in providing investment, recordkeeping, and other administrative services for the Plan and John Hancock Distributors LLC to distribute the John Hancock Freedom 529 Plan.**

Collecting and Using Information: Through participation in the Plan, the Trust and T. Rowe Price collect various types of confidential information provided in the Account Agreement, such as the Account Owner's name and the name of the Beneficiary, Social Security Numbers, addresses, and occupation information. The Trust and T. Rowe Price also collect confidential information relating to Plan transactions, such as Account balances, contributions, distributions, and investments. The Trust and T. Rowe Price will not disclose any such information about Account Owners, former Account Owners, or Beneficiaries to anyone, except as permitted or required by law or in accordance with relevant consent.

Marketing Opt-Out: The Trust, the University, and T. Rowe Price may in the future use the information collected to identify and send the Account Owner information about other savings or investment programs offered by the Trust or by the T. Rowe Price family of companies that might be of interest. If the Account Owner does not wish to receive such marketing material, he or she may call T. Rowe Price toll-free at 1-866-277-1005.

Protection of Information: The Trust, the University, and T. Rowe Price maintain physical, electronic, and procedural safeguards to protect the information about Account Owners and Beneficiaries that each of them collects or uses. These safeguards include restricting access to those individuals who have a need to know the information, such as to those who service the Account, resolve problems, or inform Participants and Beneficiaries of additional products or services where appropriate.

* Specific wording for public notices will be modified as necessary to address the applicable plan and comply with FTC regulations. The notices will be provided to participants or prospective participants as a courtesy, even though the Trust may not be subject to those regulations.

**T. Rowe Price affiliates directly providing services for the Plan are T. Rowe Price Services, Inc. and T. Rowe Price Investment Services, Inc.

XIV. OTHER

Fiscal Year: The fiscal year for the Trust shall be July 1 through June 30.

XV. SUPPLEMENTAL INFORMATION AND DOCUMENTS

The following documents and information are not part of the policy, but are presented to facilitate a better understanding:

1. Section 529 of the Internal Revenue Code of 1986, as amended (the “Code”)
2. Alaska College Savings Act (AS 14.40.802 – 14.40.817) (the “Act”)
3. Investment Powers and Duties (AS 37.10.071) (the “Investment Powers”)
4. University of Alaska Ethics Policy and Regulations
5. Schedule of Investment Options or Portfolios
6. Schedule of Underlying Investment Funds
7. Schedule of Portfolio and Underlying Fund Benchmarks
8. Schedule of Peer Portfolios
9. Investment and Program review and due diligence procedures

XV. ADOPTION AND EFFECTIVE DATE

This Policy was adopted by the Board on September __, 2013 and is effective immediately.