This Supplement describes important changes. Unless otherwise indicated, defined terms used herein have the same meaning as those in the IDeal – Idaho College Savings Program Disclosure Statement.

As of July 1, 2018, the Plan’s Maximum Account Balance will increase from $350,000 to $500,000. Accordingly, effective July 1, 2018, references to “$350,000” in relation to the Maximum Account Balance on pages 6, 11, 42, and 61 of the Disclosure Statement are hereby deleted and replaced with “$500,000”.
SUPPLEMENT DATED APRIL 2018 TO THE
IDEAL – IDAHO COLLEGE SAVINGS PROGRAM
DISCLOSURE STATEMENT
DATED MAY 16, 2016

This Supplement describes important changes. Unless otherwise indicated, defined terms used herein have the same meaning as those in the IDeal – Idaho College Savings Program Disclosure Statement.

Federal Law Updates. Major tax changes approved by Congress in the Tax Cuts and Jobs Act became law on December 22, 2017. The following is an overview of those changes applicable to 529 Plans:

Expanded Definition Of Qualified Higher Education Expenses. Effective for distributions made after December 31, 2017, the definition of “qualified higher education expenses” under Section 529 is expanded to include expenses for tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school (not to exceed $10,000 per tax year in the aggregate across all Qualified Tuition Programs for a beneficiary) (“K-12 Tuition Expenses”). As such, earnings on distributions from 529 Plan accounts used for K-12 Tuition Expenses will be free of federal income tax. It is the account owner’s responsibility to ensure that distributions for K-12 Tuition Expenses do not exceed the aggregate limit for a beneficiary.

Certain Rollovers From 529 Plans To ABLE Programs Not Subject To Federal Income Tax. Effective for periods prior to January 1, 2026, rollovers from a 529 Plan account to an ABLE account for the same beneficiary or to another beneficiary who is a Member of the Family will be free of federal income tax, subject to the annual contribution limits for ABLE accounts. Amounts withdrawn from a 529 Plan account may be treated as a rollover to an ABLE account for federal tax purposes if the amount withdrawn is re-deposited within 60 days into an ABLE account, subject to the limitations in the immediately preceding sentence. You should consult your tax advisor regarding your individual situation, including whether to rollover to an ABLE account.

An ABLE account is an account as defined in Section 529A(e)(6) of the Code that is generally used to pay for qualified disability expenses of a designated beneficiary in accordance with a program established under Section 529A of the Code and sponsored by a state or state agency.

Implications for Idaho Residents. For purposes of Idaho state income taxes, Idaho will follow the federal law updates as they relate to Plan distributions made for K-12 Tuition Expenses and rollovers from IDeal Accounts to ABLE accounts, subject to the details and limitations described above. In addition, effective for the period after June 30, 2018, Rollovers from an IDeal Account to an ABLE account will require the recapture of any previously taken Idaho state tax deduction amounts in the year of the Rollover and the prior taxable year.

If you are not an Idaho resident, the state(s) where you pay income tax may differ in its state income tax treatment of K-12 Tuition Expenses and rollovers from 529 plans to qualified ABLE plans. You should consult with your tax advisor regarding your individual situation.

Important Information Regarding Age-Based Options. Certain Investment Options may be less suitable for short-term investment goals. The Age-Based Options are designed to take into account a Beneficiary’s age and the number of years before the Beneficiary is expected to attend higher education and are not designed for saving for K-12 Tuition Expenses. You should consider your investment time horizon before you select your Investment Options.

1. Effective January 1, 2018, each reference to “Ascensus Broker Dealer Services, Inc.” in the Disclosure Statement and Participation Agreement and all supplements thereto is hereby replaced with “Ascensus Broker Dealer Services, LLC.”

2. Effective June 30, 2018, each reference to “State Tax Treatment — Rollover to Another State’s Qualified Tuition Program” in the Disclosure Statement and all supplements thereto is hereby replaced with “State Tax Treatment — Rollover Out of Plan.”

3. The following replaces the “Explanation/Reason” column of the “Program Manager” row in the Plan Highlights table on page 5 of the Disclosure Statement:

ABD is the Program Manager of the Plan. ABD and its affiliates have overall responsibility for the day-to-day operations of the Plan, including recordkeeping and marketing.

4. The following definition is added to the section entitled Key Terms on page 10 of the Disclosure Statement:

ABLE Plan – A qualified ABLE program as defined in Section 529A of the Code.
5. The following replaces the definition of Rollover in the section entitled Key Terms on page 12 of the Disclosure Statement:

Rollover — A transfer of assets between 529 Plans, between Accounts in the Plan, or from a 529 Plan account to an ABLE Plan account, for the benefit of the same Beneficiary or a Member of the Family. Rollovers can be an incoming contribution to, or an outgoing withdrawal from, a 529 Plan. Rollovers must be reinvested into another 529 Plan or an ABLE Plan within sixty (60) days of the withdrawal date. A Rollover for the same Beneficiary is restricted to once per 12-month period.

6. Effective June 30, 2018, the following replaces the second paragraph under the question “How does the State income tax deduction work for IDeal?” on page 14 of the Disclosure Statement:

If you no longer pay Idaho state income tax, you will no longer be eligible to receive the Idaho state income tax deduction for subsequent contributions to your Account. If you roll assets from your Account into a 529 Plan offered by another state or an ABLE Plan, Idaho’s tax code requires the recapture of any amounts contributed to the Plan and taken as a state tax deduction in the year of the Rollover and the prior taxable year. If you move out of Idaho, you should check with your new state of residence regarding the state tax benefits that may be available in that state for your 529 Plan investment. Taxpayers may wish to seek tax advice from an independent tax advisor based on their own particular circumstances. For additional information, please see Part IX. State Tax Treatment — Rollover Out of Plan on page 50.

7. The following replaces the third paragraph in the section entitled Minimum Contributions on page 39 of the Disclosure Statement:

We will not accept contributions made by cash, money order, travelers checks, checks drawn on banks located outside the U.S., checks not in U.S. dollars, checks dated over 180 days, 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 over $10,000, instant loan checks, or any other checks we deem unacceptable. No stocks, securities or other non-cash assets will be accepted as contributions.

8. Effective June 30, 2018, the following replaces the section entitled Idaho Taxation of Other Withdrawals on page 50 of the Disclosure Statement:

Idaho Taxation of Other Withdrawals. When money is withdrawn from an Account and not used to pay for Qualified Expenses, any amounts withdrawn must be added to your Idaho taxable income (to the extent not included in federal adjusted gross income) for the tax year in which you took the withdrawal. This addition to your Idaho taxable income is limited to contributions previously taken as an Idaho state tax deduction and earnings generated from the Plan as long as the earnings are not already included in federal adjusted gross income.

9. Effective June 30, 2018, the following replaces the section entitled Rollovers to Another State’s Qualified Tuition Program on page 50 of the Disclosure Statement:

Rollover Out of Plan. Rollovers from an IDeal Account to another state’s qualified tuition program or an ABLE account require the recapture of any amounts contributed to the Plan previously and taken as a state tax deduction in the year of the Rollover and the prior taxable year.

