

**nuveen**

A TIAA Company

# Scholars Choice Education Savings Plan<sup>®</sup>



*A Financial Professional-Sold Plan  
established under the CollegeInvest  
Section 529 College Savings Program*

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*Plan Description and Participation Agreement  
19 Jul 2021*

**Trustee & Administrator:** CollegeInvest

**Plan Manager:** TIAA-CREF Tuition Financing, Inc.

**Distributor:** Nuveen Securities, LLC

**Scholars Choice**   
EDUCATION SAVINGS PLAN BY COLLEGEINVEST

## IMPORTANT NOTICES

This Plan Description contains information to be considered in making a decision whether to participate in and contribute to the Scholars Choice Education Savings Plan (the "Plan"). Please keep this Plan Description and the attached Participation Agreement as part of your records.

**Investing is an important decision. You should read this Plan Description in its entirety before making an investment decision.** You should rely only on the information contained in this Plan Description and the attached Participation Agreement. It gives you important information about the Plan and discusses the risks of investing, through the Plan, in the Scholars Choice Education Savings Trust (the "Trust"). No person is authorized to provide information that is different from the information contained in this Plan Description and the attached Participation Agreement. The information in this Plan Description is subject to change without notice. This Plan Description does not constitute an offer to sell or the solicitation of an offer to buy, nor will there be any sale of a security in the Plan by any person, in any jurisdiction in which it is unlawful to make such an offer, solicitation or sale.

Accounts in the Plan may only be established, and contributions to accounts may only be made, through financial intermediaries that have entered into a selling, service or similar agreement with Nuveen Securities, LLC, the primary distributor of interests in the Trust.

**The Colorado income tax deduction for contributions to the Plan, as described herein, is only available to Colorado taxpayers. If you are not a Colorado taxpayer, depending upon the laws of your home state or the home state of your beneficiary, favorable state tax treatment or other benefits such as financial aid, scholarship funds and protection from creditors offered by such home state for investing in Section 529 plans may be available only if you invest in the home state's Section 529 plan. Any state-based benefit offered with respect to a particular Section 529 plan should be one of many appropriately weighted factors considered in making an investment decision. You should consult with your financial or tax professional to learn more about how state-based benefits (including any limitations) would apply to your specific circumstances. You also may wish to contact your home state or other Section 529 plans to learn more about the features, benefits and limitations of that state's Section 529 plans.**

**Interests in the Trust have not been registered with the U.S. Securities and Exchange Commission or with any state.**

**Interests in the Trust are not deposits or other obligations of any depository institution. None of your account, the principal you invest in the Trust, nor any investment return is insured or guaranteed by the Federal Deposit Insurance Corporation, the State, CollegenInvest, any other state or federal governmental agency, any depository institution or any of the service providers to the Plan, including, but not limited to, TIAA-CREF Tuition Financing, Inc. and Nuveen Securities, LLC. In short, you could lose money (including the principal invested), or not make money, if you invest in the Trust.**

**While the Plan is intended primarily as a savings and investment vehicle for post-secondary education expenses, withdrawals may be made on a qualified basis (for federal tax purposes, but not for Colorado tax purposes): (i) to pay for elementary or secondary public, private or religious school tuition expenses, subject to certain limitations, and (ii) to make principal or interest payments on qualified education loans, subject to certain limitations. "Qualified higher education expenses" (for federal tax purposes) also includes fees, books, supplies and equipment required for a beneficiary's participation in an apprenticeship program that is registered and certified with the U.S. Department of Labor. It has not yet been confirmed that apprenticeship program expenses will be treated as "qualified higher education expenses" for Colorado tax purposes. Statements in this Plan Description concerning U.S. and State tax issues are provided for general informational purposes in connection with the promotion or marketing of the Plan, are not offered as tax advice to any person, and are not provided or intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding tax penalties. A taxpayer should seek tax advice based on the taxpayer's particular circumstances from an independent, qualified tax professional.**

CollegenInvest currently administers three other Section 529 plans, including the CollegenInvest Direct Portfolio College Savings Plan, the Stable Value Plus College Savings Plan and the Smart Choice College Savings Plan, and may develop and offer other Section 529 plans in the future. Such other Colorado Section 529 plans

are not described in this Plan Description, and (i) offer different investment options with different underlying investments or different benefits from the Plan; (ii) may be marketed and sold differently from the Plan; and (iii) assess different fees, withdrawal penalties and sales commissions, if any, compared to those assessed by the Plan. Offering materials describing such other Colorado Section 529 plans are available from CollegeInvest or the distributors of such plans.

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Scholars Choice Education Savings Plan Participation Agreement

## INTRODUCTION TO THE SCHOLARS CHOICE EDUCATION SAVINGS PLAN

This Plan Description describes the SCHOLARS CHOICE EDUCATION SAVINGS PLAN (the “Plan”). The Plan is designed for Account Owners who have obtained the services of a broker-dealer, registered investment adviser or other financial intermediary who is authorized to make interests in the Plan available to their clients.

The Plan is sponsored and administered by CollegenInvest, a division of the Colorado Department of Higher Education, and is designed to be a “qualified tuition program” under Section 529 of the Internal Revenue Code (“Code”) which provides an opportunity to invest on a tax-favored basis towards the “qualified higher education expenses” of a designated beneficiary. While the Plan is intended primarily as a savings and investment vehicle for post-secondary education expenses, withdrawals may be made on a qualified basis (for federal tax purposes, but not for Colorado tax purposes): (i) to pay for elementary or secondary public, private or religious school tuition expenses (“K-12 tuition expenses”), subject to certain limitations, and (ii) to make principal or interest payments on qualified education loans, subject to certain limitations. “Qualified higher education expenses” (for federal tax purposes) also includes fees, books, supplies and equipment required for a beneficiary’s participation in an apprenticeship program that is registered and certified with the U.S. Department of Labor. It has not yet been confirmed that apprenticeship program expenses will be treated as “qualified higher education expenses” for Colorado tax purposes. All Account Owners should consult with a qualified tax professional before using a Plan account to pay for any K-12 tuition expenses, to make payments on qualified education loans or to pay apprenticeship program expenses.

TIAA-CREF Tuition Financing, Inc. (“TFI”) serves as the Manager of the Plan under the direction of CollegenInvest pursuant to a management agreement. For additional information, see “OVERSIGHT OF THE PLAN.” TFI provides investment advisory, asset allocation, recordkeeping, reporting and other services for the Plan. Nuveen Securities, LLC (“Nuveen Securities”) is responsible for the marketing and distribution of the Plan.

Any U.S. citizen or resident alien with a valid Social Security number or taxpayer identification number who is at least 18 years of age is eligible to open an Account. An Account may be opened by residents and non-residents of Colorado.

Under the Plan, you may set up an investment account for the benefit of any individual you designate as the beneficiary. Each account will represent an interest in the Trust. Amounts contributed to an account are invested in the investment portfolio(s) that you select. There are several investment portfolios to which you may choose to allocate your investment.

Each of the investment portfolios invests in one or more underlying mutual funds, ETFs and/or a funding agreement, and such investments are approved by CollegenInvest. You own interests in the investment portfolios to which you have allocated assets in your account. You do not have a direct beneficial interest in the underlying mutual funds, ETFs or the funding agreement. As such, you do not have any shareholder or contractual rights with respect to the underlying mutual funds, ETFs or the funding agreement, respectively.

Investments in the investment portfolios are subject to investment risks. You can lose money, including the principal amount you invest. See “THE PLAN RISK FACTORS.”

**The Colorado income tax deduction, as described in this Plan Description, is available only to Colorado taxpayers investing in Colorado plans under current law, which may be changed through future legislative or judicial action. If you are not a Colorado taxpayer, depending upon the laws of your home state or the home state of your beneficiary, favorable state tax treatment or other benefits such as financial aid, scholarship funds and protection from creditors offered by such home state for investing in Section 529 plans may be available only if you invest in the home state’s Section 529 plan. Any state-based benefit offered with respect to a particular Section 529 plan should be one of many appropriately weighted factors considered in making an investment decision. You should consult with your financial, tax or other advisor to learn more about how state-based benefits (including any limitations) would apply to your specific circumstances. You also may wish to contact your home state or other Section 529 plans to learn more about the features, benefits and limitations of that state’s Section 529 plans.**

Applicable tax rules are complex, certain of the rules are uncertain, and their application to any particular person may vary according to facts and circumstances applicable to that person. **You should consult a qualified tax professional regarding the application of the law to your circumstances.**

Account Owners may elect to receive the Plan Description, any amendments to the Plan Description, quarterly account

statements, confirmations and IRS Form 1099-Qs via electronic delivery. Account Owners may make such an election by logging into their account at **scholars-choice.com**. Account Owners with accounts held through omnibus account arrangements should contact their financial professional regarding electronic delivery availability.

Please call your financial professional or 1-888-5-SCHOLAR (1-888-572-4652) to speak with a representative of the Plan Manager if you have questions about the Plan or would like additional information. You also can visit the Scholars Choice Education Savings Plan web site at **scholars-choice.com** for more information about the Plan, to obtain marketing literature, quarterly investment commentary and updated performance information, or to download forms described in this Plan Description.

## KEY TERMS

This section defines certain terms that are used frequently in this Plan Description. Other less frequently used terms are defined elsewhere in this Plan Description.

<b>ABLE</b>	A qualified Achieving a Better Life Experience (“ABLE”) program, as defined in IRC Section 529A(e)(6).
<b>Account</b>	An account in the Scholars Choice Education Savings Plan (the “Plan”).
<b>Account Application</b>	The application form that must be completed and signed by the Account Owner, and submitted to the Plan by a Financial Professional, to open an Account.
<b>Account Owner / You</b>	The owner of an Account.
<b>10% Additional Tax</b>	A 10% additional federal tax imposed on the earnings portion of a Non-Qualified Withdrawal.
<b>Administrative Services / Ascensus</b>	As subcontractor under the Management Agreement, Ascensus College Savings Recordkeeping Services, LLC is responsible for general administrative services including transfer agency services, records administration, fund accounting, and custody.
<b>CollegelInvest Administration Fee</b>	An ongoing fee paid to the Plan Trustee and Administrator, CollegelInvest.
<b>Colorado Section 529 Plans</b>	The Section 529 plans currently administered by CollegelInvest: the Scholars Choice Education Savings Plan, the CollegelInvest Direct Portfolio College Savings Plan, the Stable Value Plus College Savings Plan, and the Smart Choice Savings Plan.
<b>Contingent Deferred Sales Charge / CDSC</b>	To the extent applicable, a sales charge that is paid only when one or more Units are redeemed to satisfy a withdrawal or Qualified Rollover within a certain period of time after purchase.
<b>Designated Beneficiary</b>	The beneficiary for an Account in the Plan as designated by the Account Owner.
<b>Distribution and Service Fees</b>	Ongoing fees paid to the Distributor with respect to Class A and Class C Units to compensate it for paying Selling Institutions ongoing sales commissions and/or advancing the first year’s Distribution and Service Fees to Selling Institutions.
<b>Distributor / Nuveen Securities</b>	Nuveen Securities, LLC
<b>Eligible Educational Institution</b>	Generally, any college, university, technical college, graduate school, professional school or other postsecondary educational institution eligible to participate in a student aid program administered by the U.S. Department of Education. This includes virtually all accredited public, nonprofit, and proprietary (privately owned profit-making) postsecondary institutions. The educational institution should be able to tell you if it is an Eligible Educational Institution. Certain educational institutions located outside the United States also participate in the U.S. Department of Education’s Federal Student Aid (FSA) programs.
<b>Financial Professional</b>	An investment or other professional who works for a Selling Institution and provides advice regarding the purchase of interests in the Trust.
<b>Force Majeure</b>	Circumstances beyond the reasonable control of CollegelInvest, the Plan Manager and its affiliates or subcontractors, including but not limited to regulatory or legislative changes, worldwide political uncertainties, and general economic conditions (such as inflation and unemployment rates), acts of God, acts of civil or military authority, acts of government, accidents, environmental disasters, natural disasters or events, fires, floods, earthquakes, hurricanes, explosions, lightning, suspensions of trading, epidemics, pandemics, public health crises, quarantines, wars, acts of war (whether war is declared or not), terrorism, threats of terrorism, insurrections, embargoes, cyber-attacks, riots, strikes, lockouts or other labor disturbances, disruptions of supply chains, civil unrest, revolutions, power or other mechanical failures, loss or malfunction of utilities or communications services, delays or stoppage of postal or courier services, delays in or stoppages of transportation, and any other events or circumstances beyond our reasonable control whether similar or dissimilar to any of the foregoing.

<b>Funding Agreement</b>	A guaranteed investment contract issued by TIAA-CREF Life Insurance Company (“TIAA-CREF Life”) that provides a guaranteed rate of return to the Trust on the amounts allocated to it by the Investment Portfolios. The minimum effective annual interest rate will be neither less than 1% nor greater than 3% at any time. TIAA-CREF Life may credit interest in addition to the minimum effective annual interest rate at its discretion. The Funding Agreement does not guarantee any rate of return to you or an Account.
<b>Initial Sales Charge</b>	A sales charge paid at the time of purchase of Class A Units (with certain exceptions). The applicable Initial Sales Charge is deducted from the dollar amount of the contribution.
<b>IRC</b>	Internal Revenue Code of 1986, as amended.
<b>Investment Portfolios</b>	The investment portfolios to which you may allocate the assets in your Account.
<b>Management Agreement</b>	The agreement under which CollegenInvest has engaged TFI to serve as the Plan Manager of the Scholars Choice Education Savings Plan.
<b>Member of the Family</b>	<p>A “Member of the Family” of a Designated Beneficiary includes the following persons in relation to the Designated Beneficiary:</p> <ul style="list-style-type: none"> <li>• a child or a descendant of a child;</li> <li>• a brother, sister, stepbrother or stepsister;</li> <li>• the father or mother, or an ancestor of either;</li> <li>• a stepfather or stepmother;</li> <li>• a son or daughter of a brother or sister;</li> <li>• a brother or sister of the father or mother;</li> <li>• a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law;</li> <li>• the spouse of any of the foregoing individuals or the spouse of the Designated Beneficiary; or</li> <li>• a first cousin.</li> </ul> <p>For this purpose, a child includes a legally adopted child, eligible foster child, stepson or stepdaughter, and a brother or sister includes a half-brother or half-sister.</p>
<b>Net Unit Value</b>	The value of a Unit in each Investment Portfolio is computed by dividing (a) the Investment Portfolio’s assets minus its liabilities by (b) the number of outstanding Units of such Investment Portfolio.
<b>Non-Qualified Withdrawal</b>	Any withdrawal from your Account other than (1) a Qualified Withdrawal, (2) a Qualified Rollover, or (3) a Taxable Withdrawal.
<b>NYSE</b>	New York Stock Exchange.
<b>Omnibus Account Arrangement</b>	Accounts established through certain Selling Institutions that are held in a single “omnibus account” in the Selling Institution’s name for the exclusive benefit of its customers. The Selling Institution is responsible for the recordkeeping services for accounts under an Omnibus Account Arrangement.
<b>Participation Agreement</b>	An agreement between an Account Owner and CollegenInvest (as Trustee and Administrator of the Plan) and the Plan Manager.
<b>Plan</b>	The Scholars Choice Education Savings Plan described in this Plan Description.
<b>Plan Management Fee</b>	An ongoing fee paid to the Plan Manager for administering and managing the Plan.
<b>Plan Manager / TFI</b>	TIAA-CREF Tuition Financing, Inc.

<b>Qualified Higher Education Expenses</b>	<p>“Qualified Higher Education Expenses” include: (i) tuition, fees, books, supplies, and equipment required for the enrollment or attendance of a Designated Beneficiary at an Eligible Educational Institution, plus, subject to certain limitations, room and board (including off-campus housing) expenses for a student attending such an institution on at least a half time basis, and (ii) 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 Designated Beneficiary during any of the years the Designated Beneficiary is enrolled at an Eligible Educational Institution. Expenses for computer software designed for sports, games, or hobbies do not qualify as qualified higher education expenses unless the software is predominantly educational in nature. To get the full benefits from the Plan, the Designated Beneficiary does not have to attend an Eligible Educational Institution located in Colorado.</p> <p>“Qualified Higher Education Expenses” for federal tax purposes also include:</p> <ul style="list-style-type: none"> <li>• Expenses for tuition at an elementary or secondary public, private, or religious school (“K-12 tuition expenses”) not to exceed \$10,000 per year in the aggregate from all Section 529 plans with respect to a Designated Beneficiary. Account Owners are responsible for monitoring and complying with the \$10,000 aggregate limit per tax year applicable to withdrawals used to pay for K-12 tuition expenses.</li> <li>• Principal or interest payments on any qualified education loan of the Designated Beneficiary or a sibling of the Designated Beneficiary, subject to a lifetime limitation of \$10,000 per individual. Distributions treated as Qualified Higher Education Expenses with respect to the loans of the sibling of a Designated Beneficiary will count towards the limit of the sibling, not the Designated Beneficiary. Account Owners are responsible for monitoring and complying with the \$10,000 per individual lifetime limitation applicable to withdrawals used to make payments on qualified education loans.</li> <li>• Fees, books, supplies and equipment required for a Designated Beneficiary’s participation in an apprenticeship program that is registered and certified with the U.S. Department of Labor.</li> </ul> <p>Colorado authorities have determined that a withdrawal used to pay for K-12 tuition expenses and/or qualified education loan repayments are to be treated as non-qualified withdrawals for Colorado state tax income tax purposes. It has not yet been confirmed that apprenticeship program expenses will be treated as “qualified higher education expenses” for Colorado tax purposes. State tax treatment of withdrawals for such expenses and payments is determined by the state where you file state income tax, thus Account Owners should consult with a qualified tax professional before withdrawing funds for any such expenses and payments.</p>
<b>Qualified Rollover</b>	<p>A transfer of funds from a Section 529 plan account (1) to an account in another state’s Section 529 plan for the same Designated Beneficiary, provided that it has been at least 12 months from the date of a previous transfer to a Section 529 plan for that Designated Beneficiary; (2) to an account for a new beneficiary, provided that the new beneficiary is a Member of the Family of the previous Designated Beneficiary; or (3) to a Section 529A Qualified ABLE Program (“ABLE”) account for the same Designated Beneficiary, or Member of the Family thereof, subject to certain restrictions.</p>
<b>Qualified Withdrawal</b>	<p>Any withdrawal from your Account that is used to pay the Qualified Higher Education Expenses of the Designated Beneficiary, or sibling of the Designated Beneficiary, where applicable.</p>
<b>Section 529</b>	<p>Section 529 of the Internal Revenue Code of 1986, as amended.</p>
<b>Selling Institutions</b>	<p>Financial intermediaries such as broker-dealers, registered investment advisers, banks, trust companies, and other financial institutions that make interests in the Plan available through a selling, service or a similar agreement with Nuveen Securities.</p>
<b>State</b>	<p>State of Colorado</p>

<b>Taxable Withdrawal</b>	Any withdrawal from an Account that is: (1) paid to a beneficiary of, or the estate of, the Designated Beneficiary on or after the Designated Beneficiary's death; (2) attributable to the permanent disability of the Designated Beneficiary; (3) made on account of the receipt by the Designated Beneficiary of a scholarship award or veterans' or other nontaxable educational assistance (other than gifts or inheritances), but only to the extent of such scholarship or assistance; (4) made on account of the Designated Beneficiary's attendance at a military academy, but only to the extent of the costs of education attributable to such attendance; or (5) equal to the amount of the Designated Beneficiary's relevant Qualified Higher Education Expenses that is taken into account in determining the Designated Beneficiary's American Opportunity Credit or Lifetime Learning Credit.
<b>UTMA / UGMA</b>	Uniform Transfers to Minors Act / Uniform Gifts to Minors Act.
<b>Underlying Funds</b>	The mutual funds, ETFs or the Funding Agreement in which the Investment Portfolios invest.
<b>Underlying Fund Expenses</b>	The expenses of one or more Underlying Funds that are indirectly born by the Units of an Investment Portfolio. The Underlying Fund Expenses of an Investment Portfolio that invests in multiple Underlying Funds are weighted based on the Investment Portfolio's target asset allocations.
<b>Unit</b>	A Unit represents an interest in an Investment Portfolio that you purchased by making a contribution to your Account. Units are used to calculate the value of the assets in your Account.

## OVERVIEW OF THE SCHOLARS CHOICE EDUCATION SAVINGS PLAN

This section provides summary information about the Plan; it is important that you read the entire Plan Description for detailed information.

Feature	Description	Additional Information
<b>Trustee and Administrator</b>	In May 1999, the Colorado General Assembly adopted State of Colorado House Bill 99-1288 (the "Act"), authorizing the establishment of a college savings program. The State of Colorado has established a college savings program that is designed to be a "qualified tuition program" under Section 529. CollegenInvest, a division of the Colorado Department of Higher Education (the "Department"), is the trustee and administrator of various plans, including, since 1999, the Scholars Choice Education Savings Plan (the "Plan"), as part of that college savings program.	See "OVERSIGHT OF THE PLAN" beginning on page 40
<b>Plan Manager</b>	TIAA-CREF Tuition Financing, Inc.	See "OVERSIGHT OF THE PLAN" beginning on page 40
<b>Eligible Account Owner</b>	If you are an Eligible Account Owner, you may open an Account through your Financial Professional. You cannot open an Account in the Plan directly. Any U.S. citizen or resident alien with a valid Social Security number or taxpayer identification number who is at least 18 years of age is eligible to open an Account. An Account may be opened by residents and non-residents of Colorado. Certain types of entities with a valid taxpayer identification number may also open an Account (additional restrictions may apply to such Accounts).	See "OPENING, MAINTAINING AND CONTRIBUTING TO AN ACCOUNT – Opening an Account" beginning on page 11
<b>Eligible Designated Beneficiary</b>	Any U.S. citizen or resident alien with a valid Social Security number or taxpayer identification number.	See "OPENING, MAINTAINING AND CONTRIBUTING TO AN ACCOUNT – Naming a Designated Beneficiary" beginning on page 12
<b>Minimum Contribution</b>	The minimum initial and subsequent contribution to an Account is \$25. If you contribute using payroll direct deposit, you may contribute any dollar amount.	See "OPENING, MAINTAINING AND CONTRIBUTING TO AN ACCOUNT – Minimum Contributions" beginning on page 15
<b>Maximum Contribution Limit</b>	Additional contributions may not be made to your Account to the extent that the proposed contribution, together with the aggregate account balance of all Accounts established under the Plan and all accounts in any other Colorado Section 529 Plan for the same Designated Beneficiary (regardless of Account Owner) would exceed the Maximum Contribution Limit, which is currently \$500,000.	See "OPENING, MAINTAINING AND CONTRIBUTING TO AN ACCOUNT – Maximum Contribution Limit" beginning on page 15
<b>Rebalancing Account Assets</b>	Each contribution to your Account is allocated to the Investment Portfolio(s) that you select for investment. You may rebalance or otherwise reallocate your Account assets among the Investment Portfolios, but such reallocations are subject to a restriction limiting you to two investment rebalances per calendar year. In addition, you may rebalance or otherwise reallocate your Account assets whenever you change the Designated Beneficiary for your Account to a Member of the	Under "MAKING CHANGES TO AN ACCOUNT," see Rebalancing Account Assets Among the Investment Portfolios" beginning on page 18; and "Transferring Funds From

	<p>Family of the previous Designated Beneficiary.</p> <p>Transfers performed pursuant to standing Automatic Dollar Cost Averaging instructions do not count for purposes of the two investment rebalances permitted each calendar year, nor does electing the Automatic Dollar Cost Averaging option at the time you open your Account. However, if you elect or change the Automatic Dollar Cost Averaging option for assets already in your Account, such election or change will be considered a rebalance for purposes of the two investment rebalances permitted each calendar year.</p> <p>Transfers among the Colorado Section 529 Plans for the same beneficiary are considered investment rebalances and are subject to the restriction permitting only two investment rebalances each calendar year.</p>	and To Other Qualified Tuition Plans (Qualified Rollovers)” beginning on page 18
<b>Qualified and Non-Qualified Withdrawals</b>	Withdrawals to pay for Qualified Higher Education Expenses are federal (and potentially state) income tax free. To the extent that withdrawals are not used to pay for Qualified Higher Education Expenses, the earnings portion of such withdrawal may be subject to federal and state income taxes and the 10% Additional Tax.	See “WITHDRAWALS – Types of Withdrawals” beginning on page 19
<b>Unit Classes</b>	<p>The Plan currently has three Unit classes: Class A, Class C, and Class I. Each Unit class has a different fee and sales charge structure. Not all Selling Institutions will make each Unit class available.</p> <p>Class C Units will automatically convert to Class A Units on or about the 18<sup>th</sup> of the month (or the next business day) after the Class C Units have been owned for six years. If your Account is established through an Omnibus Account Arrangement as described below, Class C Units in your account may convert to Class A Units on a different schedule, which is set forth in Appendix B. Immediately following conversion, converted Units are subject to the fee structures applicable to Class A Units. No CDSCs are imposed when Class C Units convert to Class A Units.</p> <p>Class I Units provide Selling Institutions with flexibility regarding their compensation, as Class I Units are not subject to Initial Sales Charges, CDSCs, or Distribution and Service Fees. Class I Units are subject to specific eligibility requirements.</p>	See “CHOOSING A UNIT CLASS” – beginning on page 34
<b>Fees and Expenses</b>	<p>You bear the applicable fees and expenses of the Units you purchase and the Investment Portfolios you select. You must also pay any applicable Initial Sales Charges or CDSCs when you purchase or redeem Units, respectively.</p> <ul style="list-style-type: none"> <li>• <i>Plan Management Fee.</i> All Units pay a Plan Management Fee at an annual rate of 0.15% of the average daily net assets of the corresponding Investment Portfolios, subject to any applicable waivers as described herein.</li> <li>• <i>Distribution and Service Fees.</i> Class A and Class C Units are subject to Distribution and Service Fees. Class A Units pay Distribution and Service Fees of 0.25%. Class C Units pay Distribution and Service Fees of 0.75%. Distribution and Service Fees represent a percentage of the average daily net assets of the Investment Portfolio(s) selected for investment (not applicable to the TIAA Money Market</li> </ul>	See “FEES AND EXPENSES” beginning on page 39

	<p>Portfolio). Class I Units are not subject to Distribution and Service Fees.</p> <ul style="list-style-type: none"> <li>• <i>CollegelInvest Administration Fee.</i> Subject to any fee waiver in effect from time to time, CollegelInvest will receive an administration fee at an annual rate of up to 0.10% of the average daily net assets in each Investment Portfolio. CollegelInvest currently is electing to waive 0.04%, and while such waiver is in effect, all Units pay a CollegelInvest Administration Fee of 0.06%.</li> <li>• <i>Underlying Fund Expenses.</i> All Units indirectly bear the Underlying Fund Expenses of the corresponding Investment Portfolios.</li> <li>• <i>Initial Sales Charge.</i> Class A Units are subject to a maximum Initial Sales Charge of 3.50% upon purchase (excluding Units in the TIAA Money Market Portfolio). Units in certain Enrollment Year Investment Portfolios are subject to a maximum Initial Sales Charge of 2.50% upon purchase.</li> <li>• <i>Contingent Deferred Sales Charge (CDSC).</i> If redeemed within one year of purchase to satisfy a withdrawal or a Qualified Rollover, Class C Units are subject to a CDSC (with certain exceptions as described herein). The CDSC is applied to either the purchase price of the redeemed Units or the redemption proceeds, whichever is less, and the charge is deducted from the redemption proceeds. Class A Units may be subject to a CDSC under limited circumstances.</li> </ul>	
<p><b>Investment Portfolios</b></p>	<p>The Investment Portfolios to which you may allocate your Account assets include:</p> <ul style="list-style-type: none"> <li>• 10 Enrollment Year Investment Portfolios that are based on a future enrollment year and that to varying extents invest in multiple Underlying Funds.</li> <li>• 18 other Investment Portfolios, including – <ul style="list-style-type: none"> <li>• 4 Target Allocation Portfolios that invest in multiple Underlying Funds.</li> <li>• 14 Individual Fund Portfolios, each of which invests in a single Underlying Fund.</li> </ul> </li> </ul> <p>Portfolio asset allocations and Underlying Funds may change from time to time.</p>	<p>See “INVESTMENT PORTFOLIOS” beginning on page 21</p>
<p><b>Investment Advisers to the Underlying Funds</b></p>	<p>The Underlying Funds in which the Investment Portfolios currently invest are managed by:</p> <ul style="list-style-type: none"> <li>• Dimensional Fund Advisors LP</li> <li>• Dodge &amp; Cox Funds</li> <li>• Harris Associates L.P. (Oakmark Funds)</li> <li>• Nuveen Fund Advisors, LLC</li> <li>• Principal Funds, Inc.</li> <li>• Teachers Advisors, LLC</li> <li>• T. Rowe Price Associates, Inc.</li> <li>• Western Asset Management Company, LLC</li> </ul> <p>The Funding Agreement is issued by TIAA-CREF Life Insurance Company.</p>	<p>See “INVESTMENT PORTFOLIOS” beginning on page 21 and “APPENDIX C – UNDERLYING FUNDS ADDENDUM” beginning on page C-1</p>
<p><b>Federal Tax Benefits</b></p>	<ul style="list-style-type: none"> <li>• Earnings accrue free of federal income tax.</li> <li>• Qualified Withdrawals are not subject to federal income tax, including the 10% Additional Tax that is imposed on the earnings portion of a Non-Qualified Withdrawal.</li> <li>• No federal gift tax on contributions of up to \$15,000 (single filer) and \$30,000 (married couple electing to split gifts) for a single year, or \$75,000 (single filer) and \$150,000</li> </ul>	<p>See “TAX INFORMATION – Federal Tax Treatment” beginning on page 42</p>

	<p>(married couple electing to split gifts) if prorated over 5 years.</p> <ul style="list-style-type: none"> <li>Contributions are generally considered completed gifts to the Designated Beneficiary for federal gift and estate tax purposes.</li> </ul>	
<b>Colorado Tax Treatment</b>	<ul style="list-style-type: none"> <li><b>For Account Owners and contributors to an Account who are Colorado income taxpayers, contributions to an Account generally are Colorado state tax deductible to the extent of their Colorado taxable income for the year, subject to recapture for certain non-qualified withdrawals or if there is a rollover to a non-Colorado Section 529 plan or ABLE account.</b></li> <li><b>Contributions made by rollovers from another Section 529 plan do not qualify for the Colorado state income tax deduction.</b></li> <li>Qualified Withdrawals used to pay for the Qualified Higher Education Expenses of a Designated Beneficiary at an Eligible Educational Institution are not included in Colorado taxable income of the Account Owner or Designated Beneficiary.</li> <li>Colorado authorities have determined that withdrawals for K-12 tuition expenses by Colorado taxpayers will be treated as non-qualified withdrawals subject to Colorado state income tax and Colorado's deduction recapture provisions. Account Owners should consult with their tax professionals before using an Account to pay for any K-12 tuition expenses.</li> <li>Withdrawals made to make principal or interest payments on qualified education loans are considered non-qualified withdrawals subject to Colorado state income tax and Colorado's deduction recapture provisions. Account Owners should consult with their tax professionals before using an Account to make payments on qualified education loans.</li> <li>It has not yet been confirmed that apprenticeship program expenses will be treated as qualified higher education expenses for Colorado tax purposes. Non-Colorado Account Owners should check their own state tax laws with respect to the treatment of withdrawals used to pay for apprenticeship program expenses.</li> </ul>	See "TAX INFORMATION – Colorado Income Tax Treatment" beginning on page 44
<b>Omnibus Account Arrangements</b>	<ul style="list-style-type: none"> <li>Accounts established through certain Selling Institutions may be held in a single "omnibus account" in the Selling Institution's name for the exclusive benefit of its customers.</li> <li>Under such an Omnibus Account Arrangement, the Selling Institution is responsible for performing various recordkeeping and administrative services with respect to Accounts established by its customers, including the establishment and maintenance of Accounts, the processing of contributions, withdrawals, Account Owner changes, Designated Beneficiary changes, investment portfolio changes, preparation and delivery of Account statements, confirmations and tax forms, and the mailing of Plan materials to its customers.</li> <li>Different conditions, privileges, services and restrictions, including sales charges and sales charge waivers and discounts and Unit class conversion periods, may be applied by the Selling Institution with respect to the accounts held under an omnibus arrangement than apply</li> </ul>	See "OPENING, MAINTAINING AND CONTRIBUTING TO AN ACCOUNT – Omnibus Accounts" beginning on page 16

	<p>with respect to Accounts held directly with the Plan's transfer agent.</p> <ul style="list-style-type: none"> <li>• A Selling Institution may charge maintenance or other administrative fees for services rendered to accounts held under an omnibus arrangement that are in addition to or in lieu of fees and expenses charged directly by the Plan.</li> <li>• Account Owners should contact their Financial Professional to determine whether such Financial Professional's firm holds Accounts on behalf of its customers under an omnibus arrangement and, if so, to understand the details of such arrangements, including fees and expenses charged by such firm that are not described in this Plan Description.</li> <li>• Please refer to "OMNIBUS SELLING INSTITUTIONS" in <b>Appendix B</b> for additional information.</li> </ul>	
<p><b>Risks of Investing in the Plan</b></p>	<ul style="list-style-type: none"> <li>• Assets in an Account are not guaranteed or insured.</li> <li>• The value of your Account may decrease. You could lose money, including the principal amount contributed.</li> <li>• Federal or Colorado tax law changes could negatively affect the Plan.</li> <li>• Fees, expenses, and charges could increase.</li> <li>• The Plan may terminate, add or merge Investment Portfolios, change the investments underlying the Investment Portfolios, or change the asset allocations for the investments underlying the Investment Portfolios.</li> <li>• Contributions to an Account may adversely affect the Designated Beneficiary's eligibility for financial aid or other benefits.</li> <li>• This Plan Description contains a description of various other risks associated with an investment in the Plan.</li> </ul>	<p>See "THE PLAN RISK FACTORS" beginning on page 30</p>

## OPENING, MAINTAINING AND CONTRIBUTING TO AN ACCOUNT

### OPENING AN ACCOUNT

Those eligible to establish an Account:

- An individual who is at least 18 years of age and a U.S. citizen or resident alien with a valid social security number or tax identification number.
- A trust, corporation, partnership or other entity situated in the U.S. with a valid taxpayer identification number.
- A custodian for a minor under the UTMA/UGMA, or a similar act of any U.S. state, with a taxpayer identification number. Special rules exist for custodians establishing an Account for a beneficiary under the UTMA or UGMA. See "UTMA/UGMA Contributions," below, and page 2 of the Participation Agreement attached to this Plan Description.
- An organization described in Section 501(c)(3) of the IRC with a taxpayer identification number.

There may be only one Account Owner per Account and a Financial Professional must be identified to open an Account. You should consult with your Financial Professional regarding the type of Account to open. A particular Selling Institution may choose to limit the jurisdictions in which it will offer and sell interests in the Plan.

Notwithstanding the eligibility requirements described above for an Account to be opened, in order to maintain compliance with applicable law, the Plan Manager may decline to establish an Account in the event that an account for the intended Designated Beneficiary already exists in the Plan, and/or any other Colorado Section 529 Plans, that may cause the Designated Beneficiary to exceed the Maximum Contribution Limit.

To open an Account, you must complete an Account Application and have your Financial Professional deliver it to the Plan. By signing the Account Application, you agree that the Account is subject to the terms and conditions of the Participation Agreement attached to this Plan Description. You must provide a physical street address that is a permanent U.S. address, and in order to continue to make contributions, your Account must always have a permanent U.S. address associated with it. Each Account, other than Accounts maintained under Omnibus Account

Arrangements, will be established with the Plan Manager as a separate account under the Plan for a single Designated Beneficiary. You must specify in your Account Application how you want your initial contribution invested (or "allocated") among the available Investment Portfolios, and which class of Units you wish to select. Not all Unit classes may be available for purchase, as described herein. You may allocate your contribution to any one or a combination of the available Investment Portfolios. If you elect to contribute to more than one Investment Portfolio, you must also specify how you want your contributions to be allocated among those Investment Portfolios. Your allocation instructions will serve as your standing allocation instructions for future contributions. To learn how to change your standing allocation instructions for future contributions, see "MAKING CHANGES TO AN ACCOUNT — Revising Investment Portfolios for Future Contributions" and "MAKING CHANGES TO AN ACCOUNT — Rebalancing Account Assets Among the Investment Portfolios." Your Account will be established only if the documentation received from you is complete and in good order.

Your contribution will be credited to your Account on the day it is received by the Plan in good order, if it is received before the close of trading on the NYSE. Any contribution received after the close of trading or on a day when the NYSE is not open for trading will be credited to your Account on the next day of trading on the NYSE. Contributions will be credited to your Account only if the documentation received from you is complete and in good order. The Plan Manager and Distributor may decline to open any Account and may refuse any order to purchase Units.

### **NAMING A DESIGNATED BENEFICIARY**

Your Designated Beneficiary must be an individual person. Almost anyone who is a U.S. citizen or legal U.S. resident with a valid social security or tax identification number, including the Account Owner, can be the Designated Beneficiary. There can only be one Designated Beneficiary per Account. You cannot open more than one Account for the same Designated Beneficiary, but other people can open other Accounts for the Designated Beneficiary that you have selected.

### **SELECTING INVESTMENT PORTFOLIOS**

In your Account Application, you will choose how your initial contribution will be allocated among the Investment Portfolios. Your allocation instructions will serve as your allocation instructions for all future contributions made to your Account by any method ("**Allocation Instructions**"). You and your Financial Professional can change your Allocation Instructions at any time online, by telephone or by submitting the appropriate Plan form.

### **DESIGNATING A SUCCESSOR ACCOUNT OWNER**

You may name someone as successor owner ("**Successor Account Owner**") to automatically become the owner of your Account and have all the powers of Account Owner with respect to your Account upon your death. Only Account Owners who are individuals are able to make such a designation. You may change or add a Successor Account Owner on your Account at any time by completing the appropriate Plan form. You should consult with your Financial Professional and tax professional and/or legal advisor regarding the possible tax and legal consequences of making such a change.

### **METHOD OF CONTRIBUTION**

Contributions to an Account may be made by the Account Owner or any other person. If a person other than the Account Owner makes a contribution to an Account, such contribution will be invested in accordance with the Account Owner's standing Allocation Instructions and will be subject to the same fees, charges and expenses as a contribution from an Account Owner. A contributor other than the Account Owner will not retain any control over, or rights to, his or her contribution (or any other portion of the Account) after the contribution is made. A contributor other than the Account Owner will not receive any statements or other information with respect to the contribution or the Account. Any such contribution may have income, gift, estate or generation-skipping transfer tax consequences. ***Any contributor (not just the Account Owner) who is a Colorado taxpayer may be entitled to a deduction from their State adjusted gross income for the year of up to the amount of their Colorado taxable income for contributions made to an Account in such year.*** See "TAX INFORMATION — Colorado Income Tax Treatment."

Contributions to an Account may be made:

- By check drawn on a banking institution located in the United States.
- By recurring contributions from a checking or savings account.
- With an Electronic Funds Transfer ("EFT") from a checking or savings account.
- Through payroll direct deposit.
- With an incoming rollover from another state's 529 Plan or from an account or contract within any other Colorado Section 529 Plans and the Plan for a different beneficiary.

- With redemption proceeds from a Coverdell Education Savings Account (“Coverdell ESA”) or a “qualified United States savings bond” described in IRC Section 135 (“qualified U.S. Savings Bond”).
- Through Ugift®.

### **INELIGIBLE FUNDING SOURCES**

The Plan cannot accept contributions made by cash, travelers check, checks drawn on banks located outside the U.S., checks not in U.S. dollars, checks dated more than 180 days prior to the date of receipt, checks post-dated more than seven (7) days in advance, checks with unclear instructions, starter or counter checks, credit card or bank courtesy checks, third-party personal checks made payable to the Account Owner or Designated Beneficiary over \$10,000, instant loan checks, or any other check the Plan deems unacceptable. The Plan also cannot accept stocks, securities, or other non-cash assets as contributions to your Account.

### **CHECKS**

Checks should be made payable to “Scholars Choice.” A personal check, bank draft, teller’s check, cashier’s checks or a check issued by a financial institution or brokerage firm that is payable to the Account Owner may be endorsed over to “Scholars Choice” by the Account Owner. A third-party personal check up to \$10,000 may also be endorsed over to “Scholars Choice” by the Account Owner. The Plan reserves the right to require payment by wire or U.S. bank check.

### **RECURRING CONTRIBUTIONS**

You may contribute to your Account by authorizing periodic automated debits from a checking or savings account if your bank is a member of the Automated Clearing House (ACH), subject to certain processing restrictions. You can initiate a Recurring Contribution either at the time you open an account in the Plan or later. At account opening, simply complete the Recurring Contribution section of the Application. After the Account is already open, you can establish a Recurring Contribution by submitting an online or written form, or over the phone (if your bank information has been previously submitted and is on file). Your Recurring Contribution can be made on a monthly, quarterly or custom frequency basis.

There is no charge for setting up Recurring Contributions. Recurring Contribution debits from your bank account will occur on the day you indicate, provided the day is a regular business day. If the day you indicate falls on a weekend or a holiday, the Recurring Contribution debit will occur on the next business day. You will receive a trade date of the Business Day on which the bank debit occurs. You can select the date(s) and the month(s) in which you want a Recurring Contribution to occur. Quarterly Recurring Contribution debits will be made on the day you indicate (or the next Business Day, if applicable) every three months, not on a calendar quarter basis. If you do not designate a date, your bank account will be debited on the 20th of the applicable month.

The start date for a Recurring Contribution must be at least three (3) business days from the date of submission of the Recurring Contribution request, regardless of the frequency of your Recurring Contribution. If a start date for a Recurring Contribution is less than three (3) business days from the date of the submission of the Recurring Contribution request, the Recurring Contribution will start on the requested day in the next succeeding month.

Your Recurring Contribution authorization will remain in effect until the Plan has received notification of its termination from you and we have had a reasonable amount of time to act on it. You may also elect to authorize an annual increase to your Recurring Contribution.

You may terminate your Recurring Contribution at any time. For a change or termination of a Recurring Contribution to take effect, it must be received at least three (3) business days before the next scheduled Recurring Contribution. Recurring Contribution changes are not effective until received and processed by the Plan.

### **ONE-TIME ELECTRONIC FUNDS TRANSFER**

You may authorize the Plan to debit your checking or savings account on your Application or, after your Account is opened, by completing the appropriate the Plan form or by contacting the Plan by mail, telephone, or online.

### **PAYROLL DIRECT DEPOSIT**

You may be able to make automatic recurring contributions to your Account through payroll direct deposit if your employer offers such a service. Please check with your employer for more information, and to see whether you are eligible to contribute to the Plan through payroll direct deposit. If eligible, you may submit your payroll direct deposit instructions online or by requesting and completing the appropriate Plan form and mailing it to the Plan. Once the payroll direct deposit form has been received and accepted by the Plan and an Account has been opened, you will need to provide direct deposit instructions, provided by the Plan, through your employer’s self-service payroll portal or

notify your employer to establish the automatic payroll direct deposit. You can change or stop such direct deposits directly through your self-service payroll portal or by contacting your employer.

