

College Savings Bank

Attendees: Gil Johnson, President & CEO
Dan Davenport, CMO

Proposed Vanguard Investments:

Option I

The following equity options are being proposed for inclusion in the fixed asset allocation portfolios of College Savings Bank. Using an index approach, the two options track the overall domestic stock market and companies located in Europe, the Pacific region, and emerging markets countries across all market capitalizations (large, mid, and small) and styles (growth and value).

Vanguard Total Stock Market Index Fund

Investment Objective: The Fund seeks to track the performance of a benchmark index that measures the investment return of the overall stock market.

Primary Investment Strategies: The Fund employs a "passive management"—or indexing—investment approach designed to track the performance of the Morgan Stanley Capital International (MSCI®) US Broad Market Index, which represents 99.5% or more of the total market capitalization of all the U.S. common stocks regularly traded on the New York Stock Exchange and the Nasdaq over-the-counter market. The Fund typically holds 1,200–1,300 of the 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 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. For additional information on the Fund's investment strategies, risks and other policies, please see the attached prospectuses.

Vanguard Total International Index Fund

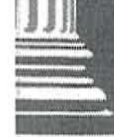
Investment Objective: The Fund seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in Europe, the Pacific region, and emerging markets countries.

College Savings Bank

Attendees: Gil Johnson, President & CEO
 Dan Davenport, CMO

Primary Investment Strategies: The Fund employs a “passive management”—or indexing—investment approach designed to track the performance of the Total International Composite Index, an index designed to represent the performance of stocks of companies located in Europe, the Pacific region, and emerging markets countries. The MSCI Europe Index, the MSCI Pacific Index, and the MSCI Emerging Market Index together make up the Total International Composite Index. The Index includes approximately 1,700 stocks of companies located in 45 countries. As of June 30, 2009, the largest markets covered in the Index were Japan, the United Kingdom, France, Germany, and Switzerland (which made up approximately 19%, 16%, 8%, 6%, and 6%, respectively, of the Index’s market capitalization). The Fund invests substantially all of its assets in the common stocks included in its target index, while employing a form of sampling to reduce risk. For additional information on the Fund’s investment strategies, risks and other policies, please see the attached prospectuses.

Fund Name	Total Stock Market Index Fund	Total International Stock Market Index Fund
Ticker/Fund #	VITSX/0855	VGTSX/0113
Asset Class	Domestic Stock: Large Blend	International/Global Stock: Foreign Large Blend
Underlying Fund Manager	Gerard C. O’Reilly, Principal	Duane F. Kelly, Principal
YTD	22.37%	33.46%
1 Year	11.12%	31.41%
5 Year	0.88%	6.54%
10 Year	-0.03%	3.07%
Since Inception	7.57%	4.37%
Inception Date	4/27/1992	4/29/1996



Montana Education Savings Program (MFESP)
Oversight Committee Meeting
11/12/2009 Page 7 of 9

College Savings Bank

Attendees: Gil Johnson, President & CEO
Dan Davenport, CMO

Proposed Vanguard Investments:

Option II

The following investment lineup incorporates Vanguard's broad market equity index funds with an all-in-one fund solution for investors seeking access to an all Vanguard option. Vanguard's LifeStrategy Funds are fund-of-funds appropriate for long-term goals, such as college, and are comprised primarily of broad index funds, that track U.S. bond or stock markets, or international equity markets. Each fund also invests a quarter of its holdings in Vanguard's Asset Allocation Fund, which relies on a quantitative model to determine an optimal allocation among stocks, bonds, and short-term reserves. We believe the LifeStrategy options can provide a balanced investment option, while limiting the overlap with FDIC investment options offered by CSB:

- Three balanced fixed asset allocation portfolios investing in Vanguard mutual funds for investors who prefer to minimize their rebalancing efforts:
 - Vanguard LifeStrategy Growth Fund
 - Vanguard LifeStrategy Moderate Growth Fund
 - Vanguard LifeStrategy Conservative Growth Fund
- Two individual fund portfolios for self-directed investors who may want to build their own aggressive asset allocation strategy or add more risk/equity exposure to a fixed allocation portfolio:
 - Vanguard Total Stock Market Index Portfolio
 - Vanguard Total International Index Portfolio

College Savings Bank
 Attendees: Gil Johnson, President & CEO
 Dan Davenport, CMO

Underlying Funds in Fixed Allocation Portfolios.