10. The following replaces item 2 entitled Plan Management on page 56 of the Disclosure Statement and Participation Agreement:

Plan Management. The Board has retained Ascensus Broker Dealer Services, LLC. (“ABD”) as the Program Manager of the Plan. ABD and its affiliates have overall responsibility for the day-to-day operations of the Plan, including recordkeeping and marketing. (“ABD” is used to refer collectively or individually, as the case requires, to Ascensus Broker Dealer Services, LLC. and its affiliates.) The Program Manager will establish an Account upon receipt of a duly completed Enrollment Form in good order and the minimum initial contribution required for an Account.

11. Effective June 30, 2018, the following replaces the second paragraph of the “Rollovers” row in the Summary of Plan Rules table on page 61 of the Disclosure Statement:

Rollovers out of the Plan by Idaho taxpayers must be included in Idaho taxable income. This addition is limited to the amount of contributions to the Plan previously taken as an Idaho state tax deduction in the year of the Rollover and the prior taxable year. For more details, see Part IX. Federal and State Tax Treatment – State Tax Treatment – Rollover Out of Plan, on page 50.
This Supplement describes important changes. Unless otherwise indicated, defined terms used herein have the same meaning as those in the IDeal – Idaho College Savings Program Disclosure Statement.

1. The following replaces the table in the section entitled Portfolio Performance on page 32 of the Disclosure Statement, as amended by the Supplement dated January 2017:

<table>
<thead>
<tr>
<th>Investment Options</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>Since Inception</th>
<th>Inception Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggressive Growth Portfolio</td>
<td>18.52%</td>
<td>8.50%</td>
<td>11.53%</td>
<td>5.41%</td>
<td>12/7/07</td>
</tr>
<tr>
<td>Moderately Aggressive Growth Portfolio</td>
<td>15.90%</td>
<td>-</td>
<td>-</td>
<td>16.78%</td>
<td>5/13/16</td>
</tr>
<tr>
<td>Growth Portfolio</td>
<td>13.37%</td>
<td>7.06%</td>
<td>9.02%</td>
<td>5.20%</td>
<td>12/7/07</td>
</tr>
<tr>
<td>Blended Growth Portfolio</td>
<td>10.89%</td>
<td>-</td>
<td>-</td>
<td>12.10%</td>
<td>5/13/16</td>
</tr>
<tr>
<td>Moderate Growth Portfolio</td>
<td>8.47%</td>
<td>5.52%</td>
<td>6.53%</td>
<td>4.91%</td>
<td>12/7/07</td>
</tr>
<tr>
<td>Moderately Conservative Growth Portfolio</td>
<td>6.05%</td>
<td>-</td>
<td>-</td>
<td>7.49%</td>
<td>5/13/16</td>
</tr>
<tr>
<td>Conservative Growth Portfolio</td>
<td>3.77%</td>
<td>3.88%</td>
<td>4.00%</td>
<td>4.30%</td>
<td>12/7/07</td>
</tr>
<tr>
<td>Blended Income Portfolio</td>
<td>1.46%</td>
<td>-</td>
<td>-</td>
<td>3.02%</td>
<td>5/13/16</td>
</tr>
<tr>
<td>Income Portfolio</td>
<td>-0.39%</td>
<td>1.27%</td>
<td>0.45%</td>
<td>2.42%</td>
<td>12/7/07</td>
</tr>
<tr>
<td>Interest Accumulation Portfolio</td>
<td>0.50%</td>
<td>-</td>
<td>-</td>
<td>0.36%</td>
<td>5/13/16</td>
</tr>
<tr>
<td>Savings Portfolio</td>
<td>0.68%</td>
<td>0.59%</td>
<td>0.59%</td>
<td>0.59%</td>
<td>11/30/11</td>
</tr>
</tbody>
</table>

2. As of January 1, 2018, the federal annual gift tax exclusion increased to $15,000 for a single individual, $30,000 if married filing jointly (and spouses elect to split gifts). For 529 Plans, contributions of up to $75,000 for a single individual, $150,000 if married filing jointly (and spouses elect to split gifts) can be made in a single year and applied against the annual gift tax exclusion equally over a five-year period. Accordingly, all references to the exclusion of contributions from federal gift tax found throughout this Disclosure Statement are updated to reflect the year 2018 and these increased amounts.

3. The following replaces: (i) the second paragraph on page 2 of the Disclosure Statement; (ii) the section entitled State tax and other benefits on page 17 of the Disclosure Statement; and (iii) the fourth paragraph in the section entitled Federal and State Tax Treatment on page 48 of the Disclosure Statement:

If you are not an Idaho taxpayer, consider before investing whether your or the Beneficiary’s home state offers a 529 Plan that provides its taxpayers with favorable state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that may only be available through investment in the home state’s 529 Plan. Since different states have different tax provisions, this Disclosure Statement contains limited information about the state tax consequences of investing in IDeal. Therefore, please consult your financial, tax, or other advisor to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances. You also may wish to contact your home state’s 529 Plan(s), or any other 529 Plan, to learn more about those plans’ features, benefits, and limitations. Keep in mind that state-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision.
This Supplement describes important changes. Unless otherwise indicated, defined terms used herein have the same meaning as those in the IDeal – Idaho College Savings Program Disclosure Statement.

1. Effective June 15, 2017, the Total Annual Asset-Based Fee for all of the Investment Options will be reduced from 0.51% to 0.50%, except for the Savings Portfolio, which will remain at 0.34%.

2. Effective June 15, 2017, the following replaces the first sentence in the “Description” column of the “Fees & Expenses” row in the “Plan Highlights” table on page 5 of the Disclosure Statement:

   Total Annual Asset-Based Plan Fee: 0.50% for all Portfolios, except for the Savings Portfolio which is 0.34%.

3. Effective June 15, 2017, the following replaces the second sentence under the question “What are the fees associated with IDeal?” on page 13 of the Disclosure Statement:

   The Total Annual Asset-Based Plan fee for all portfolios is 0.50%, except for the Savings Portfolio, which has a Total Annual Asset-Based Plan Fee of 0.34%.

4. Effective June 15, 2017, the following replaces the first sentence of the first paragraph of the section entitled “Total Annual Asset-Based Plan Fee” on page 33 of the Disclosure Statement:

   Each Portfolio has a Total Annual Asset-Based Plan Fee of 0.50% of the value of the Portfolio, except for the Savings Portfolio, which has a total Annual Asset-Based Plan Fee of 0.34% of the value of the Portfolio.