### **AUTOMATIC DOLLAR-COST AVERAGING PROGRAM**

By selecting the Automatic Dollar-Cost Averaging Program, you may make a lump-sum contribution to an initial Investment Portfolio, and at the time of the lump-sum contribution, designate automatic periodic allocations to one or more Investment Portfolios. An Account must have a minimum of \$250 invested in the initial Investment Portfolio, and the minimum transfer amount into another Investment Portfolio is \$50. These automatic periodic allocations are not considered reallocations for purposes of the twice-per-calendar-year limit on investment rebalances if specified at the time the lump-sum contribution is made. If a date is not specified, the periodic allocations will be made on the 15th of the month or, if that day is not a business day, on the next succeeding business day and will continue until your investment in the initial Investment Portfolio is depleted. Adding or changing the automatic allocation instructions with respect to prior contributions still remaining in the initial Investment Portfolio will constitute an investment rebalance for purposes of the twice-per-calendar-year limitation.

A program of regular investment cannot assure a profit or protect against a loss in a declining market. You should consider that the dollar-cost averaging method involves automatic periodic transfers from the initial Investment Portfolio regardless of fluctuations in the value of the Investment Portfolio's underlying investment(s) (and resulting fluctuations in the Investment Portfolio's Net Unit Value).

### **ROLLOVER CONTRIBUTION INFORMATION**

You may establish an Account through (or a subsequent contribution may consist of) a Qualified Rollover from another qualified tuition program or redemption proceeds from a Coverdell Education Savings Account or U.S. Savings Bond. Please note that Qualified Rollover contributions to the Plan must be accompanied by a basis and earnings statement from the distributing plan that shows the earnings portion of the contribution. If the Plan does not receive this documentation, the entire amount of your contribution will be treated as earnings. This could have negative tax implications under some withdrawal scenarios.

Any direct transfers among any other Colorado Section 529 Plans and the Accounts for the benefit of the same Designated Beneficiary are not Qualified Rollovers. Instead, such transfers are considered to be investment rebalances for purposes of the two investment rebalances permitted each calendar year. See "MAKING CHANGES TO AN ACCOUNT — Rebalancing Account Assets Among the Investment Portfolios" for important information about transferring funds among the Plan and all accounts in any other Colorado Section 529 Plans.

**Transfers to the Plan from accounts in any other Colorado Section 529 Plans (or rebalancing or otherwise transferring assets among the Investment Portfolios) will not entitle the Account Owner or contributor to a Colorado state income tax deduction or any other additional benefit under Colorado or federal tax law.**

Unless your Financial Professional makes a sales charge waiver available to you, Units purchased with Qualified Rollover contributions are subject to the same sales charges and the same fees and expenses as Units purchased with other contributions. You should consult with your financial professional about your particular circumstances. See "MAKING CHANGES TO AN ACCOUNT — Transferring Funds from and to Other Qualified Tuition Programs (Qualified Rollovers)" for important additional information.

### **UTMA/UGMA CONTRIBUTIONS**

In the case of an Account for which the Account Owner is a custodian for a minor under the UTMA, the UGMA or a similar act of any U.S. state, (1) such minor will be the Designated Beneficiary of such Account upon its establishment, and the custodian Account Owner may not select a new Designated Beneficiary of the Account; (2) the Account Owner of the Account may be changed from such custodian (or any successor custodian) only to another custodian for such minor or (if the minor has reached the age of eighteen) to the minor; (3) such minor will have all the rights of an Account Owner upon reaching the age of eighteen (regardless of whether a different age of majority is specified under the UTMA, the UGMA or a similar act, and regardless of whether the Account Owner is changed to the minor); and (4) upon the death of such minor while the Account Owner is a custodian for such minor (regardless of whether such minor has reached the age of eighteen), the Account will be disposed of as part of such minor's estate, and such minor's estate (or a beneficiary thereof entitled to the beneficial interest in the Account, as may be determined by Collegenest and the Plan Manager in their sole discretion) will become the Successor Owner, notwithstanding any designation of Successor Owner to the contrary. See "MAKING CHANGES TO AN ACCOUNT — Designating a Successor Owner."

Because only cash equivalent contributions to an Account are permitted, UTMA or UGMA assets outside the Plan may

need to be liquidated in order to contribute them to an Account, which may have adverse income tax consequences. Also, because the Designated Beneficiary of an Account under the UTMA, the UGMA or a similar act is the sole beneficial owner of the Account, any adverse tax consequences associated with the Account, including any withdrawals from the Account, will be imposed on the Designated Beneficiary (and not the custodian who is the Account Owner and legal owner of the Account).

A UTMA or UGMA custodian who is an Account Owner in that capacity may also be the Account Owner of a separate Account for the same Designated Beneficiary, in an individual, non-custodial capacity, to hold assets in the Plan that are not subject to the UTMA, the UGMA or a similar act (but the aggregate value of the Accounts for the same Designated Beneficiary will be subject to the Maximum Contribution Limit). None of the Plan, CollegenInvest, the State, the Plan Manager, or the Distributor will be liable for any consequences related to a custodian's proper or improper use, transfer or characterization of custodial funds.

You must notify the Plan when the custodianship terminates and your Designated Beneficiary is legally entitled to take control of the Account by completing the appropriate Plan form. At that time, the Designated Beneficiary will become the Account Owner and will become subject to the provisions of the Plan applicable to non-UTMA/UGMA Account Owners. If you do not direct the Plan to transfer ownership of the Account when the Designated Beneficiary is legally entitled to take control, the Plan may freeze the Account. Some UTMA/UGMA laws allow for more than one age at which the custodianship terminates. The Plan may freeze the Account based on the youngest allowable age of termination of the custodianship according to the UTMA/UGMA laws where the custodianship Account was established, based on the Plan's records. The UTMA or UGMA custodian who is the Account Owner may be required to provide documentation to the Plan if the age of termination of the UTMA/UGMA Account is other than the youngest allowable age under the applicable UTMA/UGMA law or if the applicable UTMA/UGMA law differs from the Plan's records.

#### **UGIFT®**

You may invite family and friends to contribute to your Account through Ugift to provide a gift to your Designated Beneficiary. You provide a unique contribution code to selected family and friends, and gift givers can either contribute online through a one-time or recurring EFT or by mailing in a gift contribution coupon with a check made payable to Ugift – Scholars Choice. There may be potential tax consequences of gift contributions invested in your Account. You and the gift giver should consult a tax professional for more information. For more information about Ugift, visit [www.ugift529.com](http://www.ugift529.com). Ugift is a registered service mark of Ascensus Broker Dealer Services, LLC.

#### **MINIMUM CONTRIBUTIONS**

The minimum initial and subsequent contribution to an Account is \$25. If you contribute using payroll direct deposit, you may contribute any dollar amount.

#### **MAXIMUM CONTRIBUTION LIMIT**

By federal and State law, additional contributions may not be made to your Account to the extent that the proposed contribution, together with the aggregate account balance of all accounts for all other Colorado Section 529 Plans for the same Designated Beneficiary (regardless of Account Owner) would exceed a certain level (the "**Maximum Contribution Limit**"). The Maximum Contribution Limit may be increased or decreased by CollegenInvest from time to time as CollegenInvest deems necessary or advisable.

The Maximum Contribution Limit in effect as of the date of this Plan Description is \$500,000. The Plan Manager will take measures to ensure that contributions for any Designated Beneficiary will not be accepted to the extent that an intended contribution would cause the aggregate balance for all applicable accounts for such Designated Beneficiary (regardless of Account Owner) to exceed the Maximum Contribution Limit. The Maximum Contribution Limit applies no matter which Investment Portfolio or combination of Investment Portfolios you select for your Account. No assurance can be given that the amount held in an Account or Accounts for any Designated Beneficiary will be sufficient to pay the Qualified Higher Education Expenses of the Designated Beneficiary, even if the Account balance reaches the Maximum Contribution Limit.

#### **SUBSTANTIATING TRANSACTIONS INVOLVING YOUR ACCOUNT**

You and your Designated Beneficiary are responsible, under federal and State tax law, to substantiate your treatment of contributions to, withdrawals from, and other transactions involving your Account. You should retain receipts, invoices and other documents and information adequate to substantiate your treatment of such transactions.

#### **PERSONAL INFORMATION**

An Account Owner must provide such documentation and other information regarding the Account Owner, and any

other person who may have an interest in an Account (“**Identity Information**”), as the Plan Manager may deem appropriate for purposes of complying with anti-money laundering laws and regulations, the Plan’s anti-money laundering processes, procedures and requirements, and other applicable laws and regulations, all as may be amended from time to time. If an Account Owner does not provide Identity Information requested on the Account Application, the Plan Manager may refuse to open an Account for the Account Owner. The Plan Manager may also request that an Account Owner provide additional Identity Information at any time after an Account is opened. If an Account Owner fails to provide Identity Information requested on the Account Application, or immediately upon request at any time after the Account is opened, or if the Plan Manager is unable to verify any Identity Information to its satisfaction, the Plan Manager may, without prior notice to the Account Owner, reject contributions and withdrawal and transfer requests, suspend Account services, close the Account or take any other action permitted by applicable laws and regulations. Units redeemed as a result of closing an Account will be valued at the Units’ Net Unit Value next calculated after the Plan Manager closes the Account. The risk of market loss, tax implications and any other expenses resulting from the liquidation will be solely the Account Owner’s responsibility.

### **COMMUNITY PROPERTY LAWS**

If you are a current or former resident of any state that has community property laws and you are concerned about the application of those laws to contributions, withdrawals and ownership of Accounts, you should consult a legal professional. Community property issues such as limitations on gifts of community property and ownership of community property upon death or dissolution of marriage are not discussed in this Plan Description.

### **UNCLAIMED PROPERTY LAWS**

Each state has unclaimed property laws which may require an Account to be turned over to the applicable state in the event that there is no activity on such Account over a designated period and/or Plan mailings are returned to the Manager or its designee. Such laws also may require that funds associated with withdrawal checks that are not cashed within a specified period of time be turned over to the applicable state. The applicable state for these purposes is usually determined by the most recent address on file of the Account Owner.

### **PROHIBITION ON PLEDGES, ASSIGNMENTS AND LOANS**

Your Account may not be assigned, transferred or pledged as security for a loan or debt by you or the Designated Beneficiary of your Account, and any attempted assignment, transfer or pledge of your Account will be void. Neither you nor your Designated Beneficiary may receive a loan secured by amounts in your Account.

### **OMNIBUS ACCOUNTS**

The Plan is distributed by Selling Institutions, which are financial intermediaries who enter into agreements with the Plan Manager and/or the Distributor to make interests in the Plan available to their customers. Certain Selling Institutions perform customer account recordkeeping services such as accepting and processing initial and subsequent contributions; delivering financial reports, statements and other information; and accepting and processing distribution requests. Typically, in such a situation, a Selling Institution maintains one single account per class of Units held with the Plan in the Selling Institution’s name for the exclusive benefit of its customers. Underlying Account Owner information is held on the Selling Institution’s books and trades are typically aggregated for transmission to the Plan. These accounts are referred to as omnibus accounts.

You may purchase interests in the Plan through a Financial Professional, who is an investment or other professional who works for a Selling Institution. When you invest through a Financial Professional of a Selling Institution that maintains an omnibus account with the Plan for trading on behalf of its customers, additional fees as well as different guidelines, conditions, services and restrictions may apply that vary from those discussed in this Plan Description. Depending on a particular Selling Institution’s policies, these differences may include, but are not limited to: (1) eligibility standards to purchase, exchange and sell Units; (2) availability of sales charge waivers and fees; (3) difference in minimum initial and subsequent contribution amounts; (4) availability of Letter of Intent (as defined below) privileges; and (5) different conversion periods for Class C Units. Additionally, if you invest through a Selling Institution that maintains an omnibus account, and you have one or more other Accounts with the Plan, you must notify the Selling Institution and the Plan, in advance, about your other Accounts so that the availability of sales charge waivers, Letter of Intent or other Rights of Accumulation privileges and/or other the Plan features are properly applied to your Accounts. You may be asked to provide additional information.

Additional conditions may apply to your investment in the Plan, and the Selling Institution may charge you a transaction-based, administrative or other fee for its services. These conditions and fees are in addition to those imposed by the Plan. Please refer to “OMNIBUS SELLING INSTITUTIONS” in **Appendix B** for additional information.

## **RULES AND REGULATIONS**

Your Account and your Participation Agreement are subject to all rules, regulations, guidelines and procedures adopted by the State from time to time. The State's applicable regulations, rules, guidelines and procedures are generally described and summarized herein.

### **MAKING CHANGES TO AN ACCOUNT**

#### **GENERAL**

You can change your Designated Beneficiary, transfer funds to and from other Accounts under the Plan, transfer funds to and from accounts in other qualified tuition programs, or transfer funds to an ABLÉ account by following instructions provided by the Plan Manager. Generally, these changes or transfers will not have adverse federal income tax consequences if there is a change in Designated Beneficiary and the new Designated Beneficiary (of your Account or the other account, as the case may be) is a Member of the Family of the immediately preceding Designated Beneficiary. You may also transfer funds to or from an account in another qualified tuition program for the benefit of the same Designated Beneficiary without adverse federal income tax consequences, so long as such transfer does not occur within 12 months from the date of a previous transfer to any qualified tuition program for the same Designated Beneficiary. You may also transfer funds in your Account to an ABLÉ account for the Designated Beneficiary or Member of the Family of the Designated Beneficiary, subject to applicable ABLÉ contribution limits. In addition, if you intend to withdraw and transfer funds to or from accounts in other qualified tuition programs, the withdrawn funds must be deposited to the new account within 60 days of withdrawal in order for the transaction not to have adverse federal income tax consequences.

Various restrictions apply to all of these transactions in addition to the limitation on contributions discussed under "OPENING, MAINTAINING AND CONTRIBUTING TO AN ACCOUNT — Maximum Contribution Limit." Also, see "TAX INFORMATION — Federal Tax Treatment — Federal Gift, Estate and Generation-Skipping Transfer Taxes" for possible adverse gift, estate and generation-skipping transfer tax consequences of changes to an Account, and "TAX INFORMATION — Colorado Income Tax Treatment – Recapture" for possible adverse state income tax consequences for Colorado taxpayers when transferring funds from an Account to accounts in a non-Colorado Section 529 plan or ABLÉ plan.

#### **CHANGING A DESIGNATED BENEFICIARY**

You can change the Designated Beneficiary of your Account, but in order to avoid adverse federal income tax consequences, the new Designated Beneficiary of your Account must be a Member of the Family of the prior Designated Beneficiary. You may not change the Designated Beneficiary to the extent that such change would cause the aggregate account balance of all applicable accounts in the Plan and any other Colorado Section 529 Plans for the new Designated Beneficiary to exceed the Maximum Contribution Limit. You may not change the Designated Beneficiary of an UTMA/UGMA Account as described in "OPENING, MAINTAINING AND CONTRIBUTING TO AN ACCOUNT – UTMA/UGMA Contributions."

#### **TRANSFER OF ACCOUNT FUNDS TO OTHER ACCOUNTS WITHIN THE PLAN**

You may also transfer all or a portion of your Account balance to an Account in the Plan for a different Designated Beneficiary. As is the case with changing Designated Beneficiaries, in order to avoid adverse federal income tax consequences, the Designated Beneficiary of the Account receiving the transferred funds must be a Member of the Family of the Designated Beneficiary of the Account from which the funds are transferred. You may not transfer the funds to the extent such transfer would cause the aggregate account balance of all applicable accounts (regardless of account owner) under the Plan and any other Colorado Section 529 Plans for the new Designated Beneficiary to exceed the Maximum Contribution Limit. If there is no Account for the new Designated Beneficiary, a new Account Application must be completed to establish the Account and transfer the funds.

Assets transferred from one Account to another Account within the Plan for a different Designated Beneficiary will be used to purchase the same class of Units as those being sold in connection with the transfer, regardless of the Investment Portfolio that the Account Owner selects to invest in with the transferred funds. The new Units will retain the same holding-period characteristics as the previously held Units with respect to any CDSC which may apply and, for Class C Units, any future conversion to Class A Units.

#### **CHANGING A SUCCESSOR ACCOUNT OWNER**

You may change or add a Successor Account Owner on your Account at any time by completing the appropriate Plan form. You should consult with your Financial Professional and tax and/or legal professional regarding the possible tax and legal consequences of making such a change. Your designation of a Successor Account Owner may be changed or revoked at any time.

### **TRANSFER OF ACCOUNT OWNERSHIP**

The Plan Manager may also permit an Account Owner to transfer ownership of an Account during the Account Owner's lifetime to another individual or entity that is then eligible to be an Account Owner by completing the appropriate Plan form. Any such transfer will be irrevocable, and the former Account Owner will retain no control or ownership of the Account. The tax treatment of such a transfer during the former Account Owner's lifetime is not specified under existing federal tax laws and is therefore somewhat uncertain. You should consult with your tax professional prior to taking any action to transfer ownership of your Account.

### **REVISING INVESTMENT PORTFOLIOS FOR FUTURE CONTRIBUTIONS**

You and your Financial Professional can change your Allocation Instructions at any time online, by telephone or by submitting the appropriate Plan form.

### **REBALANCING ACCOUNT ASSETS AMONG THE INVESTMENT PORTFOLIOS**

You and your Financial Professional may also rebalance or otherwise reallocate your Account assets among the Investment Portfolios, but such reallocations are subject to the restriction limiting you to two investment rebalances per calendar year. In addition, you may rebalance or otherwise reallocate your assets among the Investment Portfolios whenever you change your Account's Designated Beneficiary to a Member of the Family of the previous Designated Beneficiary. See "Changing a Designated Beneficiary" above.

Assets reallocated from one Investment Portfolio to another will be used to purchase the same class of Units in the selected Investment Portfolio as those being redeemed in connection with the rebalance. The new Units will retain the same holding-period characteristics as the previously held Units with respect to any CDSC which may apply and, for Class C Units, any future conversion to Class A Units.

Rebalancing Account assets among the Investment Portfolios will not entitle the Account Owner to a Colorado state income tax deduction and may be subject to a sales charge.

### **TRANSFERRING FUNDS FROM AND TO OTHER QUALIFIED TUITION PLANS (QUALIFIED ROLLOVERS)**

You may rollover funds from another qualified tuition program to an Account (an "Incoming Rollover"). Incoming Rollovers may be direct or indirect.

- Direct Incoming Rollovers involve the transfer of funds directly from another qualified tuition program to your Account.
- Indirect Incoming Rollovers involve the transfer of funds from another qualified tuition program to the Account Owner, who then contributes the funds to an Account.

Please note that Incoming Rollovers to the Plan must be accompanied by a basis and earnings statement from the distributing plan that shows the earnings portion of the contribution. If the Plan does not receive this documentation, the entire amount of your contribution will be treated as earnings. This could have negative tax implications under some withdrawal scenarios.

You may also roll over funds from your Account to another qualified tuition program or an ABLÉ account (an "**Outgoing Rollover**"). Like Incoming Rollovers, Outgoing Rollovers may be direct or indirect.

- Direct Outgoing Rollovers involve the transfer of funds directly from an Account to another qualified tuition program or an ABLÉ account.
- Indirect Outgoing Rollovers involve the transfer of funds from an Account to the Account Owner, who then contributes the funds to another qualified tuition program or an ABLÉ account.

Generally, in order to avoid adverse tax consequences:

- If the Designated Beneficiary for an Account receiving an Incoming Rollover is not the same beneficiary of the account from which the funds were directly or indirectly transferred, in order for the Incoming Rollover to be a Qualified Rollover, the Designated Beneficiary of the Account must be a Member of the Family of the other beneficiary.
- If the Designated Beneficiary for an Account receiving an Incoming Rollover is the same beneficiary of the account from which the funds were directly or indirectly transferred, in order for the Incoming Rollover to be a Qualified Rollover, the transfer does not occur within 12 months from the date of a previous transfer to any

qualified tuition program for that beneficiary. In addition, for an indirect Incoming Rollover to be a Qualified Rollover, you must contribute the funds into the Account within 60 days after you have withdrawn the funds from the other qualified tuition program.

- The Outgoing Rollover must be a Qualified Rollover (otherwise, the Outgoing Rollover will be considered a Taxable Withdrawal or a Non-Qualified Withdrawal).
- For an indirect Outgoing Rollover to be a Qualified Rollover, the contribution to the other qualified tuition program or the ABLE account must occur within than 60 days after you have withdrawn the funds.
- Distributions from an Account in connection with a rollover to an ABLE account must occur before January 1, 2026 in order to be a Qualified Rollover.

Please note that unless your Financial Professional makes a sales charge waiver available to you, Units purchased with Incoming Rollovers are subject to the same charges and fees, including Initial Sales Charges and CDSCs (as applicable), as Units purchased with other contributions. A sales charge waiver may not be available through all Selling Institutions. Outgoing Rollovers from the Plan are subject to any applicable CDSCs. In addition, if you purchase interests in another qualified tuition program or an ABLE plan with an Outgoing Rollover, your purchase may be subject to sales charges imposed by the receiving program or the ABLE plan. **A State taxpayer who directs an Outgoing Rollover to a non-Colorado Section 529 plan or ABLE account may be subject to State tax recapture. See “TAX INFORMATION – Colorado Income Tax Treatment.”**

Any direct transfers among the Plan and any other Colorado Section 529 Plans for the benefit of the same Designated Beneficiary are not Qualified Rollovers. Instead, such rollovers are considered to be investment rebalances for purposes of the two investment rebalances permitted each calendar year. See “Rebalancing Account Assets Among the Investment Portfolios” above for important information about transferring funds between the Plan and any other Colorado Section 529 plan.

**Rollovers to the Plan, and transfers among Colorado Section 529 Plans, will not entitle the Account Owner or contributor to a Colorado income tax deduction and may be subject to a sales charge.** The qualified tuition program or ABLE plan to which or from which you are transferring funds may impose other restrictions or fees on Qualified Rollovers, so you should investigate them thoroughly. Contact your Financial Professional or the Plan Manager for more information about how to complete Qualified Rollovers. You should also discuss any potential tax consequences of Qualified Rollovers with a tax professional.

## WITHDRAWALS

### GENERAL

You may request a withdrawal (also referred to as a “distribution”) from your Account by notifying the Plan Manager, or by having your Financial Professional do so on your behalf. Withdrawals may be submitted by phone, online or by completing and submitting the appropriate Plan form. Withdrawals may be made payable to the Account Owner, the Designated Beneficiary, an Eligible Educational Institution or another qualified tuition program; however, if you make a request for a Non-Qualified Withdrawal, the proceeds may only be made payable to the Account Owner.

You will receive the Unit value next calculated for the Investment Portfolio(s) you choose after the Plan receives your completed request in good order. You will not be able to withdraw a contribution until eight (8) business days after receipt of that contribution by the Plan. Generally, if you make a change to your mailing address, no withdrawals may be made from the Account until twenty (20) business days after the Plan has received the request. If you make a change to your banking information on file, or if you transfer the Account to a new Account Owner, no withdrawals may be made from the Account for thirty (30) calendar days after the Plan receives the request. You will be required to provide a medallion signature guarantee for withdrawal requests of \$100,000 or more.

If your Account is invested in more than one Investment Portfolio, for every withdrawal that you make from your Account, you may select the Investment Portfolio or Investment Portfolios from which the withdrawal will be made or you may choose a prorated withdrawal.

You and your Designated Beneficiary are responsible, under federal and State tax law, to substantiate your treatment of withdrawals from your Account. You should retain receipts, invoices and other documents and information adequate to substantiate your treatment of withdrawals including documents related to your treatment of expenses as Qualified Higher Education Expenses.

## TYPES OF WITHDRAWALS

Each withdrawal you make from your Account will fall into one of the following categories: a Qualified Withdrawal, a Qualified Rollover, a Taxable Withdrawal, or a Non-Qualified Withdrawal. You should consult your accountant, financial or tax professional with respect to your own circumstances. Please review the "TAX INFORMATION" section for further detail on the tax consequences of withdrawals, including tax consequences under State law.

### Qualified Withdrawals

To be a Qualified Withdrawal, the withdrawal must be used to pay for Qualified Higher Education Expenses of the Designated Beneficiary, or sibling of the Designated Beneficiary, where applicable. No portion of a Qualified Withdrawal is subject to federal income tax, including the 10% Additional Tax.

Qualified Higher Education Expenses are defined by Section 529 generally to include tuition, fees, books, supplies and equipment required for the enrollment or attendance of a Designated Beneficiary at an Eligible Educational Institution, certain room and board expenses, and the cost of computers, hardware, certain software, and internet access and related services. Qualified Higher Education Expenses include certain additional enrollment and attendance costs of special needs beneficiaries. Unlike other expenses, the cost of room and board may be treated as Qualified Higher Education Expenses only if it is incurred during an academic period during which the Designated Beneficiary is enrolled or accepted for enrollment in a degree, certificate or other program that leads to a recognized educational credential awarded by an Eligible Educational Institution, and during which the Designated 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 Designated Beneficiary is pursuing based on the standard at the Designated Beneficiary's Eligible Educational Institution.) The amount of room and board expenses that may be treated as a Qualified Higher Education Expense is generally limited to the room and board allowance applicable to a student that is included 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 invoice amount charged by the Eligible Educational Institution for room and board is higher than the "cost of attendance" figure, then the actual invoice amount may be treated as qualified room and board costs.

To be treated as Qualified Higher Education Expenses, computers, hardware, software, and internet access and related services must be used primarily by the Designated Beneficiary while enrolled at an Eligible Educational Institution. Qualified Higher Education Expenses do not include expenses for computer software designed for sports, games, or hobbies unless the software is predominantly educational in nature.

For federal income tax purposes, any reference to Qualified Higher Education Expenses also includes (i) a reference to tuition in connection with enrollment or attendance at a primary (i.e., elementary school) or secondary (i.e., middle school or high school) public, private, or religious school up to a maximum of \$10,000 of distributions for such tuition expenses per taxable year per Designated Beneficiary from all 529 Plans; (ii) expenses for fees, books, supplies, and equipment required for participation of a Designated Beneficiary in an apprenticeship program registered and certified with the Secretary of Labor under the National Apprenticeship Act; and (iii) amounts paid as principal or interest on any qualified education loan of either the Designated Beneficiary, or a sibling of the Designated Beneficiary, up to a lifetime limit of \$10,000 per individual. Distributions treated as Qualified Higher Education Expenses with respect to the loans of a sibling of a Designated Beneficiary will count towards the limit of the sibling, not the Designated Beneficiary. Such loan repayments may impact student loan interest deductibility.

**State tax treatment of withdrawals for K-12 tuition expenses, apprenticeship expenses, and payment of qualified education loans is determined by the state where you file state income tax. Please consult with a tax professional before withdrawing funds for any such expenses.**

### Qualified Rollovers

A Qualified Rollover is a transfer of funds from an Account (1) to another state's qualified tuition program for the benefit of the same beneficiary, provided that it has been at least 12 months from the date of a previous transfer to a qualified tuition program for that beneficiary, (2) to another qualified tuition program (including any other Colorado Section 529 Plans) for a beneficiary of the account (or Account) receiving the funds that is a Member of the Family of the Designated Beneficiary of the Account transferring the funds, or (3) to an ABLE account for the Designated Beneficiary or Member of the Family of the Designated Beneficiary, subject to applicable ABLE contribution limits.

Distributions from an Account in connection with a rollover to an ABLE account must occur before January 1, 2026 in order to qualify as a Qualified Rollover. Qualified Rollovers are generally federal income tax-free.

### **Taxable Withdrawals**

A Taxable Withdrawal is any withdrawal from an Account that is: (1) paid to a beneficiary of, or the estate of, the Designated Beneficiary on or after the Designated Beneficiary's death; (2) attributable to the permanent disability of the Designated Beneficiary; (3) made on account of the receipt by the Designated Beneficiary of a scholarship award or veterans' or other nontaxable educational assistance (other than gifts or inheritances), but only to the extent of such scholarship or assistance; (4) made on account of the Designated Beneficiary's attendance at a military academy, but only to the extent of the costs of education attributable to such attendance; or (5) equal to the amount of the Designated Beneficiary's relevant Qualified Higher Education Expenses that is taken into account in determining the Designated Beneficiary's American Opportunity Credit or Lifetime Learning Credit.

The earnings portion of a Taxable Withdrawal is subject to federal income tax, but not the 10% Additional Tax.

### **Non-Qualified Withdrawals**

A Non-Qualified Withdrawal is any withdrawal from your Account other than (1) a Qualified Withdrawal, (2) a Qualified Rollover or (3) a Taxable Withdrawal. For a Non-Qualified Withdrawal, the earnings portion of such withdrawal is subject to federal and state income taxes and the 10% Additional Tax.

**A State taxpayer who directs a Non-Qualified Withdrawal may be subject to State tax recapture. See "TAX INFORMATION – Colorado Income Tax Treatment."**

### **SYSTEMATIC WITHDRAWALS**

You may make withdrawals from your Account using the systematic withdrawal option, which allows an Account Owner to make periodic withdrawals from a selected Investment Portfolio. You can add the systematic withdrawal option, change the timing and amount of your withdrawal or stop your participation in the option through the secure portion of the Plan's website, or by completing the appropriate Plan form.

### **CANCELLATION OF YOUR PARTICIPATION AGREEMENT**

You can cancel your Participation Agreement and close your Account at any time by written notice to the Plan Manager, accompanied by the appropriate Plan form.

The Plan Manager may close any Account if the Plan Manager finds that the Account Owner or the Designated Beneficiary has provided false or misleading information, or at such other time as may be determined by the Plan Manager and Collegenest to be in the best interests of the Plan.

If you close your Account, or if your Account is closed, the full amount of your withdrawn Account assets will be subject to any applicable CDSCs. If the withdrawal is not a Qualified Withdrawal, the earnings portion of the withdrawal may also be subject to the imposition of federal and state income taxes and the 10% Additional Tax.

## **INVESTMENT PORTFOLIOS**

***PLEASE NOTE: An important consideration when saving for education is that the expected holding period of your investment changes over time as the Designated Beneficiary ages. Variations in Account value close to the time of expected use can have a meaningful impact on your financial plan, as losses may not be recoverable before the proceeds are required. Before selecting Investment Portfolios and periodically thereafter, you and your Financial Professional should seriously consider the level of risk you wish to assume, your investment time horizon, other resources and liabilities, and any other factor that is important to you.***

The Plan offers multiple Investment Portfolios, including:

- 10 Enrollment Year Investment Portfolios that, to varying extents depending on the number of years until the target enrollment year, invest in multiple Underlying Funds.
- 18 other Investment Portfolios, including:
  - 4 Target Allocation Portfolios that, to varying extents, invest in multiple Underlying Funds.
  - 14 Individual Fund Portfolios, each of which invests in a single Underlying Fund.

The Investment Portfolios that are currently available through the Plan are listed below. The Investment Portfolios are subject to certain risks. Please see "THE PLAN RISK FACTORS," for a discussion of the principal risks relating to the Plan, and "UNDERLYING FUNDS ADDENDUM" in **Appendix C**, for a discussion of the risks relating to the Underlying Funds. **Investment Portfolios may be removed from the Plan and additional Investment Portfolios may be**

added to the Plan in the future, and the Investment Portfolios' underlying investments may change at any time.

<b>Scholars Choice Investment Portfolios</b>	
<b>Enrollment Year Investment Portfolios</b>	<b>Individual Fund Portfolios</b>
2038 / 2039 Enrollment Portfolio	<b><i>U.S. Equities</i></b>
2036 / 2037 Enrollment Portfolio	TIAA Large Cap U.S. Equity Index Portfolio
2034 / 2035 Enrollment Portfolio	Santa Barbara Dividend Growth Portfolio
2032 / 2033 Enrollment Portfolio	Principal Equity Income Portfolio
2030 / 2031 Enrollment Portfolio	T. Rowe Price Large Cap Growth Portfolio
2028 / 2029 Enrollment Portfolio	Principal Mid Cap Portfolio
2026 / 2027 Enrollment Portfolio	TIAA U.S. Small Cap Portfolio
2024 / 2025 Enrollment Portfolio	<b><i>Non-U.S. Equities</i></b>
2022 / 2023 Enrollment Portfolio	Oakmark International Portfolio
In School Portfolio	DFA Emerging Markets Portfolio
<b>Target Allocation Portfolios</b>	<b><i>Fixed Income</i></b>
All Equity Allocation Portfolio	Western Asset Core Plus Bond Portfolio
Growth Allocation Portfolio	Dodge & Cox Global Fixed Income Portfolio
Balanced Allocation Portfolio	<b><i>Cash Equivalents</i></b>
Conservative Allocation Portfolio	TIAA Money Market Portfolio
	<b><i>Environmental, Social &amp; Governance (ESG)</i></b>
	Nuveen ESG Large Cap U.S. Equity Portfolio
	Nuveen ESG International Developed Equity Portfolio
	Nuveen ESG U.S. Aggregate Bond Portfolio

You may allocate contributions to one or more of the Investment Portfolios. Other than selecting how to allocate contributions to the Plan among one or more of the Investment Portfolios, under federal law, neither Account Owners nor Designated Beneficiaries may exercise any investment discretion, directly or indirectly, over contributions to an Account or any earnings on contributions. Accordingly, once your assets are invested, there are restrictions on moving such assets to different Investment Portfolios. See "MAKING CHANGES TO AN ACCOUNT – Rebalancing Account Assets Among the Investment Portfolios."

The Investment Portfolios are authorized by CollegenInvest as trustee of the Plan. CollegenInvest as trustee may permit the addition or removal of Investment Portfolios or changes in the target investment allocations of, or the investments held by, any Investment Portfolio at any time. The allocation tables accompanying the Investment Portfolio descriptions below indicate the current target investment allocations for each Investment Portfolio.

Like the asset allocations, the percentage of contributions that will be allocated to each of the Underlying Funds included in any Investment Portfolio may be changed from time to time by CollegenInvest. CollegenInvest reserves the right to discontinue offering Units in any Investment Portfolio or to offer Units of additional Investment Portfolios at any time. In addition, CollegenInvest has the authority to merge, terminate or reorganize Investment Portfolios. All of these actions can be taken without the consent of Account Owners.

Account Owners own interests in the Investment Portfolios to which they have allocated assets in their Accounts. Neither Account Owners nor Designated Beneficiaries have a direct beneficial interest in the Underlying Funds. As such, neither Account Owners nor Designated Beneficiaries have any shareholder or contractual rights with respect to the Underlying Funds.

**CHOOSING INVESTMENT PORTFOLIOS**

The Investment Portfolios described in this Plan Description allow Account Owners to employ different investment strategies. The following general statements herein may be a useful starting point in choosing Investment Portfolios. More information about the Underlying Funds, with the exception of the Funding Agreement, is contained in the

“UNDERLYING FUNDS ADDENDUM” in **Appendix C** to this Plan Description. However, you should consult your Financial Professional about which Investment Portfolio to select for your Account and if you wish to evaluate your individual financial circumstances. See “THE PLAN RISK FACTORS” for a description of certain risks associated with an investment in the Plan.

### **TARGET ASSET ALLOCATIONS OF THE INVESTMENT PORTFOLIOS**

Amounts invested in the Investment Portfolios are allocated among one or more Underlying Funds in accordance with the policies of CollegeInvest, which may be changed from time to time. With the exception of the Funding Agreement, the Underlying Funds in which the Investment Portfolios invest as of the date of this Plan Description are described in the “UNDERLYING FUNDS ADDENDUM” in **Appendix C**.

The target asset allocations of each Investment Portfolio described herein are in effect as of the date of this Plan Description, as it may be supplemented from time to time. In addition, the actual asset allocations of the Investment Portfolios may vary from the targeted allocations specified in this Plan Description due to the performance of the Underlying Funds. The Plan Manager expects to “rebalance” the Enrollment Year and Target Allocation Portfolios periodically by selling and/or purchasing shares of the relevant Underlying Funds and/or investing in a Funding Agreement, thereby bringing the Enrollment Year and Target Allocation Portfolios’ asset allocations back to their respective target asset allocations.

### **ENROLLMENT YEAR INVESTMENT PORTFOLIOS**

The Enrollment Year Investment Portfolios are intended for Account Owners who prefer an Investment Portfolio with a risk level that becomes increasingly conservative over time as the Designated Beneficiary approaches expected enrollment in an Eligible Educational Institution and/or expected year in which amounts will be withdrawn to pay for Qualified Higher Education Expenses.

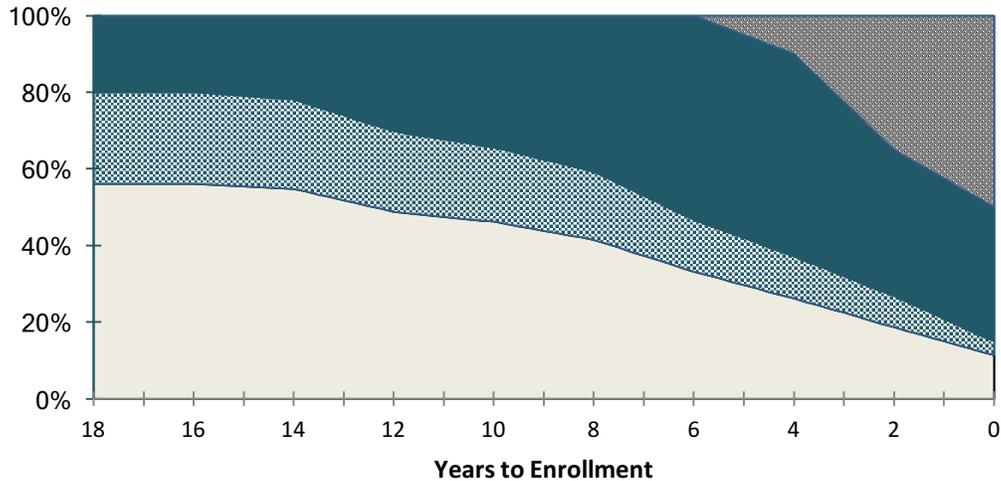
If you would like to select an Enrollment Year Investment Portfolio, you choose the Enrollment Year Investment Portfolio that corresponds to the Designated Beneficiary’s expected future enrollment year or education savings objectives. You may also select multiple Enrollment Year Investment Portfolios to correspond to different education savings goals for your Designated Beneficiary.

A Designated Beneficiary’s future enrollment year is usually based on the Designated Beneficiary’s age at the time that an Account Owner selects an Enrollment Year Investment Portfolio. For example, if your Designated Beneficiary is one year old as of the date of this Plan Description, your Designated Beneficiary’s future enrollment year may be 2039 (i.e., the year that your Designated Beneficiary reaches college age), and you may choose to select the 2038/2039 Enrollment Portfolio. You are not required to use your Designated Beneficiary’s age to determine your Designated Beneficiary’s future enrollment year and corresponding Enrollment Year Investment Portfolio. You may select one or more among any of the available Enrollment Year Investment Portfolios. In the event your Designated Beneficiary’s future enrollment year or education savings objectives change, you may move all or a portion of amounts previously contributed to one Enrollment Year Investment Portfolio to another, as long as you do not exceed the allowed changes to investment strategy of twice per calendar year.

The table at the beginning of this section lists the available Enrollment Year Investment Portfolios as of the date of this Plan Description. It is anticipated that a new Enrollment Year Investment Portfolio will be added approximately every two years. Except for the In School Portfolio, each Enrollment Year Investment Portfolio’s investments in its Underlying Funds are assessed and rebalanced on a quarterly basis by the Plan Manager. In addition, with respect to each Enrollment Year Investment Portfolio (other than the In School Portfolio), in the year of the second enrollment year contained in the name of the Enrollment Year Investment Portfolio (for example, in 2023 for the 2022/2023 Enrollment Portfolio), such Enrollment Year Investment Portfolio will be merged into the In School Portfolio due to the assumption that the Designated Beneficiary will then be in need of funds from the Account.

The following illustration reflects how the Enrollment Year Investment Portfolios’ investments change as your Designated Beneficiary approaches his or her future enrollment year.

## Glidepath for Enrollment Year Investment Portfolios



U.S. equity
  Non-U.S. equity
  Fixed income
  Capital preservation

*Investment Objective* – Each Enrollment Year Investment Portfolio seeks to match its risk level to your investment time horizon based on the year that your Designated Beneficiary is expected to enroll in an Eligible Educational Institution and/or the expected year in which amounts will be withdrawn to pay for Qualified Higher Education Expenses.

*Target Asset Allocation* – The following table includes the target asset allocations of the Enrollment Year Investment Portfolios as of the date of this Plan Description. Please note that, other than the In School Portfolio, the Enrollment Year Investment Portfolios’ target asset allocations generally change on a quarterly basis.

Underlying Fund	Ticker	Target Asset Allocations									
		2038/ 2039	2036/ 2037	2034/ 2035	2032/ 2033	2030/ 2031	2028/ 2029	2026/ 2027	2024/ 2025	2022/ 2023	In School
TIAA_CREF Growth & Income Fund	TIGRX	21.10%	21.10%	20.40%	18.30%	17.30%	15.50%	12.40%	9.80%	7.00%	4.10%
T. Rowe Price Large Cap Growth Fund	TRLGX	6.00%	6.00%	5.90%	5.20%	5.00%	4.50%	3.60%	2.80%	2.00%	1.20%
Principal Equity Income Fund	PEIIX	7.90%	7.90%	7.80%	6.90%	6.50%	5.90%	4.70%	3.70%	2.60%	1.60%
TIAA-CREF Equity Index Fund	TIEIX	12.50%	12.50%	12.30%	10.90%	10.40%	9.30%	7.50%	5.90%	4.20%	2.50%
TIAA-CREF Quant Small-Cap Equity Fund	TISEX	3.00%	3.00%	3.00%	2.60%	2.50%	2.20%	1.80%	1.40%	1.00%	0.60%
TIAA-CREF International Equity Index Fund	TCIEX	19.20%	19.20%	18.60%	16.80%	15.50%	14.20%	10.80%	8.80%	6.50%	2.90%
TIAA-CREF Emerging Markets Equity Index Fund	TEQLX	4.80%	4.80%	4.70%	4.20%	3.90%	3.60%	2.70%	2.20%	1.60%	0.70%
TIAA-CREF Real Estate Securities Fund	TIREX	5.50%	5.50%	5.40%	4.90%	4.50%	4.10%	3.20%	2.60%	1.90%	1.40%

TIAA-CREF Core Bond Fund	TIBDX	12.00%	12.00%	13.10%	18.20%	20.60%	24.40%	33.50%	33.50%	25.00%	24.40%
Nuveen Strategic Income Fund	FSFRX	4.00%	4.00%	4.40%	6.00%	6.90%	8.20%	9.10%	8.10%	3.50%	1.50%
TIAA-CREF Inflation-Linked Bond Fund	TIILX	3.00%	3.00%	3.30%	4.50%	5.20%	6.10%	8.00%	8.10%	6.60%	6.10%
TIAA-CREF High Yield Fund	TIHYX	1.00%	1.00%	1.10%	1.50%	1.70%	2.00%	2.70%	3.10%	3.10%	3.00%
TIAA-CREF Life Funding Agreement	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.00%	35.00%	50.00%

**For the most up-to-date target asset allocations for the Enrollment Year Investment Portfolios, please visit the Plan's website.**

### TARGET ALLOCATION PORTFOLIOS

There are currently four Target Allocation Portfolios. The Target Allocation Portfolios are designed for Account Owners who prefer a diversified Investment Portfolio with a fixed risk level rather than a risk level that changes as the Designated Beneficiary ages. Each Target Allocation Portfolio invests in multiple Underlying Funds.

#### All Equity Allocation Portfolio

*Investment Objective* – This Investment Portfolio seeks to provide a favorable long-term total return, mainly through capital appreciation.