The following table outlines the underlying mutual funds and allocations of each fund within the fixed portfolios:

Investment Option	Asset Allocation	Underlying Investments
Growth	65%-90% Stocks 10%-35% Bonds 0%-25% Short-Term	50% Vanguard Total Stock Market Index Fund 15% Vanguard Total International Stock Index Fund 25% Vanguard Asset Allocation Fund 10% Vanguard Total Bond Market II Index Fund
Moderate Growth	45%-70% Stocks 30%-55% Bonds 0%-25% Short-Term	35% Vanguard Total Stock Market Index Fund 10% Vanguard Total International Stock Index Fund 25% Vanguard Asset Allocation Fund 30% Vanguard Total Bond Market II Index Fund
Conservative Growth	25%-55% Stocks 30%-55% Bonds 20%-45% Short-Term	20% Vanguard Total Stock Market Index Fund 5% Vanguard Total International Stock Index Fund 25% Vanguard Asset Allocation Fund 30% Vanguard Total Bond Market II Index Fund 20% Vanguard Short-Term Investment-Grade Fund

Fund Summary Table

Fund Name	Growth	Moderate Growth	Conservative Growth
Ticker/Fund #	VASGX/0122	VSMGX/0914	VSCGX/0724
Asset Class	Balanced: Aggressive Allocation	Balanced: Moderate Allocation	Balanced: Conservative Allocation
Underlying Fund Manager	Vanguard Quantitative Equity Group, Vanguard Fixed Income and Mellon Capital Management	Vanguard Quantitative Equity Group, Vanguard Fixed Income and Mellon Capital Management	Vanguard Quantitative Equity Group, Vanguard Fixed Income and Mellon Capital Management
YTD	20.70%	17.19%	14.96%
1 Year	13.74%	13.82%	13.72%
5 Year	2.10%	2.86%	3.29%
10 Year	1.56%	2.81%	3.67%
Since Inception	7.08%	7.21%	7.02%
Inception Date	9/30/1994	9/30/1994	9/30/1994

College Savings Bank

Attendees: Gil Johnson, President & CEO
Dan Davenport, CMO

Fund Profiles:

Vanguard LifeStrategy Growth Fund

Investment Objective: The Fund seeks to provide capital appreciation and some current income.

Primary Investment Strategies: The Fund invests in other Vanguard mutual funds according to a fixed formula that over time should reflect an allocation of approximately 80% of the Fund's assets to common stocks and 20% to bonds. The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks. Its indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade corporate bonds, as well as mortgage-backed and asset-backed securities. For additional information on the Fund's investment strategies, risks and other policies, please see the attached prospectuses.

Vanguard LifeStrategy Moderate Growth Fund

Investment Objective: The Fund seeks to provide capital appreciation and a low to moderate level of current income.

Primary Investment Strategies: The Fund invests in other Vanguard mutual funds according to a fixed formula that over time should reflect an allocation of approximately 60% of the Fund's assets to common stocks and 40% to bonds. The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks. Its indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade corporate bonds, as well as mortgage-backed and asset-backed securities. For additional information on the Fund's investment strategies, risks and other policies, please see the attached prospectuses.

Vanguard LifeStrategy Conservative Growth Fund

Investment Objective: The Fund seeks to provide current income and low to moderate capital appreciation.

Primary Investment Strategies: The Fund invests in other Vanguard mutual funds according to a fixed formula that over time should reflect an allocation of approximately 40% of the Fund's assets to bonds, 20% to short-term fixed income investments, and 40% to common stocks. The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade corporate bonds, as well as mortgage-backed and asset-backed securities. Its indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, mid and small-cap U.S. stocks and foreign stocks. For additional information on the Fund's investment strategies, risks and other policies, please see the attached prospectuses.