5. Effective June 15, 2017, the following replaces the “Fee Structure Table” under the heading “Fees and Expenses” on page 34 of the Disclosure Statement:

<table>
<thead>
<tr>
<th>Portfolios</th>
<th>Estimated Fund Expenses</th>
<th>Manager Fee</th>
<th>State Fee</th>
<th>Total Annual Asset-Based Fee</th>
<th>Annual Account Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age-Based Options</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggressive Growth Portfolio</td>
<td>0.05%</td>
<td>0.40%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Moderately Aggressive Growth Portfolio*</td>
<td>0.05%</td>
<td>0.40%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Growth Portfolio</td>
<td>0.04%</td>
<td>0.41%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Blended Growth Portfolio*</td>
<td>0.04%</td>
<td>0.41%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Moderate Growth Portfolio</td>
<td>0.04%</td>
<td>0.41%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Moderately Conservative Growth Portfolio*</td>
<td>0.04%</td>
<td>0.41%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Conservative Growth Portfolio</td>
<td>0.04%</td>
<td>0.41%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Blended Income Portfolio*</td>
<td>0.04%</td>
<td>0.41%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Income Portfolio</td>
<td>0.05%</td>
<td>0.40%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Interest Accumulation Portfolio</td>
<td>0.08%</td>
<td>0.37%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Fixed Asset Allocation Portfolios</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggressive Growth Portfolio</td>
<td>0.05%</td>
<td>0.40%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Growth Portfolio</td>
<td>0.04%</td>
<td>0.41%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Moderate Growth Portfolio</td>
<td>0.04%</td>
<td>0.41%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Conservative Growth Portfolio</td>
<td>0.04%</td>
<td>0.41%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Income Portfolio</td>
<td>0.05%</td>
<td>0.40%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Interest Accumulation Portfolio</td>
<td>0.08%</td>
<td>0.37%</td>
<td>0.05%</td>
<td>0.50%</td>
<td>$20</td>
</tr>
<tr>
<td>Savings Portfolio</td>
<td>0.00%</td>
<td>0.29%</td>
<td>0.05%</td>
<td>0.34%</td>
<td>$20</td>
</tr>
</tbody>
</table>

* These Portfolios are only available within the Age-Based Options and are not available as stand-alone Portfolios.
1 Expressed as an annual percentage of the average daily net assets of each Portfolio.

2 Derived from each Fund’s most recent prospectus as of June 1, 2017. The Estimated Underlying Fund Expenses include investment advisory fees, administrative, and other expenses. Expenses for multiple-fund Portfolios represent a weighted average of the expenses of the Portfolio’s underlying Funds.

3 ABD and Vanguard have agreed to a specific formula for the allocation of the Manager Fee. The total amount of the Manager Fee and Estimated Fund Expenses for all Portfolios (except for the Savings Portfolio) is equal to 0.45%. The Manager Fee is subject to fluctuate up and down based on any changes to the Estimated Fund Expenses so that the total amount of the Manager Fee and Fund Expenses remains equal to 0.45%.

4 The State Fee is used to offset expenses associated with administering IDeal.

5 This total is assessed against assets over the course of the year and includes the annualized Manager Fee and the annualized State fee but does not include the Annual Account Fee. Please refer to the Table on page 2 of this Supplement that shows the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

6 The Annual Account Fee is charged to each Account if neither the Account Owner nor the Beneficiary is an Idaho Resident.

6. Effective June 15, 2017, the following replaces the “Approximate Cost for a $10,000 Investment” tables on page 35 of the Disclosure Statement:

<table>
<thead>
<tr>
<th>Portfolio Type</th>
<th>1 Year</th>
<th>3 Years</th>
<th>5 Years</th>
<th>10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age-Based Portfolios</td>
<td>$71</td>
<td>$220</td>
<td>$379</td>
<td>$823</td>
</tr>
<tr>
<td>Fixed Asset Allocation Portfolios</td>
<td>$71</td>
<td>$220</td>
<td>$379</td>
<td>$823</td>
</tr>
<tr>
<td>Savings Portfolio</td>
<td>$55</td>
<td>$169</td>
<td>$290</td>
<td>$627</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Portfolio Type</th>
<th>1 Year</th>
<th>3 Years</th>
<th>5 Years</th>
<th>10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age-Based Portfolios</td>
<td>$51</td>
<td>$160</td>
<td>$280</td>
<td>$628</td>
</tr>
<tr>
<td>Fixed Asset Allocation Portfolios</td>
<td>$51</td>
<td>$160</td>
<td>$280</td>
<td>$628</td>
</tr>
<tr>
<td>Savings Portfolio</td>
<td>$35</td>
<td>$109</td>
<td>$191</td>
<td>$431</td>
</tr>
</tbody>
</table>
This Supplement describes important changes. Unless otherwise indicated, defined terms used herein have the same meaning as those in the IDeal – Idaho College Savings Program Disclosure Statement.

Effective March 20, 2017, the Idaho state tax deduction increased to $6,000 per individual taxpayer ($12,000 married filing jointly) for any tax period starting on or after January 1, 2017. Accordingly, all references to $4,000 or $8,000 throughout the Disclosure Statement related to the Idaho state income tax deduction are replaced with $6,000 or $12,000, respectively.
This Supplement describes important changes. Unless otherwise indicated, defined terms used herein have the same meaning as those in the IDeal – Idaho College Savings Program Disclosure Statement.

1. The following replaces the table in the section entitled Portfolio Performance on page 32 of the Disclosure Statement:

<table>
<thead>
<tr>
<th>Investment Options</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>Since Inception</th>
<th>Inception Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggressive Growth Portfolio</td>
<td>12.57%</td>
<td>6.82%</td>
<td>12.68%</td>
<td>4.02%</td>
<td>12/7/07</td>
</tr>
<tr>
<td>Moderately Aggressive Growth Portfolio</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6.90%</td>
<td>5/13/16</td>
</tr>
<tr>
<td>Growth Portfolio</td>
<td>10.95%</td>
<td>6.17%</td>
<td>10.24%</td>
<td>4.38%</td>
<td>12/7/07</td>
</tr>
<tr>
<td>Blended Growth Portfolio</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5.60%</td>
<td>5/13/16</td>
</tr>
<tr>
<td>Moderate Growth Portfolio</td>
<td>9.10%</td>
<td>5.39%</td>
<td>7.76%</td>
<td>4.51%</td>
<td>12/7/07</td>
</tr>
<tr>
<td>Moderately Conservative Growth Portfolio</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4.20%</td>
<td>5/13/16</td>
</tr>
<tr>
<td>Conservative Growth Portfolio</td>
<td>7.21%</td>
<td>4.52%</td>
<td>5.10%</td>
<td>4.36%</td>
<td>12/7/07</td>
</tr>
<tr>
<td>Blended Income Portfolio</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2.70%</td>
<td>5/13/16</td>
</tr>
<tr>
<td>Income Portfolio</td>
<td>3.50%</td>
<td>1.96%</td>
<td>1.34%</td>
<td>2.75%</td>
<td>12/7/07</td>
</tr>
<tr>
<td>Interest Accumulation Portfolio</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
<td>5/13/16</td>
</tr>
<tr>
<td>Savings Portfolio</td>
<td>0.59%</td>
<td>0.56%</td>
<td>-</td>
<td>0.57%</td>
<td>11/30/11</td>
</tr>
</tbody>
</table>

2. On August 25, 2016, Bloomberg L.P. acquired Barclays Risk Analytics and Index Solutions Ltd. from Barclays PLC. As a result of this acquisition, the Barclays indexes have been rebranded as Bloomberg Barclays indexes. Throughout the Disclosure Statement, all references to Barclays indexes are renamed as Bloomberg Barclays indexes. At this time, there have been no changes to the composition of the indexes as a result of the rebranding.