*Target Asset Allocation* –

Underlying Funds	Ticker	Target Asset Allocation
TIAA-CREF Growth & Income Fund	TIGRX	26.30%
T. Rowe Price Large-Cap Growth Fund	TRLGX	7.50%
Principal Equity Income Fund	PEIIX	9.90%
TIAA-CREF Equity Index Fund	TIEIX	15.60%
TIAA-CREF Quant Small-Cap Equity Fund	TISEX	3.80%
TIAA-CREF International Equity Index Fund	TCIEX	24.00%
TIAA-CREF Emerging Markets Equity Index Fund	TEQLX	6.00%
TIAA-CREF Real Estate Securities Fund	TIREX	6.90%

#### Growth Allocation Portfolio

*Investment Objective* – This Investment Portfolio seeks a favorable long-term return by investing in mutual funds that invest primarily in equity securities and, to a lesser extent, in mutual funds that primarily invest in debt securities.

*Target Asset Allocation* –

Underlying Funds	Ticker	Target Asset Allocation
TIAA-CREF Growth & Income Fund	TIGRX	21.10%
T. Rowe Price Large-Cap Growth Fund	TRLGX	6.00%
Principal Equity Income Fund	PEIIX	7.90%
TIAA-CREF Equity Index Fund	TIEIX	12.50%
TIAA-CREF Quant Small-Cap Equity Fund	TISEX	3.00%
TIAA-CREF International Equity Index Fund	TCIEX	19.20%
TIAA-CREF Emerging Markets Equity Index Fund	TEQLX	4.80%
TIAA-CREF Real Estate Securities Fund	TIREX	5.50%
TIAA-CREF Core Bond Fund	TIBDX	12.00%

Nuveen Strategic Income Fund	FSFRX	4.00%
TIAA-CREF Inflation-Linked Bond Fund	TIILX	3.00%
TIAA-CREF High-Yield Fund	TIHYX	1.00%

### Balanced Allocation Portfolio

*Investment Objective* – This Investment Portfolio seeks moderate growth by investing in a mix of mutual funds that invest in a diversified mix of asset classes.

*Target Asset Allocation* –

Underlying Funds	Ticker	Target Asset Allocation
TIAA-CREF Growth & Income Fund	TIGRX	15.50%
T. Rowe Price Large-Cap Growth Fund	TRLGX	4.50%
Principal Equity Income Fund	PEIIX	5.90%
TIAA-CREF Equity Index Fund	TIEIX	9.30%
TIAA-CREF Quant Small-Cap Equity Fund	TISEX	2.20%
TIAA-CREF International Equity Index Fund	TCIEX	14.20%
TIAA-CREF Emerging Markets Equity Index Fund	TEQLX	3.60%
TIAA-CREF Real Estate Securities Fund	TIREX	4.10%
TIAA-CREF Core Bond Fund	TIBDX	24.40%
Nuveen Strategic Income Fund	FSFRX	8.20%
TIAA-CREF Inflation-Linked Bond Fund	TIILX	6.10%
TIAA-CREF High-Yield Fund	TIHYX	2.00%

### Conservative Allocation Portfolio

*Investment Objective* – This Investment Portfolio seeks a conservative to moderate total return by investing in a Funding Agreement and mutual funds that invest primarily in debt securities and, to a lesser extent, by investing in mutual funds that invest primarily in equity securities.

*Target Asset Allocation* –

Underlying Funds	Ticker	Target Asset Allocation
TIAA-CREF Growth & Income Fund	TIGRX	7.00%
T. Rowe Price Large-Cap Growth Fund	TRLGX	2.00%
Principal Equity Income Fund	PEIIX	2.60%
TIAA-CREF Equity Index Fund	TIEIX	4.20%
TIAA-CREF Quant Small-Cap Equity Fund	TISEX	1.00%
TIAA-CREF International Equity Index Fund	TCIEX	6.50%
TIAA-CREF Emerging Markets Equity Index Fund	TEQLX	1.60%
TIAA-CREF Real Estate Securities Fund	TIREX	1.90%
TIAA-CREF Core Bond Fund	TIBDX	25.00%
Nuveen Strategic Income Fund	FSFRX	3.50%
TIAA-CREF Inflation Linked Bond Fund	TIILX	6.60%
TIAA-CREF High Yield Fund	TIHYX	3.10%
TIAA-CREF Life Funding Agreement	N/A	35.00%

### INDIVIDUAL FUND PORTFOLIOS

The Individual Fund Portfolios are comprised of 14 separate Investment Portfolios. Each Individual Fund Portfolio invests in a single Underlying Fund.

Because each Individual Fund Portfolio invests in a single Underlying Fund, the performance of each such Individual Fund Portfolio is dependent upon the performance of its Underlying Fund. Accordingly, the performance of each such

Individual Fund Portfolio may be more volatile than the Investment Portfolios that invest in more than one Underlying Fund. The Individual Fund Portfolios are designed for Account Owners who desire a more targeted investment strategy for all or a portion of their Account(s). Account Owners are encouraged to consult their Financial Professional before choosing an Individual Fund Portfolio and may wish to consider diversifying their education savings by investing in other vehicles in addition to the Individual Fund Portfolios.

### Individual Fund Portfolios – U.S. Equities

#### TIAA Large Cap U.S. Equity Index Portfolio

*Investment Objective* – This Investment Portfolio seeks to provide a favorable long-term total return, mainly through capital appreciation, by investing in a mutual fund that invests primarily in a portfolio of equity securities of large domestic companies selected to track U.S. equity markets based on a market index.

*Target Asset Allocation* –

Underlying Fund	Ticker	Target Asset Allocation
TIAA-CREF S&P 500 Index Fund	TISPX	100%

#### Santa Barbara Dividend Growth Portfolio

*Investment Objective* – This Investment Portfolio seeks to provide an attractive total return comprised of income from dividends and long-term capital appreciation.

*Target Asset Allocation* –

Underlying Fund	Ticker	Target Asset Allocation
Nuveen Santa Barbara Dividend Growth Fund	NSBFX	100%

#### Principal Equity Income Portfolio

*Investment Objective* – This Investment Portfolio seeks to provide current income and long-term growth of income and capital.

*Target Asset Allocation* –

Underlying Fund	Ticker	Target Asset Allocation
Principal Equity Income Fund	PEIIX	100%

#### T. Rowe Price Large Cap Growth Portfolio

*Investment Objective* – This Investment Portfolio seeks long-term growth of capital.

*Target Asset Allocation* –

Underlying Fund	Ticker	Target Asset Allocation
T. Rowe Price Large Cap Growth Fund	TRLGX	100%

#### Principal Mid Cap Portfolio

*Investment Objective* – This Investment Portfolio pursues long-term capital appreciation, primarily from the returns of mid-cap stocks.

*Target Asset Allocation* –

Underlying Fund	Ticker	Target Asset Allocation
Principal MidCap Fund	PMAQX	100%

### **TIAA U.S. Small Cap Portfolio**

*Investment Objective* – This Investment Portfolio seeks to provide a favorable long-term total return, mainly through capital appreciation, primarily from equity securities of smaller domestic companies.

*Target Asset Allocation* –

<b>Underlying Fund</b>	<b>Ticker</b>	<b>Target Asset Allocation</b>
TIAA-CREF Quant Small-Cap Equity Fund	TISEX	100%

### **Individual Fund Portfolios – Non-U.S. Equities**

#### **Oakmark International Portfolio**

*Investment Objective* – This Investment Portfolio seeks long-term capital appreciation primarily by investing in the common stocks of non-U.S. companies.

*Target Asset Allocation* –

<b>Underlying Fund</b>	<b>Ticker</b>	<b>Target Asset Allocation</b>
Oakmark International Fund	OAZIX	100%

#### **DFA Emerging Markets Portfolio**

*Investment Objective* – This Investment Portfolio seeks to achieve long-term capital appreciation primarily by investing in the equity securities associated with emerging markets.

*Target Asset Allocation* –

<b>Underlying Fund</b>	<b>Ticker</b>	<b>Target Asset Allocation</b>
DFA Emerging Markets Core Equity Portfolio	DFCEX	100%

### **Individual Fund Portfolios – Fixed Income**

#### **Western Asset Core Plus Bond Portfolio**

*Investment Objective* – This Investment Portfolio seeks to maximize long-term total return by investing in a well-diversified fixed income strategy.

*Target Asset Allocation* –

<b>Underlying Fund</b>	<b>Ticker</b>	<b>Target Asset Allocation</b>
Western Asset Core Plus Bond Fund	WACPX	100%

#### **Dodge & Cox Global Fixed Income Portfolio**

*Investment Objective* – This Investment Portfolio seeks a high rate of total return consistent with long-term preservation of capital.

*Target Asset Allocation* –

<b>Underlying Fund</b>	<b>Ticker</b>	<b>Target Asset Allocation</b>
Dodge & Cox Global Bond Fund	DODLX	100%

## Individual Fund Portfolios – Cash Equivalents

### TIAA Money Market Portfolio

*Investment Objective* – This Investment Portfolio seeks to provide current income consistent with preservation of capital.

*Target Asset Allocation* –

Underlying Fund	Ticker	Target Asset Allocation
TIAA-CREF Money Market Fund	TCIXX	100%

## Individual Fund Portfolios – ESG

### Nuveen ESG Large Cap U.S. Equity Portfolio

*Investment Objective* – This Investment Portfolio seeks to provide a favorable long-term total return, mainly through capital appreciation, by investing in an exchange-traded fund that employs a passive management approach and invests primarily in large-capitalization U.S. equity securities that satisfy certain environmental, social and governance (“ESG”) criteria.

*Target Asset Allocation* –

Underlying Fund	Ticker	Target Asset Allocation
Nuveen ESG Large-Cap ETF	NULC	100%

### Nuveen ESG International Developed Equity Portfolio

*Investment Objective* – This Investment Portfolio seeks to provide a favorable long-term total return, mainly through capital appreciation, by investing in an exchange-traded fund that employs a passive management approach and invests primarily in equity securities of developed markets (excluding the U.S. and Canada) that satisfy certain environmental, social and governance (“ESG”) criteria.

*Target Asset Allocation* –

Underlying Fund	Ticker	Target Asset Allocation
Nuveen ESG International Developed Markets Equity ETF	NUDM	100%

### Nuveen ESG U.S. Aggregate Bond Portfolio

*Investment Objective* – This Investment Portfolio seeks to maximize long-term total return by investing in an exchange-traded fund that employs a passive management approach and invests primarily in a diversified portfolio of U.S. investment grade bonds that satisfy certain environmental, social and governance (“ESG”) criteria.

*Target Asset Allocation* –

Underlying Fund	Ticker	Target Asset Allocation
Nuveen ESG U.S. Aggregate Bond ETF	NUBD	100%

## THE UNDERLYING FUNDS

To fully understand the investment policies and risks of the Underlying Funds (with the exception of the Funding Agreement), you should refer to the current prospectuses for the Underlying Funds. Information on how to obtain a free copy of each Underlying Fund’s prospectus is contained in the “UNDERLYING FUNDS ADDENDUM” in **Appendix C**. Prospectuses are also available on the Securities and Exchange Commission’s website, [www.sec.gov](http://www.sec.gov). The Funding Agreement is described below.

The prospectus for each Underlying Fund describes the Underlying Fund's investment objective, strategies, risks and policies, which are subject to change. The "UNDERLYING FUNDS ADDENDUM" in **Appendix C** provides information on the Underlying Funds' investment objectives, strategies and risks as of the date this Plan Description was finalized for printing.

#### **THE TIAA-CREF Life Funding Agreement**

Multiple Investment Portfolios invest, in part, in a Funding Agreement issued by TIAA-CREF Life Insurance Company ("TIAA-CREF Life"), which is an affiliate of TFI, to the Trust as the policyholder on behalf of the Plan. The Funding Agreement provides a guaranteed rate of return on the amounts allocated to it by the Investment Portfolios. The guaranteed interest under the Funding Agreement is guaranteed to the Trustee as the policyholder, not to Account Owners. The minimum effective annual interest rate will be neither less than 1% nor greater than 3% at any time. TIAA-CREF Life makes certain payments to TFI as Plan Manager. This payment, along with many other factors, is considered by TIAA-CREF Life when determining the interest rate credited under the Funding Agreement. Also, under the Funding Agreement, TIAA-CREF Life may credit interest in addition to the minimum effective annual interest rate at its discretion. The Funding Agreement is subject to the risk that TIAA-CREF Life could fail to perform its obligations for financial or other reasons.

The rate of any additional interest is declared in advance for a period of up to 12 months and is not guaranteed for any future periods. The current effective annual interest rate applicable to the Funding Agreement is available on the Plan's website.

### **HISTORICAL PERFORMANCE OF THE INVESTMENT PORTFOLIOS**

Because the Investment Portfolios are new as of the date of this Plan Description, no performance information is presented in "HISTORICAL PERFORMANCE OF THE INVESTMENT PORTFOLIOS" in **Appendix D**. Updated performance data will be available by visiting the Plan's website, **scholars-choice.com** or by calling the Plan at 1-888-5-SCHOLAR (1-888-572-4652).

**Past performance is not a guarantee of future results. Performance may be substantially affected over time by changes in the allocations and/or changes in the investments in which each Investment Portfolio invests. Investment returns and the principal value will fluctuate, so that your Account, when redeemed, may be worth more or less than the amounts contributed to your Account.**

### **THE PLAN RISK FACTORS**

The Plan is designed to facilitate tax-advantaged savings for Qualified Higher Education Expenses. However, there are various risks associated with an investment in the Plan, including that you can lose some or all of your investment. You are advised to consult a Financial Professional before investing in the Plan or determining what the most appropriate Investment Portfolios may be and how to integrate your investment in the Plan with your overall education savings strategy for your Designated Beneficiary. In addition to the risks associated with the Plan below, the risks associated with the Underlying Funds (with the exception of the Funding Agreement) are described in the "UNDERLYING FUNDS ADDENDUM" in **Appendix C**.

**Allocation Risk.** The investment performances of the Enrollment Year Investment Portfolios and the Target Allocation Portfolios depend upon how their respective assets are allocated among particular Underlying Funds according to their respective allocation targets and ranges. A principal risk of investing in those Investment Portfolios is that the Plan Manager will make less than optimal or poor decisions in selecting their underlying investments or assigning target asset allocations. It is possible that the Plan Manager will focus on Underlying Funds and other investments that perform poorly or underperform other available funds or other investments under various market conditions.

**Changes to Fees and Expenses.** CollegenInvest may change the fees and expenses applicable to classes of Units and Investment Portfolios at any time, without Account Owner consent, resulting in additional fees and expenses for future contributions as well as with respect to existing Account assets. Changes to the Underlying Funds or other investments for an Investment Portfolio, which CollegenInvest is permitted to make at any time, may result in increases in the expenses of investing in Underlying Funds or other investments.

**Changes to the Investment Plan.** CollegenInvest may change the structure of the Plan, the asset allocation of an Investment Portfolio, add, remove or change the underlying investments in which an Investment Portfolio invests, merge Investment Portfolios, cease accepting contributions to Investment Portfolios, create additional Investment Portfolios, or terminate Investment Portfolios, all without regard to prior Account Owner selections and without prior

notice to Account Owners or their consent. If CollegenInvest does any of the foregoing, the risks, benefits and expenses associated with participating in the Plan may change as a result of such action. A supplement to this Plan Description will be distributed in connection with any such change. If the asset allocations or Underlying Funds change during the term of your Account, you may choose to withdraw the assets in your Account, but the earnings you withdraw may be subject to federal and state income tax and the 10% Additional Tax. See "TAX INFORMATION."

**Cybersecurity Risk.** With the increased use of technologies such as the Internet to conduct business, the Plan, the Investment Portfolios and the Underlying Funds are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting the Plan or an Underlying Fund's manager(s) and other service providers (including, but not limited to, accountants, custodians, transfer agents and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with an Investment Portfolio's or Underlying Fund's ability to calculate its Net Unit Value, impediments to trading, the inability of Account Owners or Underlying Fund shareholders (including the Trust) to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which an Underlying Fund invests, counterparties with which an Underlying Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While the Plan's and the Underlying Funds' service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Plan, the Investment Portfolios and the Underlying Funds cannot control the cybersecurity plans and systems put in place by their service providers or any other third parties whose operations may affect them. The Plan, the Investment Portfolios and the Underlying Funds could be negatively impacted as a result.

**Education Savings Alternatives.** A number of other qualified tuition programs and other education savings and investment programs are currently available to prospective Account Owners. These programs may offer benefits, including state tax benefits, other investment portfolios and investment control (in programs other than qualified tuition programs), to some or all Account Owners or Designated Beneficiaries that are not available under the terms of the Plan. For example, an Account Owner's state of residence may offer a qualified tuition program similar to the Plan that offers state tax deductions or other benefits not available from participation in the Plan. In addition, federal tax law may be changed to create new education savings alternatives with more favorable federal tax consequences than those available through the Plan. These programs may also involve fees and expenses that are lower than the fees and expenses of the Plan. Accordingly, prospective Account Owners should consider these other investment alternatives, including any qualified tuition program offered by the Account Owner's or Designated Beneficiary's state of residence, before establishing an Account and participating in the Plan. See "TAX INFORMATION" for important additional information.

**Tax Consequences.** Participation in tuition savings plans, such as the Plan, could have significant federal and state tax consequences for Account Owners. For example, the earnings portion of any Non-Qualified Withdrawals will be taxed at the ordinary income tax rate of the Account Owner or Designated Beneficiary, and will be subject to the 10% Additional Tax. Account Owners are solely responsible for ascertaining their compliance with federal and their applicable state tax laws; neither the Plan Manager, CollegenInvest nor the State will do so on their behalf. Account Owners should consult with their tax professionals regarding participation in the Plan.

Depending on the performance of the Investment Portfolios in which the Account is invested, the balance of an Account could significantly exceed the amount necessary to fund the Qualified Higher Education Expenses of a Designated Beneficiary. In such a situation, the Account Owner has limited options to avoid federal (and potentially state) income tax, including potentially the 10% Additional Tax, on the withdrawal of the remaining Account balance, such as designating a Member of the Family of the current Designated Beneficiary as the new Designated Beneficiary. See "TAX INFORMATION" for important additional information.

**Investment Risks.** Contributions made to an Account will be allocated to one or more selected Investment Portfolios, which will in turn be invested in one or more Underlying Funds. As a result, contributions made to an Account are subject to the risks associated with the applicable Underlying Fund(s) to the degree of such investment. These

investment risks may include market risk and interest rate risk, among others. The risks associated with the Underlying Funds (with the exception of the Funding Agreement) are described in “UNDERLYING FUNDS ADDENDUM” in **Appendix C. The value of an Account may increase or decrease based on the investment performance of the Underlying Fund(s) or other investment(s) in which the applicable Investment Portfolio(s) invest. The value of an Account may be more or less than the aggregate amount contributed to the Account. Account Owners may lose money (including amounts contributed to an Account) or may not make money.** If the Underlying Fund(s) in which an Investment Portfolio invests, or the allocation of that Investment Portfolio’s assets among the Underlying Funds, change in the future, the risks associated with investing in that Investment Portfolio will also change.

In the event of changes in Underlying Funds, during the transition from one Underlying Fund to another, securities in the corresponding Investment Portfolio may be sold before purchasing new securities. Therefore, the Investment Portfolio may temporarily not be invested in one of its asset classes, which will impact its performance. During a transition period, an Investment Portfolio may temporarily hold a basket of securities if the Underlying Fund from which it is transitioning elects to redeem in-kind (i.e., to pay redemption requests in cash and portfolio securities, or wholly in portfolio securities). In this case, the Plan Manager will seek to liquidate the securities received from the Underlying Fund and invest the proceeds in the replacement Underlying Fund(s), or exchange the basket of securities for shares of the replacement Underlying Fund(s), as promptly as practicable in order to minimize transaction costs and market impact. The transaction costs associated with such liquidation, as well as any market impact on the value of the securities being liquidated will be borne by the Investment Portfolios and Accounts invested in the Investment Portfolios. An Underlying Fund from which an Investment Portfolio redeems may also impose redemption fees. In this case, the Investment Portfolio and Accounts invested in the Investment Portfolios will bear the cost of the redemption fees.

**Lack of Certainty/Adverse Tax Consequences.** Final federal tax regulations under Section 529 or other administrative guidance or court decisions may be issued which would materially adversely affect the federal tax consequences with respect to the Plan. In addition, the United States Congress could enact legislation that would materially and adversely affect the federal tax consequences of the Plan. CollegenInvest and the Plan Manager intend to modify the Plan, as necessary, to enable the Plan to meet the requirements of Section 529. In the event that the Plan, as currently structured or as subsequently modified, does not meet the requirements of Section 529 for any reason, the tax consequences applicable to Account Owners and Designated Beneficiaries will differ from those described under the heading “TAX INFORMATION.”

**Lack of Control by Account Owners.** An Account Owner is not permitted to exercise control with respect to the asset allocations or underlying investments for the Investment Portfolios in which the Account invests. Once an Investment Portfolio has been selected for a particular contribution, an Account Owner may only change his or her investment allocation twice per calendar year, or at any time the Account Owner changes the Designated Beneficiary to a Member of the Family of the previous Designated Beneficiary. In addition, the asset allocations and the underlying investments of the Investment Portfolios and the Investment Portfolios themselves may be changed from time to time without Account Owners’ consent.

**Limitations on Contributions to Accounts.** As set forth under “OPENING, MAINTAINING AND CONTRIBUTING TO AN ACCOUNT — Maximum Contribution Limit,” CollegenInvest has established a limit on the aggregate balance above which no new contributions can be made in any Account(s) established on behalf of a particular Designated Beneficiary. You can contribute to such Account(s) until the balance reaches \$500,000. The Maximum Contribution Limit includes contributions to accounts in any other Colorado Section 529 Plans with the same Designated Beneficiary. This limit is referred to as the Maximum Contribution Limit. However, even if the aggregate value of all accounts established for a Designated Beneficiary equals or exceeds the Maximum Contributions Limit, such account balances may not be sufficient to fund all of the Qualified Higher Education Expenses of that Designated Beneficiary.

**Limited Liquidity.** The circumstances under which Account assets may be withdrawn without adverse tax consequences are limited. This reduces the liquidity of an investment in an Account.

**No Guarantee of Performance.** Past performance information should not be viewed as a prediction of future performance of any particular Investment Portfolio or Underlying Fund or other investment. Moreover, in view of past and possible future revisions of the asset allocations and underlying investments of the Investment Portfolios, the future investment results of any Investment Portfolio cannot be expected, for any period, to be similar to the past performance of that or any other Investment Portfolio.

**No Insurance or Guarantees.** None of an Account, amounts contributed to an Account, the investment return, if any, on an Account, or the future value of an Account and investments under the Plan are guaranteed or insured by the

Federal Deposit Insurance Corporation, the State, the federal government, CollegenInvest, or any of the service providers to the Plan, including, but not limited to, TFI, Nuveen Securities or any of their affiliates, members, officers or employees, any agent or representative retained in connection with the Plan, or any other person. None of these entities or persons has any legal or moral obligation to ensure the ultimate return of any contribution to an Account or that there will be any investment earnings, or a particular rate of investment return, with respect to any Account. You could lose money (including amounts contributed to your Account), or not make money, if you participate in the Plan.

**No Guarantee of Admission.** There is no guarantee that a Designated Beneficiary will be accepted for admission to an Eligible Educational Institution, primary or secondary school, or apprenticeship program or, if admitted, will graduate or receive a degree, or otherwise be permitted to continue to be enrolled at an Eligible Educational Institution, primary or secondary school, or apprenticeship program. Additionally, participation in the Plan does not guarantee that any Designated Beneficiary: (1) will be treated as a State resident or resident of any state for tuition or financial aid purposes; (2) will graduate from any Eligible Educational Institution primary or secondary school, or apprenticeship program; or (3) will achieve any particular treatment under applicable state or federal financial aid programs.

**No Recommendation by the Plan Manager, the Distributor or CollegenInvest.** Neither the Plan Manager, the Distributor nor CollegenInvest is recommending any specific Investment Portfolio or any specific Unit class for any particular Account Owner. The determinations of whether to invest, how much to invest, which Unit class to purchase and which Investment Portfolios to select is solely the decision of the Account Owner. An Account Owner should seek the advice of his or her Financial Professional in choosing to invest in the Plan and in selecting any specific Unit class(es) and Investment Portfolio(s).

**Not an Investment in Mutual Funds, ETFs or Registered Securities.** Although certain Investment Portfolios invest in mutual funds or ETFs, neither the Plan nor any of the Plan's Investment Portfolios is a mutual fund or ETF. As municipal securities, interests in the Plan are not registered with the U.S. Securities and Exchange Commission ("SEC") or any state, nor is the Plan or any of the Investment Portfolios registered as investment companies with the SEC or any state.

**Portfolio Performance May Not Keep Pace with Education Expense Inflation.** No assurance can be given that any Investment Portfolio will earn any investment return. In addition, the level of future inflation in Qualified Higher Education Expenses is uncertain and could exceed the rate of investment return earned by any or all of the Investment Portfolios.

**Status of Federal and State Laws and Regulations Governing the Plan.** Colorado law, the rules, procedures and guidelines adopted by the State, and federal law and regulations governing the operation of the Plan may change in the future. In addition, state laws (including Colorado laws) and federal laws relating to the funding of Qualified Higher Education Expenses and tax matters are also subject to change. No assurance can be given that changes in law will not adversely affect the value of participation in the Plan or Accounts maintained under the Plan. Furthermore, neither CollegenInvest nor the Plan Manager is required to continue the Plan.

**Suitability of the Plan for Account Owner.** An investment in the Plan will not be an appropriate investment for all investors. Some Investment Portfolios entail more risk than other Investment Portfolios and may not be suitable for an Account Owner, or for the entire balance of his or her Account. This is particularly true for the Individual Fund Portfolios, which are invested in a single Underlying Fund. No Individual Fund Portfolio should be considered a complete investment program, but should only be a part of an Account Owner's overall investment strategy designed in light of an Account Owner's particular needs and circumstances, as well as an Account Owner's determination (after consulting with his or her Financial Professional and tax and/or legal advisor) of the Account Owner's own risk tolerance, including the ability to withstand losses.

You should evaluate the Plan and the Investment Portfolios in the context of your overall financial situation, investment goals, tax status, other resources and needs (such as liquidity) and other investments, including other education savings strategies. While there is no guarantee that the Plan is or will be an appropriate investment for anyone, in particular, if you consider yourself an especially aggressive or conservative investor, you may want to save for eligible education expenses by making investments in addition to or other than through the Plan to achieve the investment result that is appropriate for you. Because neither CollegenInvest, the Plan Manager, nor the Distributor is providing you any recommendations or advice, you and your Financial Professional should determine how much to invest in the Plan and which Unit class(es) and Investment Portfolio(s) are suitable for you.

**Termination of the Plan Management Agreement and Changes in Plan Manager.** A new plan manager may be appointed either upon expiration of the current term of the Management Agreement or earlier in the event the Plan

Manager or CollegeInvest terminates the Management Agreement prior to the end of a term. See “OVERSIGHT OF THE PLAN.” In such case, the fee and compensation structure of the new plan manager may be higher or lower than the fee and compensation structure currently in effect for the Plan.

**Uncertainty of Treatment for Financial Aid Purposes.** The eligibility of your Designated Beneficiary for financial aid will depend upon the circumstances of the Designated Beneficiary’s family at the time the Designated Beneficiary enrolls in school, as well as on the policies of the governmental agencies, school or private organizations to which the Designated Beneficiary or the Designated Beneficiary’s family applies for financial assistance. Because saving for college will increase the financial resources available to the Designated Beneficiary, there will most likely be some effect on the Designated Beneficiary’s eligibility. However, because these policies vary at different institutions and can change over time, it is not possible to predict how the federal financial aid program, state or local government, private organizations or the school to which your Designated Beneficiary applies will treat your Account.

**Medicaid Eligibility.** The eligibility of an Account Owner for Medicaid assistance could be impacted by the Account Owner’s ownership of a Section 529 qualified tuition program. When determining Medicaid eligibility, it is possible that Medicaid authorities will consider the Plan Account to be the Account Owner’s “available” asset for up to 60 months (five years) after the Account is opened. Medicaid laws and regulations may change. Account Owners should consult with their Financial Professionals and tax and/or legal advisors regarding their particular situations.

**Varying Investment Results.** As with any investment, the return an Account Owner can expect from participation in the Plan will vary depending on circumstances. Past performance of an Investment Portfolio is no guarantee or indication of future results for that Investment Portfolio or its underlying investments. In addition, if an Account Owner selects an Enrollment Year Investment Portfolio, the applicable investment return is expected to change over time as the Portfolio becomes more conservative as the target enrollment year approaches. See “INVESTMENT PORTFOLIOS — Choosing Investment Portfolios.”

## CHOOSING A UNIT CLASS

Account Owners may generally select from among three available classes of Units: Class A, Class C, and Class I, although not every Selling Institution may make every Unit class available. Each Unit class has a different fee structure. Each Unit class is also subject to different sales charges. Generally, Class A Units are subject to an Initial Sales Charge (and may be subject to a CDSC under certain conditions) and have lower ongoing fees than Class C Units, and Class C Units are subject to a CDSC and have higher ongoing fees than Class A Units. Class C Units automatically convert to Class A Units after six years.

Class I Units may not be available to you. Class I Units provide Selling Institutions with flexibility regarding their compensation, as Class I Units are not subject to Initial Sales Charges, CDSCs, or Distribution and Service Fees.

Class I Units are subject to specific eligibility requirements. Generally, Selling Institutions may make Class I Units available to fee-based Accounts, corporate/employer-sponsored Accounts, and Accounts subject to brokerage commissions and/or other transaction-related fees pursuant to a Selling Institution’s compensation schedule. The fees and commissions associated with such Accounts are determined separately between you and your Financial Professional and are not a feature or component of the Plan. Further, such fees and commissions are not reflected in the performance information for Class I Units of the Investment Portfolios. The Plan Manager and the Distributor have no responsibility for the Selling Institution’s compensation arrangements applicable to transactions of Class I Units for its customers.

Class C Units will automatically convert to Class A Units on or about the 18<sup>th</sup> of the month (or the next business day) after the Class C Units have been owned for six years. If your Account is established through an Omnibus Account Arrangement as described below, Class C Units in your account may convert to Class A Units on a different schedule. Immediately following conversion, converted Units are subject to the fee structures applicable to Class A Units. No Initial Sales Charges or CDSCs are imposed when Class C Units convert to Class A Units.

This Plan Description provides key information about each Unit class to help you and your Financial Professional make investment decisions, including information about the various expenses associated with each Unit class and the payments made to financial intermediaries for distribution and other services. Key factors to consider when deciding which Unit class to choose include, but are not limited to, when and how contributions are to be made to the Account, the amounts thereof, and the length of time amounts are to be held in the Account before withdrawals from the Account are to be made to pay Qualified Higher Education Expenses. In evaluating the alternatives, an Account Owner should discuss these and other factors considered relevant, including fees and expenses, with his or her Financial Professional

and tax and/or legal professional.

If you purchase Units of an Investment Portfolio through a Selling Institution that holds and maintains Accounts in the Plan under an Omnibus Account Arrangement with the Plan Manager and/or the Distributor, your Selling Institution may impose different sales charges, ways to reduce sales charges, and/or establish a Class C to Class A conversion period that is different than what would apply if you were to purchase Units through a Selling Institution that does not hold and maintain Accounts under an Omnibus Account Arrangement. Please refer to “OMNIBUS SELLING INSTITUTIONS” in **Appendix B** for additional information.

### **Class A Units**

Class A Units (with certain exceptions) are subject to an Initial Sales Charge at the time of purchase. The amount of the Initial Sales Charge generally depends on the dollar amount of the contribution and the Investment Portfolio(s) selected. When an Account Owner purchases Class A Units, the applicable Initial Sales Charge is deducted from the dollar amount of the contribution. As such, the Account Owner will receive fewer Units than if no Initial Sales Charge applied.

While there is no Initial Sales Charge when an Account Owner purchases Class A Units of the TIAA Money Market Portfolio, if Class A Units in the TIAA Money Market Portfolio are subsequently reallocated to Class A Units in another Investment Portfolio, the reallocation will be subject to an Initial Sales Charge. However, any such reallocation would not be subject to an Initial Sales Charge if the Account Owner previously paid an Initial Sales Charge attributable to the Class A Units being reallocated.

The following table lists the Initial Sales Charges applicable to Class A Units, with the exception of certain Enrollment Year Investment Portfolios. You may reference “Reduction of Class A Units Initial Sales Charge” below to determine whether a reduced Initial Sales Charge would be applied to your contribution, and for details regarding circumstances under which the Initial Sales Charge may be waived.

<b>Dollar Amount of Contribution</b>	<b>Initial Sales Charge<sup>1</sup></b>
Less than \$50,000	3.50% <sup>2</sup>
At least \$50,000 but less than \$100,000	2.50%
At least \$100,000 but less than \$250,000	1.50%
At least \$250,000 but less than \$500,000	1.25%
At least \$500,000 <sup>3</sup>	0.00%

<sup>1</sup> Expressed as a percentage of the amount of the contribution.

<sup>2</sup> Refer to “FEES AND EXPENSES TABLES” in **Appendix E** for certain Enrollment Year Investment Portfolios that charge an Initial Sales Charge of 2.50% for contributions of less than \$50,000; contributions greater than \$50,000 are subject to the Initial Sales Charges noted in the table above, based on the corresponding dollar amount of contribution.

<sup>3</sup> Under the Maximum Contribution Limit in effect as of the date of this Plan Description, contributions will not be accepted to the extent the proposed contribution together with the aggregate account balance of all accounts across all Colorado Section 529 Plans for the same Designated Beneficiary (regardless of Account Owner) would exceed \$500,000. Applies to aggregate contributions to multiple Accounts; see [Waiver of Class A Initial Sales Charge](#) below. If an Account Owner makes a contribution of \$500,000 or more to purchase Class A Units, the Class A Units will be subject to a CDSC of 0.50% if they are redeemed within one year of purchase to satisfy a withdrawal or a rollover. The CDSC is paid on either the purchase price of the redeemed Units or the redemption proceeds, whichever is less, and the charge is deducted from the redemption proceeds.

### **Class C Units**

Class C Units are not subject to an Initial Sales Charge; however, commencing July 19, 2021 Class C Units (except Class C Units in the TIAA Money Market Portfolio) are subject to a CDSC if they are redeemed to satisfy a withdrawal or Outgoing Rollover within one year of the date of purchase. A CDSC will also apply to redemptions of Class C Units in connection with transfers from the Plan to an account in another Colorado Section 529 Plan within one year.

The CDSC applicable to Class C Units is 0.75% of either the purchase price of the redeemed Units or the redemption proceeds, whichever is less, and the charge is deducted from the redemption proceeds. When an Account Owner redeems Class C Units subject to a CDSC, the Plan Manager will first redeem any Units that are not subject to a CDSC, and then redeem Units that the Account Owner has held for the longest period of time.

There is no CDSC when an Account Owner redeems Class C Units from the TIAA Money Market Portfolio. However, if the Account Owner purchases Class C Units of an Investment Portfolio (other than the TIAA Money Market Portfolio) and later exchanges those Units for Class C Units of the TIAA Money Market Portfolio, and then subsequently redeems the Units of the TIAA Money Market Portfolio within 1 year of the original purchase, a CDSC will apply. Similarly, if an Account Owner purchases Class C Units of the TIAA Money Market Portfolio, and then exchanges such Units for Class C Units of another Investment Portfolio, the acquired Units will be subject to a CDSC for 1 year from the time of the exchange.

<b>Investment Portfolio for Class C Units Being Redeemed for Withdrawal Within One Year of Purchase</b>	<b>Contingent Deferred Sales Charge (CDSC)<sup>1</sup></b>
All Investment Portfolios (except the TIAA Money Market Portfolio)	0.75%
TIAA Money Market Portfolio	0.00%

<sup>1</sup>As a percent of either the purchase price of the redeemed Units or the redemption proceeds, whichever is less.

The redemption of Class C Units in connection with any of the following withdrawals is not subject to a CDSC:

- Withdrawals paid to the Designated Beneficiary of the Account (or to the estate of the Designated Beneficiary) on or after the death of the Designated Beneficiary, if the withdrawal is made within one year of death.
- Withdrawals attributable to the Designated Beneficiary's permanent disability (as evidenced by a determination by the federal Social Security Administration), if the withdrawal is made within one year of disability.
- Withdrawals made on account of a scholarship received by the Designated Beneficiary to the extent the amount withdrawn does not exceed the scholarship.
- Amounts that are the subject of a transfer from one Account to another Account in the Plan, if such Units were not subject to a CDSC at the time of transfer.
- Withdrawals made on account of the Designated Beneficiary's attendance at certain military academies to the extent the amount withdrawn does not exceed the costs of qualifying expenses attributable to such attendance.
- Units which are purchased with the proceeds of withdrawals subject to a CDSC that are subsequently reinvested in an amount equal to all or a portion of the withdrawn amount in Class C Units of the same Investment Portfolio or any other Investment Portfolio, provided that such reinvestment is made within one year of the withdrawal. This CDSC waiver only applies if the Plan is notified that a contribution qualifies at the time the contribution is made, and will be granted upon confirmation that a CDSC was previously paid.
- Withdrawals of Class C Units purchased prior to July 19, 2021.

### **Conversion of Class C Units into Class A Units**

Class C Units automatically convert to Class A Units on or about the 18<sup>th</sup> of the month, or the next business day, after the Class C Units have been owned for six years. If your Account is established through an Omnibus Account Arrangement as described below, Class C Units in your account may convert to Class A Units on a different schedule. Immediately following conversion, converted Units are subject to the fee structures applicable to Class A Units. No CDSCs are imposed when Class C Units convert to Class A Units.

The Plan Manager may convert Class C Units to Class A Units in Accounts that do not have a Selling Institution of record.

### **Reduction of Class A Units Initial Sales Charge**

#### Rights of Accumulation

Contributions for Class A Units in the Plan may qualify for a discount on the Initial Sales Charge otherwise applicable to the purchase of Class A Units. Under the Rights of Accumulation, for the purpose of calculating the applicable Initial Sales Charge, an Account Owner purchasing Class A Units may add the amount of the contribution to the current aggregate Net Unit Value of Units (of any Unit class) held in any Account owned by:

- (i) the Account Owner (including the Account to which the contribution is being credited);
- (ii) the Account Owner's spouse or domestic partner and children under the age of 21 years;
- (iii) any corporation, partnership, or sole proprietorship that is wholly-owned by any person set forth in (i) or (ii); or
- (iv) any trust that is wholly-funded by any (A) person set forth in (i) or (ii), or (B) corporation, partnership, or sole proprietorship that is wholly-owned by any person set forth in (i) or (ii).

For example, if an Account has Class A Units worth \$70,000 at the time of an additional contribution by the Account Owner, and the Account Owner makes an additional contribution for Class A Units worth \$70,000, the Initial Sales Charge for the \$70,000 contribution would be at the rate applicable to a single contribution worth \$140,000 (i.e., 1.50% of the amount purchased), instead of at the rate applicable to a single contribution worth \$70,000 (i.e., 2.50% of the amount purchased). Accounts with the same Account Owner are automatically linked for the purposes of Rights of Accumulation. Written instructions to link other eligible Accounts must be submitted in writing to the Plan.

#### Letter of Intent

Under a Letter of Intent, you may be able to reduce the initial sales charge rate that applies to your purchases of Class A Units. A Letter of Intent is an Account Owner's statement in writing to the Plan Manager of his or her intention to purchase a specified value of Class A Units in all his or her Accounts in the Plan during a 13-month period, which begins on the date of receipt of the Letter of Intent by the Plan Manager. The Initial Sales Charge on each purchase of Class A Units during the 13-month period is assessed at the rate that would apply to a single lump-sum purchase of Class A Units in the amount intended to be purchased under the Letter of Intent. In submitting a Letter of Intent, the Account Owner makes no commitment to purchase Units. However, if the Account Owner does not fulfill the terms of the Letter of Intent by the end of the 13-month period, he or she agrees to pay the Initial Sales Charges that would have been applicable to the Class A Unit purchases that were made.

#### Reinstatement Privilege

If all or a part of an Account Owner's Class A Units in the Plan are redeemed in connection with a withdrawal or transfer, and the Account Owner purchased the Class A Units subject to an Initial Sales Charge or paid a CDSC on their redemption, the Account Owner may reinvest an amount equal to all or a portion of the redemption proceeds in Class A Units of the same Investment Portfolio or any other Investment Portfolio at the Net Unit Value, without the imposition of an Initial Sales Charge, next determined after receipt in good order of the contribution, provided that such reinvestment is made within one year of the withdrawal or transfer. This Reinstatement Privilege only applies if the Plan is notified that a contribution qualifies for a reduced Initial Sales Charge at the time the contribution is made. The Initial Sales Charge waiver will be granted upon confirmation that an Initial Sales Charge or CDSC was previously paid. CollegeInvest or the Plan Manager may amend, suspend or cease offering this Reinstatement Privilege at any time as to Units redeemed after the date of such amendment, suspension or cessation. Reinstated Units for which a CDSC has already been paid will not be subject to a CDSC.

#### Waiver of Class A Initial Sales Charge

The Distributor may waive the Initial Sales Charge on purchases of Class A Units for an Account Owner:

- (i) who, for at least the last 90 days, has been an employee of a Selling Institution, or who is an immediate family member of any such person;
- (ii) with Accounts established pursuant to corporate and other employer relationships that involve the services of a Financial Professional;
- (iii) who makes contributions to an Account that does not have a Selling Institution of record;
- (iv) who makes purchases of Class A Units with assets rolled over (i.e., an Incoming Rollover) to the Plan from other Section 529 programs/plans (such purchases can be made without Initial Sales Charges to the extent that the purchase is made through a Financial Professional associated with a Selling Institution choosing to make the Initial Sales Charge waiver available to some or all of its clients); or
- (v) who makes aggregate contributions of at least \$500,000 (to multiple Accounts given the Maximum Contribution Limit per Account is currently \$500,000 per Designated Beneficiary), in which case the Class A Units will be subject to a CDSC of 0.50% if they are redeemed within one year of purchase to satisfy a withdrawal.

Notwithstanding the foregoing, the Distributor may waive the application of the Initial Sales Charge for purchases of Class A Units in other circumstances in its discretion. The Distributor is not responsible for a Selling Institution's

decision as to whether to make the Initial Sales Charge waiver available.

### Class I Units

Class I Units are not subject to any Initial Sales Charges, CDSCs, or Distribution and Service Fees. Class I Units are subject to specific eligibility requirements. Class I Units may only be purchased:

- (i) in Accounts that are subject to periodic or asset-based fees for a Selling Institution's and/or a Financial Professional's services;
- (ii) in Accounts established pursuant to corporate and other employer relationships that involve the services of a Financial Professional;
- (iii) in Accounts established through a Selling Institution that are subject to brokerage commissions and/or other transaction-related fees pursuant to a Selling Institution's compensation schedule; or
- (iv) by Account Owners who are current or retired employees or directors of the Plan Manager or the Distributor or their affiliates, or who are immediate family members of any such persons (immediate family members include spouses or domestic partners, parents, children, grandparents, grandchildren, parents-in-law, sons-in-law and daughters-in-law, siblings, a sibling's spouse and a spouse's siblings).
- (v) in Accounts previously invested in Class O Units prior to July 19, 2021.

### Selling Institution Compensation

The Distributor will make interests in the Plan available through Selling Institutions. Selling Institutions will receive compensation for their services from the Distributor through a "Dealer Reallowance" and "Ongoing Fee." The Dealer Reallowance is the commission, expressed as a portion of the contribution made, that the Distributor will pay to the applicable Selling Institution. The Dealer Reallowance paid to Selling Institutions for Units may be paid by the Distributor in whole or in part out of its own assets. The Dealer Reallowance for Class C Units represents an advance of the first year's Distribution and Service Fees. The Ongoing Fee is an ongoing fee payable as a percentage of net assets attributable to each applicable Account, which the Selling Institution will receive from the Distributor provided the Selling Institution satisfies certain requirements specified in its contract with the Distributor.

<b>Selling Institution Compensation For all Investment Portfolios except the TIAA Money Market Portfolio</b>		
<b>Unit Class</b>	<b>Dealer Reallowance<sup>1</sup></b>	<b>Ongoing Fee</b>
Class A		
Less than \$50,000	3.00% <sup>2</sup>	0.25%
At least \$50,000 but less than \$100,000	2.25%	0.25%
At least \$100,000 but less than \$250,000	1.25%	0.25%
At least \$250,000 but less than \$500,000	1.00%	0.25%
At least \$500,000	0.50%	0.25%
Class C	0.75%	0.75% <sup>3</sup>

1 Assumes no waiver of Initial Sales Charges.

2 Class A Units for certain Enrollment Year Investment Portfolios charge an Initial Sales Charge of 2.50% and pay a Dealer Reallowance of 2.25% for contributions of less than \$50,000; contributions greater than \$50,000 for such Class A Units pay Dealer Reallowances noted in the table above based on the corresponding dollar amount of contribution. See the "FEES AND EXPENSES TABLES" in **Appendix E** for Initial Sales Charges for each Enrollment Year Investment Portfolio.

3 Commences in the 13<sup>th</sup> month following purchase.

As noted above, the Initial Sales Charge applicable to Class A Units will be waived under certain conditions. In such event, the Distributor will have no obligation to pay a Dealer Reallowance to the Selling Institution. If you have any questions about the allocation of Dealer Reallowance and the Ongoing Fee for the Plan, please contact your Financial Professional.

The Distributor may pay amounts from its own resources and/or assets to Selling Institutions for services relating to the

promotion, offering, marketing or distribution of the Plan and its Investment Portfolios. These amounts, which are in addition to the Dealer Reallowance and Ongoing Fee paid by the Distributor as described above, are generally based on a percentage of the assets attributable to that Selling Institution invested in the Investment Portfolios. In return for such payments, a Selling Institution may agree to provide a variety of marketing and distribution-related services or access advantages to the Investment Portfolios, including without limitation, presenting Investment Portfolios on “preferred” or “select” lists, granting the Distributor access to the Selling Institution’s financial consultants, providing assistance in training and educating the Selling Institution’s personnel, and strategic planning support. The Plan Manager and/or Distributor may also pay service fees from its own resources and/or assets to a Selling Institution under an Omnibus Account Arrangement.

## FEES AND EXPENSES

You bear the applicable fees and expenses of the Units you purchase and the Investment Portfolios you select. If you invest through a Selling Institution that maintains an Omnibus Account Arrangement in the Plan on behalf of its customers, your Selling Institution may charge different maintenance or other administrative fees for services rendered with respect to your Account under such arrangement. The fees may be in addition to or in lieu of those that are charged directly by the Plan.

### ANNUAL ASSET-BASED FEE

Each Investment Portfolio is subject to an annual asset-based fee. This is an ongoing fee calculated at an annualized rate based on the average daily net assets of the Investment Portfolio. The annual asset-based fee for each Investment Portfolio is made up of the Underlying Fund Expenses, a Plan Management Fee, the CollegenInvest Administration Fee, and Distribution and Service Fees. The annual asset-based fees and expenses that apply to each Investment Portfolio by Unit class can be found in the “FEES AND EXPENSES TABLES” in **Appendix E**, and the “INVESTMENT COST EXAMPLE” in **Appendix F**.

**Underlying Fund Expenses.** These are the expenses of the Underlying Funds held by the Investment Portfolios. All Units indirectly bear a pro-rata share of the Underlying Fund Expenses for the corresponding Investment Portfolios.

**Plan Management Fee.** This fee is paid to the Plan Manager for the administration and management of the Plan. All Units pay a Plan Management Fee at an annual rate of 0.15% of the average daily net assets of the corresponding Investment Portfolios. Under certain market environments, the Plan Manager will voluntarily waive the TIAA Money Market Portfolio Plan Management Fee as necessary in an attempt to maintain at least a 0.00% return for this Investment Portfolio. The Plan Manager may discontinue this waiver at any time without notice. Please note that after the waiver, the net return for the TIAA Money Market Portfolio may still be negative.

**CollegenInvest Administration Fee.** This fee is to be used by CollegenInvest for the payment of expenses incurred by CollegenInvest in connection with the operation of its college savings program, which may or may not relate to the Plan, in accordance with and as permitted by applicable law. All Units qualify to pay the CollegenInvest Administration Fee at an annual rate of 0.10% (10 basis points) of the average daily net assets of the corresponding Investment Portfolios. At this time, CollegenInvest is electing to waive 0.04% (4 basis points) of its 0.10% administration fee. While such waiver continues in effect, CollegenInvest will receive an administration fee at an annual rate of 0.06% (6 basis points) of the average daily net assets of each Portfolio. CollegenInvest may discontinue this waiver at any time without notice.

**Distribution and Service Fees.** These fees are paid to the Distributor and Selling Institutions for distribution and account servicing functions, including establishing and maintaining Accounts, answering inquiries, ongoing sales commissions as well as advances of the first year’s Distribution and Service Fees payable to the Selling Institutions. Class A and C Units pay the Distribution and Service Fees at an annual rate applied to the average daily net assets of the corresponding Investment Portfolios (excluding Units in the TIAA Money Market Portfolio). The Plan will cease paying Distribution and Service Fees payable to a Selling Institution upon written request of the Selling Institution, and the fees that are not paid as a result will be retained by the Distributor.

### OTHER COMPENSATION

Although TFI does not receive such payments, TFI may receive payments from the investment advisers of certain Underlying Funds or their affiliates for a variety of services that TFI provides, or causes to provide, to Account Owners who are invested in the Investment Portfolios that invest in such Underlying Funds. These services include, for example, recordkeeping for Account Owners, processing of Account Owner transaction requests, and providing quarterly Account statements. In consideration for these services, TFI receives compensation from such investment

advisers or their affiliates of up to 0.10% of the average annual amount invested by the Investment Portfolios in the underlying investment.

TFI also receives payments from TIAA-CREF Life Insurance Company, the issuer of the TIAA-CREF Life Funding Agreement, one of the Underlying Funds. This payment, among many other factors, is considered by TIAA-CREF Life Insurance Company when determining the interest rates credited under the Funding Agreement.

As Plan Manager, TFI recommends to CollegenInvest for its approval the Investment Portfolios and the Underlying Funds in which those Investment Portfolios will invest. TFI may recommend Underlying Funds that are advised by its affiliated entities, including Teachers Advisors, LLC and Nuveen Fund Advisors, LLC. To the extent that the Investment Portfolios invest in Underlying Funds that are advised by entities affiliated with TFI, those affiliated entities may receive compensation as a result of additional assets being invested in the Underlying Funds.

## **SERVICE-BASED FEES**

The Plan reserves the right to charge reasonable additional fees if you request incremental, non-standard services. In particular, if you request delivery of withdrawal proceeds by priority delivery service, outgoing wire or expedited electronic payment to schools, the Plan will deduct the applicable fee directly from your Account, and will include this fee amount on your annual IRS Form 1099Q as part of the gross distribution paid to you during the year. In its discretion and without further notice, the Plan may deduct directly from your Account the other fees and expenses incurred by you and identified in the following list or similar fees or charges. The following additional fees may be charged if you request the service specified below:

Returned Check	\$25
Rejected ACH	\$25
Priority Delivery of Check Distribution:	\$15 Weekday/\$25 Saturday/\$50 Foreign
Outgoing Wires:	\$15 Domestic/\$25 International
Request for Historical Statement (mailed)	\$10
Electronic Distribution to Schools*	\$10
Rollover Out of the Plan	\$10

*\*Where Available*

## **OVERSIGHT OF THE PLAN**

The primary purpose of the Plan, as a component of all Colorado Section 529 Plans, is to permit families to benefit from tax benefits of qualified college savings programs allowed by federal law and encourage timely financial planning for education expenses. In May 1999, the Colorado General Assembly adopted State of Colorado House Bill 99-1288 (the "Act"), authorizing the establishment of a college savings program. The State has established a college savings program that is designed to be a "qualified tuition program" under Section 529 of the Internal Revenue Code of 1986, as amended (the "Code"). CollegenInvest, a division of the Colorado Department of Higher Education (the "Department"), is the issuer and administrator of various plans, including, since 1999, the Scholars Choice Education Savings Plan (the "Plan"), as part of that college savings program. It is possible that federal and state laws may change due to legislative or judicial action in a manner that will adversely affect the Plan as described in this Plan Description, and that such adverse effects may be retroactive.

Amounts contributed to the Plan will be invested in the Scholars Choice Education Savings Trust (the "Trust"). The Trust has been established to hold the Plan's assets, including funds contributed to accounts established by Account Owners. The assets in the Accounts will be allocated to the Investment Portfolios and invested by the Plan Manager. Each Investment Portfolio is a segregated asset account of the Trust. CollegenInvest acts as trustee to the Trust, and the Plan Manager holds the assets of the Trust in one or more custody accounts. Assets of the Trust are held "in trust" for the exclusive benefit of Account Owners and Beneficiaries in the Plan. The Trust will not make any loans to either Account Owners or Beneficiaries. Amounts invested in an Account may not be pledged, assigned, or otherwise used as collateral or security for a loan.

CollegenInvest also may amend the Plan at any time if CollegenInvest determines that such an amendment is necessary to maintain the Plan's qualification under Section 529. CollegenInvest, in consultation with the Plan Manager, may establish such administrative rules as it determines are necessary or desirable to ensure or promote the Plan's compliance with Section 529, other laws, rules and regulations, the purpose of the Plan and the orderly operation and administration of the Plan. Some administrative rules may not be described in this Plan Description. Pursuant to these

powers, CollegenInvest has engaged TFI to serve as the Plan Manager of the Plan under the Management Agreement. TFI is a wholly owned, direct subsidiary of Teachers Insurance and Annuity Association of America (“TIAA”). TIAA, together with its companion organization, the College Retirement Equities Fund (“CREF”), forms one of America’s leading financial services organizations and one of the world’s largest pension systems, based on assets under management.

**Management Agreement.** The Plan Manager, TFI, and CollegenInvest have entered into a Management Agreement, under which the Plan Manager, its affiliates, and subcontractors provide investment management, administration, recordkeeping, reporting, marketing, distribution, and other services for the Plan.

**Distributor.** As the distributor for the Plan, Nuveen Securities, an affiliate of the Plan Manager, is responsible for the marketing and distribution of the Plan, including the offering and sales of interests in the Plan described in this Plan Description. Nuveen Securities is a registered broker-dealer and municipal securities dealer, and is the distributor for Nuveen Securities’ affiliated mutual fund families. In its capacity as the Plan’s distributor, Nuveen Securities will offer interests in the Plan through Selling Institutions. Interests in the Plan are intended to be purchased only through a Financial Professional.

**Administrative Services.** As a subcontractor under the Management Agreement, Ascensus College Savings Recordkeeping Services, LLC is responsible for the general administrative services to the Plan including transfer agency services, records administration, fund accounting, and custody.

## UNIT VALUES

### **The Plan Unit Value; Contributions and Withdrawals of the Plan Units**

The value of your Account will be determined by reference to the Net Unit Values of the Units in the Investment Portfolios held by your Account. The value of a Unit of an Investment Portfolio is determined by dividing the aggregate of the fair value of the investments held by such Investment Portfolio, plus any receivables and other assets of such Investment Portfolio and less any liabilities (such as costs of service and distribution fees, Plan Management Fees, state administration fees, legal, audit and printing services, among other expenses) of such Investment Portfolio by the number of outstanding Units of such Investment Portfolio. The Plan Manager will determine the Net Unit Value of each Investment Portfolio, as of the close of regular trading on the NYSE (usually 4:00 p.m. Eastern Time), on each day that the NYSE is open for regular trading.

Contributions will be deemed accepted by the Plan Manager as of the business day on which the Plan Manager determines that the documentation relating to such contribution has been received in good order. The Net Unit Value for determining the number of Units in a particular Investment Portfolio that will be credited to an Account as a result of a contribution will be the Net Unit Value next calculated after the contribution has been credited to the Account by the Plan Manager. Any contribution to an Account that has been credited to the Account by the Plan Manager prior to the close of business on the NYSE will be priced at the Net Unit Value calculated on that day. Any contribution to an Account that is credited to the Account by the Plan Manager after the close of business on the NYSE will be priced at the Net Unit Value that is calculated on the next day on which the NYSE is open for regular trading. On the business day following the pricing date, the Plan Manager will take appropriate action with respect to the Investment Portfolio(s) to which the Account is assigned to cause the funds contributed to be invested in shares of the Underlying Funds or in other underlying investments.

A request for withdrawal will be deemed accepted by the Plan Manager as of the business day on which the Plan Manager determines that the request for withdrawal has been properly completed and is in good order. The Net Unit Value for determining the number of Units that will be debited from an Account as a result of a withdrawal from the Account will be the Net Unit Value next calculated after the withdrawal request has been deemed accepted by the Plan Manager. If a withdrawal request has been deemed accepted by the Plan Manager prior to the close of business on the NYSE, the withdrawal will be priced at the Net Unit Value that is calculated on that day. If a withdrawal request has not been deemed accepted by the Plan Manager until after the close of business on the NYSE, the withdrawal will be priced at the Net Unit Value that is calculated on the next day on which the NYSE is open for regular trading. On the business day following the pricing date, the Plan Manager will take appropriate action with respect to the Investment Portfolio(s) to which the Account is assigned to cause funds to be available for the withdrawal by using available cash or by redeeming shares of the Underlying Funds or interests in other underlying investments.

In the event of Force Majeure, the Plan may experience processing delays, which may affect an Account transaction’s trade date. In such instances, the actual trade date may be after the trade date an Account Owner would have

received, which may negatively affect the value of the Account.

## TAX INFORMATION

**Statements in this Plan Description concerning U.S. tax issues are provided for general informational purposes and are not offered as tax advice to any person. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax professional.**

The federal and Colorado tax benefits and related tax implications of an investment in the Plan described in this Plan Description depend on qualification of the Plan as a qualified tuition program within the meaning of Section 529 of the Internal Revenue Code. The tax rules applicable to the Plan are complex, some have not been finalized, and are in some respects open to different interpretations. The discussion below is based on the CollegenInvest's current understanding of Section 529, including such guidance as has been provided by the proposed Treasury regulations and by other Treasury and IRS announcements. However, neither CollegenInvest nor the Plan Manager makes any guarantee, warranty, or other representation as to the federal or state income tax, gift tax, estate tax, or generation-skipping transfer tax treatment or consequences of any Account, contribution, distribution, or other Account transaction or disposition, and nothing in this Plan Description is intended or shall be interpreted as tax advice. For the risks associated with the tax treatment of investments in the Plan, see "THE PLAN RISK FACTORS." The application of the governing tax rules to any particular person may vary according to facts and circumstances specific to that person. A qualified tax professional should be consulted about how the laws apply to a particular Account Owner, contributor or Designated Beneficiary.

### FEDERAL TAX TREATMENT

The Plan is intended to meet the requirements of a qualified tuition program under Section 529. As such, earnings allocated to Accounts of the Plan but not distributed out of the Plan are not subject to federal income tax. In order to be eligible for such tax treatment and for Account Owners and Designated Beneficiaries to receive the favorable federal income, estate, gift and generation-skipping tax treatment described below, the Plan is required to implement certain restrictions and procedures applicable to the operation of the Plan, which are generally described in this Plan Description.

**Contributions.** Contributions to an Account generally do not result in taxable income to the Designated Beneficiary. See discussion under the caption "Federal Gift, Estate and Generation-Skipping Transfer Taxes," below. Contributions are made on an after-tax basis. A contributor may not deduct any contribution from income for purposes of determining federal income tax liability.

**Taxation of Account Earnings.** Earnings from the investment of contributions to an Account will not be included in computing the federal taxable income of Account Owner or Designated Beneficiary before withdrawals are made from the Account. The earnings portion of a withdrawal will be determined by the Plan Manager in accordance with federal requirements as of the date of withdrawal. The earnings portion of any particular withdrawal will be determined on a pro rata basis, based on that portion of the Account as a whole which is attributable to earnings. For these purposes, "earnings" generally means any increase in the aggregate account value (considering all Investment Portfolios in which the Account is invested, regardless of which Investment Portfolio the withdrawal is made from) over the aggregate "investment" in the Account (which in most cases will equal the aggregate amount of contributions to the Account). In the event an Account Owner has more than one Colorado Section 529 Plan account for the same Designated Beneficiary, the earnings portion of a withdrawal from an Account will be calculated based on the earnings portion in aggregate of all Colorado Section 529 accounts for the same Designated Beneficiary. Upon withdrawal from an Account, the earnings portion of the amount distributed may be recognized as taxable income of the person who receives, or is treated as receiving, the withdrawal, as described below. If the earnings are taxable, the income will be taxed at ordinary income tax rates rather than capital gains rates for federal income tax purposes, regardless of the source of the earnings.

**Characterization of Withdrawal.** Each withdrawal you make from your Account will fall into one of the following categories: a Qualified Withdrawal, a Qualified Rollover, a Taxable Withdrawal or a Non-Qualified Withdrawal. See "WITHDRAWALS — Types of Withdrawals" for a description of each category of withdrawals. The Plan Manager is not responsible for categorizing withdrawals. Prior to requesting a withdrawal, the Account Owner should work with his or her qualified tax professional or Financial Professional to determine how the withdrawal should be categorized for tax purposes.

**Taxation of Withdrawals.** Pursuant to federal income tax reporting requirements, any withdrawal made payable to the Designated Beneficiary or to an Eligible Education Institution for the benefit of the Designated Beneficiary will be

reported as a distribution to the Designated Beneficiary, while any other withdrawal will be reported as a distribution to the Account Owner.

No portion of a Qualified Withdrawal or a Qualified Rollover is subject to federal income tax, including the 10% Additional Tax. For a Taxable Withdrawal, the earnings portion of such withdrawal is subject to federal income tax, but not the 10% Additional Tax. For a Non-Qualified Withdrawal, the earnings portion of such withdrawal is subject to federal income taxes including the 10% Additional Tax.

**Refunds of Payments of Qualified Higher Education Expenses.** If an Eligible Educational Institution refunds any portion of an amount previously withdrawn from an Account and treated as a Qualified Withdrawal, such amount will not be subject to federal income tax if it is recontributed to a qualified tuition program for the same Designated Beneficiary not later than 60 days after the date of the refund. If the amount of the refund is not recontributed within 60 days, the amount of the refund potentially may still be treated as a Qualified Withdrawal if the refund is used for Qualified Higher Education Expenses or may be treated as a Non-Qualified Withdrawal or a Taxable Withdrawal, depending on the reason for the refund. You should consult with a qualified tax professional regarding such tax treatment.

**Coordination with Other Federal Tax Incentives.** Some expenses which would otherwise be Qualified Higher Education Expenses of a Designated Beneficiary may also be available as the basis for a credit against the federal income tax liability of that Designated Beneficiary (or another person who can claim that Designated Beneficiary as a dependent), under the federal income tax provisions governing the American Opportunity Tax Credit and Lifetime Learning Credit (together, the "Education Tax Credits"). However, any expenses used as the basis for such a credit may not be considered Qualified Higher Education Expenses for purposes of the preferential tax treatment of withdrawals under Section 529. A taxpayer may claim an Education Tax Credit and receive a Qualified Withdrawal to pay Qualified Higher Education Expenses from the Plan in the same year, so long as the withdrawal is not used to pay for the same expenses for which the credit is claimed. Thus, to the extent that a withdrawal is used to pay expenses for which an Education Tax Credit is claimed, such withdrawal may constitute a Taxable Withdrawal subject to federal income tax (but not the 10% Additional Tax) on the earnings portion of the withdrawal.

**Account Transfers and Rollovers.** The earnings portion of an Outgoing Rollover that is a Qualified Rollover will not be treated as taxable income of the recipient for federal purposes. A Qualified Rollover is a transfer of funds from an account (1) to another state's qualified tuition program for the benefit of the same beneficiary, provided that it has been at least 12 months from the date of a previous transfer to a qualified tuition program for that beneficiary, (2) to another qualified tuition program (including any other Colorado Section 529 Plans) for a beneficiary of the account (or Account) receiving the funds that is a Member of the Family of the Designated Beneficiary of the Account transferring the funds, or (3) to an ABLE account for the Designated Beneficiary or Member of the Family of the Designated Beneficiary, subject to applicable ABLE contribution limits.

Distributions from an Account in connection with a rollover to an ABLE account must occur before January 1, 2026 in order to qualify as a Qualified Rollover. Qualified Rollovers are generally federal income tax-free.

Any direct transfers among any other Colorado Section 529 Plans and the Plan to accounts for the benefit of the same beneficiary are not Qualified Rollovers. Instead, such transfers are considered to be investment rebalances for purposes of the two investment rebalances permitted each calendar year.

An Account Owner may not change the Designated Beneficiary of an Account, transfer funds or make a contribution (including a Qualified Rollover contribution) to the extent that such change, transfer or contribution would result in an aggregate balance of account in the Plan and any other Colorado Section 529 Plans for any beneficiary (regardless of Account Owner) to exceed the Maximum Contribution Limit.

#### **Federal Gift, Estate and Generation-Skipping Transfer Taxes**

The tax treatment summarized in this section is complicated and will vary depending on your individual circumstances. You should consult with a qualified tax professional regarding the application of these tax provisions to your particular circumstances.

Contributions to the Plan are generally considered completed gifts for federal tax purposes and, therefore, are potentially subject to federal gift tax. Generally, if a contributor's contributions to an Account for a Designated Beneficiary, together with all other gifts by the contributor to the Designated Beneficiary during the year, are less than, or equal to, the current annual federal gift tax exclusion of \$15,000 per year (\$30,000 for married contributors electing to split gifts), no federal gift tax will be imposed on the contributor for gifts to the Designated Beneficiary during that

year. This annual federal gift tax exclusion amount is indexed for inflation in \$1,000 increments and may therefore be adjusted in future years.

If a contributor's contributions to an Account for a Designated Beneficiary in a single year exceed \$15,000 (\$30,000 for married contributors electing to split gifts), the contributor may elect to treat up to \$75,000 of the contribution (\$150,000 for married contributors electing to split gifts or giving community property) as having been made ratably over a five-year period. (For purposes of determining the amount of gifts made by the contributor to that Designated Beneficiary in the four-year period following the year of contribution, the contributor will need to take into account the ratable portion of the Account contribution allocated to that year.)

In addition, to the extent not previously used, each contributor has a lifetime federal gift tax exemption that will be applied to gifts in excess of the annual exclusion amounts referred to above. This lifetime gift tax exemption is adjusted for inflation and is currently \$11,700,000 for each contributor. A married couple may elect to split gifts and apply their combined lifetime gift tax exemption of \$23,400,000 to gifts made by either of them. Accordingly, while federal gift tax returns are required for gifts in excess of the annual federal gift tax exclusion amount (including gifts that the contributor elects to treat as having been made ratably over a five-year period), no federal gift tax will be due until the lifetime gift tax exemption has been used. The federal top gift tax rate is currently 40 percent.

Amounts in an Account that are considered completed gifts by the contributor generally will not be included in the contributor's gross estate for federal estate tax purposes. However, if the contributor elects to treat the gifts as having been made over a five-year period and dies before the end of the five-year period, the portion of the contribution allocable to the remaining years in the five-year period (not including the year in which the contributor died) would be includible in computing the contributor's gross estate for federal estate tax purposes. Amounts in an Account at the death of a Designated Beneficiary will be included in the Designated Beneficiary's gross estate for federal estate tax purposes to the extent such amounts are distributed to a beneficiary of, or the estate of, the Designated Beneficiary. Each taxpayer has a federal estate tax exemption that is reduced by lifetime taxable gifts. This estate tax exemption is adjusted for inflation and is currently \$11,700,000 for each contributor. The top federal estate tax rate is currently 40 percent.

A change of the Designated Beneficiary of an Account or a transfer of funds from an Account to an Account for another Designated Beneficiary will potentially be subject to federal gift tax if the new Designated Beneficiary is in a younger generation than the generation of the Designated Beneficiary being replaced or is not a Member of the Family of that Designated Beneficiary. In addition, if the new Designated Beneficiary is in a generation two or more generations younger than the generation of the prior Designated Beneficiary, the transfer may be subject to the federal generation-skipping transfer tax. Each taxpayer has a generation-skipping transfer tax exemption that may be allocated during life or at death. This generation-skipping transfer tax exemption is adjusted for inflation and is currently \$11,700,000 for each contributor. The generation-skipping transfer tax rate is 40 percent. Under the proposed regulations under IRC Section 529, these taxes would be imposed on the prior Designated Beneficiary but treatment under the current provisions of IRC Section 529 is uncertain.

#### **COLORADO INCOME TAX TREATMENT**

The following discussion applies only with respect to Colorado income taxes. Colorado income tax benefits offered in connection with the Plan are available only to Colorado taxpayers. You should consult with a qualified tax professional regarding the application of Colorado income tax benefits to your particular circumstances. Any references to specific dollar amounts are current only as of the date of this Plan Description; you should consult with a qualified tax professional to learn if the amounts have been updated.

**Contributions.** Individuals, estates and trusts subject to Colorado income tax will generally be entitled to a Colorado income tax deduction for contributions to the Plan. This deduction can be taken to the extent of their Colorado taxable income for the year for contributions made to an Account in such year. The Colorado Department of Revenue does not treat a transfer or rollover from another Section 529 plan to the Plan as a contribution eligible for the Colorado income tax deduction.

**Withdrawals.** Qualified Withdrawals used to pay for the Qualified Higher Education Expenses of the Designated Beneficiary at an Eligible Educational Institution are not included in Colorado taxable income of the Account Owner or Designated Beneficiary. The earnings portion of any withdrawal other than a Qualified Withdrawal is subject to Colorado income tax. Colorado Account Owners are cautioned that a withdrawal to pay for K-12 tuition expenses, while qualifying, subject to certain limits, for treatment as a Qualified Withdrawal for federal tax purposes, may be a withdrawal that is subject to Colorado income tax (see "K-12 Expenses" below).

**Recapture.** For withdrawals other than (i) to pay Qualified Higher Education Expenses at an Eligible Education Institution, (ii) as a result of the Designated Beneficiary's death or disability, or (iii) as a result of receiving a scholarship (to the extent the withdrawal does not exceed the amount of the scholarship), the portion of the withdrawal attributable to contributions previously deducted for Colorado income tax purposes is subject to recapture and must be added to taxable income of the taxpayer who took the deductions, in the year in which the withdrawal is made. The recapture provision applies to a rollover to a non-Colorado Section 529 plan or ABLÉ account. While the State will recapture amounts attributable to a Colorado income tax deduction taken for the non-qualified withdrawal amounts, Collegenvest has not imposed any other penalty that it deducts on such withdrawals.

**K-12 Expenses.** Colorado authorities have determined that a withdrawal used to pay for K-12 tuition expenses, while qualifying, subject to certain limits, for treatment as a Qualified Withdrawal for federal tax purposes, will be treated as a Non- Qualified Withdrawal for Colorado income tax purposes. Accordingly, (i) the portion of a withdrawal made for K-12 tuition expenses that is attributable to contributions previously deducted for Colorado income tax purposes will be subject to Colorado state tax recapture and added to the Colorado taxable income of the taxpayer who took the deduction in the year the withdrawal is made, and (ii) the earnings portion of a withdrawal made for K-12 tuition expenses will be subject to Colorado income tax. Colorado Account Owners should consult with a qualified tax professional before using a Plan Account to pay for any K-12 tuition expenses. Non-Colorado Account Owners should check their own state laws with respect to potential state tax recapture or other impact of withdrawals made for K-12 tuition expenses.

**Qualified Education Loan Repayments.** Withdrawals made to make principal or interest payments on qualified education loans are considered non-qualified withdrawals subject to Colorado income tax and Colorado's deduction recapture provisions. Colorado Account Owners should consult with a qualified tax professional before making a withdrawal for education loan repayments and before making a contribution which they intend to ultimately withdraw for education loan repayments. Non-Colorado Account Owners should check their own state laws with respect to potential state deduction recapture or other impact of withdrawals made for student loan repayments.

**Apprenticeship Program Expenses.** It has not yet been confirmed that apprenticeship program expenses will be treated as "qualified higher education expenses" for Colorado state tax purposes. Colorado Account Owners should consult with a qualified tax professional before using a Plan Account to pay for apprenticeship program expenses. Non-Colorado Account Owners should check their own state laws with respect to the treatment of withdrawals used to pay for apprenticeship program expenses.

#### **Taxes Imposed by Other Jurisdictions**

Prospective Account Owners should consider the potential impact of income taxes imposed by jurisdictions other than Colorado. It is possible that other state or local taxes apply to withdrawals from and/or accumulated earnings within the Plan, depending on the residency or domicile, or sources of taxable income of the Account Owner or the Designated Beneficiary. Account Owners and Designated Beneficiaries should consult with a qualified tax professional about the applicability, if at all, of state or local taxes of other jurisdictions.

## **REPORTING AND OTHER RELATED MATTERS**

### **CONFIRMATIONS AND ACCOUNT STATEMENTS**

Quarterly statements will be posted to your online account each quarter. Quarterly statements will be distributed either by mail or electronic notification, depending on your selection, only if you have made a financial transaction within the quarter. Transactions that will generate statements include: Contributions made to your Account, investment reallocations, withdrawals made from your Account, and transaction fees incurred by your Account. The total value of your Account at the end of the quarter will also be included in your quarterly statements. You will receive an annual Account statement even if you have made no financial transactions within the year.

You will receive a confirmation for each contribution and transaction to your Account(s), except for Recurring Contributions, payroll direct deposits, systematic withdrawals, exchanges due to Automatic Dollar Cost Averaging, automatic conversions of Class C Units to Class A Units, and exchanges due to Account assets being automatically moved to the In School Portfolio as the Designated Beneficiary ages. These automated transactions will be confirmed on a quarterly basis. Each confirmation statement will indicate the number of Units you own in each Investment Portfolio. If you receive a confirmation that you believe does not accurately reflect your instructions, or a quarterly or annual Account statement does not accurately reflect information about your Account, you have 60 days from the date of the confirmation or Account statement to notify the Plan of the error. If you do not notify the Plan within that time, you will be deemed to have approved the information in the confirmation or the Account statement and to have released the Plan and its service providers from all responsibility for matters covered in the confirmation or Account

statement.

### **TAX REPORTS**

Annually, the Plan will issue a Form 1099-Q to each distributee for any withdrawal(s) made from an Account in the previous calendar year as required by the IRC. The Plan will also report withdrawals to the IRS and to the State as may be required. Form 1099-Q shows the basis (contributions) and earnings (if any) portions for all withdrawals made from your Account. The Form 1099-Q recipient (which is deemed to be the Account Owner unless the withdrawal is paid to the Designated Beneficiary or an Eligible Educational Institution on behalf of the Designated Beneficiary, in which case the Designated Beneficiary is the recipient) is responsible for determining whether the earnings portion of the withdrawal is taxable, for retaining appropriate documentation to support this determination and for appropriately reporting earnings on his/her federal and applicable state income tax forms. You should consult with a qualified tax professional for more information.

### **AUDITORS FOR THE TRUST**

Each year, an independent public accountant will audit the Trust. The auditor will examine financial statements for the Trust and provide other audit and related services. The fiscal year of CollegenInvest ends on June 30<sup>th</sup> of each year. A copy of the Trust's audited financial statements will be made available to Account Owners by CollegenInvest upon request. The Trust's current auditor is BDK, LLP.

### **CONTINUING DISCLOSURE**

To comply with Rule 15c2-12(b)(5) under the Securities Exchange Act of 1934, as amended, TFI has executed a Continuing Disclosure Agreement for the benefit of Account Owners. As set forth in the Continuing Disclosure Certificate, upon notice from TFI, Nuveen Securities will provide certain financial information and operating data (the "Annual Information") relating to the Plan and notices of the occurrence of certain enumerated events set forth in the Continuing Disclosure Certificate. The Annual Information will be filed by Nuveen Securities with each Nationally Recognized Municipal Securities Information Repository (the "NRMSIRS"). Notices of certain enumerated events will be filed by Nuveen Securities with the NRMSIRS or the Municipal Securities Rulemaking Board.

## **ADDITIONAL INFORMATION ABOUT YOUR ACCOUNT**

### **PROTECTION OF YOUR ACCOUNT IN THE EVENT OF A BANKRUPTCY**

The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 expressly excludes from an individual debtor's bankruptcy estate (and, therefore, will not be available for distribution to such individual's creditors), certain assets that have been contributed to a 529 Plan account. However, bankruptcy protection for 529 Plan assets is limited and has certain conditions. To be protected, the Designated Beneficiary must be (or have been during the taxable year of the contribution) a child, stepchild, grandchild, or step-grandchild of the individual who files for bankruptcy protection. In addition, contributions made to all 529 Plan accounts for the same Designated Beneficiary (meaning that your Account for a Designated Beneficiary would be aggregated with any other account or contract you have for the same Designated Beneficiary in any other Colorado Section 529 Plan and the Plan, and in a 529 Plan in another state) are protected as follows: (1) there is no protection for any assets that are contributed less than 365 days before the bankruptcy filing; (2) assets are protected in an amount up to \$5,850 if they have been contributed between 365 and 720 days before the bankruptcy filing; and (3) assets are fully protected if they have been contributed more than 720 days before the bankruptcy filing. This information is not meant to be individual advice, and you should consult with a qualified tax professional concerning your individual circumstances and the applicability of Colorado law.

### **ARBITRATION**

**All controversies that may arise between an Account Owner or the Designated Beneficiary and the Plan Manager involving any Account(s) will be determined by arbitration in lieu of court proceedings. Any controversies that may arise between an Account Owner or the Designated Beneficiary and CollegenInvest involving any transaction in any Account(s), or the construction, performance or breach of the Participation Agreement may be determined by arbitration or court proceedings, as determined by CollegenInvest in its sole discretion.**

## APPENDIX A – PRIVACY POLICY

### Scholars Choice Education Savings Plan Privacy Policy

Please read this notice carefully. It gives you important information about how the Scholars Choice Education Savings Plan (the “Plan”) uses and protects personal information when you visit scholars-choice.com or when you submit documents via mail, email or in person in connection with the Plan through its Plan Manager, TIAA-CREF Tuition Financing, Inc. (“TFI” or “we”). Subject to the “Changes to our Privacy Policy” section below, this policy applies to all account owners in the Plan and scholars-choice.com visitors.

### Information We May Collect

We, on behalf of the Plan, may collect personal information about you, the successor account owner and beneficiary from various sources to provide information requested by you about the Plan, as well as to transact business with you, including to service and maintain your account in the Plan. We may obtain this personal information (which may include Social Security Number or Individual Taxpayer Identification Number (ITIN) and date of birth belonging to the account owner, successor account owner and beneficiary) in any of the following ways:

- you provide it on the Plan enrollment form (“Application”);
- you provide it on other Plan forms;
- you provide on the Plan’s website or it is collected through “cookies” and similar text files;
- you provide it during consultations;
- you provide it on sweepstakes or promotional materials;
- we obtain it to complete your requested transactions;
- third parties the account owner authorizes to provide information to the Plan; or
- third parties the account owner designates to have access to the Plan.

### How Your Information Is Shared and Used

TFI does not disclose your personal information to any third parties so that they can market their products and services to you.

As permitted by law or contract, TFI may disclose your information to those service providers, affiliated and non-affiliated, hired by us on behalf of the Plan and which need the information to respond to your inquiries and/or to service, maintain your account and improve the Plan’s ability to serve you and enhance your Plan benefits.

The affiliated and non-affiliated service providers who receive your personal information may use it to:

- process your Plan transactions;
- provide you with Plan materials;
- mail you Plan account statements;
- mail, email or digitally provide you Plan communications; and
- maintain the Plan website.

These service providers provide services at TFI’s direction and include marketing agencies, fulfillment companies, printing and mailing facilities. Under their agreements with TFI, these service providers are required to keep your personal information confidential and to use it only for providing the contractually required services.

For your convenience, the Plan has arranged with TFI to display your account information at TIAA.org, the website of TFI’s affiliate, Teachers Insurance and Annuity Association of America (including its financial affiliates, collectively, “TIAA”), in the event that you hold a retirement plan account or a retail financial account with TIAA.

Your Plan account information shall only be shared for this limited purpose. However, if you prefer not to share your information with TIAA in this manner, you may opt-out by contacting the Plan.

The Plan has also facilitated the inclusion of your Plan account information in TIAA's financial planning advisory tools. At TIAA.org and any of its digital tools, your personal information will be stored and processed in accordance with the TIAA Privacy Notice, Terms of Use and Security.

In addition, TFI may be required by law to disclose your personal information to government agencies and other regulatory bodies (for example, for tax reporting purposes or to report suspicious transactions).

### **Security of Your Information**

TFI protects the personal information you provide against unauthorized access, disclosure, alteration, destruction, loss or misuse. Your personal information is protected by physical, electronic and procedural safeguards in accordance with federal and state standards. These safeguards include appropriate procedures for access and use of electronic data, provisions for the secure transmission of sensitive personal information on the Plan's website, and telephone system authentication procedures.

### **Changes in Our Privacy Policy**

TFI, on behalf of the Plan, periodically reviews and updates this Privacy Policy and its related practices and procedures. Any changes to this Privacy Policy will become effective upon posting of the revised Privacy Policy on scholars-choice.com. If we make material changes to this Privacy Policy, we will notify you by means of a prominent notice on the Plan's website prior to the change becoming effective.

### **Notice About Online Privacy**

The personal information that you provide through the Plan website is handled in the same way as the personal information that you provide by any other means, as described above. This section of the notice gives you additional information about the way in which personal information that is obtained online is handled.

### **Online Enrollment, Account Access, and Online Transactions**

When you visit the Plan website, you can go to pages that are open to the general public or log on to protected pages, access information about your account, or conduct certain transactions on your account. Once you have opened an account in the Plan, access to the secure pages of the Plan website is permitted only after you have created a Username and Password by supplying your Social Security Number or Taxpayer Identification Number, Account Number, and zip code. The Username and Password must be supplied each time you want to access your account information online. This information serves to verify your identity.

When you enter personal data into the Plan website (including your Social Security Number or Taxpayer Identification Number and your password) to enroll or access your account online, you will log in to secure pages where we use Transport Layer Security (TLS) protocol for protecting information.

To use this section of the Plan website you need a browser that supports TLS encryption and dynamic web page construction.

If you provide personal information to effect transactions on the Plan website, a record of the transactions that you have performed while on the site is retained by the Plan.

### **Other Personal Information Provided by You on the Plan Website**

If you request Plan enrollment materials to be mailed to you, speak with a financial professional or you want to subscribe to receive additional Plan information, you can click on various sections of the Plan website to provide your name, mailing address and email address, respectively. The personal information you provide on the Plan's website will be stored and used to market the Plan more effectively.

When you visit the Plan's website, we may collect information about your use of the site through "cookies." Cookies are small bits of information transferred to a computer's hard drive that allow us to know how often a user visits our site and the activities they are most interested in performing. By visiting the Plan's site, you are deemed to accept such cookies to enable you to take full advantage of specific services offered. We may also require you to accept

cookies placed by a third party supporting this activity on behalf of the Plan.

The cookies collect certain technical and navigational information only, such as computer browser type, internet protocol address, pages visited, and average time spent on our websites. In addition, we capture the paths taken as you move from page to page (i.e., your "click stream" activity). This information allows us to enhance your experience while on our site.

Finally, we use cookies to establish and maintain a logged-in connection while you are in the secure section(s) of our website. For example, when you visit your account, perform transactions, update contact information or perform other activity, the cookie allows you to navigate from page to page in a secure fashion without having to repeatedly log-in.

### **External Links**

The Plan may, from time to time, contain links to external sites operated by third parties. We are not responsible for these third-party sites or the content of such third-party sites. Once you have left the Plan website, we cannot be responsible for the protection and privacy of any information that you provide. You should exercise caution and look at the privacy policy of any website you visit.

### **Internet Tracking Disclosure**

We do not have the protocol that offers you the choice to opt-out of internet tracking. You may reset your web browser to enable "do not track" functionality if your browser supports it.

### **Obtaining Additional Information**

You may call the Plan toll-free at 1-888-5-SCHOLAR or write to the Plan at Scholars Choice Education Savings Plan, P.O. Box 219372, Kansas City, MO 64121.

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## APPENDIX B – OMNIBUS SELLING INSTITUTIONS

Certain Selling Institutions may hold and maintain Accounts in the Plan under an Omnibus Account Arrangement with the Plan Manager and/or the Distributor. These Selling Institutions are referred to as “Omnibus Selling Institutions.” An Omnibus Selling Institution may establish sales charge and fee schedules and related practices, policies, privileges and features that differ from those that are described in this Plan Description and that would apply if you established an Account in the Plan through a Selling Institution that is not an Omnibus Selling Institution. Such differences may include, without limitation: Unit class eligibility standards; minimum initial and subsequent investment amounts; Initial Sales Charges, including amounts, rights of accumulation and letter of intent privileges; availability of sales charge and fee waivers or discounts; account maintenance and other administrative fees; and the Class C to Class A conversion period. Services performed by an Omnibus Selling Institution include accepting and processing initial and subsequent Account contributions and withdrawal requests; delivering financial reports, statements, tax reports and other information; and maintaining all records of your participation in the Plan.

It is the responsibility of an Omnibus Selling Institution’s customer to notify the Omnibus Selling Institution at the time of purchase of Plan Investment Portfolio Units of any relationships or other facts qualifying the customer for sales charge and/or fee waivers or discounts.

Account Owners should contact their Financial Professional to determine whether such Financial Professional’s firm holds Accounts in the Plan on behalf of its customers under an Omnibus Account Arrangement and, if so, to understand the details of such arrangements, including fees and expenses charged by such firm that are not disclosed in this Plan Description.

### **Accounts Established Through Edward D. Jones & Co., L.P.**

**Please note: The following information has been furnished by Edward Jones. Neither the Plan Manager, the Distributor, nor CollegenInvest has independently verified such information.**

Clients of Edward Jones (also referred to as “shareholders”) purchasing fund shares on the Edward Jones commission and fee-based platforms are eligible only for the following sales charge discounts (also referred to as “breakpoints”) and waivers, which can differ from breakpoints and waivers described elsewhere in the Plan Description or that are available through another financial intermediary. In all instances, it is the shareholder’s responsibility to inform Edward Jones at the time of purchase of any relationship, holdings of Scholars Choice Education Savings Plan or other facts qualifying the purchaser for discounts or waivers. Edward Jones can ask for documentation of such circumstance. For purposes of this disclosure, “shareholders” include Scholars Choice Account Owners, a Scholars Choice Investment Portfolio shall be considered a fund, Units of Scholars Choice Investment Portfolios shall be considered “shares” and “fund shares”, and the Plan Description shall be considered a “prospectus”. Shareholders should contact Edward Jones if they have questions regarding their eligibility for these discounts and waivers.