3. The following replaces the definition of Successor Account Owner on page 12 of the Disclosure Statement:

   **Successor Account Owner** — The person named in the Enrollment Form or otherwise in writing to IDeal by the Account Owner, who may exercise the rights of the Account Owner under the Plan if the Account Owner dies.

4. The following is added as a new section after the section entitled Change of Account Owner on page 47 of the Disclosure Statement:

   **Designating a Successor Account Owner**

   As Account Owner, you may designate a Successor Account Owner to succeed to all of your rights, title, and interest in an Account (including the right to change the Beneficiary) upon your death to the extent permissible under applicable law. This designation can be made on the Enrollment Form when opening your Account. If you fail to designate a Successor Account Owner at the time of enrollment and subsequently decide to make a designation, or if you wish to revoke or change a designation, you may submit the information online, by calling, or by submitting an Account Information Change Form. A Custodian will not be permitted to change the Account Owner to anyone other than a successor Custodian during the term of the custodial account under applicable UGMA/UTMA law.

   Upon the death of an Account Owner, the Successor Account Owner must notify the Plan and submit a completed Enrollment Form, a certified copy of the death certificate and such other information requested by the Plan. The Account will become effective for the Successor Account Owner once this paperwork has been received and processed.

   Please note that a change in Account Owner may have tax consequences. Please consult your tax advisor.

5. The following replaces the first sentence of the section entitled Simultaneous Death of Account Owner and Beneficiary on page 47 of the Disclosure Statement:

   If you and your Beneficiary both die and there is no evidence to verify that one died before the other, the Successor Account Owner may become the Account Owner upon the Plan’s receipt and acceptance of the appropriate documentation. For more details, see the above section **Designating a Successor Account Owner**.
IDeal – Idaho College Savings Program
Disclosure Statement
MAY 16, 2016
IDEAL - IDAHO COLLEGE SAVINGS PROGRAM DISCLOSURE STATEMENT

This Disclosure Statement and Participation Agreement and any supplements hereto distributed from time to time contain information you should know before participating in the Plan, including information about fees, expenses, and risks. This Disclosure Statement has been identified by the IDEAL — Idaho College Savings Program as the “Offering Material” as defined in the College Savings Plans Network Disclosure Principles, Statement No. 5, adopted May 3, 2011 and is intended to provide substantive disclosure of the terms and conditions of an investment in the IDEAL — Idaho College Savings Program.

If you are not an Idaho taxpayer, you should consider before investing whether your or the Beneficiary’s home state offers a 529 Plan that provides its taxpayers with favorable state tax and other benefits that may only be available through an investment in the home state’s 529 Plan, and which are not available through an investment in IDEAL — Idaho College Savings Program. Therefore, please consult your financial, tax, or other advisor to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances. Keep in mind that state-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision.
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**IDEAL - Idaho College Savings Program**

www.id­saves.org
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Plan Highlights

This section highlights certain key features of IDeal. Please read the complete Disclosure Statement before you invest. Please see Key Terms starting on page 10 for the definition of key terms used in the Plan Highlights and throughout the Disclosure Statement. The Disclosure Statement does not contain tax advice. You should consult your tax advisor for more information.

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<td>Trust</td>
<td>Idaho College Savings Trust (“Trust”)</td>
<td>The Trust is established to hold, manage and administer all contributions to Accounts within the Plan.</td>
</tr>
<tr>
<td>Board</td>
<td>Idaho College Savings Program Board (“Board”)</td>
<td>The Board oversees the administration of the Trust and helps ensure that the Trust complies with the provisions of the Enabling Legislation and operates in accordance with Section 529.</td>
</tr>
<tr>
<td>Plan</td>
<td>IDeal — Idaho College Savings Program (“IDeal” or the “Plan”)</td>
<td>The Plan is a qualified tuition program established by the Enabling Legislation and operated in accordance with Section 529.</td>
</tr>
<tr>
<td>Program Manager</td>
<td>Ascensus Broker Dealer Services, Inc. (“ABD”)</td>
<td>ABD is the Program Manager and the Distributor of the Plan. ABD and its affiliates have overall responsibility for the day-to-day operations of the Plan, including recordkeeping and marketing.</td>
</tr>
<tr>
<td>Investment Managers</td>
<td>The Vanguard Group, Inc. (“Vanguard”) and Sallie Mae Bank</td>
<td>Vanguard provides underlying investments and investment management for each of the Investment Options for IDeal, except for the Savings Portfolio. Sallie Mae Bank is the manager of the Savings Portfolio.</td>
</tr>
<tr>
<td>Participation</td>
<td>All U.S. residents; certain other entities</td>
<td>IDeal is open to all Account Owners and Beneficiaries who are U.S. citizens or resident aliens, with a Social Security number or taxpayer identification number. An Account Owner must be at least 18 years of age and have a U.S. permanent street address that is not a P.O. box. The Beneficiary may be any age, from newborn to adult. There are no restrictions on state of residence or income. Certain other entities, including custodial and trust Accounts and state or local government or tax-exempt organizations described in section 501(c)(3) of the Code, with a valid taxpayer identification number, may participate in the Plan.</td>
</tr>
<tr>
<td>Fees &amp; Expenses</td>
<td>Total Annual Asset-Based Plan Fee: 0.51% for all Portfolios, except for the Savings Portfolio which is 0.34%</td>
<td>The Total Annual Asset-Based Plan Fee (which includes the cost of investing in the Funds) and the Annual Account Fee, if applicable, are the only fees for investing in IDeal. The fees and expenses are described in detail in this Disclosure Statement.</td>
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<td>Annual Account Fee: $20 (waived if the Account Owner or Beneficiary is an Idaho Resident)</td>
<td>See Part IV. Fees and Expenses, page 33</td>
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See Part II. How to Enroll — Open an Account, page 18
### Contributions

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<td>Initial Contribution:</td>
<td><strong>$25 minimum ($15 for payroll direct deposit)</strong></td>
<td>Anyone can contribute to an IDeal Account, regardless of their income; however, only the Account Owner can determine how the assets are invested or used. Idaho taxpayers may take a tax deduction for contributions to an IDeal Account.</td>
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<tr>
<td>Subsequent Contribution:</td>
<td><strong>$25 minimum ($15 for payroll direct deposit)</strong></td>
<td>Initial Contribution: The minimum initial contribution to open an Account is $25, unless you contribute through payroll direct deposit. The minimum initial contribution through payroll direct deposit is $15.</td>
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<tr>
<td></td>
<td></td>
<td>Subsequent Contribution: The minimum subsequent contribution to an Account is $25, unless you contribute through payroll direct deposit. The minimum additional contribution through payroll direct deposit is $15.</td>
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<td>You can make initial and any subsequent contributions by check, recurring contribution ($25 per month or $75 per quarter), payroll direct deposit EFT, rolling over assets from another 529 Plan, moving assets from an UGMA/UTMA account or ESA, redeeming U.S. Savings Bonds, and recontributing a refund from an Eligible Educational Institution. Subsequent contributions can also be made through Ugift® and transfers from a Upromise Service account.</td>
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See Part II. How to Enroll — Contribute to an Account, page 19

An Account Owner may allocate his or her contributions among as many as five (5) Investment Options, and the minimum allocation per selected Investment Option is 5% of the contribution amount.