#### **Breakpoints**

- Breakpoint pricing, otherwise known as volume pricing, at dollar thresholds as described in the Plan Description.

#### **Rights of Accumulation ("ROA")**

- The applicable sales charge on a purchase of Class A shares is determined by taking into account all share classes (except certain money market funds) in the Scholars Choice Education Savings Plan held by the shareholder or in an account grouped by Edward Jones with other accounts for the purpose of providing certain pricing considerations ("pricing groups"). This includes all share classes held on the Edward Jones platform and/or held on another platform. The inclusion of eligible fund family assets in the ROA calculation is dependent on the shareholder notifying Edward Jones of such assets at the time of calculation. Money market funds are included only if such shares were sold with a sales charge at the time of purchase or acquired in exchange for shares purchased with a sales charge.
- ROA is determined by calculating the higher of cost minus redemptions or market value (current shares x NAV).

#### **Letter of Intent ("LOI")**

- Through a LOI, shareholders can receive the sales charge and breakpoint discounts for purchases shareholders intend to make over a 13-month period from the date Edward Jones receives the LOI. The LOI is determined by

calculating the higher of cost or market value of qualifying holdings at LOI initiation in combination with the value that the shareholder intends to buy over a 13-month period to calculate the front-end sales charge and any breakpoint discounts. Each purchase the shareholder makes during that 13-month period will receive the sales charge and breakpoint discount that applies to the total amount. The inclusion of eligible fund family assets in the LOI calculation is dependent on the shareholder notifying Edward Jones of such assets at the time of calculation. Purchases made before the LOI is received by Edward Jones are not adjusted under the LOI and will not reduce the sales charge previously paid. Sales charges will be adjusted if LOI is not met.

### **Sales Charge Waivers**

Sales charges are waived for the following shareholders and in the following situations:

- Associates of Edward Jones and its affiliates and their family members who are in the same pricing group (as determined by Edward Jones under its policies and procedures) as the associate. This waiver will continue for the remainder of the associate's life if the associate retires from Edward Jones in good-standing and remains eligible according to Edward Jones' policies.
- Shares purchased from the proceeds of redeemed shares of the same fund family so long as the following conditions are met: 1) the proceeds are from the sale of shares within 60 days of the purchase, and 2) the sale and purchase are made in the same share class and the same account or the purchase is made in an individual retirement account with proceeds from liquidations in a non-retirement account.
- Shares exchanged into Class A shares from another share class so long as the exchange is into the same fund and was initiated at the discretion of Edward Jones. Edward Jones is responsible for any remaining CDSC due to the fund company, if applicable. Any future purchases are subject to the applicable sales charge as disclosed in the prospectus.
- Exchanges from Class C shares to Class A shares of the same fund, generally, in the 84th month following the anniversary of the purchase date or earlier at the discretion of Edward Jones.
- Purchases of Class A shares through a rollover from another 529 Plan.
- Purchases made for recontribution of refunded amounts.

### **Contingent Deferred Sales Charge ("CDSC") Waivers**

If the shareholder purchases shares that are subject to a CDSC and those shares are redeemed before the CDSC is expired, the shareholder is responsible to pay the CDSC except in the following conditions:

- The death or disability of the shareholder or beneficiary
- Shares acquired through NAV reinstatement

### **Other Important Information Regarding Transactions through Edward Jones Minimum Purchase Amounts**

- Initial purchase minimum: \$250
- Subsequent purchase minimum: none

### **Exchanging Share Classes**

- At any time it deems necessary, Edward Jones has the authority to exchange at NAV a shareholder's holdings in a fund to Class A shares of the same fund.

## **Accounts Established through Merrill Lynch, Pierce, Fenner & Smith Incorporated**

**Please note: The following information has been furnished by Merrill Lynch. Neither the Plan Manager, the Distributor, nor Collegenest has independently verified such information.**

If you establish or hold your Scholars Choice account on the Merrill Lynch, Pierce, Fenner & Smith Incorporated (Merrill) omnibus platform, the features and policies related to unit class sales charges (including contingent deferred sales charges, if any), unit class sales charge waiver eligibility, and Class C unit conversion period likely will be different than referenced in this document and will be governed by the Merrill Terms and Conditions (T&Cs) provided to you by Merrill prior to establishing your account.

Importantly, if you establish or hold your Scholars Choice account on the Merrill omnibus platform, then the unit class your account will purchase will generally be based on your eligible assets or meeting other eligibility criteria as set forth in the T&Cs. 529 plans offered by Merrill on its omnibus platform generally will have two unit classes—Unit Class A and Unit Class C—each with its own fee and expense structure. Each account will purchase a specific unit class when an initial or subsequent contribution is credited to the account. The unit class will be automatically determined at the time of the contribution based on the participant’s eligible assets and/or meeting other eligibility criteria. You will not be able to select the unit class. Among other things, Class C units generally will be automatically converted to Class A units (not subject to an initial sales charge) after four years from their respective dates of purchase.

Please contact your Merrill advisor with any questions or to request a copy of the T&Cs.

### **Accounts Established through Raymond James & Associates, Inc., Raymond James Financial Services, Inc. and Each Entity’s Affiliates (“Raymond James”)**

**Please note: The following information has been furnished by Raymond James. Neither the Plan Manager, the Distributor, nor CollegeInvest has independently verified such information.**

Shareholders purchasing fund shares through a Raymond James platform or account, or through an introducing broker-dealer or independent registered investment adviser for which Raymond James provides trade execution, clearance, and/or custody services, will be eligible only for the following sales charge waivers (front-end sales charge waivers and contingent deferred, or back-end, sales charge waivers) and discounts, which may differ from those disclosed elsewhere in the Scholars Choice Plan Description. For purposes of this disclosure, “shareholders” include Scholars Choice Account Owners, a Scholars Choice Investment Portfolio shall be considered a fund, and Units of Scholars Choice Investment Portfolios shall be considered “shares” and “fund shares.”

Front-end sales charge waivers on Class A shares available at Raymond James:

- Shares purchased in an investment advisory program.
- Shares purchased within the same 529 Plan through a systematic reinvestment of capital gains and dividend distributions.
- Employees and registered representatives of Raymond James or its affiliates and their family members as designated by Raymond James.
- Shares purchased from the proceeds of redemptions within the same 529 Plan, provided (1) the repurchase occurs within 90 days following the redemption, (2) the redemption and purchase occur in the same account, and (3) redeemed shares were subject to a front-end or deferred sales charge (known as Rights of Reinstatement).
- A shareholder in the Fund’s Class C shares will have their shares converted at net asset value to Class A shares (or the appropriate share class) of the Fund if the shares are no longer subject to a CDSC and the conversion is in line and procedures of Raymond James.

CDSC Waivers on Classes A, B and C shares available at Raymond James:

- Death or disability of the shareholder.
- Shares sold as part of a systematic withdrawal plan as described in the 529 Plan’s Program Description or prospectus.
- Shares sold to pay Raymond James fees but only if the transaction is initiated by Raymond James.
- Shares acquired through a right of reinstatement.

Front-end sales charge discounts available at Raymond James: breakpoints, rights of accumulation, and/or letters of intent:

- Breakpoints as described in the Scholars Choice Plan Description.
- Rights of accumulation which entitle shareholders to breakpoint discounts will be automatically calculated based on the aggregated holding of fund family assets held by accounts within the purchaser’s household at Raymond James. Eligible 529 Plan assets not held at Raymond James may be included in the calculation of rights of accumulation only if the shareholder notifies his or her financial intermediary about such assets.

- Letters of intent which allow for breakpoint discounts based on anticipated purchases within a 529 Plan, over a 13-month time period. Eligible 529 Plan assets not held at Raymond James may be included in the calculation of letters of intent only if the shareholder notifies his or her financial intermediary about such assets.

#### **ADDITIONAL INFORMATION**

If you have questions concerning these disclosures, please contact your Financial Professional or contact a Scholars Choice Education Savings Plan representative by calling 1-888-5-SCHOLAR (1-888-572-4652). Please keep a copy of these disclosures with your copy of the Plan Description and Participation Agreement.

## APPENDIX C – UNDERLYING FUNDS ADDENDUM

The following descriptions identify each of the Underlying Funds (with the exception of the TIAA-CREF Life Funding Agreement which is described in "INVESTMENT PORTFOLIOS – The Underlying Funds") in which the Investment Portfolios currently invest and summarize the investment objective, principal investment strategies and principal investment risks of each such Underlying Fund. The information was obtained from the most recent prospectus of each Underlying Fund as of the date this Plan Description was finalized for printing, and capitalized terms (as well as terms such as you, we, our and us) that are used when describing an Underlying Fund's investment objective or policies have the meanings ascribed to them in the description of the Underlying Fund provided herein or in the Underlying Fund's prospectus. These summaries are qualified in their entirety by reference to the detailed information included in each Underlying Fund's current prospectus and statement of additional information, which contain additional information not summarized herein and which may identify additional risks to which the respective Underlying Fund may be subject. The prospectuses, statements of additional information and annual and semi-annual reports to shareholders of the Underlying Funds contain further information on these and other aspects of investments in the Underlying Funds. You can request a copy of the current prospectus, the statement of additional information, or the most recent semi-annual or annual report of each such mutual fund or ETF by:

- calling 1-512-306-7400 collect, emailing [document\\_requests@dimensional.com](mailto:document_requests@dimensional.com), or visiting <https://us.dimensional.com/fund-documents> for the DFA fund;
- calling 1-800-621-3979, emailing [prospectus@dodgeandcox.com](mailto:prospectus@dodgeandcox.com) or visiting <https://www.dodgeandcox.com/prospectus.asp> for the Dodge & Cox fund;
- calling 1-800-257-8787, emailing [mutualfunds@nuveen.com](mailto:mutualfunds@nuveen.com), or visiting <https://www.nuveen.com/mutual-funds/prospectuses> for the Nuveen funds;
- calling 1-800-OAKMARK, emailing [literature@oakmark.com](mailto:literature@oakmark.com), or visiting [www.oakmark.com/prospectus](http://www.oakmark.com/prospectus) for the Oakmark fund;
- calling 1-800-222-5852, submitting an email through the firm's website, or visiting <http://www.principal-funds.com/Principal?site=MF> for the Principal funds;
- calling 1-800-223-1200, emailing [disclosure@tiaa.org](mailto:disclosure@tiaa.org), or visiting [www.tiaa.org/public/prospectuses](http://www.tiaa.org/public/prospectuses) for the TIAA-CREF funds;
- calling 1-800-225-5132, emailing [info@troweprice.com](mailto:info@troweprice.com), or visiting <https://www.troweprice.com/personal-investing/funds/mutual-funds/prospectuses-reports.html> for the T. Rowe Price fund; or
- calling 1-877-721-1926 or 1-203-703-6002, emailing [prospectus@leggmason.com](mailto:prospectus@leggmason.com), or visiting [www.leggmason.com/mutualfundsliterature](http://www.leggmason.com/mutualfundsliterature) for the Western Asset fund.

The investment objectives, strategies and risks of an Underlying Fund may change at any time, without the consent of Account Owner, and the Plan Manager is under no obligation to notify the Account Owner of such changes. Furthermore, no assurance can be given that any Underlying Fund will achieve its objective or that any individual Investment Portfolio will remain invested in such Underlying Fund. **Please see the section "DESCRIPTIONS OF THE UNDERLYING FUNDS" below for a description of the risks of investing in the Underlying Funds.**

**The Plan Description (including this Underlying Funds Addendum) does not constitute an offer of shares in any of the Underlying Funds.**

## DESCRIPTIONS OF THE UNDERLYING FUNDS

### DFA Emerging Markets Core Equity Portfolio (DFCEX)

**Investment Objective and Principal Strategies.** The investment objective of the Emerging Markets Core Equity Portfolio is to achieve long-term capital appreciation. The Emerging Markets Core Equity Portfolio purchases a broad and diverse group of securities associated with emerging markets, which may include frontier markets (emerging market countries in an earlier stage of development), authorized for investment by Dimensional Fund Advisors LP's (the "Advisor") Investment Committee ("Approved Markets"), with a greater emphasis on small capitalization, value, and/or high profitability companies. The Portfolio's increased exposure to small capitalization, value, and/or high profitability companies may be achieved by decreasing the allocation of the Portfolio's assets to the largest growth or low profitability companies, which would result in a greater weight allocation to small capitalization, value, and/or high profitability companies. An equity issuer is considered a growth company primarily because it has a high price in relation to its book value. Securities are considered value stocks primarily because a company's shares have a low price in relation to their book value. In assessing growth and value, the Advisor may consider additional factors such as price to cash flow or price to earnings ratios. In assessing profitability, the Advisor may consider different ratios, such as that of earnings or profits from operations relative to book value or assets. The criteria the Advisor uses for assessing growth, value, or profitability are subject to change from time to time. The Advisor may also adjust the representation in the Emerging Markets Core Equity Portfolio of an eligible company, or exclude a company, after considering such factors as free float, momentum, trading strategies, liquidity, size, value, profitability, investment characteristics, and other factors that the Advisor determines to be appropriate. In assessing a company's investment characteristics, the Advisor may consider ratios such as recent changes in assets or book value scaled by assets or book value. The criteria the Advisor uses for assessing a company's investment characteristics are subject to change from time to time.

As a non-fundamental policy, under normal circumstances, the Emerging Markets Core Equity Portfolio will invest at least 80% of its net assets in emerging markets equity investments that are defined in the Prospectus as Approved Market securities.

The Emerging Markets Core Equity Portfolio may gain exposure to companies in Approved Markets by purchasing equity securities in the form of depositary receipts, which may be listed or traded outside the issuer's domicile country. The Emerging Markets Core Equity Portfolio may purchase or sell futures contracts and options on futures contracts for Approved Market or other equity market securities and indices, including those of the United States, to adjust market exposure based on actual or expected cash inflows to or outflows from the Portfolio. The Portfolio does not intend to sell futures contracts to establish short positions in individual securities or to use derivatives for purposes of speculation or leveraging investment returns.

The Emerging Markets Core Equity Portfolio may lend its portfolio securities to generate additional income.

**Principal Risks.** The principal risks of investing in the Fund are currency risk, cybersecurity risk, derivatives risk, emerging markets risk, equity market risk, foreign investment (non-U.S. markets) risk, operational risk, profitability investment risk, small-cap company risk, securities lending risk, and value style risk.

### Dodge & Cox Global Bond Fund (DODLX)

**Investment Objective and Principal Strategies.** The Fund seeks a high rate of total return consistent with long-term preservation of capital. The Fund invests in a diversified portfolio of bonds and other debt instruments of issuers from at least three different countries, which may include emerging market countries. The Fund is not required to allocate its investments in set percentages to particular countries and may invest in emerging markets without limit. Under normal circumstances, the Fund invests at least 40% of its total assets in securities of non-U.S. issuers and at least 80% of its total assets in debt instruments, which may, in each case, be represented by derivatives such as forward contracts, futures contracts, or swap agreements. Debt instruments in which the Fund may invest include, but are not limited to, government and government-related obligations, mortgage- and asset-backed securities, corporate and municipal bonds, and other fixed and floating rate instruments. The Fund invests in both U.S. dollar-denominated and non-U.S. dollar-denominated debt instruments.

The Fund invests primarily in investment-grade debt instruments (instruments rated Baa3 or higher by Moody's Investors Service ("Moody's"), BBB- or higher by Standard & Poor's Global Ratings ("S&P") or Fitch Ratings ("Fitch"), or equivalently rated by any nationally recognized statistical rating organization ("NRSRO"), or, if unrated, deemed to

be of investment-grade quality by Dodge & Cox). Up to 20% of the Fund's total assets may be invested in debt securities rated below investment grade, commonly referred to as high-yield or "junk" bonds.

The Fund may buy or sell non-U.S. currencies and may enter into various currency or interest rate-related transactions involving derivative instruments, including forward contracts, futures contracts, and swap agreements. The Fund may use derivatives to seek to minimize the impact of losses to one or more of its investments (as a "hedging technique") or to implement its investment strategy. For example, the Fund may invest in derivative instruments that create exposure to a specific security or market sector as a substitute for a direct investment in the security or sector itself or to benefit from changes in the relative values of selected currencies. The Fund may use interest rate derivatives for a variety of purposes, including, but not limited to, managing the Fund's duration or adjusting the Fund's exposure to debt securities with different maturities.

In selecting securities, Dodge & Cox considers many factors, including, without limitation, yield, structure, covenants, credit quality, liquidity, call risk, duration, and capital appreciation potential. For all securities that are denominated in a foreign currency, Dodge & Cox analyzes whether to accept or hedge the associated interest rate and currency risks. Dodge & Cox considers, among other things, a country's economic outlook and political stability, the protections provided to foreign investors, relative interest rates, exchange rates, a country's monetary and fiscal policies, its debt stock, and its ability to meet its funding needs.

The Fund may purchase or sell holdings for a variety of reasons such as to alter sector, geographic, or currency exposure or to shift the overall portfolio's risk profile. The proportions of the Fund's assets held in various debt instruments will be revised in light of Dodge & Cox's appraisal of the global economy, the relative yields of securities in the various market sectors and countries, the potential for a currency's appreciation, the investment prospects for issuers, the countries' domestic and political conditions, and other factors.

**Principal Risks.** The principal risks of investing in the Fund are interest rate risk (a type of market risk), credit risk, non-investment-grade securities risk, foreign investment (non-U.S. markets) risk, emerging markets risk, currency risk, sovereign debt risk, derivatives risk, liquidity risk, mortgage- and asset-backed securities risk, call risk, active management risk, market risk.

#### **Nuveen Santa Barbara Dividend Growth Fund (NSBFX)**

**Investment Objective and Principal Strategies.** The investment objective of the Fund is to seek an attractive total return comprised of income from dividends and long-term capital appreciation. Under normal market conditions, the Fund invests at least 80% of its net assets in dividend-paying common stocks and preferred securities. Companies in certain economic sectors of the market have historically provided higher dividend yields than companies in other sectors and industries. As a result, given the Fund's focus on dividend-paying securities, the Fund may, from time to time, have a greater exposure to these higher dividend-yield sectors and industries than the broad equity market.

The Fund may invest in small-, mid- and large-cap companies. The Fund may invest up to 25% of its net assets in non-U.S. equity securities that are U.S. dollar-denominated.

**Principal Risks.** The principal risks of investing in the Fund are active management risk, currency risk, cybersecurity risk, dividend-paying security risk, equity security risk, foreign investment (non-U.S. markets) risk, market risk, mid-cap company risk, preferred security risk, small-cap company risk.

#### **Nuveen ESG Large-Cap ETF (NULC)**

**Investment Objective and Principal Strategies.** The Fund seeks to track the investment results, before fees and expenses, of the TIAA ESG USA Large-Cap Index (the "Index"). The Fund seeks to track the investment results of the Index, which is comprised of equity securities issued by large capitalization companies listed on U.S. exchanges that meet certain environmental, social, and governance ("ESG") criteria. The Index selects from the securities included in the MSCI USA Index (the "Base Index"), which generally consists of large- and mid-capitalization U.S. equity securities that exhibit overall growth style characteristics based on five variables: long-term forward earnings per share ("EPS") growth rate, short-term forward EPS growth rate, current internal growth rate, long-term historical EPS growth trend, and long-term historical sales per share growth trend. Securities in the Base Index are weighted based on market capitalization. MSCI Inc. ("MSCI") is the index provider for the Index and the Base Index. The Index and the Base Index are owned, calculated and controlled by MSCI, in its sole discretion. Neither the Fund's investment adviser, sub-adviser, nor their affiliates has any discretion to select Index components or change the Index methodology. As of

December 31, 2019, the Index was comprised of 311 securities.

The Index identifies equity securities from the Base Index that satisfy certain ESG criteria, based on ESG performance data collected by MSCI ESG Research, Inc. ESG performance is measured on an industry-specific basis, with assessment categories varying by industry. Environmental assessment categories can include how a company is addressing climate change, natural resource use, and waste management and emission management. Social evaluation categories can include a company's relations with employees and suppliers, product safety and sourcing practices. Governance assessment categories can include governance practices and business ethics. The ESG criteria also consider how well a company adheres to national and international laws and regulations as well as commonly accepted global norms related to ESG matters. Index rules generally exclude companies with significant activities in certain controversial businesses, including those involving alcohol, tobacco, nuclear power, gambling, and firearms and other weapons, among others. Companies otherwise eligible for inclusion in the Index that exceed certain carbon-based ownership and emissions thresholds are excluded from the Index.

Companies that meet the ESG criteria are then ranked within their respective sectors based on their ESG performance score. The highest ranked companies in each sector are identified as eligible for inclusion in the Index until such point that the aggregate weight of companies in the sector reaches 50% of the market cap of such sector in the Base Index. For example, if the market capitalization of all consumer discretionary sector companies included in the Base Index totals \$200 million, then the Index would screen these consumer discretionary sector companies, rank them based on ESG performance scores, and add the highest scoring companies to the Index until such point that their combined total market capitalization reaches \$100 million. Those companies identified as eligible for inclusion in the Index are market capitalization weighted within their respective sectors. Once the universe of eligible Index components is established, the Index optimizes the market cap weightings of its individual components so that the sector weightings of the Index approximate the sector weightings of the Base Index, within certain constraints established by the Index. As of the date of the fund's Prospectus, a significant portion of the Index is comprised of companies in the information technology sector.

In seeking to track the investment results of the Index, the Fund attempts to replicate the Index by investing all, or substantially all, of its assets in the securities represented in the Index in approximately the same proportions as the Index. The Index is normally rebalanced and reconstituted quarterly in February, May, August, and November. The Index may also remove a security at any time in response to a corporate event such as bankruptcy, delisting, merger or acquisition that causes the security to become ineligible for inclusion in the Index. The Fund makes changes to its portfolio shortly after any Index changes are made public.

Under normal market conditions, the Fund invests at least 80% of the sum of its net assets and the amount of any borrowings for investment purposes in component securities of the Index. In addition, under normal market conditions, the Fund invests at least 80% of the sum of its net assets and the amount of any borrowings for investment purposes in the securities of large-capitalization companies. Large-capitalization companies are defined as companies that fall in the range of companies included in the MSCI USA Index as of the last business day of the month in which its most recent reconstitution was completed. The MSCI USA Index is designed to measure the performance of the large cap segments of the U.S. market. As of December 31, 2019, the MSCI USA Index had a float-adjusted market capitalization range from \$2.7 billion to \$1.3 trillion, with an average market capitalization of \$44.3 billion. "Float-adjusted" means that the share amounts used in calculating the Index reflect only shares available to investors, with shares held by control groups, public companies and government agencies excluded.

To the extent the Index concentrates (i.e., holds 25% or more of its total assets) in the securities of companies in a particular industry or group of industries, the Fund will concentrate its investments to approximately the same extent as the Index.

**Principal Risks.** The principal risks of investing in the fund are concentration risk, information technology sector risk, cybersecurity risk, equity security risk, ESG criteria risk, index provider risk, index investment style risk, large-cap company risk, ETF risk, and service provider operational risk.

#### **Nuveen ESG International Developed Markets Equity ETF (NUDM)**

**Investment Objective and Principal Strategies.** The Fund seeks to track the investment results, before fees and expenses, of the TIAA ESG International Developed Markets Equity Index (the "Index"). The Index is comprised solely of listed equity securities issued by companies (and depositary receipts representing such securities) located in countries with developed markets, excluding the United States and Canada, that meet certain environmental, social,

and governance (“ESG”) criteria. The Index selects from the securities included in the MSCI EAFE Index (the “Base Index”), which currently consists of large- and mid-capitalization companies located in one of the following 21 developed market countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. MSCI Inc. (“MSCI”) is the index provider for the Index and the Base Index. The Index and the Base Index are owned, calculated and controlled by MSCI, in its sole discretion. Neither the sub-adviser nor its affiliates has any discretion to select Index components or change the Index methodology. As of December 31, 2019, the Index was comprised of 294 securities.

The Index identifies equity securities from the Base Index that satisfy certain ESG criteria, based on ESG performance data collected by MSCI ESG Research, Inc. ESG performance is measured on an industry-specific basis, with assessment categories varying by industry. Environmental assessment categories can include how a company is addressing climate change, natural resource use, and waste management and emission management. Social evaluation categories can include a company’s relations with employees and suppliers, product safety and sourcing practices. Governance assessment categories can include governance practices and business ethics. The ESG criteria also consider how well a company adheres to national and international laws and regulations as well as commonly accepted global norms related to ESG matters. Index rules generally exclude companies with significant activities in certain controversial businesses, including those involving alcohol, tobacco, nuclear power, gambling, and firearms and other weapons, among others. Companies otherwise eligible for inclusion in the Index that exceed certain carbon-based ownership and emissions thresholds are excluded from the Index.

Companies that meet the ESG criteria are then ranked within their respective sectors based on their ESG performance score. The highest ranked companies in each sector are identified as eligible for inclusion in the Index until such point that the aggregate weight of companies in the sector reaches 50% of the market cap of such sector in the Base Index. For example, if the market capitalization of all consumer discretionary sector companies included in the Base Index totals \$200 million, then the Index would screen these consumer discretionary sector companies, rank them based on ESG performance scores, and add the highest scoring companies to the Index until such point that their combined total market capitalization reaches \$100 million. Once the universe of eligible Index components is established, MSCI optimizes the weightings of individual components to approximate the sector weightings of the Base Index, within certain constraints established by the Index.

In seeking to track the investment results of the Index, the Fund attempts to replicate the Index by investing all, or substantially all, of its assets in the securities represented in the Index in approximately the same proportions as the Index. The Index is normally rebalanced and reconstituted quarterly in February, May, August, and November. The Index may also remove a security at any time in response to a corporate event such as bankruptcy, delisting, merger or acquisition that causes the security to become ineligible for inclusion in the Index. The Fund makes changes to its portfolio shortly after any Index changes are made public.

Under normal market conditions, the Fund invests at least 80% of the sum of its net assets and the amount of any borrowings for investment purposes in component securities of the Index and depositary receipts representing securities in the Index. To the extent the Index concentrates (i.e., holds 25% or more of its total assets) in the securities of companies in a particular industry or group of industries, the Fund will concentrate its investments to approximately the same extent as the Index.

**Principal Risks.** The principal risks of investing in the fund are concentration risk, currency risk, cybersecurity risk, equity security risk, ESG criteria risk, geographic concentration risk, index provider risk, index investment style risk, ETF risk, mid-cap company risk, foreign investment (non-U.S. markets) risk, and service provider operational risk.

#### **Nuveen ESG U.S. Aggregate Bond ETF (NUBD)**

**Investment Objective and Principal Strategies.** The Fund seeks to track the investment results, before fees and expenses, of the Bloomberg Barclays MSCI US Aggregate ESG Select Index (the “Index”). The Index utilizes certain environmental, social, and governance (“ESG”) criteria to select from the securities included in the Bloomberg Barclays U.S. Aggregate Bond Index (the “Base Index”), which is designed to broadly capture the U.S. investment grade, taxable fixed income market. The Index is maintained by Bloomberg Index Services Limited (“Bloomberg”) pursuant to an agreement between Bloomberg, Barclays Bank PLC (“Barclays”) and MSCI ESG Research LLC (“MSCI ESG Research”). Neither the sub-adviser nor its affiliates has any discretion to select Index components or change the Index methodology. As of September 30, 2020, the Index was comprised of 8,205 securities.

The Index draws from the universe defined by the Base Index, which consists of U.S. dollar-denominated, investment grade taxable debt securities with fixed rate coupons that meet certain minimum market value and maturity thresholds as determined by the index provider. The Base Index is principally comprised of U.S. government securities (securities issued or guaranteed by the U.S. government or its agencies or instrumentalities), debt securities issued by U.S. corporations, residential and commercial mortgage-backed securities (“MBS”), asset-backed securities (“ABS”), and U.S. dollar denominated debt securities issued by corporations that are publicly offered for sale in the United States.

The Index identifies fixed income securities from the Base Index that satisfy certain ESG criteria, based on ESG performance data collected by MSCI ESG Research. ABS and MBS are included in the Index without reference to ESG criteria; other securities for which ESG performance data is not available are excluded from the Index. With respect to corporate debt securities, ESG performance is measured on an industry-specific basis, with assessment categories varying by industry. Environmental assessment categories can include a company’s impact on climate change, natural resource use, and waste management and emission management. Social evaluation categories can include a company’s relations with employees and suppliers, product safety and sourcing practices. Governance assessment categories can include governance practices and business ethics. The ESG criteria also consider how well a company adheres to national and international laws and regulations as well as commonly accepted global norms related to ESG matters. Index rules generally exclude companies with significant activities in certain controversial businesses, including those involving alcohol, tobacco, nuclear power, gambling, and firearms and other weapons. With respect to government securities, U.S. governments receive an ESG rating based on the government issuer’s performance on six ESG risk factors: Natural Resources, Environmental Externalities & Vulnerability, Human Capital, Economic Environment, Financial Governance and Political Governance. Corporate debt and government securities that meet a minimum ESG rating threshold are eligible for inclusion in the Index. Eligible securities are then market value weighted within each sector, with sector weights in the Index adjusted to mirror the sector exposure of the Base Index.

The Fund generally uses a representative sampling strategy to achieve its investment objective, meaning it generally invests in a sample of the securities in the Index whose risk, return and other characteristics resemble the risk, return and other characteristics of the Index as a whole. The Index is rebalanced and reconstituted monthly. ESG ratings employed by the Index are generally updated annually, but may be reviewed more frequently in the index provider’s discretion. The Fund makes corresponding changes to its portfolio shortly after any Index changes are made public.

Under normal market conditions, the Fund invests at least 80% of the sum of its net assets and the amount of any borrowings for investment purposes in component securities of the Index. To the extent the Index concentrates (i.e., holds 25% or more of its total assets) in the securities of companies in a particular industry or group of industries, the Fund will concentrate its investments to approximately the same extent as the Index.

**Principal Risks.** The principal risks of investing in the Fund are bond market liquidity risk, call risk, cash redemption risk, concentration risk, credit risk, credit spread risk, cybersecurity risk, income volatility risk, index provider risk, interest rate risk (a type of market risk), index investment style risk, ETF risk, mortgage- and asset-backed securities risk, prepayment risk, service provider operational risk, and valuation risk.

### **Nuveen Strategic Income Fund (FSFRX)**

**Investment Objective and Principal Strategies.** The investment objective of the Fund is to provide investors with total return. Under normal market conditions, the Fund invests at least 80% of its net assets in income producing securities, including:

- U.S. government securities (securities issued or guaranteed by the U.S. government or its agencies or instrumentalities);
- residential and commercial mortgage-backed securities;
- asset-backed securities;
- domestic and foreign corporate debt obligations, including obligations issued by special-purpose entities that are backed by corporate debt obligations;
- preferred securities and contingent capital securities (sometimes referred to as “CoCos”) in an aggregate amount not to exceed 20% of the Fund’s net assets;
- fixed and floating rate loans, including senior loans and secured and unsecured junior loans, in an amount not to exceed 20% of the Fund’s net assets;
- debt obligations of foreign governments; and

- municipal securities in an amount not to exceed 20% of the Fund's net assets.

The Fund may invest up to 30% of its total assets in non-U.S. dollar denominated debt obligations of foreign corporations and governments, including debt obligations issued by governmental and corporate issuers that are located in emerging market countries. The Fund may invest without limitation in U.S. dollar denominated securities of foreign issuers.

The Fund may invest up to 50% of its total assets in securities rated lower than investment grade or unrated securities of comparable quality as determined by the Fund's sub-adviser (securities commonly referred to as "high yield" securities or "junk" bonds). The Fund will not invest in securities rated lower than CCC at the time of purchase or in unrated securities of comparable quality as determined by the Fund's sub-adviser. If the rating of a security is reduced or the credit quality of an unrated security declines after purchase, the Fund is not required to sell the security, but may consider doing so. Unrated securities will not exceed 25% of the Fund's total assets.

The Fund may invest in securities that have not been registered under the Securities Act of 1933, but that may be resold to qualified institutional buyers in accordance with the provisions of Rule 144A under the Securities Act of 1933 ("Rule 144A securities").

Under normal market conditions, the Fund attempts to maintain a weighted average effective maturity for its portfolio securities of fifteen years or less and an average effective duration of three to eight years. The Fund's weighted average effective maturity and average effective duration are measures of how the value of the Fund's shares may react to interest rate changes.

The Fund's sub-adviser makes buy, sell, and hold decisions using a "top-down" approach, which begins with the formulation of the sub-adviser's general economic outlook. Following this, various sectors and industries are analyzed and selected for investment. Finally, the sub-adviser selects individual securities within these sectors or industries. The sub-adviser also analyzes expected changes to the yield curve under multiple market conditions to help define maturity and duration selection.

To generate additional income, the Fund may invest up to 25% of its total assets in dollar roll transactions. In a dollar roll transaction, the Fund sells mortgage-backed securities for delivery in the current month while contracting with the same party to repurchase similar securities at a future date.

The Fund may utilize the following derivatives: options; futures contracts; options on futures contracts; interest rate caps, collars, and floors; foreign currency contracts; options on foreign currencies; swap agreements, including swap agreements on interest rates, currency rates, security indexes and specific securities, and credit default swap agreements; and options on the foregoing types of swap agreements. The Fund may enter into standardized derivatives contracts traded on domestic or foreign securities exchanges, boards of trade, or similar entities, and non-standardized derivatives contracts traded in the over-the-counter market. The Fund may use these derivatives in an attempt to manage market risk, currency risk, credit risk and yield curve risk, to manage the effective maturity or duration of securities in the Fund's portfolio or for speculative purposes in an effort to increase the Fund's yield or to enhance returns. The Fund may also use derivatives to gain exposure to non-dollar denominated securities markets to the extent it does not do so through direct investments. The use of a derivative is speculative if the Fund is primarily seeking to enhance returns, rather than offset the risk of other positions. The Fund may not use any derivative to gain exposure to a security or type of security that it would be prohibited by its investment restrictions from purchasing directly.

**Principal Risks.** The principal risks of investing in the Fund are active management risk, bond market liquidity risk, call risk, contingent capital security risk, credit risk, credit spread risk, currency risk, cybersecurity risk, derivatives risk, dollar roll transaction risk, emerging markets risk, foreign investment (non-U.S. markets) risk, high yield securities risk, income volatility risk, interest rate risk, loan risk, mortgage- and asset-backed securities risk, municipal securities risk, preferred security risk, rule 144A securities risk, sovereign debt risk, unrated security risk, U.S. government securities risk and valuation risk.

## **Oakmark International Fund (OAZIX)**

**Investment Objective and Principal Strategies.** Oakmark International Fund seeks long-term capital appreciation. The Fund invests primarily in a diversified portfolio of common stocks of non-U.S. companies. In determining whether an issuer is a U.S. or non-U.S. company, the Fund considers various factors including, its country of domicile, the primary stock exchange on which it trades, the location from which the majority of its revenue comes, and its reporting currency. The Fund may invest in non-U.S. markets throughout the world, including emerging markets. The Fund considers emerging markets to be markets located in countries classified as emerging or frontier markets by MSCI, and are generally located in the Asia-Pacific region, Eastern Europe, the Middle East, Central and South America, and Africa. Ordinarily, the Fund will invest in the securities of at least five countries outside of the United States. There are no geographic limits on the Fund's non-U.S. investments. The Fund may invest in securities of large-, mid-, and small-capitalization companies.

The Fund uses a value investment philosophy in selecting equity securities. This value investment philosophy is based upon the belief that, over time, a company's stock price converges with the Adviser's estimate of the company's intrinsic value. By "intrinsic value," the Adviser means its estimate of the price a knowledgeable buyer would pay to acquire the entire business. The Adviser believes that investing in securities priced significantly below what it believes is a company's intrinsic value presents the best opportunity to achieve the Fund's investment objective. A company trading below its estimated intrinsic value is sometimes referred to as trading at a discount.

The Adviser uses this value investment philosophy to identify companies that have discounted stock prices compared to what the Adviser believes are the companies' intrinsic values. In assessing such companies, the Adviser looks for the following characteristics, although the companies selected may not have all of these attributes: (1) free cash flows and intelligent investment of excess cash; (2) earnings that are growing and are reasonably predictable; and (3) high level of company management ownership.

### *Key Tenets of the Oakmark Value Investment Philosophy:*

1. Buy businesses that are trading at a significant discount to the Adviser's estimate of the company's intrinsic value. At the time the Adviser buys a company, the Adviser wants the company's stock to be inexpensive relative to what it believes the entire business is worth.
2. Invest with companies expected to grow shareholder value over time. Value investors can sometimes fall into the trap of buying a stock that is inexpensive for a reason—because the company just does not grow. The Adviser looks for good quality, growing businesses with positive free cash flow and intelligent investment of cash.
3. Invest with management teams that think and act as owners. The Adviser seeks out companies with management teams that understand the dynamics of per share value growth and are focused on achieving such growth. Stock ownership and incentives that align managements' interests with those of shareholders are key components of this analysis.

In making its investment decisions, the Adviser uses a "bottom-up" approach focused on individual companies, rather than focusing on specific economic factors or specific industries. To facilitate its selection of investments that meet the criteria described above, the Adviser uses independent, in-house research to analyze each company. As part of this selection process, the Adviser's analysts typically visit companies and conduct other research on the companies and their industries.

Once the Adviser identifies a stock that it believes is selling at a significant discount to the Adviser's estimated intrinsic value and that the company has one or more of the additional qualities mentioned above, the Adviser may consider buying that stock for the Fund. The Adviser usually sells a stock when the price approaches its estimated intrinsic value. This means the Adviser sets specific "buy" and "sell" targets for each stock the Fund holds. The Adviser monitors each portfolio holding and adjusts these price targets as warranted to reflect changes in a company's fundamentals.

The Adviser believes that holding a relatively small number of stocks allows its "best ideas" to have a meaningful impact on the Fund's performance. Therefore, the Fund's portfolio typically holds thirty to sixty stocks rather than hundreds, and as a result, a higher percentage of the Fund's total assets may at times be invested in a particular region, sector or industry.

**Principal Risks.** The principal risks of investing in the Fund are common stock risk, emerging markets risk, foreign investment (non-U.S. markets) risk, focused portfolio risk, liquidity risk, market capitalization risk, market risk, region, sector, or industry risk, and value style risk.

#### **Principal Equity Income Fund (PEIIX)**

**Investment Objective and Principal Strategies.** The Fund seeks to provide current income and long-term growth of income and capital. Under normal circumstances, the Fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in dividend-paying equity securities at the time of purchase. The Fund usually invests in equity securities of companies with large and medium market capitalizations. The Fund invests in value equity securities, an investment strategy that emphasizes buying equity securities that appear to be undervalued. The Fund also invests in securities of foreign issuers.

**Principal Risks.** The principal risks of investing in the Fund are equity security risk, small-cap company risk, value style risk, currency risk, foreign investment (non-U.S. markets) risk, and redemption and large transaction risk.

#### **Principal MidCap Fund (PMAQX)**

**Investment Objective and Principal Strategies.** The Fund seeks long-term growth of capital. Under normal circumstances, the Fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies with medium market capitalizations at the time of purchase. For this Fund, companies with medium market capitalizations are those with market capitalizations within the range of companies comprising the Russell Midcap<sup>®</sup> Index (as of December 31, 2019, this range was between approximately \$823.4 million and \$78.6 billion). The Fund also invests in foreign securities.

**Principal Risks.** The principal risks of investing in the Fund are equity security risk, small-cap company risk, currency risk, foreign investment (non-U.S. markets) risk, and redemption and large transaction risk.

#### **TIAA-CREF Core Bond Fund (TIBDX)**

**Investment Objective and Principal Strategies.** The Fund seeks total return, primarily through current income. Under normal circumstances, the Fund invests at least 80% of its assets in bonds. For these purposes, bonds include fixed-income securities of all types. The Fund primarily invests in a broad range of investment-grade bonds and fixed-income securities, including, but not limited to, U.S. Government securities, corporate bonds, mortgage-backed and other asset-backed securities, senior loans and loan participations and assignments and notes. The Fund may also invest in other fixed-income securities, including those of non-investment-grade quality (usually called “high-yield” or “junk bonds”). Securities of non-investment-grade quality are speculative in nature. The Fund does not rely exclusively on rating agencies when making investment decisions. Instead, the Fund’s investment adviser, Teachers Advisors, LLC (“Advisors”), performs its own credit analysis, paying particular attention to economic trends and other market events. Individual securities or sectors may be overweighted or underweighted relative to the Fund’s benchmark index, the Bloomberg Barclays U.S. Aggregate Bond Index, when Advisors believes that such overweight or underweight may cause the Fund to outperform the index. For purposes of the 80% investment policy, the term “assets” means net assets, plus the amount of any borrowings for investment purposes.

The Fund may invest in fixed-income securities of any duration. As of May 31, 2020, the duration of the Fund’s benchmark index, the Bloomberg Barclays U.S. Aggregate Bond Index, was 5.90 years.

The Fund’s investments in mortgage-backed securities can include pass-through securities sold by private, governmental and government-related organizations and collateralized mortgage obligations (“CMOs”). Mortgage pass-through securities are created when mortgages are pooled together and interests in the pool are sold to investors. The cash flow from the underlying mortgages is “passed through” to investors in periodic principal and interest payments. CMOs are obligations that are fully collateralized directly or indirectly by a pool of mortgages from which payments of principal and interest are dedicated to the payment of principal and interest on the CMO.

The Fund may use an investment strategy called “mortgage rolls” (also referred to as “dollar rolls”), in which the Fund sells securities for delivery in the current month and simultaneously contracts with a counterparty to repurchase similar (same type, coupon and maturity) but not identical securities on a specified future date. The Fund loses the right to

receive principal and interest paid on the securities sold. However, the Fund would benefit to the extent of any price received for the securities sold and the lower forward price for the future purchase (often referred to as the “drop”) plus the interest earned on the short-term investment awaiting the settlement date of the forward purchase. If such benefits exceed the income and gain or loss due to mortgage repayments that would have been realized on the securities sold as part of the mortgage roll, the use of this technique will enhance the investment performance of the Fund compared with what such performance would have been without the use of mortgage rolls. Realizing benefits from the use of mortgage rolls depends upon the ability of Advisors to correctly predict mortgage prepayments and interest rates.

The Fund may also engage in relative value trading, a strategy in which the Fund reallocates assets across different sectors and maturities. Relative value trading is designed to enhance the Fund's returns but increases the Fund's portfolio turnover rate.

The Fund may purchase and sell futures, options, swaps, forwards and other fixed-income derivative instruments to carry out the Fund's investment strategies. The Fund may also invest in foreign securities, including emerging markets fixed-income securities and non-dollar-denominated instruments. Under most circumstances, the Fund's investments in fixed-income securities of foreign issuers constitute less than 25% of the Fund's assets.

**Principal Risks.** The principal risks of investing in the Fund are active management risk, call risk, credit risk, credit spread risk, derivatives risk, downgrade risk, emerging markets risk, extension risk, fixed-income foreign investment risk, floating and variable rate securities risk, illiquid investments risk, income volatility risk, interest rate risk, issuer risk, market volatility, liquidity, and valuation risk, mortgage roll risk, non-investment-grade securities risk, portfolio turnover risk, prepayment risk, senior loan risk, and U.S. government securities risk.