See Part II. How to Enroll — Choose an Investment Option, page 18

### Maximum Account Balance

- **$350,000**

Section 529 requires that investments in the Plan be limited to amounts that can reasonably be expected to be used to meet Qualified Expenses for an individual. The Board expects to evaluate the Maximum Account Balance annually, but reserves the right to make adjustments more or less frequently. The Maximum Account Balance is based on certain higher education costs.

See Part VI. Contributions — Maximum Account Balance, page 42

### Investment Options and Performance

- **Your money will be invested based on the Investment Option(s) that you choose**

You may choose to invest in at least one of the following different Investment Options, based upon your investing preferences and risk tolerance:

1. Three (3) Age-Based Options;
2. Six (6) Fixed Asset Allocations Portfolios; and
3. A Savings Portfolio.

You may choose up to five (5) Investment Options. You must allocate a minimum of five percent (5%) of a contribution to each Investment Option you choose. All of the Investment Options are managed by Vanguard, except for the Savings Portfolio, which is managed by Sallie Mae Bank.


See Part III. Plan Investment Options, page 20

### Tax Advantages

- **Federal/State Tax Deferrals**

The earnings portion of a Qualified Withdrawal will not be subject to federal income tax, whereas the earnings portion of a Non-Qualified Withdrawal will be taxed to the recipient (and may be subject to the Federal Penalty Tax). Depending on the state where you live or pay state income tax, your earnings may or may not be subject to state income tax. Idaho residents will not be subject to Idaho state income tax on earnings in an Account if withdrawals from an Account are used to pay Qualified Expenses.

Idaho taxpayers receive a maximum $4,000 income tax deduction per individual taxpayer ($8,000 married and filing jointly) from their Idaho adjusted gross income annually for contributions to IDeal.

See Part IX. Federal and State Tax Treatment, page 48
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| Gift and Generation-Skipping Transfer Tax Advantages | $70,000 (or $140,000 combined for spouses who gift split) | For 2016, an individual can give in one year up to $70,000 (or $140,000 combined for spouses who gift split), prorated over five (5) years, to a Beneficiary without incurring federal gift tax or GST tax and without expending any portion of applicable transfer tax exemptions.  
See Part IX. Federal and State Tax Treatment — Federal Gift and Estate Taxes, page 49 |
| Estate Tax                       | Contributions are considered completed gifts for federal gift, GST, and estate tax purposes. | If an Account Owner dies, money in the Plan is not includable in the Account Owner’s estate, with one exception, if the Account Owner elects, for excess contributions, to take the annual gift and/or GST tax exclusion over five (5) years, and dies before the five (5) year period elapses, then the contribution amounts allocable to the calendar years after the date of death are included in the Account Owner’s estate for estate tax purposes.  
See Part IX. Federal and State Tax Treatment — Federal Gift and Estate Taxes, page 49 |
| Withdrawals                      | You may request a withdrawal online, by telephone or by mailing a Distribution Request Form to the Plan. | You may request a withdrawal of all or part of the balance in your Account if the amount you request has been on deposit in your Account for eight (8) business days or longer.  
See Part VII. Withdrawals — General, page 44 and Part VII. Withdrawals — Procedures for Withdrawals, page 44 |
| Tax Treatment of Qualified Withdrawals | The earnings portion of Qualified Withdrawals are federal income tax free if used to pay for Qualified Expenses, including: tuition, books, supplies, fees, and equipment required for enrollment or attendance at an Eligible Educational Institution, room and board (with limitations), and expenses for the purchase of computer or peripheral equipment, computer software, or Internet access and related services, if such equipment, software, or services are to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution. | You can generally determine if a school is an Eligible Educational Institution by referring to the Department of Education’s website at www.fafsa.ed.gov. See IRS Publication 970 for further details.  
See Part IX. Federal and State Tax Treatment — 529 Plan Contributions and Withdrawals, page 48 |
| Investment Exchanges             | You may change Investment Options online, by telephone, or by mailing the appropriate form to the Plan; however, there are limitations on such transactions. | You may reallocate your contributions and earnings among Investment Options up to two times per calendar year for the same Beneficiary and upon a change of the Beneficiary. You may invest future contributions in a different Investment Option(s) at any time.  
See Part VIII. Maintaining Your Account — Changing Investment Options for Current Balances and Future Contributions, page 47 |
| Risk Factors of the Plan         | An investment in the Portfolios is subject to market risk and volatility, including loss of principal. | An investment in the Portfolios is subject to risks including: (i) the risk of losing money over short or even long periods; (ii) the investment risks of the Portfolios which include, without limitation, market risk, interest rate risk, foreign investment risk, credit risk, and geographical concentration risk; (iii) the risk of changes to the Plan, including changes in fees; (iv) the risk of federal or state tax law changes; and (v) the risk that contributions to the Plan may adversely affect the eligibility of the Beneficiary or the Account Owner for financial aid or other benefits.  
See Part III. Plan Investment Options — Explanation of the Risk Factors of the Portfolios and the Funds and Part V. Risks of Investing in the Plan, pages 31 and 36, respectively |
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| Contact Information | You may contact an IDeal client service representative at **1-866-433-2533** to ask questions, set up or change Account features, arrange transactions, and request forms. You may also access your Account online at **www.id saves.org**. | **Phone:** 1-866-433-2533  
(6:00 a.m. – 6:00 p.m. Mountain time, Mon.-Fri.)  
**Online:**  
www.id saves.org  
**Regular Mail:**  
IDeal — Idaho College Savings Program  
P.O. Box 219944  
Kansas City, MO 64121  
**Overnight Delivery:**  
IDeal — Idaho College Savings Program  
920 Main Street, Suite 900  
Kansas City, MO 64105 |
This Disclosure Statement describes IDeal and includes information on the following:

- the governance and administration of the Plan (See Part X. Legal and Administrative Information About the Plan, page 51);
- the fees for an investment in the Plan and the expenses that you may be charged by the Plan (See Part IV. Fees and Expenses, page 33);
- the processes for enrollment in the Plan, contributions to an Account, withdrawals from an Account and Account maintenance (See Part II. How to Enroll, page 18, Part VI. Contributions, page 39 and Part VII. Withdrawals, page 44);
- the tax implications related to the Plan (See Part IX. Federal and State Tax Treatment, page 48);
- the investments offered by the Plan (See Part III. Plan Investment Options, page 20);
- the investment performance of the Portfolios (See Part III. Plan Investment Options – Portfolio Performance, page 32);
- the risks of investing in the Plan, the Portfolios and the Funds (See Part III. Plan Investment Options – Explanation of the Risk Factors of the Portfolios and the Funds, page 31 and Part V. Risks of Investing in the Plan, page 36); and
- the limitations or penalties imposed by the Plan upon transfers between Investment Options, transfers to other 529 Plans or Non-Qualified Withdrawals generally (See Part IX. Federal and State Tax Treatment, page 48).

You should review all the information in this Disclosure Statement to determine if an investment in IDeal is the right choice for you and your Beneficiary. The Frequently Asked Questions starting on page 13 are a good starting point to familiarize yourself with IDeal. The Table of Contents, starting on page 3, and the Index, starting on page 62, can help guide you through this Disclosure Statement for specific topics. The Summary of Plan Rules on page 61 serves as a quick reference guide for various Plan rules. Capitalized terms are defined in the Key Terms section beginning on page 10.

If you are unable to locate an answer to your questions, you can visit our website at www.idaves.org or call us at 1-866-433-2533.
Key Terms

529 Plan or Qualified Tuition Program — A qualified tuition program established under and operated in accordance with Section 529 of the Code.

Account — An account in IDeal established by an Account Owner for a Beneficiary.

ABD — Ascensus Broker Dealer Services, Inc., the Program Manager.

Account Owner or you — An individual or legally recognized entity such as a corporation (for-profit or nonprofit), government entity, partnership, association, trust, foundation, guardianship, or estate who signs an Enrollment Form establishing an Account. In certain cases, the Account Owner and Beneficiary may be the same person.

Age-Based Option — An investment approach in which assets in an Account automatically moved among different Portfolios to progressively more conservative investments as the Beneficiary approaches college age. IDeal offers three types of Age-Based Options which are aggressive, moderate and conservative.

Annual Account Fee — A maintenance fee charged annually to an Account. This fee is waived if an Account Owner or Beneficiary is an Idaho Resident.

Board — The Idaho College Savings Program Board, the administrator of IDeal and Trustee of the Trust.

Beneficiary or Student — The individual designated by an Account Owner, or as otherwise provided in writing to IDeal, to receive the benefit of an Account.

Code — Internal Revenue Code of 1986, as amended. There are references to various Sections of the Code throughout this Disclosure Statement, including Section 529 as it currently exists and as it may subsequently be amended, and regulations adopted under it.

Custodian — The individual who opens an Account on behalf of a minor Beneficiary with assets from an UGMA/UTMA account. Generally, the Custodian will be required to perform all duties of the Account Owner with regard to the Account until the Account Owner attains the age of majority, is otherwise emancipated, or the Custodian is released or replaced by a valid court order. The Custodian of an Account funded from an UGMA/UTMA account may not change the Account Owner or Beneficiary.

Disabled or Disability — Condition of a Beneficiary who is unable to do any substantial gainful activity because of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration. See IRS Publication 970 for further details.

Disclosure Statement — This “IDeal – Idaho College Savings Program Disclosure Statement” document and any applicable supplement hereto, each as amended and supplemented from time to time.

Education Credits — American Opportunity and Lifetime Learning Tax Credits under Section 25A of the Code.

EFT or Electronic Funds Transfer — A service through which an Account Owner authorizes IDeal to transfer money from a bank or other financial institution to an Account in IDeal.

Eligible Educational Institution — Eligible Educational Institutions include accredited postsecondary educational institutions in the United States or abroad offering credit toward an associate's degree, a bachelor's degree, a graduate-level or professional degree, or another recognized postsecondary credential, and certain postsecondary vocational and proprietary institutions. To be an Eligible Educational Institution for purposes of Section 529, an institution must be eligible to participate in U.S. Department of Education student financial aid programs.

Enabling Legislation — The law that established the Idaho College Savings Program and its Board. (Idaho Code Title 33, Chapter 54).

Enrollment Form — The “IDeal Enrollment Form” that is to be completed and submitted to the Program Manager by an Account Owner to open an Account. By completing and submitting an Enrollment Form, the Participant agrees to be bound by the terms and conditions of the Participation Agreement.

ESA — Coverdell Education Savings Account.

Fees — The Annual Account Fee, Total Annual Asset-Based Plan Fee, and any other fees, costs, expenses, and charges associated with IDeal.

FDIC — Federal Deposit Insurance Corporation.

Federal Penalty Tax — A federal surtax on the earnings portion of a Non-Qualified Withdrawal equal to 10% as required by the Code.

Fixed Asset Allocation Portfolio — An individual Portfolio in which the asset allocation of the Funds within such Portfolio is fixed over time and does not change.

Funds — The underlying investments that comprise the Portfolios.

GST — Generation skipping transfer.

HYSA — Sallie Mae Bank’s High-Yield Savings Account.

Idaho Resident — An Account Owner or Beneficiary who has registered an Idaho address with the Plan.

IDeal or the Plan — The Idaho College Savings Program.

IRS — Internal Revenue Service.

Index Fund — A type of mutual fund with a portfolio constructed to match or track the components of a market index.

Investment Option — One of ten (10) investment approaches offered in IDeal – three (3) Age-Based Options, six (6) Fixed Asset Allocation Portfolios and the Savings Portfolio.

Investment Managers — The Vanguard Group, Inc. manages the assets held in the Age-Based Options and the Fixed Asset Allocation Portfolios. Sallie Mae Bank manages the assets in the Savings Portfolio.
Management Agreement — An agreement between the Board and ABD, as the Program Manager, to provide IDeal with administrative, account servicing, marketing and promotion, and investment management services. The agreement between the Board and the Program Manager will terminate on December 11, 2022, or earlier as provided in the Management Agreement.

Maximum Account Balance — The maximum aggregate balance across Accounts for the same Beneficiary within the Plan, which limits the amount of contributions that may be made to Accounts for any one Beneficiary, as required by Section 529 of the Code. The Maximum Account Balance is established by the Board from time to time. The Maximum Account Balance is $350,000.

Member of the Family — An individual as defined in Section 529(e)(2) of the Code. Generally, this definition includes a Beneficiary’s immediate family members. A Member of the Family means an individual who is related to the Beneficiary as follows:

• a child or stepchild;
• a sibling, stepsibling, or half-sibling;
• a parent, or stepparent;
• a grandparent;
• a grandchild;
• a niece or nephew;
• an aunt or uncle;
• a first cousin;
• a mother- or father-in-law, son- or daughter-in-law, brother- or sister-in-law; or
• a spouse of any individual listed (except first cousin).

For purposes of determining who is a Member of the Family, a legally adopted child or a foster child of an individual is treated as the child of that individual by blood. The terms “brother” and “sister” include half-brothers and half-sisters.