#### **TIAA-CREF Equity Index Fund (TIEIX)**

**Investment Objective and Principal Strategies.** The Fund seeks a favorable long-term total return, mainly through capital appreciation, by investing primarily in a portfolio of equity securities selected to track the overall U.S. equity markets based on a market index. Under normal circumstances, the Fund invests at least 80% of its assets in equity securities of its benchmark index, the Russell 3000<sup>®</sup> Index. The Russell 3000 Index measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. The Fund buys most, but not necessarily all, of the stocks in its benchmark index, and will attempt to closely match the overall investment characteristics of its benchmark index. For purposes of the 80% investment policy, the term “assets” means net assets, plus the amount of any borrowings for investment purposes.

The Fund is designed to track various U.S. equity markets as a whole or a segment of these markets. The Fund primarily invests its assets in equity securities its investment adviser, Teachers Advisors, LLC (“Advisors”), has selected to track a designated stock market index. Because the return of an index is not reduced by investment and other operating expenses, the Fund's ability to match the returns of the Russell 3000 Index is negatively affected by the costs of buying and selling securities as well as the Fund's fees and other expenses. The use of a particular index by the Fund is not a fundamental policy and may be changed without shareholder approval. The portfolio management team of Advisors will attempt to build a portfolio that generally matches the market weighted investment characteristics of the Fund's benchmark index.

The Fund is classified as a diversified investment company, as defined under the Investment Company Act of 1940, as amended (the “1940 Act”). However, the Fund may become non-diversified under the 1940 Act without the approval of Fund shareholders solely as a result of a change in relative market capitalization or index weighting of one or more constituents of its benchmark index, the Russell 3000 Index, which the Fund seeks to track.

**Principal Risks.** The principal risks of investing in the fund are market risk, index risk, issuer risk (often called financial risk), large-cap company risk, mid-cap company risk, small-cap company risk, and non-diversification risk.

#### **TIAA-CREF Growth & Income Fund (TIGRX)**

**Investment Objective and Principal Strategies.** The Fund seeks a favorable long-term total return, through both capital appreciation and investment income, primarily from income-producing equity securities. Under normal circumstances, the Fund invests at least 80% of its assets in equity securities. In seeking a favorable long-term total return, the Fund will invest in securities which the Fund's investment adviser, Teachers Advisors, LLC (“Advisors”), believes have the potential for capital appreciation, dividend income, or both. The Fund focuses on large-cap securities that Advisors believes to be attractively valued, show the potential to appreciate faster than the rest of the market and

return cash to shareholders in the form of dividends, stock buy-backs or both. Advisors seeks to construct a portfolio whose weighted average market capitalization is similar to the Fund's benchmark index, the Standard & Poor's 500<sup>®</sup> Index (the "S&P 500 Index").

Advisors generally looks for companies that it believes are leaders in their respective industries, with sustainable competitive advantages. Advisors also looks for companies that it believes have management teams that are dedicated to creating shareholder value. The Fund may invest up to 20% of its assets in foreign issuers when Advisors believes these issuers offer more attractive investment opportunities. The Fund may also purchase and sell futures, options, swaps and other equity derivatives to carry out the Fund's investment strategies.

**Principal Risks.** The principal risks of investing in the fund are market risk, issuer risk (often called financial risk), large-cap company risk, mid-cap company risk, growth style risk, active management risk, foreign investment (non-U.S. markets) risk, and derivatives risk.

#### **TIAA-CREF Emerging Markets Equity Index Fund (TEQLX)**

**Investment Objective and Principal Strategies.** The Fund seeks a favorable long-term total return, mainly through capital appreciation, by investing primarily in a portfolio of emerging market equity investments based on a market index. Under normal circumstances, the Fund invests at least 80% of its assets in equity securities that comprise its benchmark index, the MSCI Emerging Markets<sup>®</sup> Index ("MSCI EM Index"), or in instruments with economic characteristics similar to all or a portion of the MSCI EM Index. The MSCI EM Index is designed to measure equity market performance in the global emerging markets. The Fund buys most, but not necessarily all, of the stocks in its benchmark index, and will attempt to closely match the overall investment attributes of its benchmark index. For purposes of the 80% investment policy, the term "assets" means net assets, plus the amount of any borrowings for investment purposes.

The Fund is designed to track various emerging market equity markets as a whole or a segment of these markets. The Fund primarily invests its assets in equity securities its investment adviser, Teachers Advisors, LLC ("Advisors"), has selected to track a designated stock market index.

Because the return of an index is not reduced by investment and other operating expenses, the Fund's ability to match the returns of the MSCI EM Index is negatively affected by the costs of buying and selling securities as well as the Fund's fees and other expenses. The use of a particular index by the Fund is not a fundamental policy and may be changed without shareholder approval. The portfolio management team of Advisors will attempt to build a portfolio that generally matches the market weighted investment characteristics of the Fund's benchmark index.

From time to time, Advisors may determine that the Fund may not invest in securities of issuers that do not meet certain corporate governance criteria. The Fund currently does not invest in certain companies with operations in Sudan.

The Fund is classified as a diversified investment company, as defined under the Investment Company Act of 1940, as amended (the "1940 Act"). However, the Fund may become non-diversified under the 1940 Act without the approval of Fund shareholders solely as a result of a change in relative market capitalization or index weighting of one or more constituents of its benchmark index, the MSCI EM Index, which the Fund seeks to track.

**Principal Risks.** The principal risks of investing in the Fund are concentration risk, currency risk, emerging markets risk, foreign investment (non-U.S. markets) risk, illiquid investments risk, index risk, issuer risk, large-cap company risk, market risk, mid-cap company risk, and non-diversification risk.

#### **TIAA-CREF High-Yield Fund (TIHYX)**

**Investment Objective and Principal Strategies.** The Fund seeks high current income and, when consistent with its primary objective, capital appreciation.

The Fund invests primarily in lower-rated, higher-yielding fixed-income securities, such as domestic and foreign corporate bonds, debentures, loan participations and assignments and notes, as well as convertible and preferred securities. Under normal circumstances, the Fund invests at least 80% of its assets in debt and other fixed-income securities rated lower than investment-grade (and their unrated equivalents) or other high-yielding debt securities. These are often called "junk bonds" and are speculative in nature. Most of these will be securities rated in the BB or B

categories by S&P, or the Ba or B categories by Moody's. For purposes of the 80% investment policy, the term "assets" means net assets, plus the amount of any borrowings for investment purposes.

The Fund may invest up to 20% of its assets in the following types of instruments: payment-in-kind or deferred-interest obligations, defaulted securities, asset-backed securities, securities rated lower than B- or its equivalent by at least two rating agencies and securities having limited liquidity.

The Fund can make foreign investments, but the Fund does not expect such investments to exceed 20% of its assets under most circumstances. The Fund can also invest in U.S. Treasury and agency securities or other short-term instruments when other suitable investment opportunities are not available, or when Teachers Advisors, LLC ("Advisors") would like to build the Fund's liquidity.

Over long periods of time, a broadly diversified portfolio of lower-rated, higher-yielding securities is designed to, net of capital losses, provide a higher net return than a similarly diversified portfolio of higher-rated, lower-yielding securities of similar duration. Advisors attempts to minimize the risks of investing in lower-rated securities by:

- Doing its own credit analysis (independent of the rating agencies). The Fund buys securities of issuers with a balance of operational and financial risks that Advisors believes make it likely that such issuers will be able to meet their financial obligations;
- Constructing a portfolio of securities diversified by industry, maturity, duration and credit quality; and
- Buying or selling particular securities to seek to take advantage of anticipated changes and trends in the economy and financial markets.

Advisors' judgment of the value of any particular security is a function of its experience with lower-rated securities, evaluation of general economic and securities market conditions and the financial condition of the security's issuer. Under some market conditions, the Fund may sacrifice potential yield in order to adopt a defensive posture designed to preserve capital.

The Fund may purchase and sell futures, options, swaps, forwards and other fixed-income derivative instruments to carry out the Fund's investment strategies.

The benchmark index for the Fund is the ICE BofA BB-B U.S. Cash Pay High Yield Constrained Index.

**Principal Risks.** The principal risks of investing in the Fund are active management risk, call risk, credit risk, derivatives risk, downgrade risk, fixed-income foreign investment risk, floating and variable rate securities risk, illiquid investments risk, income volatility risk, interest rate risk, issuer risk, market volatility, liquidity, and valuation risk, non-investment-grade securities risk, and senior loan risk.

### **TIAA-CREF Inflation-Linked Bond Fund (TIILX)**

**Investment Objective and Principal Strategies.** The Fund seeks to provide inflation protection and income, primarily through investment in inflation-linked bonds. Under normal circumstances, the Fund's investment adviser, Teachers Advisors, LLC ("Advisors"), invests at least 80% of the Fund's assets in fixed-income securities whose principal value increases or decreases based on changes in the Consumer Price Index for All Urban Consumers ("CPI-U"), over the life of the security. Typically, the Fund will invest in U.S. Treasury Inflation-Indexed Securities ("TIIS"). The Fund can also invest in (1) other inflation-indexed bonds issued or guaranteed by the U.S. Government or its agencies, by corporations and other U.S. domiciled issuers, as well as foreign governments, and (2) money market instruments or other short-term securities. For purposes of the 80% investment policy, the term "assets" means net assets, plus the amount of any borrowings for investment purposes.

Like conventional bonds, inflation-indexed bonds generally pay interest at fixed intervals and return the principal at maturity. Unlike conventional bonds, an inflation-indexed bond's principal or interest is adjusted periodically to reflect changes in a specified inflation index. Inflation-indexed bonds are designed to preserve purchasing power over the life of the bond while paying a "real" rate of interest (i.e., a return over and above the inflation rate). These bonds are generally issued at a fixed interest rate that is lower than that of conventional bonds of comparable maturity and quality, but they generally retain their value against inflation over time.

The principal amount of a TIIS bond is adjusted periodically for inflation using the CPI-U. Interest is paid twice a year. The interest rate is fixed, but the amount of each interest payment varies as the principal is adjusted for inflation. The

principal amount of a TIPS instrument may diminish in times of deflation. However, the U.S. Treasury guarantees that the final principal payment at maturity is at least the original principal amount of the bond. The interest and principal components of the bonds may be “stripped” or sold separately. The Fund can buy or sell either component.

The Fund may also invest in inflation-indexed bonds issued or guaranteed by foreign governments and their agencies, as well as other foreign issuers. These investments are usually designed to track the inflation rate in the issuing country. Under most circumstances, the Fund’s investments in inflation-linked bonds of foreign issuers are generally less than 20% of its assets.

The Fund’s benchmark index is the Bloomberg Barclays U.S. Treasury Inflation Protected Securities (TIPS) 1–10 Year Index (the “Index”). As of May 31, 2020, the duration of the Index was 4.56 years. Although the Fund may invest in fixed-income securities of any duration, typically, the Fund invests in corporate and foreign inflation-indexed bonds that are similar in duration and maturity to those of U.S. Government inflation-indexed bonds.

The Fund may purchase and sell futures, options, swaps, forwards and other fixed-income derivative instruments to carry out the Fund’s investment strategies. In particular, the Fund may purchase and sell interest rate futures to attempt to manage duration and/or certain risks. The Fund also may invest in any fixed-income securities provided that no more than 5% of its assets are invested in fixed-income securities rated below investment-grade.

**Principal Risks.** The principal risks of investing in the Fund are interest rate risk, market volatility, liquidity and valuation risk, income volatility risk, special risks for inflation-indexed bonds, credit risk, credit spread risk, U.S. government securities risk, fixed-income foreign investment risk, active management risk, and derivatives risk.

#### **TIAA-CREF International Equity Index Fund (TCIEX)**

**Investment Objective and Principal Strategies.** The Fund seeks a favorable long-term total return, mainly through capital appreciation, by investing primarily in a portfolio of foreign equity investments based on a market index. Under normal circumstances, the Fund invests at least 80% of its assets in securities of its benchmark index, the Morgan Stanley Capital International EAFE® (Europe, Australasia, Far East) Index (the “MSCI EAFE Index”). The MSCI EAFE Index measures stock performance in certain countries outside North America. The Fund buys most, but not necessarily all, of the stocks included in its benchmark index, and will attempt to closely match the overall investment characteristics of its benchmark index. For purposes of the 80% investment policy, the term “assets” means net assets, plus the amount of any borrowings for investment purposes.

The Fund is designed to track various foreign equity markets as a whole or a segment of these markets. The Fund primarily invests its assets in equity securities its investment adviser, Teachers Advisors, LLC (“Advisors”), has selected to track a designated stock market index.

Because the return of an index is not reduced by investment and other operating expenses, the Fund’s ability to match the returns of the MSCI EAFE Index is negatively affected by the costs of buying and selling securities as well as the Fund’s fees and other expenses. The use of a particular index by the Fund is not a fundamental policy and may be changed without shareholder approval. The portfolio management team of Advisors will attempt to build a portfolio that generally matches the market weighted investment characteristics of the Fund’s benchmark index.

The Fund is classified as a diversified investment company, as defined under the Investment Company Act of 1940, as amended (the “1940 Act”). However, the Fund may become non-diversified under the 1940 Act without the approval of Fund shareholders solely as a result of a change in relative market capitalization or index weighting of one or more constituents of its benchmark index, the MSCI EAFE Index, which the Fund seeks to track.

**Principal Risks.** The principal risks of investing in the Fund are currency risk, foreign investment (non-U.S. markets) risk, illiquid investments risk, index risk, issuer risk, large-cap company risk, market risk, mid-cap company risk, and non-diversification risk.

#### **TIAA-CREF Money Market Fund (TCIXX)**

**Investment Objective and Principal Strategies.** The Fund seeks current income consistent with maintaining liquidity and preserving capital. The Fund is a “government money market fund,” as defined in the applicable rules governing money market funds, and as such invests at least 99.5% of its total assets in cash, U.S. Government securities and/or repurchase agreements that are collateralized fully by cash or U.S. Government securities. These investments include

(1) securities issued by, or whose principal and interest are guaranteed by, the U.S. Government or one of its agencies or instrumentalities and (2) repurchase agreements involving securities issued or guaranteed by the U.S. Government or one of its agencies or instrumentalities. Short-term, U.S. Government securities generally pay interest that is among the lowest for income-paying securities. Because of this, the yield on the Fund will likely be lower than the yields on funds that invest in longer-term or lower-quality securities.

Generally, the Fund seeks to maintain a share value of \$1.00 per share. The Fund's investments will be made in accordance with the applicable rules governing the quality, maturity and diversification of securities and other instruments held by money market funds. The Fund maintains a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life to maturity of 120 days or less, and invests in debt obligations with a remaining maturity of 397 days or less.

Advisors limits the Fund's investments to U.S. Government securities or securities that present minimal credit risks to the Fund and are of eligible quality.

A government money market fund is not required to impose liquidity fees or redemption gates, and the Fund does not currently intend to impose such fees and/or gates. However, the Fund's Board of Trustees could elect to subject the Fund to such fees and/or gates in the future.

The above list of investments is not exclusive and the Fund may make other investments consistent with its investment objective and policies.

**Principal Risks.** The principal risks of investing in the Fund are money market fund current income risk, issuer risk (often called financial risk), credit risk, market volatility, liquidity, and valuation risk (types of market risk), income volatility risk, interest rate risk (a type of market risk), U.S. Government Securities Risk, floating and variable rate securities risk, and active management risk.

#### **TIAA-CREF Real Estate Securities Fund (TIREX)**

**Investment Objective and Principal Strategies.** The Fund seeks to obtain a favorable long-term total return through both capital appreciation and current income, by investing primarily in equity securities of companies principally engaged in or related to the real estate industry. Under normal circumstances, the Fund invests at least 80% of its assets in the securities of companies that are principally engaged in or related to the real estate industry ("real estate securities"), including those that own significant real estate assets, such as real estate investment trusts ("REITs"). The Fund will invest primarily in equity securities of such companies. The Fund is actively managed using a research-oriented process with a focus on cash flows, asset values and Teachers Advisors, LLC's ("Advisors") belief in management's ability to increase shareholder value. The Fund does not invest directly in real estate. The Fund concentrates its investments in the real estate industry. From time to time, the Fund may also invest in debt securities of companies principally engaged in or related to the real estate industry. For purposes of the 80% investment policy, the term "assets" means net assets, plus the amount of any borrowings for investment purposes.

An issuer is principally "engaged in" or principally "related to" the real estate industry if at least 50% of its assets, gross income or net profits are attributable to ownership, construction, management or sale of residential, commercial or industrial real estate, or to products or services related to the real estate industry. The Fund typically invests in securities issued by equity REITs (which directly own real estate), mortgage REITs (which make short-term construction or real estate development loans or invest in long-term mortgages or mortgage pools), real estate brokers and developers, homebuilders, companies that manage real estate and companies that own substantial amounts of real estate. Businesses related to the real estate industry include manufacturers and distributors of building supplies and financial institutions that make or service mortgage loans.

The Fund also may invest up to 15% of its assets in real estate securities of foreign issuers and up to 20% of its assets in equity (including preferred stock) and debt securities of issuers that are not engaged in or related to the real estate industry. The benchmark index for the Fund is the FTSE Nareit All Equity REITs Index.

**Principal Risks.** The principal risks of investing in the Fund are real estate investing risk, active management risk, market risk, foreign investment (non-U.S. markets) risk, issuer risk (often called financial risk), region, sector, or industry risk, sector concentration risk, mid-cap company risk, small-cap company risk, and illiquid investments risk.

## **TIAA-CREF S&P 500 Index Fund (TISPX)**

**Investment Objective and Principal Strategies.** The Fund seeks a favorable long-term total return, mainly through capital appreciation, by investing primarily in a portfolio of equity securities of large domestic companies selected to track U.S. equity markets based on a market index. Under normal circumstances, the Fund invests at least 80% of its assets in securities of its benchmark index, the S&P 500<sup>®</sup> Index. The S&P 500 Index includes 500 leading companies and captures approximately 80% coverage of available market capitalization of the U.S. equity market. The Fund buys most, but not necessarily all, of the stocks in its benchmark index, and will attempt to closely match the overall investment characteristics of its benchmark index. For purposes of the 80% investment policy, the term “assets” means net assets, plus the amount of any borrowings for investment purposes.

The Fund is designed to track various U.S. equity markets as a whole or a segment of these markets. The Fund primarily invests its assets in equity securities its investment adviser, Teachers Advisors, LLC (“Advisors”), has selected to track a designated stock market index. Because the return of an index is not reduced by investment and other operating expenses, the Fund’s ability to match the returns of the S&P 500 Index is negatively affected by the costs of buying and selling securities as well as the Fund’s fees and other expenses. The use of a particular index by the Fund is not a fundamental policy and may be changed without shareholder approval. The portfolio management team of Advisors will attempt to build a portfolio that generally matches the market weighted investment characteristics of the Fund’s benchmark index.

The Fund is classified as a diversified investment company, as defined under the Investment Company Act of 1940, as amended (the “1940 Act”). However, the Fund may become non-diversified under the 1940 Act without the approval of Fund shareholders solely as a result of a change in relative market capitalization or index weighting of one or more constituents of its benchmark index, the S&P 500 Index, which the Fund seeks to track.

**Principal Risks.** The principal risks of investing in the Fund are index risk, issuer risk, large-cap company risk, market risk, and non-diversification risk.

## **TIAA-CREF Quant Small-Cap Equity Fund (TISEX)**

**Investment Objective and Principal Strategies.** The Fund seeks a favorable long-term total return, mainly through capital appreciation, primarily from equity securities of smaller domestic companies. Under normal circumstances, the Fund invests at least 80% of its assets in small-cap equity securities. In seeking a favorable long-term total return, the Fund will invest in securities that the Fund’s investment adviser, Teachers Advisors, LLC (“Advisors”), believes have favorable prospects for significant long-term capital appreciation potential. A “small-cap” equity security is a security within the capitalization range of the companies included in the Fund’s benchmark index, the Russell 2000<sup>®</sup> Index, at the time of purchase. The Fund invests primarily in equity securities of smaller domestic companies across a wide range of sectors, growth rates and valuations. For purposes of the 80% investment policy, the term “assets” means net assets, plus the amount of any borrowings for investment purposes.

The Fund seeks to add incremental return over its stated benchmark index, while also managing the relative risk of the Fund versus its benchmark index. Advisors uses proprietary quantitative models, or models utilizing econometric and mathematical techniques, based on financial and investment theories to evaluate and score a broad universe of stocks in which the Fund invests. These models typically weigh many different variables, including the valuation of the individual stock versus the market or its peers, future earnings and sustainable growth prospects, and the price and volume trends of the stock. The score is used to form the portfolio and the following additional inputs may also be considered: weightings of the stock and its corresponding sector in the benchmark, correlations between the performance of the stocks in the universe, and trading costs. The Fund may purchase foreign securities and securities issued in connection with reorganizations and other special situations.

The overall goal is to build a portfolio of stocks that generate a favorable long-term total return, while also managing the relative risk of the Fund versus its benchmark index. The Fund may also purchase and sell futures, options, swaps and other equity derivatives to carry out the Fund’s investment strategies. The Fund’s strategy is based upon Advisors’ understanding of the interplay of market factors and does not assure the Fund will perform as intended. The markets or the prices of individual securities may be affected by factors not taken into account in Advisors’ analysis.

**Principal Risks.** The principal risks of investing in the Fund are active management risk, derivatives risk, foreign investment (non-U.S. markets) risk, illiquid investments risk, issuer risk, market risk, mid-cap company risk, quantitative

analysis risk, small-cap company risk, and special situation risk.

#### **T. Rowe Price Large-Cap Growth Fund (TRLGX)**

**Investment Objective and Principal Strategies.** The Fund seeks to provide long-term capital appreciation through investments in common stocks of growth companies. In taking a growth approach to stock selection, the Fund will normally invest at least 80% of its net assets (including any borrowings for investment purposes) in the common stocks of large-cap companies. The Fund defines a large-cap company as one whose market capitalization is larger than the median market capitalization of companies in the Russell 1000<sup>®</sup> Growth Index, a widely used benchmark of the largest U.S. growth stocks. As of December 31, 2019, the median market capitalization of companies in the Russell 1000<sup>®</sup> Growth Index was approximately \$13.8 billion. The market capitalizations of the companies in the Fund's portfolio and the Russell index change over time; the Fund will not automatically sell or cease to purchase stock of a company it already owns just because the company's market capitalization falls below the median market capitalization of companies in the Russell index. The Fund may at times invest significantly in certain sectors, such as the information technology sector.

The Fund's investment adviser generally looks for companies with an above-average rate of earnings and cash flow growth and a lucrative niche in the economy that gives them the ability to sustain earnings momentum even during times of slow economic growth. As a growth investor, the adviser believes that when a company increases its earnings faster than both inflation and the overall economy, the market will eventually reward it with a higher stock price.

The Fund is "nondiversified," meaning it may invest a greater portion of its assets in a single issuer and own more of the issuer's voting securities than is permissible for a "diversified" fund.

In pursuing its investment objective(s), the Fund has the discretion to deviate from its normal investment criteria. These situations might arise when the adviser believes a security could increase in value for a variety of reasons, including an extraordinary corporate event, a new product introduction or innovation, a favorable competitive development, or a change in management.

While most assets will typically be invested in U.S. common stocks, the Fund may invest in foreign stocks in keeping with its objective(s).

The Fund may sell securities for a variety of reasons, such as to secure gains, limit losses, or redeploy assets into more promising opportunities.

**Principal Risks.** The principal risks of investing in the Fund are active management risk, common stock risk, growth style risk, large-cap company risk, sector concentration risk, non-diversification risk, foreign investment (non-U.S. markets) risk.

#### **Western Asset Core Plus Bond Fund (WACPX)**

**Investment Objective and Principal Strategies.** The Fund's investment objective is to maximize total return, consistent with prudent investment management and liquidity needs, by investing to obtain the average duration as follows. The Fund invests in a portfolio of fixed income securities of various maturities and, under normal market conditions, will invest at least 80% of its net assets, including the amount of borrowing for investment purposes, if any, in debt and fixed income securities. Although the Fund may invest in securities of any maturity, the Fund will normally maintain a dollar-weighted average effective duration within 30% of the average duration of the domestic bond market as a whole as estimated by the Fund's subadvisers. Effective duration seeks to measure the expected sensitivity of market price to changes in interest rates, taking into account the anticipated effects of structural complexities (for example, some bonds can be prepaid by the issuer).

The Fund may invest up to 20% of its total assets in non-U.S. dollar denominated securities. Up to 20% of the Fund's net assets may be invested in debt securities that are not rated in the Baa or BBB categories or above at the time of purchase by one or more Nationally Recognized Statistical Rating Organizations ("NRSROs") or, if unrated, securities of comparable quality at the time of purchase (as determined by the subadvisers). Securities rated in the Baa or BBB categories or above by one or more NRSROs or unrated securities of comparable quality are known as "investment grade securities." Securities rated below investment grade are commonly known as "junk bonds" or "high yield securities." The Fund may invest up to 25% of its total assets in the

securities of non-U.S. issuers. The Fund may invest a substantial portion of its assets in mortgage-backed and asset-backed securities.

The Fund may also enter into various exchange-traded and over-the-counter derivative transactions for both hedging and non-hedging purposes, including for purposes of enhancing returns. These derivative transactions include, but are not limited to, futures, options, swaps, foreign currency futures and forwards.

In particular, the Fund may use interest rate swaps, credit default swaps (including buying and selling credit default swaps on individual securities and/or baskets of securities), options (including options on credit default swaps and options on futures) and futures contracts to a significant extent, although the amounts invested in these instruments may change from time to time. Other instruments may also be used to a significant extent from time to time.

**Principal Risks.** The principal risks of investing in the Fund are market risk, interest rate risk (a type of market risk), credit risk, non-investment-grade securities risk, derivatives risk, leverage risk, liquidity risk, foreign investment (non-U.S. markets) risk, emerging markets risk, sovereign debt risk, prepayment risk, call risk, extension risk, risk of investing in fewer issuers, valuation risk, market risk, LIBOR risk, hedging risk, cash management and defensive investing risk, mortgage-backed and asset-backed securities risk, active management risk, portfolio turnover risk, redemption risk, and cybersecurity risk.

## DESCRIPTION OF THE UNDERLYING FUND RISKS

An Underlying Fund (or a “Fund”) may not achieve its investment objective. The descriptions below provide more detail about many of the general risks of investments in mutual funds such as the Underlying Funds, and about certain specific risks that could adversely affect the value of an investment in an Underlying Fund. As a result of these risks, you may lose money when you invest in any Investment Portfolio. For additional information surrounding a particular Fund’s risks and objectives, please reference the Fund’s prospectus and statement of additional information. These descriptions are qualified in their entirety by reference to the detailed information included in each Underlying Fund’s current prospectus and statement of additional information, which contain additional information not summarized herein and which may identify additional risks to which the respective Underlying Fund may be subject.

**Active Management Risk:** The risk that an investment adviser’s (or sub-adviser’s) strategy, investment selection, investment technique, risk analysis, investment timing, or trading execution may fail to produce the intended results, either because i) the Fund’s or its adviser’s (or sub-adviser’s) strategy, selection, technique, analysis, timing, execution, or judgment about the quality, relative yield or value of a security or market trends affecting a particular security, industry, sector or region, or about interest rates, was incorrect, inaccurate, or ineffective, potentially as a result of imperfections, errors or limitations in the models, tools and data used, or ii) because the market continues to undervalue an investment, either of which may cause a Fund to lose value and/or underperform relative to a benchmark index or to other mutual funds investing in the same asset classes or pursuing similar investment objectives.

**Asset-Backed Securities Investment Risk:** The risk that the impairment of the value of the collateral underlying the security in which a Fund invests, such as non-payment of loans, will result in a reduction in the value of the security.

**Benchmark Risk:** The risk that a Fund’s performance may not correspond to its benchmark index for any period of time and may underperform such index or the overall financial market. Additionally, to the extent that a Fund’s investments vary from the composition of its benchmark index, the Fund’s performance could potentially vary from the index’s performance to a greater extent than if the Fund merely attempted to replicate the index.

**Bond Market Liquidity Risk:** Dealer inventories of bonds, which provide an indication of the ability of financial intermediaries to “make markets” in those bonds, are at or near historic lows in relation to market size as of the date of this Plan Description. This reduction in market making capacity has the potential to decrease liquidity and increase price volatility in the fixed income markets in which a Fund invests, particularly during periods of economic or market stress. In addition, recent federal banking regulations may cause certain dealers to reduce their inventories of bonds, which may further decrease a Fund’s ability to buy or sell bonds. As a result of this decreased liquidity, a Fund may have to accept a lower price to sell a security, sell other securities to raise cash or give up an investment opportunity, any of which could have a negative effect on performance. If a Fund needed to sell large blocks of bonds to meet shareholder redemption requests or to raise cash, those sales could further reduce the bonds’ prices. Decreased

liquidity may also lead to higher volatility in the market price of a Fund's shares and wider bid-ask spreads. In certain cases, if a Fund is forced to sell underlying investments at reduced prices or under unfavorable conditions to meet redemption requests or for other cash needs, the Fund may suffer a loss.

**Call Risk:** The risk that, during periods of falling interest rates, issuers may call (or repay) debt instruments or fixed-income securities held by a Fund prior to maturity, which could cause the Fund to lose potential price appreciation and reinvest the proceeds in securities with lower interest rates or more credit risk, resulting in a decline in the Fund's income and an adverse impact on the Fund's performance.

**Cash Management and Defensive Investing Risk:** The value of the investments held by a Fund for cash management or defensive investing purposes can fluctuate. Like other fixed income securities, they are subject to risk, including market, interest rate and credit risk. If a Fund holds cash uninvested, the cash will be subject to the credit risk of the depository institution holding the cash and the Fund will not earn income on the cash. If a significant amount of a Fund's assets is used for cash management or defensive investing purposes, a Fund will be less likely to achieve its investment objective. Defensive investing may not work as intended and the value of an investment in a Fund may still decline.

**Cash Redemption Risk:** A Fund's investment strategy may require it to effect redemptions, in whole or in part, in cash. In order to obtain the cash needed for a redemption, a Fund may be required to sell portfolio securities, which may cause a Fund to recognize capital gains that it might not have recognized if it had satisfied the redemption in-kind. Therefore, to the extent a Fund effects redemptions in cash, it may pay out higher annual capital gain distributions than if it satisfied redemptions entirely in-kind.

**Common Stock Risk:** Common stocks generally fluctuate in value more than bonds and may decline significantly over short time periods. There is a chance that stock prices overall will decline because stock markets tend to move in cycles, with periods of rising and falling prices. The value of a stock in which the Fund invests may decline due to general weakness in the stock market or because of factors that affect a particular company or industry.

**Concentration Risk:** To the extent that a Fund's portfolio is concentrated in the securities of issuers in a particular market, industry, group of industries, sector or asset class (or one or more related markets, industries, sectors, or asset classes), the Fund may be adversely affected by the performance of those securities, may be subject to increased price volatility and may be more susceptible to adverse economic, market, political or regulatory occurrences affecting that market, industry, group of industries, sector or asset class.

**Contingent Capital Security Risk:** Contingent capital securities have loss absorption mechanisms benefitting the issuer built into their terms. Upon the occurrence of a specified trigger or event, contingent capital securities may be subject to automatic conversion into the issuer's common stock, which likely will have declined in value and which will be subordinate to the issuer's other classes of securities, or to an automatic write-down of the principal amount of the securities, potentially to zero, which could result in the Fund losing a portion or all of its investment in such securities. Contingent capital securities are often rated below investment grade and are subject to the risks of high yield securities.

**Convertible Security Risk:** The value of a Fund's convertible securities may decline in response to such factors as rising interest rates and fluctuations in the market price of the common stock underlying the convertible securities.

**Counterparty Risk:** The risk that the other party to a contract, such as a derivatives contract, may not fulfill its contractual obligations.

**Credit Risk:** The risk that an issuer or guarantor of a fixed-income investment or debt security, or counterparty to a financial contract, may be unable or unwilling to make dividend, interest, or principal payments when the payments become due, or perform its obligations, and the related risk that the value of a fixed-income investment or debt security may decline because of concerns about the issuer's or guarantor's financial condition or ability or willingness to make such payments. A Fund could be delayed or hindered in its enforcement of rights against an issuer, guarantor or counterparty. Subordinated securities are more likely to suffer a credit loss than non-subordinated securities of the same issuer and will be disproportionately affected by a default, downgrade or perceived decline in creditworthiness.

**Credit Spread Risk:** Credit spread risk is the risk that credit spreads (*i.e.*, the difference in yield between debt securities that is due to differences in their credit quality) may increase when the market believes that bonds generally have a greater risk of default. Increasing credit spreads may reduce the market values of a Fund's debt securities.

Credit spreads often increase more for lower rated and unrated securities than for investment grade securities. In addition, when credit spreads increase, reductions in market value will generally be greater for longer-maturity securities.

**Currency Risk:** The risk that foreign (non-U.S.) currencies may decline in value relative to the U.S. dollar and adversely affect the value of a Fund's investments in foreign currencies, securities denominated in foreign currencies, or derivative instruments that provide exposure to foreign currencies. Risks of investing in securities denominated in, or that trade in, foreign (non-U.S.) currencies include changes in foreign exchange rates and foreign exchange restrictions. Foreign currencies may experience steady or sudden devaluation relative to the U.S. dollar, adversely affecting the value of non-U.S. dollar denominated securities, dividends and interest earned from such securities, gains and losses realized on the sale of such securities, and derivative transactions tied to such securities.

Additionally, a foreign government may convert, or be forced to convert, its currency to another currency, changing its value against the U.S. dollar.

Changes in currency exchange rates may affect a Fund's net asset value, the value of dividends and interest earned, and gains or losses realized on the sale of securities. Where a Fund's net asset value is determined on the basis of U.S. dollars, if the local currency of a foreign market depreciates against the U.S. dollar, the Fund may lose money even if the foreign market prices of the Fund's holdings rise.

Certain Funds may not hedge against foreign currency risk, and other Funds may or may not be successful in hedging the Fund's currency exposure and may not be able to determine accurately the extent to which a security or its issuer is exposed to currency risk. Even for Funds whose non-U.S. securities are traded in U.S. dollars, the prices of those investments are typically indirectly influenced by currency fluctuations.

**Cybersecurity Risk:** A Fund's and its service providers' use of internet, technology and information systems may expose the Fund to potential risks linked to cybersecurity breaches of those technological or information systems. Cybersecurity breaches and incidents (both intentional and unintentional), amongst other things, could allow an unauthorized party to gain access to proprietary information, customer data (including private shareholder information) or Fund assets, or cause a Fund and/or its service providers to suffer data corruption or data breaches, or lose operational functionality, and could prevent Fund investors from purchasing, redeeming, or exchanging shares or receiving distributions.

Successful cyber-attacks or other cyber-failures or events affecting a Fund or its service providers may adversely impact the Fund or its shareholders. Such events could cause a Fund to incur regulatory penalties, reputational damage, and additional compliance costs associated with corrective measures and/or financial loss. Additionally, a cybersecurity breach could affect the issuers in which a Fund invests, which may cause the Fund's investments to lose value.

A Fund and its investment adviser (and sub-adviser(s), if applicable) have limited ability to prevent or mitigate cybersecurity incidents affecting third party service providers, and such third party service providers may have limited indemnification obligations to the Fund or its investment adviser. Cybersecurity incidents may result in financial losses to a Fund and its shareholders, and substantial costs may be incurred in order to prevent any future cybersecurity incidents.

**Debt Securities Risk:** The risk that the value of a debt security may increase or decrease as a result of various factors, including changes in interest rates, actual or perceived inability or unwillingness of issuers to make principal or interest payments, market fluctuations and illiquidity in the debt securities market.

**Depository Receipts Risk:** Depository receipts are certificates evidencing ownership of shares of a foreign issuer. These certificates are issued by depository banks and generally trade on an established market in the U.S. or elsewhere. The underlying shares are held in trust by a custodian bank or similar financial institution. The depository bank may not have physical custody of the underlying securities at all times and may charge fees for various services, including forwarding dividends and interest and corporate actions. Depository receipts are alternatives to directly purchasing the underlying foreign securities in their national markets and currencies. Depository receipts are subject to the risks associated with investing directly in foreign securities.

**Derivatives Risk:** Derivatives are instruments the values of which are derived from the values of other assets, rates or indices, such as futures, options, single name or index credit default swaps, forwards, foreign exchange forward

contracts, foreign currency forward contracts, and more complex derivatives such as swaps that might present liquidity, credit, and counterparty risk. When a Fund uses derivatives, the Fund will be directly exposed to the risks of those derivatives, which are additional to and possibly greater than those associated with investing directly in securities. Using derivatives can increase Fund losses and reduce opportunities for gains when market prices, interest rates, currencies, or the derivatives themselves behave in a way not anticipated by the Fund. Using derivatives also can have a leveraging effect and increase Fund volatility. Derivative instruments can be used to acquire or to transfer the risk and returns of a security or other asset without buying or selling the security or asset. The use of derivatives for non-hedging purposes may be considered to carry different and greater risks and transaction costs than other types of investments.

Derivative instruments are subject to a number of risks including counterparty, liquidity, interest rate, market, credit and management risks, and risks related to mispricing and improper valuation. Derivative investments can create investment leverage and may create additional risks that may subject a Fund to greater volatility and less liquidity than investments in more traditional securities. Changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index, and a Fund could lose more than the principal amount invested, and in certain cases losses may be theoretically unlimited. As a result, even a small investment in derivatives can result in losses that greatly exceed the original investment. An over-the-counter derivative transaction between a Fund and a counterparty that is not cleared through a central counterparty also involves the risk that a loss may be sustained as a result of the failure of the counterparty to the contract to make required payments. The payment obligation for a cleared derivative transaction is guaranteed by a central counterparty, which exposes a Fund to the creditworthiness of the central counterparty. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment. Derivatives may not be available at the time or price desired, may be difficult to sell, unwind or value, and the counterparty may default on its obligations to a Fund. Derivatives are generally subject to the risks applicable to the assets, rates, indices or other indicators underlying the derivative. The value of a derivative may fluctuate more than the underlying assets, rates, indices or other indicators to which it relates.

Use of derivatives may have different tax consequences for a Fund than an investment in the underlying security, and those differences may affect the amount, timing and character of income distributed to shareholders.

The U.S. government and foreign governments are in the process of adopting and implementing regulations governing derivatives markets, including mandatory clearing of certain derivatives, margin and reporting requirements. The ultimate impact of the regulations remains unclear. Additional regulation of derivatives may make derivatives more costly, limit their availability or utility, otherwise adversely affect their performance or disrupt markets.

Credit default swap contracts involve heightened risks and may result in losses to a Fund. Credit default swaps may be illiquid and difficult to value. When a Fund sells credit protection via a credit default swap, credit risk increases since the Fund has exposure to both the issuer whose credit is the subject of the swap and the counterparty to the swap.

***Distressed and Defaulted Securities Risk:*** The risk that the repayment of defaulted securities and obligations of distressed issuers is subject to significant uncertainties.

***Dividend-Paying Security Risk:*** A Fund's investment in dividend-paying stocks could cause the Fund to underperform similar funds that invest without consideration of a company's track record of paying dividends. Stocks of companies with a history of paying dividends may not participate in a broad market advance to the same degree as most other stocks, and a sharp rise in interest rates or economic downturn could cause a company to unexpectedly reduce or eliminate its dividend. There is no guarantee that the issuers of the stocks held by a Fund will declare dividends in the future or that, if declared, they will remain at their current levels or increase over time.

***Dollar Roll Transaction Risk:*** The use of dollar rolls can increase the volatility of a Fund's share price, and it may have an adverse impact on performance unless the Fund's investment adviser correctly predicts mortgage prepayments and interest rates. These transactions are subject to the risk that the counterparty to the transaction may be unable to perform in accordance with the terms of the instrument.

***Downgrade Risk:*** The risk that securities are subsequently downgraded should a Fund's investment adviser and/or rating agencies believe the issuer's business outlook or creditworthiness has deteriorated.

***Emerging Markets Risk:*** The risk of foreign investment often increases in countries with emerging markets (including frontier markets). For example, these countries may have more unstable governments than developed countries and their economies may be based on only a few industries. Emerging market securities may present issuer, market,

currency, liquidity, volatility, valuation, legal, political, and other risks different from, and potentially greater than, the risks of investing in securities of issuers in more developed markets. Because their financial markets may be very small, prices of financial instruments in emerging market countries may be volatile and difficult to determine. Financial instruments of issuers in these countries may have lower overall liquidity than those of issuers in more developed countries. Financial and other reporting by companies and government entities also may be less reliable or difficult to obtain in emerging market countries. In addition, foreign investors, such as a Fund, are subject to a variety of special restrictions in many emerging market countries. Shareholder claims and regulatory actions that are available in the U.S. may be difficult or impossible to pursue in emerging market countries. Numerous emerging market countries have a history of, and continue to experience serious, and potentially continuing, economic and political problems. The economies of emerging markets are less diverse and mature than those of the United States and other developed markets. Economic or political instability may cause larger price changes in emerging market securities than in securities of issuers based in more developed foreign countries. Additional restrictions may be imposed under other conditions.

Less developed markets are more likely to experience problems with the clearing and settling of trades and the holding of securities by local banks, agents and depositories. Settlement of trades in these markets can take longer than in other markets and a Fund may not receive its proceeds from the sale of certain securities for an extended period (possibly several weeks or even longer).

Frontier market countries generally have even smaller, less diverse and less mature economies or even less developed capital markets and, as a result, the risks of investing in emerging market countries are magnified in frontier market countries. Because their financial markets may be very small, prices of financial instruments in emerging market countries may be volatile and difficult to determine.

**Equity Market Risk:** Even a long-term investment approach cannot guarantee a profit. Economic, market, political and issuer-specific conditions and events will cause the value of equity securities, and the Portfolio that owns them, to rise or fall. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

**Equity Security Risk:** Investing in equity securities, including common stock and preferred stock, is risky and subject to volatility. The prices of a company's equity securities fluctuate based on changes in the company's business performance and financial condition, investor perception, on market trends, unfavorable performance of the company's sector or industry, and general economic conditions. Equity securities may decline significantly in price over short or extended periods of time, and such declines may occur because of declines in the equity market as a whole, or because of declines in only a particular country, company, industry or sector of the market. Furthermore, when the stock market declines, most equity securities, even those issued by strong companies, often will decline in value. The rights of common stockholders and the owners of other equity securities are subordinate to all other claims on a company's assets, including debt holders and preferred stockholders. Therefore, a Fund could lose money if a company in which it invests becomes financially distressed. Funds with a focus on dividend-paying securities may from time to time have a greater exposure to higher dividend-yield sectors and industries than the broad equity market, which would make the Fund more vulnerable to adverse developments affecting such sectors or industries.

**ESG Criteria Risk:** The risk that because a Fund's ESG criteria exclude securities of certain issuers for nonfinancial reasons, the Fund may forgo some market opportunities available to funds that do not use these criteria. This may cause the Fund to underperform the stock market as a whole or other funds that do not use an ESG investment strategy. In addition, there is a risk that the companies identified by a Fund's ESG investment strategy do not operate as expected when addressing ESG issues.

**ETF Risk:** An exchange traded fund ("ETF") is subject to the risks of the underlying securities that it holds. In addition, for index-based ETFs, the performance of an ETF may diverge from the performance of such index (commonly known as tracking error). Tracking error may occur because of, for example, pricing differences, transaction costs, a Fund's holding of uninvested cash, differences in timing of the accrual of distributions, changes to the index, or the need to meet various new or existing regulatory requirements. This risk may be heightened during times of increased market volatility or other unusual market conditions. ETFs are subject to fees and expenses (like management fees and operating expenses) that do not apply to an index, and a Fund will indirectly bear its proportionate share of any such fees and expenses paid by the ETFs in which it invests.