Non-Qualified Withdrawal — A withdrawal from an Account that is not one of the following:

• a Qualified Withdrawal;
• a withdrawal paid to a beneficiary of the Beneficiary (or the estate of the Beneficiary) on or after the death of the Beneficiary;
• a withdrawal by reason of the Disability of the Beneficiary;
• a withdrawal by reason of the receipt of a qualified scholarship or Tuition Assistance by the Beneficiary (to the extent the amount withdrawn does not exceed the amount of the scholarship);
• a withdrawal by reason of the Beneficiary’s attendance at certain specified military academies;
• a withdrawal resulting from the use of Education Credits as allowed under federal income tax law;
• a withdrawal that is rolled into another 529 Plan that is not sponsored by the State of Idaho in accordance with the Code, with appropriate documentation; or
• a refund from an Eligible Educational Institution that is recontributed to a Qualified Tuition Program to the extent such re contribution is made not later than 60 days after the date of the refund and does not exceed the refund amount.

NYSE — The New York Stock Exchange.

Participation Agreement — The written agreement between an Account Owner and the Board, substantially in the form approved by the Board. An Account Owner agrees to the terms and conditions of the Participation Agreement by completing and submitting an Enrollment Form.

Plan Officials — The State, the Idaho College Savings Program, the Board, the Trustee, the Trust, any other agency of the State, the Program Manager, Vanguard, Sallie Mae Bank, and their respective affiliates, officials, officers, directors, employers and representatives.

Portfolio — A grouping of Funds constructed in accordance with a specific risk tolerance and investment objective. The Portfolios within each Age-Based Option, the Fixed Asset Allocation Portfolios, and the Savings Portfolio are the available Portfolios in IDeal.

Program Management Services — The Program Manager and its affiliates, Ascensus College Savings Recordkeeping Services, LLC and Ascensus Investment Advisors, LLC, provide investment, recordkeeping, and other administrative services to the Accounts, the Trust, IDeal, and the Trustee pursuant to the terms of the Services Agreement.

Program Manager — Ascensus Broker Dealer Services, Inc., has been engaged by the Board to provide the Program Management Services, as an independent contractor, on behalf of IDeal, the Trust and the Board, as the Trustee.

Qualified Withdrawal — A withdrawal from an Account that is used to pay for Qualified Expenses of the Beneficiary.

Qualified Expenses — Qualified higher education expenses as defined in the Code and as may be further limited by IDeal. Generally, these include the following:

• tuition, fees and the costs of textbooks, supplies, and equipment required for the enrollment or attendance of a student at an Eligible Educational Institution;
• certain costs of room and board of a student for any academic period during which the student is enrolled at least half-time at an Eligible Educational Institution;
• expenses for “special needs” students that are necessary in connection with their enrollment or attendance at an Eligible Educational Institution; and
• 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 Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution.

Rollover — A transfer of assets between 529 Plans, or between Accounts in the Plan, for the benefit of the same Beneficiary or a Member of the Family. Rollovers can be an incoming contribution to, or an outgoing withdrawal from, a 529 Plan. Rollovers must be reinvested into another 529 Plan within sixty (60) days of the withdrawal date. A Rollover for the same Beneficiary is restricted to once per 12-month period.

Rules — The rules adopted by the Board under the Idaho Administrative Procedure Act. The Rules may be amended from time to time by the Board, in its sole discretion.

Savings Portfolio — A Portfolio that invests in an FDIC-insured omnibus savings account held in trust by the Board at Sallie Mae.

Sallie Mae Bank — A state-chartered Utah industrial bank.


Section 529 — Section 529 of the Code.

Standing Allocations — The standing instructions from the Account Owner regarding the allocation of future contributions to an Account.

State — The State of Idaho.

Successor Account Owner — The person named in the Enrollment Form or otherwise in writing to IDeal by the Account Owner, who may exercise the rights of the Account Owner under the Plan if the Account Owner dies. The Successor Account Owner may be the Beneficiary if the Beneficiary is at least 18 years of age.

Total Annual Asset-Based Plan Fee — Administrative and investment management costs and the annual fees and expenses associated with the Funds in which each Portfolio held by your Account invests.

Trade Date — The date on which your purchase, redemption, or exchange transaction will be executed. Your transaction will be executed at the closing price of the Units of the applicable Portfolio on the Trade Date.

Trust — The Idaho College Savings Trust created by the Trust Declaration.

Trust Declaration — The declaration of trust establishing the Trust, dated effective August 6, 2007, and as may be amended from time to time by the Board.

Tuition Assistance — A benefit earned by certain individuals employed by Eligible Educational Institutions whereby family members who attend these Eligible Educational Institutions may receive partial or full waivers for payment of Qualified Expenses.


Unit — The measurement of your interest in a Portfolio. Units are Trust interests.
This Disclosure Statement contains important information you should review before opening an Account, including information about the benefits and risks of investing. Please read it carefully and save it for future reference.

**What is IDeal?**

IDeal is a Section 529 Plan established by the state of Idaho and administered by the Board. ABD serves as the Program Manager. IDeal is designed to help individuals and families save for college in a tax-advantaged way and offers valuable benefits, including tax-deferred growth, generous contribution limits, attractive investment options, and professional investment management.

**How does IDeal work?**

When you enroll in IDeal, you choose to invest in one or more Investment Options that include three (3) Age-Based Options, six (6) Fixed Asset Allocation Portfolios, and a Savings Portfolio based upon your investing preferences and risk tolerance. Each Portfolio invests in either: (i) mutual funds offered or managed by Vanguard; or (ii) an FDIC-insured omnibus account held in trust by the Board at Sallie Mae Bank. All of the contributions made to your Account grow tax-deferred and your withdrawals are federal and Idaho state tax-free if used for Qualified Expenses.

**What are some examples of Qualified Expenses?**

Some examples of Qualified Expenses, include tuition, books, supplies, fees, and equipment required for enrollment or attendance at an Eligible Educational Institution, room and board (with limitations), and expenses for the purchase of computer or peripheral equipment, computer software, or Internet access and related services, if such equipment, software, or services are to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution.

**Is my IDeal Account guaranteed?**

Generally, the savings in your IDeal Account are not insured or guaranteed. The Savings Portfolio, however, offers FDIC insurance on a pass-through basis to Account Owners. Investment returns will vary depending upon the performance of the Investment Options you choose. Except to the extent of FDIC insurance available for the Savings Portfolio (subject to the limits described in the section entitled “FDIC Insurance” on page 28), you could lose all or a portion of your investment, depending upon market conditions.

**How do I open an Account?**

To open an Account, we must receive a completed Enrollment Form, which you may submit either online or by mail. The Enrollment Form is considered a contract between the Account Owner and the Board establishing the obligations of each.

It is necessary to have all information provided in the Enrollment Form to successfully open your IDeal Account. Without all required information and supporting documentation, as applicable, we may not be able to accept and complete your enrollment. We have the sole discretion to determine whether an Enrollment Form is complete and accepted and whether to open an Account. See Part II. How to Enroll on page 18.