ETF Fund shares may be bought and sold in the secondary market at market prices. Although it is expected that the market price of a Fund share typically will approximate its net asset value ("NAV"), there may be times when the market price and the NAV diverge more significantly, particularly in times of market volatility or steep market declines.

Thus, you may pay more or less than NAV when you buy Fund shares on the secondary market, and you may receive more or less than NAV when you sell those shares.

As ETFs trade on an exchange, they are subject to the risks of any exchange-traded instrument, including: (i) an active trading market for its shares may not develop or be maintained, (ii) market makers or authorized participants may decide to reduce their role or step away from these activities in times of market stress, (iii) trading of its shares may be halted by the exchange and (iv) its shares may be delisted from the exchange. Specifically, although an ETF's shares are listed for trading on a national securities exchange, it is possible that an active trading market may not develop or be maintained, in which case transactions may occur at wider bid/ask spreads (which may be especially pronounced for smaller funds). Trading of an ETF's shares may be halted by the activation of individual or market-wide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). In times of market stress, an ETF's underlying portfolio holdings may become less liquid, which in turn may affect the liquidity of the ETF's shares and/or lead to more significant differences between the ETF's market price and its NAV. Market makers are under no obligation to make a market in an ETF's shares, and authorized participants are not obligated to submit purchase or redemption orders for an ETF's shares. In the event market makers cease making a market in an ETF's shares or authorized participants stop submitting creation or redemption orders, ETF shares may trade at a larger premium or discount to NAV.

**Extension Risk:** The risk that, during periods of rising interest rates, prepayments on debt instruments will slow, which may cause debt instruments considered short or intermediate term to become longer-term instruments that fluctuate more widely in response to changes in interest rates than shorter-term instruments. In addition, when borrowers pay off their debts later than expected, a Fund may be prevented from reinvesting principal proceeds at higher interest rates, resulting in less income than potentially available.

**Fixed-Income Foreign Investments Risk:** Investment in fixed-income securities or financial instruments of foreign issuers involves increased risks due to adverse issuer, political, regulatory, currency, market or economic developments. These developments may impact the ability of a foreign debt issuer to make timely and ultimate payments on its debt obligations to a Fund or impair a Fund's ability to enforce its rights against the foreign debt issuer. These risks are heightened in emerging or developing markets. Foreign investments may also be less liquid and more difficult to value than investments in U.S. issuers.

**Floating and Variable Rate Securities Risk:** Floating and variable rate securities provide for a periodic adjustment in the interest rate paid on the securities. The rate adjustment intervals may be regular and range from daily up to annually, or may be based on an event, such as a change in the prime rate. Floating and variable rate securities may be subject to greater liquidity risk than other debt securities, meaning that there may be limitations on a Fund's ability to sell the securities at any given time. Such securities also may lose value.

**Focused Portfolio Risk:** A Fund's portfolio may be invested in a relatively small number of stocks. As a result, the appreciation or depreciation of any one security held by the Fund will have a greater impact on the Fund's net asset value than it would if the Fund invested in a larger number of securities. Although that strategy has the potential to generate attractive returns over time, it also increases the Fund's volatility and may lead to greater losses.

**Foreign Investment (Non-U.S. Markets) Risk:** Investments in securities issued by entities based outside the U.S., or with significant non-U.S. operations, may decline in value due to conditions specific to an individual country, including unfavorable economic conditions relative to the United States, and may involve special risks in addition to or other than the risks associated with investments in U.S. companies and U.S. markets. Investments in non-U.S. companies and non-U.S. markets are subject to risks related to less regulated or liquid securities markets; additional taxation; heightened political, economic, social, or diplomatic instability; greater volatility; currency fluctuations or changes in foreign currency exchange rates; different accounting, auditing, financial reporting or legal standards or practices; higher transaction costs; delays in clearing or settlement; delays in receipt of dividends; possible foreign controls on investment; expropriation; possible sanctions by governmental bodies of other countries; and less stringent investor protection and disclosure standards. Foreign securities are sometimes more volatile, less liquid and harder to value than securities of U.S. issuers. There may also be less publicly-available information about a foreign issuer or its securities. Investors holding foreign securities may also be exposed to currency risk. Although hedging may be used to protect a Fund from adverse currency movements, the use of such hedges may reduce or eliminate the potentially positive effect of currency revaluations on the Fund's total return, and there is no guarantee that a Fund's hedging strategy will be successful. Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country,

region or financial market. The risks of foreign investing are heightened to extent that a Fund invests in emerging markets.

**Frequent Trading Risk:** Frequent trading may increase the amount of commissions or mark-ups to broker-dealers that a Fund pays when it buys and sells securities, which may detract from the Fund's performance.

**Frontier Market Risk:** Frontier market securities involve certain risks, such as exposure to economies less diverse and mature than that of the United States or more established foreign markets. Economic or political instability may cause larger price changes in frontier market securities than in securities of issuers based in more developed foreign countries.

**Futures Contract Risk:** The risk of investing in futures contracts includes (1) the imperfect correlation between a futures contract and the change in market value of the underlying instrument held by a Fund; (2) a high degree of leverage because of the low collateral deposits normally involved in futures trading; (3) possible lack of a liquid secondary market for a futures contract and the resulting inability to close a futures contract when desired; (4) losses caused by unanticipated market movements, which are potentially unlimited; and (5) the inability of a Fund to execute a trade because of the maximum permissible price movements exchanges may impose on futures contracts. The use of futures contracts involves additional risks and transaction costs, which could leave a Fund in a worse position than if it had not used these instruments. Futures contracts may entail investment exposures that are greater than their cost would suggest. As a result, a small investment in futures contracts could have a large impact on performance.

**Geographic Concentration Risk:** To the extent a Fund invests a significant portion of its assets in the securities of companies in a single country or region and/or the depositary receipts representing such securities, it may be more susceptible to adverse economic, market, political or regulatory events or conditions affecting that country or region.

**Growth Style Risk:** Over time, a growth oriented investing style may go in and out of favor, which may cause a Fund to underperform other equity funds that use different investing styles. Growth stocks tend to be more volatile than certain other types of stocks and their prices usually fluctuate more dramatically than the overall stock market. A stock with growth characteristics can have sharp price declines due to decreases in current or expected earnings and may lack dividends that can help cushion its share price in a declining market.

**Hedging Risk:** There can be no assurance that a Fund will engage in hedging transactions at any given time, even under volatile market conditions, or that any hedging transactions a Fund engages in will be successful. Hedging transactions involve costs and may reduce gains or result in losses.

**High Yield Securities Risk:** High yield securities, which are rated below investment grade and commonly referred to as "junk" bonds, are high risk investments that may cause income and principal losses for a Fund. They generally have greater credit risk, are less liquid and have more volatile prices than investment grade securities.

**Illiquid Investments Risk:** The risk that illiquid investments may be difficult to sell for the value at which they are carried, if at all, or at any price within the desired time frame.

**Income Volatility Risk:** The risk that the level of current income from a Fund's portfolio of fixed-income investments could decline during periods of falling interest rates or when the Fund experiences defaults on debt securities it holds. In addition, because the interest and/or principal payments on inflation protected securities are adjusted periodically for changes in inflation, the income distributed by a Fund may be irregular. In a period of sustained deflation, the inflation protected securities held by a Fund, and consequently the Fund itself, may not pay any income.

**Index Risk:** The risk that a Fund's performance may not correspond to its benchmark index for any period of time and may underperform such index or the overall financial market. Additionally, to the extent that a Fund's investments vary from the composition of its benchmark index, the Fund's performance could potentially vary from the index's performance to a greater extent than if the Fund merely attempted to replicate the index.

**Index Investment Style Risk:** The risk that a Fund invests in the securities included in, or representative of, the index that it tracks regardless of their investment merit. A Fund does not attempt to outperform the index or take defensive positions in declining markets. As a result, a Fund's performance may be adversely affected by a general decline in the market segments relating to the Index. In addition, if the index selects securities for inclusion based on ESG criteria, a Fund may forgo some market opportunities available to funds that do not use these criteria.

**Index Provider Risk:** There is no assurance that the Index will be determined, maintained, constructed, reconstituted, rebalanced, composed, calculated or disseminated accurately. To correct any such error, the index provider may carry out an unscheduled rebalance or other modification of the Index constituents or weightings, which may increase a Fund's costs. Index providers generally do not provide any representation or warranty in relation to the quality, accuracy or completeness of data in the indexes in which they license, and generally do not guarantee that an index will be calculated in accordance with its stated methodology. Losses or costs associated with any index provider errors generally will be borne by a Fund and its shareholders.

**Information Technology Sector Risk;** The risk that a Fund currently invests a significant portion of its assets in the information technology sector. The information technology sector can be significantly affected by changes in, among other things, the supply and demand for specific products and services, the pace of technological development and product obsolescence, market competition, government regulation, and patent and intellectual property rights.

**Interest Rate Risk** (a type of **Market Risk**): The risk that increases in interest rates can cause the prices of fixed-income investments to decline. This risk is heightened to the extent a Fund invests in longer duration fixed-income investments, the prices of which are typically affected more by rising interest rates than the prices of fixed-income investments with shorter maturities, and during periods when prevailing interest rates are low or negative. Rising interest rates also may lengthen the duration of securities with call features, since exercise of the call becomes less likely as interest rates rise, which in turn will make the securities more sensitive to changes in interest rates and result in even steeper price declines in the event of further interest rate increases.

Very low or negative interest rates may magnify interest rate risk. Changing interest rates, including rates that fall below zero, may have unpredictable effects on markets, result in heightened market volatility and detract from a Fund's performance to the extent that it is exposed to such interest rates. When interest rates in the United States and in certain foreign markets are low, a Fund's exposure to risks associated with rising interest rates may increase due to the effect of potential government fiscal policy initiatives, and the resulting market reaction to those initiatives. In general, changing interest rates could have unpredictable effects on the markets and may expose fixed-income and related markets to heightened volatility.

The maturity of a security may be significantly longer than its duration. A security's maturity and other features may be more relevant than its duration in determining the security's sensitivity to other factors affecting the issuer or markets generally such as changes in credit quality or in the yield premium that the market may establish for certain types of securities.

Inflation protected securities may react differently from other debt securities to changes in interest rates. Generally, the value of an inflation protected security is affected by changes in "real" interest rates, which are stated interest rates reduced by the expected impact of inflation. Values of these securities normally fall when real interest rates rise and rise when real interest rates fall.

**Issuer Risk** (often called **Financial Risk**): The risk that an issuer's earnings prospects and overall financial position will deteriorate, causing a decline in the value of the issuer's financial instruments over short or extended periods of time.

**Junk Bond Risk:** The risk that junk bonds have a higher degree of default risk and may be less liquid and subject to greater price volatility than investment grade bonds.

**Large-Cap Company Risk:** The risk that large-capitalization companies are more mature and may grow more slowly than the economy as a whole and tend to go in and out of favor based on market and economic conditions, which may cause a Fund to underperform other equity funds that focus on small- or mid-capitalization companies.

**Leverage Risk:** The risk that leverage may result from certain transactions, including the use of derivatives and borrowing. This may impair a Fund's liquidity, cause it to liquidate positions at an unfavorable time, increase its volatility or otherwise cause it not to achieve its intended result. The value of an investment in a Fund may be more volatile if the Fund borrows or uses instruments that have a leveraging effect on the Fund's portfolio. Other risks also will be compounded because leverage generally magnifies the effect of a change in the value of an asset and creates a risk of loss of value on a larger pool of assets than a Fund would otherwise have had. The use of leverage is considered to be a speculative investment practice and may result in the loss of a substantial amount, and possibly all,

of the fund's assets. In addition, a Fund's portfolio will be leveraged if it exercises its right to delay payment on a redemption, and losses will result if the value of the Fund's assets declines between the time a redemption request is deemed to be received by the Fund and the time the Fund liquidates assets to meet redemption requests. To the extent required by applicable law or regulation, a Fund will reduce leverage risk by either segregating an equal amount of liquid assets or "covering" the transactions that introduce such risk.

**LIBOR Risk.** A Fund's investments, payment obligations, and financing terms may be based on floating rates, such as the London Interbank Offered Rate, or "LIBOR," which is the offered rate for short-term Eurodollar deposits between major international banks. Plans are underway to phase out the use of LIBOR as a reference rate by the end of 2021. There remains uncertainty regarding the nature of any replacement rate and the impact of the transition from LIBOR on a Fund's transactions and the financial markets generally. As such, the potential effect of a transition away from LIBOR on a Fund or the Fund's investments cannot yet be determined.

**Liquidity Risk:** The risk that lack of a ready market or restrictions on resale may limit the ability of a Fund to sell a security at an advantageous time or price or at the Fund's desired weighting. Liquidity risk may result from the lack of an active market or a reduced number and capacity of traditional market participants to make a market in securities and may be magnified during times of market stress or under circumstances that cause increased supply in the market due to unusually high selling activity. Markets may become illiquid when, for instance, there are few, if any, interested buyers or sellers or when dealers are unwilling or unable to make a market for certain securities.

Illiquid investments can be more difficult to purchase or sell at an advantageous time or price, and there is a greater risk that they may not be sold for the price at which a Fund is carrying them. Some investments held by a Fund may be impossible or difficult to sell, and some investments that the Fund wants to invest in may be impossible or difficult to purchase, particularly during times of market turmoil or due to adverse changes in the conditions of a particular issuer. These illiquid assets may also be difficult to value. This risk may be heightened with investments in issuers located in developing and emerging countries.

In addition, a Fund, by itself or together with other accounts managed by its investment adviser, may hold a position in a security that is large relative to the typical trading volume for that security, which can make it difficult for the Fund to dispose of the position at an advantageous time or price.

As a general matter, dealers recently have been less willing to make markets for fixed income securities, and over recent years the fixed-income markets have grown more than the ability or willingness of dealers to make markets, which can further constrain liquidity and increase the volatility of portfolio valuations.

High levels of redemptions in bond funds in response to market conditions could cause greater losses as a result. If a Fund, such as but not limited to a bond fund, is forced to sell an illiquid asset to meet redemption requests or other cash needs, the Fund may be forced to sell at a loss. A Fund may not receive its proceeds from the sale of certain securities for an extended period (for example, several weeks or even longer). The liquidity of certain assets, particularly of privately-issued and non-investment grade mortgage-backed securities, asset-backed securities and collateralized debt obligations, may be difficult to ascertain and may change over time. The inability to sell an investment can adversely affect a Fund's value or prevent the Fund from being able to take advantage of other investment opportunities.

Recent federal banking regulations may also cause certain dealers to reduce their inventories of certain securities, which may further decrease a Fund's ability to buy or sell such securities. Regulations such as the Volcker Rule or future regulations may further constrain the ability of market participants to create liquidity, particularly in times of increased market volatility.

The liquidity of a Fund's assets may change over time. Additionally, trading markets or a particular investment in which a Fund is invested, including securities of issuers located outside the United States, may become less liquid or even illiquid.

**Loan Risk:** The lack of an active trading market for certain loans may impair the ability of a Fund to realize full value in the event of the need to sell a loan and may make it difficult to value such loans. Portfolio transactions in loans may settle in as short as seven days but typically can take up to two or three weeks, and in some cases much longer. As a result of these extended settlement periods, a Fund may incur losses if it is required to sell other investments or temporarily borrow to meet its cash needs, including satisfying redemption requests. The risks associated with unsecured loans, which are not backed by a security interest in any specific collateral, are higher than those for

comparable loans that are secured by specific collateral. Interests in loans made to finance highly leveraged companies or transactions such as corporate acquisitions may be especially vulnerable to adverse changes in economic or market conditions. Additionally, loans may not be considered "securities" and, as a result, a Fund may not be entitled to rely on the anti-fraud protections of the securities laws. Further, junior loans have a lower place in an issuer's capital structure and may be unsecured, so junior loans involve a higher degree of overall risk than senior loans of the issuer. A Fund's investments in floating rate loans that pay interest based on the London Inter-Bank Offered Rate (LIBOR) may experience increased volatility and/or illiquidity during the transition away from LIBOR, which is scheduled to be phased out by the end of 2021 although may be extended.

**Market Capitalization Risk:** Investing primarily in issuers in one market capitalization category (large, medium or small) carries the risk that due to current market conditions, that category may be out of favor with investors. Larger, more established companies may be unable to respond quickly to new competitive challenges or opportunities or attain the high growth rate of successful smaller companies. Smaller companies may be more volatile due to, among other things, narrower product lines, more limited financial resources and fewer experienced managers. In addition, there is typically less publicly available information about such companies, and their stocks may have a more limited trading market than stocks of larger companies.

**Market Risk:** The risk that securities markets and individual securities will increase or decrease in value, sometimes rapidly and unpredictably. Market risk applies to every market and every security, and it may affect a single issuer, industry or sector of the economy, or it may affect the market as a whole. Security prices may fluctuate widely over short or extended periods in response to adverse issuer, political, regulatory, market, economic or other developments, including real or perceived adverse economic or political conditions, tariffs and trade disruptions, inflation, changes in interest rates, lack of liquidity in the markets, natural disasters, epidemics and pandemics, terrorism, and conflicts and social unrest, that may cause broad changes in market value, public perceptions concerning these developments and adverse investor sentiment. Additionally, an adverse event, such as an unfavorable earnings report, may depress the value of a particular issuer's stock. In addition, securities markets tend to move in cycles. If there is a general decline in the securities markets, it is possible a Fund's investment may lose value regardless of the individual results of the companies in which the Fund invests. The magnitude of up and down price or market fluctuations over time is sometimes referred to as "volatility," which, at times, can be significant. In addition, different asset classes and geographic markets may experience periods of significant correlation with each other. As a result of this correlation, the securities and markets in which a Fund invests may experience volatility due to market, economic, political or social events and conditions that may not readily appear to directly relate to such securities, the securities' issuer or the markets in which they trade. From time to time, a Fund may invest a significant portion of its assets in companies in one or more related sectors or industries, which would make the Fund more vulnerable to adverse developments affecting such sectors or industries.

Economies and financial markets throughout the world are increasingly interconnected. Economic, financial or political events, trading and tariff arrangements, public health events, terrorism, natural disasters and other circumstances in one country or region could have profound impacts on global economies or markets. As a result, whether or not a Fund invests in securities of issuers located in or with significant exposure to the countries directly affected, the value and liquidity of the fund's investments may be negatively affected.

The rapid and global spread of a highly contagious novel coronavirus respiratory disease, designated COVID-19, first detected in China in December 2019, has resulted in extreme volatility in the financial markets and severe losses; reduced liquidity of many instruments; restrictions on international and, in some cases, local travel; significant disruptions to business operations (including business closures); strained healthcare systems; disruptions to supply chains, consumer demand and employee availability; and widespread uncertainty regarding the duration and long-term effects of this pandemic. Some sectors of the economy and individual issuers have experienced particularly large losses. In addition, the COVID-19 pandemic may result in a sustained economic downturn or a global recession, domestic and foreign political and social instability, damage to diplomatic and international trade relations and increased volatility and/or decreased liquidity in the securities markets. The ultimate economic fallout from the pandemic, and the long-term impact on economies, markets, industries and individual issuers, are not known. The U.S. government and the Federal Reserve, as well as certain foreign governments and central banks, are taking extraordinary actions to support local and global economies and the financial markets in response to the COVID-19 pandemic, including by pushing interest rates to very low levels. This and other government intervention into the economy and financial markets to address the COVID-19 pandemic may not work as intended, particularly if the efforts are perceived by investors as being unlikely to achieve the desired results. The COVID-19 pandemic could adversely affect the value and liquidity of a Fund's investments, impair the Fund's ability to satisfy redemption requests, and negatively impact the Fund's performance. In addition, the outbreak of COVID-19, and measures taken to mitigate its

effects, could result in disruptions to the services provided to the Fund by its service providers. While several countries, as well as certain states in the United States, have begun to lift public health restrictions with the view to reopening their economies, recurring COVID-19 outbreaks have led to the re-introduction of such restrictions in certain states in the United States and globally and could continue to lead to the re-introduction of such restrictions elsewhere. Health advisors warn that recurring COVID-19 outbreaks will continue if reopening is pursued too soon or in the wrong manner, which may lead to the re-introduction or continuation of certain public health restrictions (such as instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues).

**Market Volatility, Liquidity, and Valuation Risk** (types of **Market Risk**): The risk that volatile or dramatic reductions in trading activity make it difficult for a Fund to properly value its investments and that the Fund may not be able to purchase or sell an investment at an attractive price, if at all.

**Mid-Cap Company Risk**: A Fund's performance may be more volatile because it invests in mid-capitalization companies. Securities of mid-cap companies often experience greater price volatility, lower trading volumes and less liquidity than the securities of larger, more established companies. Mid-cap companies often have less predictable earnings and more limited product lines, markets and financial and management resources than large-cap companies. Additionally, mid-cap companies may fall out of favor relative to small or large cap companies, which may cause a Fund to underperform other equity funds that focus on small- or large-cap companies.

**Money Market Fund Current Income Risk**: The risk that the income a Fund receives may fall as a result of a decline in interest rates. In a low or negative interest rate environment, a Fund may not be able to achieve a positive or zero yield or maintain a stable net asset value ("NAV") of \$1.00 per share.

**Mortgage- and Asset-Backed Securities Risk**: When market interest rates increase, the market values of mortgage-backed securities decline. At the same time, mortgage refinancings and prepayments slow, which lengthens the effective duration of these securities. As a result, the negative effect of the interest rate increase on the market value of mortgage-backed securities is usually more pronounced than it is for other types of fixed income securities, potentially increasing the volatility of the fund. Conversely, when market interest rates decline, while the value of mortgage-backed securities may increase, the rate of prepayment of the underlying mortgages also tends to increase, which shortens the effective duration of these securities.

A mortgage-backed security may be negatively affected by the quality of the mortgages underlying such security, the credit quality of its issuer or guarantor and the nature and structure of its credit support. Securities issued by certain U.S. government-sponsored entities ("GSEs") are not issued or guaranteed by the U.S. Treasury; there is no assurance the U.S. government will provide support in the event a GSE issuer cannot meet its obligations.

**Mortgage Roll Risk**: The risk that a Fund's investment adviser will not correctly predict mortgage prepayments and interest rates, which will diminish a Fund's performance.

**Municipal Securities Risk**: The values of municipal securities held by a Fund may be adversely affected by local political and economic conditions and developments. Adverse conditions in an industry significant to a local economy could have a correspondingly adverse effect on the financial condition of local issuers. The amount of public information available about municipal bonds is generally less than for certain corporate equities or bonds, meaning that the investment performance of a Fund may be more dependent on the analytical abilities of the Fund's sub-adviser than funds that invest in stock or other corporate investments.

**NAV Risk**: The net asset value of a Fund's portfolio will fluctuate.

**Non-Diversification Risk**: A Fund considered to be "non-diversified" can invest a greater percentage of its assets in the securities of a single issuer than a "diversified" fund. Investing in a non-diversified fund involves greater risk than investing in a diversified fund because a loss in value of a particular security may have a greater effect on the non-diversified fund's return since it may represent a larger portion of the Fund's total portfolio assets. A Fund that is considered to be a diversified investment company under the 1940 Act may become non-diversified under the 1940 Act without Fund shareholder approval, for example if necessary to continue to track a benchmark index.

**Non-Investment-Grade Securities Risk**: Non-investment-grade debt securities, which are often called "high-yield" or "junk bonds," are rated below investment grade and are high risk investments that may cause income and principal

losses for a Fund. They generally have greater credit risk, are less liquid and have more volatile prices than investment-grade debt securities. Issuers of non-investment-grade debt securities are typically in weaker financial health, and their securities can be harder to value and sell and can be more volatile than the securities of more highly rated companies. While these debt securities generally have higher rates of interest, they also involve greater risk of default than do debt securities of a higher-quality rating.

**Non-U.S. Money Market Securities Risk:** The risk of investing in non-U.S. money market securities, which, in addition to risks that are applicable to money market securities generally, such as credit risk and issuer risk, includes currency risk and liquidity risk

**Operational Risk:** Operational risks include human error, changes in personnel, system changes, faults in communication, and failures in systems, technology, or processes. Various operational events or circumstances are outside the investment adviser's control, including instances at third parties. A Fund and its adviser may seek to reduce these operational risks through controls and procedures. However, these measures do not address every possible risk and may be inadequate to address these risks.

**Other Investment Companies and Pooled Investment Vehicles Risk:** When a Fund invests in other investment companies or pooled investment vehicles, including ETFs, an investor in the Fund bears both the investor's proportionate share of the Fund's expenses and, indirectly, the expenses of the other investment companies or pooled investment vehicles. Furthermore, a Fund is exposed to the risks to which the other investment companies or pooled investment vehicles may be subject.

**Participation Notes Risk:** Participation notes are issued by banks or broker-dealers or their affiliates and are designed to replicate the return of a particular underlying equity or debt security, currency or market. When the participation note matures, the issuer of the participation note will pay to, or receive from, a Fund the difference between the nominal value of the underlying instrument at the time of purchase and that instrument's value at maturity. Participation notes involve the same risks associated with a direct investment in the underlying security, currency or market. In addition, participation notes involve counterparty risk, because a Fund has no rights under participation notes against the issuer(s) of the underlying security(ies) and must rely on the creditworthiness of the issuer of the participation note.

**Portfolio Turnover Risk:** Depending on market and other conditions, a Fund may experience high portfolio turnover, which may result in greater transactional expenses, such as brokerage commissions, bid-ask spreads, or dealer mark-ups (which could reduce returns).

**Preferred Security (Stock) Risk:** Preferred securities generally are subordinated to bonds and other debt instruments in a company's capital structure and therefore will be subject to greater credit risk than those debt instruments. In addition, preferred securities are subject to other risks, such as having no or limited voting rights, being subject to special redemption rights, having distributions deferred or skipped, having floating interest rates or dividends, which may result in a decline in value in a falling interest rate environment, having limited liquidity, changing or unfavorable tax treatments and possibly being issued by companies in heavily regulated industries. Preferred securities in which a Fund may invest are sensitive to interest rate changes, and are also subject to equity risk.

**Prepayment Risk:** The risk that, during periods of falling interest rates, borrowers may pay off their debts (including higher yielding securities or mortgage loans) sooner than expected, forcing a Fund to reinvest the unanticipated proceeds at lower interest rates and resulting in a decline in income.

**Price Volatility Risk:** The risk that the value of a Fund's investment portfolio will change as the prices of its investments go up or down.

**Profitability Investment Risk:** High relative profitability stocks may perform differently from the market as a whole and following a profitability-oriented strategy may cause a Fund to at times underperform equity funds that use other investment strategies.

**Quantitative Analysis Risk:** The risk that stocks selected using quantitative modeling and analysis could perform differently from the market as a whole. There can be no assurance that the quantitative models used in managing a Fund will perform as anticipated or enable a Fund to achieve its objective. Data imprecision, software or other technology malfunctions, programming inaccuracies and similar circumstances may impair the performance of a Fund's data and systems, which may negatively affect the Fund's performance.

**Real Estate Investing Risk:** The real estate industry has been subject to substantial fluctuations and declines on a local, regional and national basis in the past that may continue to occur in the future. Also, the value of a real estate investment trust (“REIT”) can be hurt by economic downturns or by changes in real estate values, rents, property taxes, interest rates, tax treatment, regulations or the legal structure of the REIT. By investing in REITs through a Fund, an investor bears both the investor’s proportionate share of Fund expenses and, indirectly, the expenses of the REITs in which the Fund invests.

**Redemption Risk:** A Fund may experience heavy redemptions that could cause the Fund to liquidate its assets at inopportune times or unfavorable prices or increase or accelerate taxable gains or transaction costs and may negatively affect a Fund’s NAV, performance, or ability to satisfy redemptions in a timely manner, which could cause the value of your investment to decline.

**Redemption and Large Transaction Risk:** Ownership of a Fund’s shares may be concentrated in one or a few large investors (such as funds of funds, institutional investors, and asset allocation programs) that may redeem or purchase shares in large quantities. These transactions may cause a Fund to sell securities to meet redemptions or to invest additional cash at times it would not otherwise do so, which may result in increased transaction costs, increased expenses, changes to expense ratios, and adverse effects to fund performance. Moreover, reallocations by large shareholders among share classes of a Fund may result in changes to the expense ratios of affected classes, which may increase the expenses paid by shareholders of the class that experienced the redemption.

**Region, Sector, or Industry Risk:** If a Fund has invested a higher percentage of its total assets in a particular region, sector or industry, changes affecting that region, sector or industry or the perception of that region, sector or industry, may have a significant impact on the performance of the Fund’s overall portfolio. Individual regions, sectors or industries may be more volatile, and may perform differently, than the broader market.

**Risk of Investing in Fewer Issuers:** To the extent a Fund invests its assets in a small number of issuers, or in issuers in related businesses or that are subject to related operating risks, a Fund will be more susceptible to negative events affecting those issuers.

**Rule 144A Securities Risk:** The market for Rule 144A securities typically is less active than the market for publicly-traded securities. Rule 144A securities carry the risk that their liquidity may become impaired and a Fund may be unable to dispose of the securities promptly or at reasonable prices.

**Sector Risk:** A Fund that invests a significant portion of its assets in companies within certain sectors, such as the financial services and consumer discretionary sectors, may suffer if these sectors underperform the overall stock market. As a result, such Fund’s share price may fluctuate more widely than the value of shares of a mutual fund that invests in a broader range of sectors. Similarly, a Fund that invests a significant portion of its assets in dividend-paying securities may, from time to time, have a greater exposure to higher dividend-yield sectors and industries than the broad equity market, which may expose the Fund to additional risk.

**Sector Concentration Risk:** At times, a Fund may have a significant portion of its assets invested in securities of companies conducting business in a broadly related group of industries within an economic sector. Companies in the same economic sector may be similarly affected by economic or market events, making the Fund more vulnerable to unfavorable developments in that economic sector than funds that invest more broadly. For example, a Fund may have a significant portion of its assets invested in securities of companies in the information technology sector. Companies in the information technology sector can be adversely affected by, among other things, intense competition, earnings disappointments, and rapid obsolescence of products and services due to technological innovations or changing consumer preferences.

**Securities Lending Risk:** Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, a Fund may lose money and there may be a delay in recovering the loaned securities. A Fund could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain adverse tax consequences.

**Service Provider Operational Risk:** A Fund’s service providers, such as a Fund’s administrator, custodian or transfer agent, may experience disruptions or operating errors that could negatively impact a Fund. Although service providers are required to have appropriate operational risk management policies and procedures, and to take appropriate

precautions to avoid and mitigate risks that could lead to disruptions and operating errors, it may not be possible to identify all of the operational risks that may affect the Fund or to develop processes and controls to completely eliminate or mitigate their occurrence or effects.

**Short Sales Risk:** The risk that the use of short sales, which are speculative investments, may cause a Fund to lose money if the value of a security does not go down as the investment adviser expects. The risk of loss is theoretically unlimited if the value of the security sold short continues to increase. In addition, the use of borrowing and short sales may cause a Fund to have higher expenses (especially interest and dividend expenses) than those of other mutual funds that do not engage in short sales.

**Selection Risk:** An investment adviser's judgment about the attractiveness, value and growth potential of a particular security may be incorrect. An investment adviser potentially will be prevented from executing investment decisions at an advantageous time or price as a result of any domestic or global market disruptions, particularly disruptions causing heightened market volatility and reduced market liquidity, as well as increased or changing regulations. Thus, investments that an investment adviser believes represent an attractive opportunity or in which a Fund seeks to obtain exposure may be unavailable entirely or in the specific quantities or prices sought by the investment adviser, and the Fund may need to obtain the exposure through less advantageous or indirect investments or forgo the investment at the time.

**Senior Loan Risk:** Many senior loans present credit risk comparable to high-yield securities. The liquidation of the collateral backing a senior loan may not satisfy the borrower's obligation to a Fund in the event of non-payment of scheduled interest or principal. Senior loans also expose a Fund to call risk and illiquid investments risk. The secondary market for senior loans can be limited. Trades can be infrequent and the values for senior loans may experience volatility. In some cases, negotiations for the sale or settlement of senior loans may require weeks to complete, which may impair a Fund's ability to raise cash to satisfy redemptions, pay dividends, pay expenses or to take advantage of other investment opportunities in a timely manner. If an issuer of a senior loan prepays or redeems the loan prior to maturity, a Fund will have to reinvest the proceeds in other senior loans or instruments that may pay lower interest rates.

**Small-Cap Company Risk:** The risk that the stocks of small-capitalization companies often experience greater price volatility than large- or mid-sized companies because small-cap companies are often newer or less established than larger companies and are likely to have more limited resources, products, markets and financial and management resources and less predictable earnings, and they are more vulnerable than larger companies to adverse business or economic developments. Prices of small-cap stocks may also be subject to more abrupt or erratic movements, and to wider fluctuations, than stock prices of larger, more established companies or the market averages in general. Securities of small-cap companies are often less liquid than securities of larger companies as a result of there being a smaller market for their securities, which can have an adverse effect on the pricing of these securities and on the ability to sell these securities when an investment adviser deems it appropriate. Small-cap stocks held by a Fund could fall out of favor and returns would subsequently trail returns from the overall stock market.

**Sovereign Debt Risk:** The risk that the issuer of non-U.S. sovereign debt or the governmental authorities that control the repayment of such debt may be unable or unwilling to repay principal or interest when due. This may result from political or social factors, the general economic environment of a country, levels of foreign debt or foreign currency exchange rates, cash flow problems, insufficient foreign currency reserves, the relative size of the governmental entity's debt position in relation to the economy or the failure to put in place economic reforms required by the International Monetary Fund or other multilateral agencies. To the extent the issuer or controlling governmental authority is unable or unwilling to repay principal or interest when due, a Fund may have limited recourse to compel payment in the event of default.

**Special Risks for Inflation-Indexed Bonds:** The risk that interest payments on, or market values of, inflation-indexed investments decline because of a decline in inflation (or deflation) or changes in investors' and/or the market's inflation expectations. In addition, inflation indices may not reflect the true rate of inflation.

**Special Situation Risk:** Stocks of companies involved in acquisitions, consolidations, tender offers or exchanges, takeovers, reorganizations, mergers and other special situations can involve the risk that such situations may not materialize or may develop in unexpected ways. Consequently, those stocks can involve more risk than ordinary securities.

**Swap Agreements Risk:** The risk of using swaps, which, in addition to risks applicable to derivatives generally,

includes: (1) the inability to assign a swap contract without the consent of the counterparty; (2) potential default of the counterparty to a swap for those not traded through a central counterparty; (3) absence of a liquid secondary market for any particular swap at any time; and (4) possible inability of a Fund to close out a swap transaction at a time that otherwise would be favorable for it to do so.

**Unrated Security Risk:** Unrated securities determined by a Fund's adviser to be of comparable quality to rated securities which the Fund may purchase may pay a higher interest rate than such rated securities and be subject to a greater risk of illiquidity or price changes. Less public information is typically available about unrated securities or issuers than rated securities or issuers.

**U.S. Government Securities Risk:** U.S. government securities are guaranteed only as to the timely payment of interest and the payment of principal when held to maturity. Accordingly, the current market values for these securities will fluctuate with changes in interest rates. Securities issued or guaranteed by U.S. government agencies and instrumentalities are supported by varying degrees of credit but generally are not backed by the full faith and credit of the U.S. government. No assurance can be given that the U.S. government will provide financial support to its agencies and instrumentalities if it is not obligated by law to do so.

**U.S. Treasury Obligations Risk:** The risk that the value of U.S. Treasury obligations may decline as a result of changes in interest rates, certain political events in the U.S., and strained relations with certain foreign countries.

**Valuation Risk:** In general, the risk that a Fund's portfolio holdings may be sold at prices different from the values established by the Fund, particularly for investments that trade in low volume, in volatile markets or over the counter or that are fair valued. More specifically, the debt securities in which a Fund invests typically are valued by a pricing service utilizing a range of market-based inputs and assumptions, including readily available market quotations obtained from broker-dealers making markets in such instruments, cash flows and transactions for comparable instruments. There is no assurance that a Fund will be able to sell a portfolio security at the price established by the pricing service, which could result in a loss to the Fund. Pricing services generally price debt securities assuming orderly transactions of an institutional "round lot" size, but some trades may occur in smaller, "odd lot" sizes, often at lower prices than institutional round lot trades. Different pricing services may incorporate different assumptions and inputs into their valuation methodologies, potentially resulting in different values for the same securities. As a result, if a Fund were to change pricing services, or if a Fund's pricing service were to change its valuation methodology, there could be a material impact, either positive or negative, on the Fund's net asset value.

**Value Style Risk:** Investing in value stocks presents the risk that the stocks may never reach what an investment adviser believes are their full market values, either because a company does not realize its potential business prospects, because the market fails to recognize what the investment adviser considers to be the companies' true business values, because the events that would cause the stock price to increase may not occur as anticipated or at all, or because the investment adviser misjudged those values. Value stocks can be overpriced when acquired and may not perform as anticipated. In addition, value stocks may fall out of favor with investors and underperform the market as a whole, equity funds that use other investment strategies, or other investments or markets during given periods.

## APPENDIX D – HISTORICAL PERFORMANCE OF THE INVESTMENT PORTFOLIOS

Because the Investment Portfolios are new as of the date of this Plan Description, no performance information is presented. Updated performance data will be available by visiting the Plan's website, [scholars-choice.com](http://scholars-choice.com) or by calling the Plan at 1-888-5-SCHOLAR (1-888-572-4652).

**Past performance is not a guarantee of future results. Performance may be substantially affected over time by changes in the allocations and/or changes in the investments in which each Investment Portfolio invests. Investment returns and the principal value will fluctuate, so that your Account, when redeemed, may be worth more or less than the amounts contributed to your Account.**

**APPENDIX E – FEES AND EXPENSES TABLES**

**Class A Units**

	<i>Annual Asset-Based Fees and Expenses as of July 19, 2021</i>					<i>Sales Charges</i>
	<b>Estimated Underlying Fund Expenses<sup>1</sup></b>	<b>College-Invest Admin. Fee<sup>2,3</sup></b>	<b>Plan Management Fee<sup>3,4</sup></b>	<b>Distribution and Service Fees</b>	<b>Total Asset-Based Fee<sup>2</sup></b>	<b>Max. Initial Sales Charge<sup>5</sup></b>
<b>Enrollment Year Investment Portfolios</b>						
2038 / 2039 Enrollment Portfolio	0.29%	0.10%	0.15%	0.25%	0.79%	3.50%
2036 / 2037 Enrollment Portfolio	0.29%	0.10%	0.15%	0.25%	0.79%	3.50%
2034 / 2035 Enrollment Portfolio	0.29%	0.10%	0.15%	0.25%	0.79%	3.50%
2032 / 2033 Enrollment Portfolio	0.30%	0.10%	0.15%	0.25%	0.80%	3.50%
2030 / 2031 Enrollment Portfolio	0.30%	0.10%	0.15%	0.25%	0.80%	3.50%
2028 / 2029 Enrollment Portfolio	0.30%	0.10%	0.15%	0.25%	0.80%	3.50%
2026 / 2027 Enrollment Portfolio	0.31%	0.10%	0.15%	0.25%	0.81%	3.50%
2024 / 2025 Enrollment Portfolio	0.28%	0.10%	0.15%	0.25%	0.78%	3.50%
2022 / 2023 Enrollment Portfolio	0.20%	0.10%	0.15%	0.25%	0.70%	2.50%
In School Portfolio	0.15%	0.10%	0.15%	0.25%	0.65%	2.50%
<b>Target Allocation Portfolios</b>						
All Equity Allocation Portfolio	0.28%	0.10%	0.15%	0.25%	0.78%	3.50%
Growth Allocation Portfolio	0.29%	0.10%	0.15%	0.25%	0.79%	3.50%
Balanced Allocation Portfolio	0.30%	0.10%	0.15%	0.25%	0.80%	3.50%
Conservative Allocation Portfolio	0.20%	0.10%	0.15%	0.25%	0.70%	3.50%
<b>Individual Fund Portfolios</b>						
TIAA Large Cap U.S. Equity Index Portfolio	0.05%	0.10%	0.15%	0.25%	0.55%	3.50%
Santa Barbara Dividend Growth Portfolio	0.64%	0.10%	0.15%	0.25%	1.14%	3.50%
Principal Equity Income Portfolio	0.52%	0.10%	0.15%	0.25%	1.02%	3.50%
T. Rowe Price Large Cap Growth Portfolio	0.56%	0.10%	0.15%	0.25%	1.06%	3.50%
Principal Mid Cap Portfolio	0.60%	0.10%	0.15%	0.25%	1.10%	3.50%
TIAA U.S. Small Cap Portfolio	0.43%	0.10%	0.15%	0.25%	0.93%	3.50%
Oakmark International Portfolio	0.75%	0.10%	0.15%	0.25%	1.25%	3.50%
DFA Emerging Markets Portfolio	0.39%	0.10%	0.15%	0.25%	0.89%	3.50%
Western Asset Core Plus Bond Portfolio	0.45%	0.10%	0.15%	0.25%	0.95%	3.50%
Dodge & Cox Global Fixed Income Portfolio	0.45%	0.10%	0.15%	0.25%	0.95%	3.50%
TIAA Money Market Portfolio	0.13%	0.10%	0.15%	None	0.38%	None
Nuveen ESG Large Cap U.S. Equity Portfolio	0.20%	0.10%	0.15%	0.25%	0.70%	3.50%
Nuveen ESG International Developed Equity Portfolio	0.40%	0.10%	0.15%	0.25%	0.90%	3.50%

Nuveen ESG U.S. Aggregate Bond Portfolio	0.20%	0.10%	0.15%	0.25%	0.70%	3.50%
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- 1 *Estimated Underlying Fund Expenses are based on information reported in the most recent prospectuses for the Underlying Funds that were available prior to the date this Plan Description was finalized for printing, as it may be supplemented from time to time. The estimated Underlying Fund Expenses for each Enrollment Year Investment Portfolio and each Target Allocation Portfolio reflect the weighted average of the estimated Underlying Fund Expenses for each Underlying Fund in which the Investment Portfolios invest based on their respective target asset allocations.*
- 2 *CollegInvest currently is electing to waive 0.04% of its 0.10% administration fee. While such waiver continues in effect, CollegInvest will receive an administration fee at an annual rate of 0.06% of the average daily net assets of each Portfolio. CollegInvest may discontinue the waiver at any time without notice.*
- 3 *Although the CollegInvest Administration Fee and the Plan Management Fee are deducted from an Investment Portfolio, not from your Account, each Account with Units in the Investment Portfolio indirectly bears its pro rata share of the CollegInvest Administration Fee and Plan Management Fee, as these fees reduce the Investment Portfolio's return.*
- 4 *The Plan Manager has agreed to voluntarily waive the TIAA Money Market Portfolio's Plan Management Fee, in full or in part as necessary in an attempt to maintain at least a 0.00% return for this Investment Portfolio. The Plan Manager may discontinue the waiver at any time without notice. Please note that after the waiver, the net return for the TIAA Money Market Portfolio may still be negative.*
- 5 *See "CHOOSING A UNIT CLASS – Reduction of Class A Units Initial Sales Charge" to determine whether a reduced Initial Sales Charge would be applied to your contribution, or details regarding circumstances under which the Initial Sales Charge may be waived, and circumstances under which a CDSC may apply.*

### Class C Units

	<b>Annual Asset-Based Fees and Expenses as of July 19, 2021</b>					<b>Sales Charges</b>
	<b>Estimated Underlying Fund Expenses<sup>1</sup></b>	<b>College-Invest Admin. Fee<sup>2,3</sup></b>	<b>Plan Management Fee<sup>3,4</sup></b>	<b>Distribution and Service Fees</b>	<b>Total Asset-Based Fee<sup>2</sup></b>	<b>CDSC<sup>5</sup></b>
<b>Enrollment Year Investment Portfolios</b>						
2038 / 2039 Enrollment Portfolio	0.29%	0.10%	0.15%	0.75%	1.29%	0.75%
2036 / 2037 Enrollment Portfolio	0.29%	0.10%	0.15%	0.75%	1.29%	0.75%
2034 / 2035 Enrollment Portfolio	0.29%	0.10%	0.15%	0.75%	1.29%	0.75%
2032 / 2033 Enrollment Portfolio	0.30%	0.10%	0.15%	0.75%	1.30%	0.75%
2030 / 2031 Enrollment Portfolio	0.30%	0.10%	0.15%	0.75%	1.30%	0.75%
2028 / 2029 Enrollment Portfolio	0.30%	0.10%	0.15%	0.75%	1.30%	0.75%
2026 / 2027 Enrollment Portfolio	0.31%	0.10%	0.15%	0.75%	1.31%	0.75%
2024 / 2025 Enrollment Portfolio	0.28%	0.10%	0.15%	0.75%	1.28%	0.75%
2022 / 2023 Enrollment Portfolio	0.20%	0.10%	0.15%	0.75%	1.20%	0.75%
In School Portfolio	0.15%	0.10%	0.15%	0.75%	1.15%	0.75%
<b>Target Allocation Portfolios</b>						
All Equity Allocation Portfolio	0.28%	0.10%	0.15%	0.75%	1.28%	0.75%
Growth Allocation Portfolio	0.29%	0.10%	0.15%	0.75%	1.29%	0.75%
Balanced Allocation Portfolio	0.30%	0.10%	0.15%	0.75%	1.30%	0.75%
Conservative Allocation Portfolio	0.20%	0.10%	0.15%	0.75%	1.20%	0.75%
<b>Individual Fund Portfolios</b>						
TIAA Large Cap U.S. Equity Index Portfolio	0.05%	0.10%	0.15%	0.75%	1.05%	0.75%
Santa Barbara Dividend Growth Portfolio	0.64%	0.10%	0.15%	0.75%	1.64%	0.75%
Principal Equity Income Portfolio	0.52%	0.10%	0.15%	0.75%	1.52%	0.75%

T. Rowe Price Large Cap Growth Portfolio	0.56%	0.10%	0.15%	0.75%	1.56%	0.75%
Principal Mid Cap Portfolio	0.60%	0.10%	0.15%	0.75%	1.60%	0.75%
TIAA U.S. Small Cap Portfolio	0.43%	0.10%	0.15%	0.75%	1.43%	0.75%
Oakmark International Portfolio	0.75%	0.10%	0.15%	0.75%	1.75%	0.75%
DFA Emerging Markets Portfolio	0.39%	0.10%	0.15%	0.75%	1.39%	0.75%
Western Asset Core Plus Bond Portfolio	0.45%	0.10%	0.15%	0.75%	1.45%	0.75%
Dodge & Cox Global Fixed Income Portfolio	0.45%	0.10%	0.15%	0.75%	1.45%	0.75%
TIAA Money Market Portfolio	0.13%	0.10%	0.15%	None	0.38%	None
Nuveen ESG Large Cap U.S. Equity Portfolio	0.20%	0.10%	0.15%	0.75%	1.20%	0.75%
Nuveen ESG International Developed Equity Portfolio	0.40%	0.10%	0.15%	0.75%	1.40%	0.75%
Nuveen ESG U.S. Aggregate Bond Portfolio	0.20%	0.10%	0.15%	0.75%	1.20%	0.75%

- 1 *Estimated Underlying Fund Expenses are based on information reported in the most recent prospectuses for the Underlying Funds that were available prior to the date this Plan Description was finalized for printing, as it may be supplemented from time to time. The estimated Underlying Fund Expenses for each Enrollment Year Investment Portfolio and each Target Allocation Portfolio reflect the weighted average of the estimated Underlying Fund Expenses for each Underlying Fund in which the Investment Portfolios invest based on their respective target asset allocations.*
- 2 *CollegelInvest currently is electing to waive 0.04% of its 0.10% administration fee. While such waiver continues in effect, CollegelInvest will receive an administration fee at an annual rate of 0.06% of the average daily net assets of each Portfolio. CollegelInvest may discontinue the waiver at any time without notice.*
- 3 *Although the CollegelInvest Administration Fee and the Plan Management Fee are deducted from an Investment Portfolio, not from your Account, each Account with Units in the Investment Portfolio indirectly bears its pro rata share of the CollegelInvest Administration Fee and Plan Management Fee, as these fees reduce the Investment Portfolio's return.*
- 4 *The Plan Manager has agreed to voluntarily waive the TIAA Money Market Portfolio's Plan Management Fee, in full or in part as necessary in an attempt to maintain at least a 0.00% return for this Investment Portfolio. The Plan Manager may discontinue the waiver at any time without notice. Please note that after the waiver, the net return for the TIAA Money Market Portfolio may still be negative.*
- 5 *Class C Units (except Class C Units in the TIAA Money Market Portfolio) that are redeemed to satisfy a withdrawal or Qualified Rollover within one year of purchase are subject to a CDSC. See "CHOOSING A UNIT CLASS – Class C Units" for additional information.*

**Class I Units**

	<b>Annual Asset-Based Fees and Expenses as of July 19, 2021</b>				
	<b>Estimated Underlying Fund Expenses<sup>1</sup></b>	<b>College-Invest Admin. Fee<sup>2,3</sup></b>	<b>Plan Management Fee<sup>3,4</sup></b>	<b>Distribution and Service Fees</b>	<b>Total Asset-Based Fee<sup>2</sup></b>
<b>Enrollment Year Investment Portfolios</b>					
2038 / 2039 Enrollment Portfolio	0.29%	0.10%	0.15%	0.00%	0.54%
2036 / 2037 Enrollment Portfolio	0.29%	0.10%	0.15%	0.00%	0.54%
2034 / 2035 Enrollment Portfolio	0.29%	0.10%	0.15%	0.00%	0.54%
2032 / 2033 Enrollment Portfolio	0.30%	0.10%	0.15%	0.00%	0.55%
2030 / 2031 Enrollment Portfolio	0.30%	0.10%	0.15%	0.00%	0.55%
2028 / 2029 Enrollment Portfolio	0.30%	0.10%	0.15%	0.00%	0.55%
2026 / 2027 Enrollment Portfolio	0.31%	0.10%	0.15%	0.00%	0.56%
2024 / 2025 Enrollment Portfolio	0.28%	0.10%	0.15%	0.00%	0.53%
2022 / 2023 Enrollment Portfolio	0.20%	0.10%	0.15%	0.00%	0.45%
In School Portfolio	0.15%	0.10%	0.15%	0.00%	0.40%
<b>Target Allocation Portfolios</b>					
All Equity Allocation Portfolio	0.28%	0.10%	0.15%	0.00%	0.53%
Growth Allocation Portfolio	0.29%	0.10%	0.15%	0.00%	0.54%
Balanced Allocation Portfolio	0.30%	0.10%	0.15%	0.00%	0.55%
Conservative Allocation Portfolio	0.20%	0.10%	0.15%	0.00%	0.45%
<b>Individual Fund Portfolios</b>					
TIAA Large Cap U.S. Equity Index Portfolio	0.05%	0.10%	0.15%	0.00%	0.30%
Santa Barbara Dividend Growth Portfolio	0.64%	0.10%	0.15%	0.00%	0.89%
Principal Equity Income Portfolio	0.52%	0.10%	0.15%	0.00%	0.77%
T. Rowe Price Large Cap Growth Portfolio	0.56%	0.10%	0.15%	0.00%	0.81%
Principal Mid Cap Portfolio	0.60%	0.10%	0.15%	0.00%	0.85%
TIAA U.S. Small Cap Portfolio	0.43%	0.10%	0.15%	0.00%	0.68%
Oakmark International Portfolio	0.75%	0.10%	0.15%	0.00%	1.00%
DFA Emerging Markets Portfolio	0.39%	0.10%	0.15%	0.00%	0.64%
Western Asset Core Plus Bond Portfolio	0.45%	0.10%	0.15%	0.00%	0.70%
Dodge & Cox Global Fixed Income Portfolio	0.45%	0.10%	0.15%	0.00%	0.70%
TIAA Money Market Portfolio	0.13%	0.10%	0.15%	0.00%	0.38%
Nuveen ESG Large Cap U.S. Equity Portfolio	0.20%	0.10%	0.15%	0.00%	0.45%
Nuveen ESG International Developed Equity Portfolio	0.40%	0.10%	0.15%	0.00%	0.65%
Nuveen ESG U.S. Aggregate Bond Portfolio	0.20%	0.10%	0.15%	0.00%	0.45%

<sup>1</sup> Estimated Underlying Fund Expenses are based on information reported in the most recent prospectuses for the Underlying Funds that were available prior to the date this Plan Description was finalized for printing, as it may be

supplemented from time to time. The estimated Underlying Fund Expenses for each Enrollment Year Investment Portfolio and each Target Allocation Portfolio reflect the weighted average of the estimated Underlying Fund Expenses for each Underlying Fund in which the Investment Portfolios invest based on their respective target asset allocations.

- 2 ColgeInvest currently is electing to waive 0.04% of its 0.10% administration fee. While such waiver continues in effect, ColgeInvest will receive an administration fee at an annual rate of 0.06% of the average daily net assets of each Portfolio. ColgeInvest may discontinue the waiver at any time without notice.
- 3 Although the ColgeInvest Administration Fee and the Plan Management Fee are deducted from an Investment Portfolio, not from your Account, each Account with Units in the Investment Portfolio indirectly bears its pro rata share of the ColgeInvest Administration Fee and Plan Management Fee, as these fees reduce the Investment Portfolio's return.
- 4 The Plan Manager has agreed to voluntarily waive the TIAA Money Market Portfolio's Plan Management Fee, in full or in part as necessary in an attempt to maintain at least a 0.00% return for this Investment Portfolio. The Plan Manager may discontinue the waiver at any time without notice. Please note that after the waiver, the net return for the TIAA Money Market Portfolio may still be negative.

## APPENDIX F – INVESTMENT COST EXAMPLE

The following examples are intended to help you compare the cost of investing in Class A, Class C, and Class I Units of the various Investment Portfolios with the costs of investing in other qualified tuition programs under Section 529.

The examples assume:

- a. You invest \$10,000 in the noted class of Units in the noted Investment Portfolio for the time periods indicated;
- b. A 5% annually compounded rate of return on the net amount invested throughout the period;
- c. The Investment Portfolio's total asset-based fees shown in Appendix E remain the same (including the operating expenses of the Underlying Fund(s));
- d. All Units redeemed, if any as noted, are used to pay Qualified Higher Education Expenses (the tables do not consider the impact of any potential state or federal taxes on the redemption);
- e. You pay the applicable maximum Initial Sales Charge on Class A Units and any CDSC applicable to Class C Units invested for the applicable periods as shown in Appendix E;
- f. For the Class C Units example, the Class C Units convert to Class A Units at the end of the sixth year and are thereafter subject to the costs associated with Class A Units; and
- g. Collegenest is receiving a 0.10% administration fee over the course of the time periods shown. Any waivers of such fee by Collegenest (including the waiver of 0.04% of its 0.10% administrative fee Collegenest currently is electing) are not taken into account.

Although your actual costs may be higher or lower, the examples show what your costs would be based on these assumptions.

### Class A Units

*Regardless of whether you do or do not redeem your Units at the end of each period.*

INVESTMENT PORTFOLIOS	APPROXIMATE COST OF \$10,000 INVESTMENT			
	Year 1	Year 3	Year 5	Year 10
<b>Enrollment Year Investment Portfolios</b>				
2038 / 2039 Enrollment Portfolio	\$428	\$594	\$775	\$1,296
2036 / 2037 Enrollment Portfolio	\$428	\$594	\$775	\$1,296
2034 / 2035 Enrollment Portfolio	\$428	\$594	\$775	\$1,296
2032 / 2033 Enrollment Portfolio	\$429	\$597	\$780	\$1,308
2030 / 2031 Enrollment Portfolio	\$429	\$597	\$780	\$1,308
2028 / 2029 Enrollment Portfolio	\$429	\$597	\$780	\$1,308
2026 / 2027 Enrollment Portfolio	\$430	\$601	\$785	\$1,320
2024 / 2025 Enrollment Portfolio	\$427	\$591	\$770	\$1,285
2022 / 2023 Enrollment Portfolio	\$320	\$469	\$631	\$1,101
In School Portfolio	\$315	\$453	\$604	\$1,042
<b>Target Allocation Portfolios</b>				
All Equity Allocation Portfolio	\$427	\$591	\$770	\$1,285
Growth Allocation Portfolio	\$428	\$594	\$775	\$1,296
Balanced Allocation Portfolio	\$429	\$597	\$780	\$1,308
Conservative Portfolio	\$419	\$567	\$727	\$1,192

<b>Individual Fund Portfolios</b>				
TIAA Large Cap U.S. Equity Index Portfolio	\$404	\$521	\$647	\$1,017
Santa Barbara Dividend Growth Portfolio	\$463	\$701	\$959	\$1,693
Principal Equity Income Portfolio	\$451	\$665	\$896	\$1,559
T. Rowe Price Large Cap Growth Portfolio	\$455	\$677	\$917	\$1,604
Principal Mid Cap Portfolio	\$459	\$689	\$938	\$1,649
TIAA U.S. Small Cap Portfolio	\$442	\$637	\$849	\$1,457
Oakmark International Portfolio	\$474	\$735	\$1,016	\$1,815
DFA Emerging Markets Portfolio	\$438	\$625	\$828	\$1,411
Western Asset Core Plus Bond Portfolio	\$444	\$643	\$859	\$1,480
Dodge & Cox Global Fixed Income Portfolio	\$444	\$643	\$859	\$1,480
TIAA Money Market Portfolio	\$39	\$122	\$214	\$481
Nuveen ESG Large Cap U.S. Equity Portfolio	\$419	\$567	\$727	\$1,192
Nuveen ESG International Developed Equity Portfolio	\$439	\$628	\$833	\$1,423
Nuveen ESG U.S. Aggregate Bond Portfolio	\$419	\$567	\$727	\$1,192

**Class C Units**

<b>INVESTMENT PORTFOLIOS</b>	<b>APPROXIMATE COST OF \$10,000 INVESTMENT</b>							
	<b>Assuming you redeem your Units at the end of each period.</b>				<b>Assuming you do not redeem your Units at the end of each period.</b>			
	<b>Year 1<sup>1</sup></b>	<b>Year 3</b>	<b>Year 5</b>	<b>Year 10<sup>2</sup></b>	<b>Year 1<sup>1</sup></b>	<b>Year 3</b>	<b>Year 5</b>	<b>Years 10<sup>2</sup></b>
<b>Enrollment Year Investment Portfolios</b>								
2038 / 2039 Enrollment Portfolio	\$210	\$411	\$712	\$1,298	\$132	\$411	\$712	\$1,298
2036 / 2037 Enrollment Portfolio	\$210	\$411	\$712	\$1,298	\$132	\$411	\$712	\$1,298
2034 / 2035 Enrollment Portfolio	\$210	\$411	\$712	\$1,298	\$132	\$411	\$712	\$1,298
2032 / 2033 Enrollment Portfolio	\$211	\$415	\$717	\$1,310	\$133	\$415	\$717	\$1,310
2030 / 2031 Enrollment Portfolio	\$211	\$415	\$717	\$1,310	\$133	\$415	\$717	\$1,310
2028 / 2029 Enrollment Portfolio	\$211	\$415	\$717	\$1,310	\$133	\$415	\$717	\$1,310
2026 / 2027 Enrollment Portfolio	\$212	\$418	\$722	\$1,321	\$134	\$418	\$722	\$1,321
2024 / 2025 Enrollment Portfolio	\$209	\$408	\$706	\$1,287	\$131	\$408	\$706	\$1,287
2022 / 2023 Enrollment Portfolio	\$201	\$383	\$663	\$1,193	\$123	\$383	\$663	\$1,193
In School Portfolio	\$196	\$367	\$636	\$1,134	\$118	\$367	\$636	\$1,134
<b>Target Allocation Portfolios</b>								
All Equity Allocation Portfolio	\$209	\$408	\$706	\$1,287	\$131	\$408	\$706	\$1,287
Growth Allocation Portfolio	\$210	\$411	\$712	\$1,298	\$132	\$411	\$712	\$1,298
Balanced Allocation Portfolio	\$211	\$415	\$717	\$1,310	\$133	\$415	\$717	\$1,310
Conservative Portfolio	\$201	\$383	\$663	\$1,193	\$123	\$383	\$663	\$1,193
<b>Individual Fund Portfolios</b>								
TIAA Large Cap U.S. Equity Index Portfolio	\$186	\$336	\$582	\$1,016	\$108	\$336	\$582	\$1,016
Santa Barbara Dividend Growth Portfolio	\$246	\$521	\$898	\$1,698	\$168	\$521	\$898	\$1,698

Principal Equity Income Portfolio	\$233	\$484	\$835	\$1,563	\$156	\$484	\$835	\$1,563
T. Rowe Price Large Cap Growth Portfolio	\$237	\$496	\$856	\$1,608	\$160	\$496	\$856	\$1,608
Principal Mid Cap Portfolio	\$242	\$509	\$877	\$1,653	\$164	\$509	\$877	\$1,653
TIAA U.S. Small Cap Portfolio	\$224	\$455	\$787	\$1,460	\$147	\$455	\$787	\$1,460
Oakmark International Portfolio	\$257	\$556	\$956	\$1,821	\$179	\$556	\$956	\$1,821
DFA Emerging Markets Portfolio	\$220	\$443	\$765	\$1,414	\$142	\$443	\$765	\$1,414
Western Asset Core Plus Bond Portfolio	\$226	\$462	\$797	\$1,483	\$149	\$462	\$797	\$1,483
Dodge & Cox Global Fixed Income Portfolio	\$226	\$462	\$797	\$1,483	\$149	\$462	\$797	\$1,483
TIAA Money Market Portfolio	\$39	\$122	\$214	\$481	\$39	\$122	\$214	\$481
Nuveen ESG Large Cap U.S. Equity Portfolio	\$201	\$383	\$663	\$1,193	\$123	\$383	\$663	\$1,193
Nuveen ESG International Developed Equity Portfolio	\$221	\$446	\$771	\$1,425	\$144	\$446	\$771	\$1,425
Nuveen ESG U.S. Aggregate Bond Portfolio	\$201	\$383	\$663	\$1,193	\$123	\$383	\$663	\$1,193

1 Assumes that the applicable CDSC of 0.75% is paid upon the redemption (except for the TIAA Money Market Portfolio which does not charge a CDSC).

2 Assumes the Class C Units convert into Class A at the end of Year 6 and thereafter reflects the fees and expenses applicable to Class A Units.

#### Class I Units

INVESTMENT PORTFOLIOS	APPROXIMATE COST OF \$10,000 INVESTMENT			
	Year 1	Year 3	Year 5	Year 10
<b>Enrollment Year Investment Portfolios</b>				
2038 / 2039 Enrollment Portfolio	\$55	\$174	\$302	\$678
2036 / 2037 Enrollment Portfolio	\$55	\$174	\$302	\$678
2034 / 2035 Enrollment Portfolio	\$55	\$174	\$302	\$678
2032 / 2033 Enrollment Portfolio	\$56	\$177	\$308	\$691
2030 / 2031 Enrollment Portfolio	\$56	\$177	\$308	\$691
2028 / 2029 Enrollment Portfolio	\$56	\$177	\$308	\$691
2026 / 2027 Enrollment Portfolio	\$57	\$180	\$314	\$703
2024 / 2025 Enrollment Portfolio	\$54	\$170	\$297	\$666
2022 / 2023 Enrollment Portfolio	\$46	\$145	\$253	\$568
In School Portfolio	\$41	\$129	\$225	\$506
<b>Target Allocation Portfolios</b>				
All Equity Allocation Portfolio	\$54	\$170	\$297	\$666
Growth Allocation Portfolio	\$55	\$174	\$302	\$678
Balanced Allocation Portfolio	\$56	\$177	\$308	\$691
Conservative Portfolio	\$46	\$145	\$253	\$568
<b>Individual Fund Portfolios</b>				
TIAA Large Cap U.S. Equity Index Portfolio	\$31	\$97	\$169	\$381
Santa Barbara Dividend Growth Portfolio	\$91	\$285	\$495	\$1,100
Principal Equity Income Portfolio	\$79	\$247	\$429	\$957

T. Rowe Price Large Cap Growth Portfolio	\$83	\$260	\$451	\$1,005
Principal Mid Cap Portfolio	\$87	\$272	\$473	\$1,052
TIAA U.S. Small Cap Portfolio	\$70	\$218	\$380	\$849
Oakmark International Portfolio	\$103	\$320	\$555	\$1,229
DFA Emerging Markets Portfolio	\$66	\$205	\$358	\$800
Western Asset Core Plus Bond Portfolio	\$72	\$225	\$391	\$873
Dodge & Cox Global Fixed Income Portfolio	\$72	\$225	\$391	\$873
TIAA Money Market Portfolio	\$39	\$122	\$214	\$481
Nuveen ESG Large Cap U.S. Equity Portfolio	\$46	\$145	\$253	\$568
Nuveen ESG International Developed Equity Portfolio	\$67	\$209	\$363	\$812
Nuveen ESG U.S. Aggregate Bond Portfolio	\$46	\$145	\$253	\$568

## PARTICIPATION AGREEMENT

**Scholars Choice Education Savings Plan Participation Agreement.** This Participation Agreement (this "Agreement") is entered into among the person whose name and signature appear on the Account Application form (the "Application") as Account Owner ("Account Owner"), CollegenInvest, as trustee for the Scholars Choice Education Savings Plan ("the Plan"), and TIAA-CREF Tuition Financing, Inc. (the "Plan Manager"). This Agreement will become effective immediately upon the acceptance by the Plan Manager, on behalf of the CollegenInvest and the Plan, of the Account Application and the establishment of an account (an "Account") on behalf of Account Owner pursuant to the section titled "Establishment of Account" below. Terms used in this Agreement and not otherwise defined herein will have the meanings defined in the Plan Description which is incorporated in its entirety by reference into this Participation Agreement.

Account Owner, CollegenInvest and the Plan Manager agree as follows:

**Establishment of Account.** Account Owner requests that CollegenInvest establish an Account pursuant to the Application for the benefit of the beneficiary designated by Account Owner in such Application (the "Designated Beneficiary"). The Plan Manager, which has been retained by the CollegenInvest to provide investment management, distribution, and administrative services to the Plan, will establish the Account effective on receipt of a properly completed Application (or on receipt from a Financial Professional of the information contained in a properly completed Application) and the minimum initial contribution required for the Account. The Account will be governed by this Agreement, the Application, the terms and conditions described in the Plan Description and the rules, guidelines and procedures adopted and amended from time to time by CollegenInvest.

**Contributions.** Account Owner or any other contributor will make contributions to the Account by check, recurring contributions from a checking or savings account, electronic funds transfer from a checking or savings account, through payroll direct deposit, transfer from another qualified tuition program as defined by Section 529, redemption proceeds from a Coverdell Education Savings Account or U.S. Savings Bond, or through UGift®. Not all Unit classes may be available for purchase depending on the form of contribution. Contributions made by persons other than the Account Owner will be subject to the same fees, charges and expenses as a contribution from an Account Owner. Account Owner will establish a separate Account for each separate Designated Beneficiary if Account Owner wishes to select multiple Designated Beneficiaries. Account Owner will make contributions to the Account established by Account Owner for the purpose of funding the Qualified Higher Education Expenses (as that term is defined in Section 529 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code")) of the Designated Beneficiary. Account Owner agrees that assets held in each Account will be governed by the provisions of this Agreement and that all assets held in each Account established by Account Owner will be owned by Account Owner and held for the exclusive benefit of Account Owner and the applicable Designated Beneficiary. The number of Units to be credited to the Account as a result of the contribution will be determined as set forth in the Plan Description.

**Minimum Contributions.** In order to establish an Account, Account Owner must make an initial contribution of at least \$25 and the minimum amount for each subsequent contribution is \$25. If you contribute using payroll direct deposit, you may contribute any dollar amount.

**Maximum Contribution Limit.** Contributions may be made to any Account, and CollegenInvest will accept contributions, only to the extent that any such contributions, when combined with the then aggregate value of all Accounts for the same Designated Beneficiary in the Plan and accounts in any other Colorado Section 529 Plans, do not exceed the Maximum Contribution Limit established by CollegenInvest from time to time. By establishing an Account, Account Owner agrees not to make contributions, and certifies that he, she or it does not anticipate contributions from others that, in each case, when combined with the aggregate balance on the date of such intended contribution of all accounts for the same Designated Beneficiary, will be in excess of the Maximum Contribution Limit. All or any portion of any contribution in excess of the Maximum Contribution Limit so allowed will be returned to the contributor thereof. The Maximum Contribution Limit is set forth in the Plan Description, and may be changed by CollegenInvest without notice.

**Information Regarding Rollover Contributions.** In connection with a contribution to an Account, the contributor must indicate whether the contribution constitutes a rollover contribution from a Coverdell Education Savings Account, a qualified U.S. Savings Bond (as described in Section 135(c)(2)(C) of the Internal Revenue Code) or another qualified tuition program. If the contribution is a rollover contribution, the Plan Manager must receive acceptable documentation showing the earnings portion of the contribution, in accordance with IRS requirements. To the extent such documentation is not provided, the entire amount of the rollover contribution will be treated as earnings.

**Allocation Instructions.** On the Application, the Account Owner must select one or more of the Investment Portfolios to which the initial contribution will be allocated. If the Account Owner selects more than one Investment Portfolio, the Account Owner must also designate what portion of the contribution made to the Account should be invested in each Investment Portfolio. The Account Owner's allocation instructions will serve as the allocation instructions for all future contributions made to the Account by any method (except employer payroll direct deposit) ("Allocation Instructions"). The Account Owner's Allocation Instructions may be changed at any time by the Account Owner or the Financial Professional of record on the Account.

**Designation of Beneficiary.** Account Owner will designate a single Designated Beneficiary for each Account by completing and executing the Application. Account Owner may from time to time, in a manner acceptable to the Plan Manager, substitute a single Designated Beneficiary in place of the previous Designated Beneficiary, provided that the substitute Designated Beneficiary is a Member of the Family of the previous Designated Beneficiary. Such substitution will become effective when the Plan Manager has received and processed the appropriate form. A Designated Beneficiary must be specified for each Account.

**UTMA/UGMA Contributions.** If Account Owner is establishing the Account as a custodian for a minor under the UTMA, UGMA, or similar act of any U.S. state, (i) such custodian Account Owner may not select a new Designated Beneficiary of the Account, (ii) the Account Owner may only change the ownership of the Account to another custodian for such minor or (if the minor has reached the age of eighteen) to the minor, (iii) such minor will have all the rights of an Account Owner of the Account upon reaching the age of eighteen, and (iv) upon the death of such minor while Account Owner is a custodian for such minor (regardless of whether such minor has reached the age of eighteen), the Account will be disposed of as part of such minor's estate.

**Investment Portfolios.** The Plan has established multiple Investment Portfolios for the investment of assets in an Account. The Investment Portfolios include Enrollment Year Investment Portfolios, Target Allocation Portfolios, and Individual Fund Portfolios, all as further described in the Plan Description. Additional Investment Portfolios may be established in the future. At the time Account Owner completes the Application to establish an Account, Account Owner will select one or more of the Investment Portfolios to be invested in and, if Account Owner selects more than one Investment Portfolio, will designate what portion of the contribution made to the Account should be allocated to each applicable Investment Portfolio.

The manner in which assets allocated to each Investment Portfolio are invested, and the risks and benefits associated with each Investment Portfolio, are described in the Plan Description and should be reviewed carefully. As described in the Plan Description, an Account Owner may rebalance the assets in an Account among the one or more Investment Portfolios then available (i) twice every calendar year, (ii) whenever the Account's Designated Beneficiary is changed to a Member of the Family of the previous Designated Beneficiary and (iii) such other times as may be permitted under the Internal Revenue Code and allowed by CollegeInvest.

Account Owner understands that all earnings/gains from each Investment Portfolio will be automatically reinvested in the particular Investment Portfolio.

**Withdrawals from Accounts and Termination of Accounts.** Account Owner or the Financial Professional of record on the Account may direct withdrawals from an Account, or terminate an Account, at any time in accordance with the provisions of this paragraph.

- a) Notice of Withdrawal.** Account Owner may request a withdrawal from the Account (a "Withdrawal Request") at any time by notifying the Plan Manager. Such Withdrawal Request must be made in accordance with procedures established by the Plan Manager, which may include withdrawals by electronic or telephone authorization. The number of Units debited from the Account as a result of such withdrawal will be determined as set forth in the Plan Description.
- b) Payment of Withdrawals.** Amounts withdrawn may be payable to Account Owner, the Designated Beneficiary and/or an Eligible Educational Institution as directed by Account Owner or if authorized to do so, by Account Owner's Financial Professional.
- c) Choice of Investment Portfolios for Partial Withdrawals.** If an Account is invested in more than one Investment Portfolio at the time a Withdrawal Request is received, and if the requested withdrawal involves less than all of the assets invested in the Account, Account Owner will, to the extent permitted by the Internal Revenue Code, indicate

in the Withdrawal Request the amount or percentage of the withdrawal that should be made from Account assets invested in each applicable Investment Portfolio.

**d) Termination of Account.** The Plan Manager may terminate any Account if it finds that Account Owner or the Designated Beneficiary has provided false or misleading information, or at such other time as may be determined by the Plan Manager and CollegenInvest to be in the best interests of the Plan.

**Waiver and Release.** Account Owner agrees that any claim by Account Owner or the Designated Beneficiary against CollegenInvest or the State of Colorado or the members, officers and employees of CollegenInvest or the State of Colorado may be made solely against the assets in Account Owner's Account and that all obligations hereunder are legally binding contractual obligations of the Plan only. As a condition of and in consideration for the acceptance of this Agreement by the Plan Manager on behalf of CollegenInvest, Account Owner agrees to waive and release CollegenInvest and the State of Colorado and each of the members, officers and employees of CollegenInvest and the State of Colorado from any and all liabilities arising in connection with rights or obligations arising out of this Agreement or the Account.

**Account Owner's Representations and Acknowledgments.** Account Owner hereby represents and warrants to, and agrees with CollegenInvest and the Plan Manager as follows: Account Owner has received and read the Plan Description, including with respect to the risks of investing in the Plan and of selecting any particular Investment Portfolio or Investment Portfolios, and has carefully reviewed all information provided by CollegenInvest, the Plan Manager and the Distributor. Account Owner has been given the opportunity to obtain answers to any and all questions concerning the Plan, the Account and this Agreement. When making a decision to open an Account, Account Owner did not rely on any representations or other information, whether oral or written, other than those in the Plan Description or this Agreement. All information provided by Account Owner in the Application, and in any other document or notice to CollegenInvest or the Plan Manager is and will be true and correct. Account Owner will promptly notify the Plan Manager of any changes to any such information.

Account Owner understands that in connection with opening an Account, and prior to processing any Account transactions or changes requested after an Account is opened, the Plan Manager may ask for additional documentation and Account Owner agrees to promptly comply with any such requests.

Account Owner understands that the value of any Account will depend on the investment performance of the Investment Portfolios to which Account Owner allocates Account assets (including the investment performance of the underlying investments held by such Investment Portfolios pursuant to the investment policies adopted by CollegenInvest), and by the fees, charges and expenses applicable to the Account. CollegenInvest may change its investment policies, and the Plan fees, charges and expenses may change or be changed, at any time without the consent of Account Owners. **ACCOUNT OWNER UNDERSTANDS THAT THE VALUE OF ANY ACCOUNT AT ANYTIME MAY BE MORE OR LESS THAN THE AGGREGATE AMOUNT CONTRIBUTED TO THE ACCOUNT.** Account Owner agrees that all investment decisions will be made by CollegenInvest, the Plan Manager, or any other advisor hired by CollegenInvest, and that Account Owner has no authority to direct the investment of any funds invested in the Plan, either directly or indirectly, except as described in the Plan Description. Account Owner understands that Account Owner has no right or legal interest in any underlying investment made by any Investment Portfolio with contributions received under this Agreement. Without limiting the foregoing, Account Owner understands that Account Owner is not, by virtue of any investment under the Plan, a legal or beneficial owner in any mutual fund or other investment held by the Investment Portfolios or any mutual fund managed or advised by an affiliate of the Plan Manager or the Distributor and has no right to consent or object to matters that require the consent of owners of any such investment. Account Owner understands that CollegenInvest, as trustee, has authority to create additional Investment Portfolios; change the asset allocation and underlying investments of existing Investment Portfolios; merge, terminate or reorganize Investment Portfolios and automatically reallocate Account Owner assets in connection therewith; and cease accepting new contributions to Investment Portfolios; and that neither CollegenInvest nor the Plan Manager is obligated to circulate any notice or to update the Plan Description in connection with any such change.

Account Owner understands that so long as TIAA-CREF Tuition Financing, Inc. serves as the Plan Manager, the assets invested under certain of the Investment Portfolios may be invested primarily or exclusively in mutual funds sponsored by affiliates of the Plan Manager, and that any successor Plan manager may invest in any investments permitted under the investment policies of CollegenInvest as in effect at the time.

Account Owner acknowledges that certain of the Investment Portfolios entail considerably more risk than other Investment Portfolios and may not be suitable for all Account Owners, or for the entire balance of the Account. This is

particularly true for Individual Fund Portfolios, which are invested in a single underlying mutual fund. No Individual Fund Portfolio should be considered a complete investment program, but should be a part of Account Owner's overall investment strategy designed in light of Account Owner's particular needs and circumstances, as well as Account Owner's determination (after consulting with his or her Financial Professional and tax and/or legal advisor) of Account Owner's own risk tolerance, including his or her ability to withstand losses.

Account Owner acknowledges that none of the State of Colorado, CollegenInvest, the Plan Manager, or the Distributor is recommending or providing any advice regarding any specific Investment Portfolio for any particular Account Owner. No Account Owner may rely upon the fact that an Investment Portfolio has been made available under the Plan as a recommendation that the particular Investment Portfolio is an appropriate investment or otherwise suitable for Account Owner; nor may Account Owner rely on the fact that the Plan Manager, the Distributor, CollegenInvest, the State of Colorado, or any other advisor or consultant to the Plan Manager, the Distributor, CollegenInvest or the State of Colorado, has reviewed, monitored or approved of an Investment Portfolio or an underlying investment in which such an Investment Portfolio may invest, or the selection of the criteria for such review, monitoring or approval, as an indication that such Investment Portfolio or underlying investment is an appropriate or otherwise suitable investment for Account Owner. The determination of whether to invest, how much to invest and in which Investment Portfolios, is solely the decision of Account Owner.

Account Owner understands that participation in the Plan does not guarantee that contributions and the investment return on contributions, if any, will be adequate to cover future tuition and other eligible education expenses or that a Designated Beneficiary will be admitted to or permitted to continue to attend any eligible educational institution.

Account Owner understands that Account Owner assumes all investment risk of an investment in the Plan, including the potential loss of principal. **ACCOUNT OWNER ACKNOWLEDGES AND UNDERSTANDS THAT THE PLAN IS SUBJECT TO INVESTMENT RISKS, THAT THE ACCOUNT MAY LOSE VALUE AND THAT THE ACCOUNT IS NOT INSURED BY, AND NEITHER THE PRINCIPAL DEPOSITED NOR THE INVESTMENT RETURN IS GUARANTEED BY, THE UNITED STATES, THE STATE OF COLORADO, ANY OTHER STATE, OR ANY AGENCY OR INSTRUMENTALITY THEREOF, INCLUDING COLLEGEINVEST OR THE EMPLOYEES OF THE STATE OF COLORADO OR COLLEGEINVEST.**

Account Owner understands that none of the State of Colorado, CollegenInvest, the Plan Manager, or the Distributor, or any other consultant or advisor retained by the State of Colorado, CollegenInvest, the Plan Manager or the Distributor, has any debt to Account Owner, Designated Beneficiary or any other person as a result of the establishment of the Plan, and that none of such parties assumes any risk or liability for funds invested in the Plan.

Account Owner acknowledges and agrees that no Account will be pledged as security or used as collateral for any loan. Any attempted use of an Account as security or collateral for a loan will be void.

Account Owner acknowledges and agrees that the Plan will not loan any assets to any Account Owner or Designated Beneficiary.

Account Owner agrees and acknowledges that the Plan is established and maintained pursuant to Colorado law and is intended to qualify for certain federal income tax treatment and consequences under Section 529 of the Internal Revenue Code. Account Owner further acknowledges that such federal and Colorado laws are subject to change, sometimes with retroactive effect, and that none of the State of Colorado, CollegenInvest, the Plan Manager, the Distributor or any advisor or consultant retained thereby makes any representation that such Colorado or federal laws will not be changed or repealed or that the terms and conditions of the Plan will remain as currently described in the Plan Description and this Agreement.

Account Owner acknowledges that withdrawals from an Account may be subject to state and federal tax liability that Account Owner or Designated Beneficiary may be liable for ascertaining and paying. Account Owner understands and acknowledges (i) that no portion of this Participation Agreement, the Plan Description, or any other materials published by CollegenInvest, the Plan Manager, or the Distributor is intended or may be relied upon as tax advice, (ii) that any statements regarding tax issues in this Participation Agreement or the Plan Description are provided as general information in connection with the marketing of the Plan and are not provided or intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding U.S. tax penalties, and (iii) that the Account Owner and Designated Beneficiary and any other persons bear full responsibility to consult with a tax professional regarding any tax consequences (whether related to federal, state or local income tax, gift tax, or estate tax, or otherwise) of participating in the Plan. Account Owner understands that for tax reporting purposes, Account Owner must retain adequate records

relating to withdrawals from the Account.

**Fees, Charges and Expenses.** An Account is subject to the fees and charges set forth in the Plan Description to provide for expenses of managing, marketing and administering the Plan and other expenses deemed necessary or appropriate by CollegenInvest. Account Owner agrees and acknowledges that in addition to the fees and charges applicable to the Account, each of the underlying investments held by the Investment Portfolios selected by Account Owner for investment will also have their own investment management fees and other expenses, a pro rata portion of which are indirectly borne by Account Owner. The fees, charges and expenses applicable to an Account are subject to change from time to time.

**Available Units.** The Plan has three classes of Units, each with a different fee structure, for the investment of assets in an Account. Not all Unit classes may be available for purchase depending on the form of contribution or the Selling Institution. Each Unit, and its associated fee structure, is described in detail in the Plan Description. At the time of a contribution, Account Owner will select which class of Units is to be invested in with such contribution and may indicate the Unit class in which future contributions are to be invested. Account Owner may at any time change the class of Units in which future contributions to the Account will be invested by completing and delivering written instructions to the Plan. Upon any transfers of Account assets among the Investment Portfolios, the class of Units received upon transfer will be in each case the same as the class of Units redeemed.

**Multiple Units.** If an Account Owner selects more than one class of Units for contributions to the Account, the Plan will track separately the assets in the Account that are invested under each Unit class.

**Necessity of Qualification.** The Plan is established with the intent that it will qualify for favorable federal tax treatment as a qualified tuition program under Section 529 of the Internal Revenue Code. Account Owner agrees and acknowledges that qualification under Section 529 is vital, and agrees that this Agreement may be amended by CollegenInvest at any time if CollegenInvest determines that such an amendment is required to maintain qualification under Section 529. This Agreement may also be amended by CollegenInvest if needed to ensure the proper administration of the Plan.

**Successor Owner.** Account Owner may designate an individual person to become the owner of the Account upon Account Owner's death. Such designation may be made in the Application or in another form acceptable to the Plan Manager.

**Change in Ownership.** An Account Owner may change ownership of the Account at any time to another individual or entity that is then eligible to be an Account Owner by completing the appropriate forms and providing such documentation as is acceptable to the Plan Manager. Account Owner understands that if Account Owner transfers an Account to any other person, Account Owner will cease to have any right, title, claim or interest in the Account and that the transfer is irrevocable.

**Reporting.** The Plan Manager will post quarterly Account statements to the Account Owner's online account each quarter, and will distribute the quarterly statements as described in the Plan Description.

**Account Owner's Indemnity.** Account Owner recognizes that the establishment of any Account with the Plan will be based upon Account Owner's statements, agreements, representations, warranties and covenants set forth in this Agreement and the Application, and Account Owner agrees to indemnify and to hold harmless CollegenInvest; the State of Colorado; the State's agencies or instrumentalities; any vendors, contractors, investment advisers or investment managers selected or approved by CollegenInvest or the State of Colorado; the Plan Manager; the Distributor; and any affiliates, representatives, agents or successors of any of the foregoing, from and against any and all loss, damage, liability or expense, including costs of reasonable attorney's fees, to which they may be put or which they may incur by reason of, or in connection with, any misstatement or misrepresentation made by Account Owner or a Designated Beneficiary, any breach by Account Owner of the acknowledgments, representations or warranties contained herein or any failure of Account Owner to fulfill any covenants or agreements set forth herein. All statements, representations, warranties or covenants of Account Owner will survive the termination of this Agreement.

**Amendment and Termination.** CollegenInvest may at any time, and from time to time, amend the Plan, this Agreement or the Plan Description or suspend or terminate the Plan and will give written notice of suspension, termination or amendment (unless otherwise provided herein), if material and adverse to the interests of Account Owners generally. In such event, the assets invested under this Agreement may not thereby be diverted from the exclusive benefit of Account Owner and his or her Designated Beneficiary. Nothing contained in this Agreement will constitute an

agreement or representation by CollegenInvest or any other party that CollegenInvest will continue to maintain the Plan indefinitely.

**Severability.** In the event that any clause, provision, or portion of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction, that clause or portion will be severed from this Agreement and the remainder will continue in full force and effect as if such clause or portion had never been included.

**Actions by Plan Manager.** The Plan Manager may act as CollegenInvest's agent for purposes of actions or determinations by the Plan under this Agreement.

**Incorporation of Application.** The Application executed by Account Owner with respect to each Account established by Account Owner is expressly incorporated herein, and this Agreement is expressly incorporated into each such Application, so that together this Agreement and the Application executed by Account Owner with respect to an Account will constitute the contract between the Plan and Account Owner with respect to the applicable Account.

**Governing Law.** This Agreement will be governed by Colorado law, and by maintaining an Account, Account Owner submits, without limitation, to the jurisdiction of courts in the State of Colorado for all legal proceedings arising out of or relating to the Plan.

**Dispute Resolution.** All controversies that may arise between an Account Owner or the Designated Beneficiary and the Plan Manager involving any Account(s) will be determined by arbitration in lieu of court proceedings. Any controversies that may arise between an Account Owner or the Designated Beneficiary and CollegenInvest involving any transaction in any Account(s), or the construction, performance or breach of the Participation Agreement may be determined by arbitration or court proceedings, as determined by CollegenInvest in its sole discretion.

**Force Majeure.** CollegenInvest, the Plan Manager and its affiliates or subcontractors, shall not be liable for any loss, failure or delay in performance of each of their obligations related to an Account or any diminution in the value of an Account arising out of or caused by, directly or indirectly, circumstances beyond its reasonable control.

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