**How many Accounts can I open?**

You can open Accounts for as many Beneficiaries (the person(s) you are saving for) as you wish. Please keep in mind that each Account may have only one Account Owner (you) and one Beneficiary and you must complete a separate Enrollment Form for each different Beneficiary.

**What are the fees associated with IDeal?**

IDeal has no commissions, loads or sales charges. The Total Annual Asset-Based Plan Fee for all Portfolios is 0.51%, except for the Savings Portfolio, which has a Total Annual Asset-Based Plan Fee of 0.34%. We assess an Annual Account Fee of $20 to each Account if neither the Account Owner nor the Beneficiary is an Idaho Resident. A detailed description of Fees associated with IDeal can be found in Part IV. Fees and Expenses starting on page 33.

**Does IDeal offer any tax benefits?**

Yes. IDeal offers both Idaho state and federal tax benefits, starting with tax-deferred savings and an Idaho state income tax deduction for Idaho taxpayers. Any earnings on your investment are Idaho state and federal tax-free when used toward Qualified Expenses. However, any statements in this document concerning U.S. and state tax issues are not offered as individual tax advice to any person and are provided as general information. Taxpayers may wish to seek tax advice from an independent tax advisor based on their own particular circumstances.
How does the State income tax deduction work for IDeal?

Anyone can contribute to an Account and Idaho taxpayers may take a tax deduction. Idaho taxpayers receive a maximum $4,000 income tax deduction per individual taxpayer ($8,000 married and filing jointly) from their State adjusted gross income annually for contributions to IDeal. To take advantage of this income tax deduction for a particular year, your contributions must be made by year-end. For year-end contribution deadlines, see Part IX, Federal and State Tax Treatment — State Tax Treatment — Idaho Tax Deduction Contribution Deadlines on page 50.

If you no longer pay Idaho state income tax, you will no longer be eligible to receive the Idaho state income tax deduction for subsequent contributions to your Account. If you roll assets from your Account into a 529 Plan offered by another state, Idaho’s tax code requires you to add back the Rollover amount to your Idaho taxable income (and not only the amount previously deducted) up to the amount of your total contributions to your Account in the twelve (12) months preceding the date of the Rollover. If you move out of Idaho, you should check with your new state of residence regarding the state tax benefits that may be available in that state for your 529 Plan investment. Taxpayers may wish to seek tax advice from an independent tax advisor based on their own particular circumstances. For additional information, please see Part IX. State Tax Treatment — Rollover to Another’s State Qualified Tuition Program on page 50.

Can I change my Investment Options?

You may change the Investment Options you have selected in your Account to other Investment Options up to two times per calendar year per Beneficiary. However, for future contributions, you may change your Investment Options at any time. For more information on making changes to your Account, see Part VIII. Maintaining Your Account starting on page 46.

When can I enroll a newborn?

A newborn may be enrolled at any time. Keep in mind that you are required to submit the Beneficiary’s (the newborn in this instance) Social Security number on the Enrollment Form. You may also open an Account naming yourself as the Beneficiary in anticipation of the birth or adoption of a child and add the child as the Beneficiary after the birth or adoption at a later time.

Does my child have to attend college in Idaho?

No. You can use the assets in your Account towards the costs of nearly any public or private, 2-year or 4-year college nationwide, as long as the student is enrolled in a U.S.-accredited college, university or technical school that is eligible to participate in U.S. Department of Education student financial aid programs. In fact, many U.S. colleges and universities now have campuses or locations outside of the country, where money from your IDeal Account can be used. Your Account can also be used for nearly any graduate school, medical school, or law school, among others, nationwide. Go to www.fafsa.ed.gov to see if your school qualifies.

If I enroll in IDeal, can I still apply for financial aid?

Yes. Participation in IDeal does not limit a student’s receipt of merit-based financial aid, including academic or athletic scholarships. Like most investments, however, it may affect your ability to receive needs-based financial aid. For federal financial aid purposes, Account assets will be considered (i) assets of a student’s parent, if the student is a dependent student and the owner of the Account is the parent or the student, or (ii) assets of the student, if the student is the owner of the Account and not a dependent student. For more details, see Part V. Risks of Investing in the Plan — Eligibility for Financial Aid on page 37.

What effect does an Account have on eligibility for Medicaid or other state and federal benefits?

The effect of an Account on eligibility for Medicaid or other state and federal benefits is uncertain. It is possible that an Account in the Plan may be counted in determining an individual’s financial eligibility for Medicaid or other state and federal benefits. For more details, see Part V. Risks of Investing in the Plan — Medicaid and Other Federal and State Benefits on page 38.

What happens if my child receives a scholarship or grant?

There are several options you can choose from:

• use assets in your Account to pay any tuition and required fees not covered by the scholarship or grant;
• apply assets in your Account towards other Qualified Expenses such as certain room and board expenses, books and computer equipment;
• change the Beneficiary on your Account to a qualifying Member of the Family of your child;
• keep any unused funds in your Account to pay for future Qualified Expenses, including graduate school; or
• withdraw any unused funds up to the amount of the scholarship or grant without being subject to the Federal Penalty Tax (federal and state income taxes and state penalties on earnings, however, may apply).

Can I change the Beneficiary of my Account?

Yes. You can transfer your Account to a Member of the Family of the Beneficiary without incurring taxes or penalties. The definition of Member of the Family includes: a child or stepchild, sibling, stepsibling or half-sibling, parent or step-parent, grandparent, grandchild, niece or nephew, aunt or uncle, first cousin, mother- or father-in-law, son- or daughter-in-law, brother or sister-in-law, spouse of any individual listed (except first cousin).
What if my child does not go to college immediately after high school?

IDeal does not require the child to attend college immediately after graduating high school. There are no restrictions on when you can use your Account to pay for college expenses.

What if the beneficiary or I move out of Idaho after I open an Account?

You can continue to contribute to your Account and your Beneficiary can still use the Account to attend any Eligible Educational Institution. However, if you move out of state and no longer pay Idaho state income tax, you will no longer be eligible to receive the Idaho state income tax deduction and will be subject to the $20 Annual Account Fee, unless your Beneficiary is an Idaho Resident.

What if I experience a financial hardship and need to withdraw the funds for a purpose other than college expenses?

You may withdraw funds from your Account at any time. If the funds are not used for Qualified Expenses, federal income taxes, the Federal Penalty Tax, and state income taxes and penalties may apply to any earnings portion of your withdrawal. In addition, the entire amount of the withdrawal must be added to your Idaho taxable income (to the extent not included in federal adjusted gross income). For details about tax and other penalties, please read Part IX. Federal and State Tax Treatment starting on page 48.

What if I already have a 529 Plan? Can I transfer my Account to IDeal?

Yes. We will accept a Rollover of your account from another 529 Plan into IDeal. There may be many benefits to moving your account into the Plan. Foremost among these could be the impact on your Idaho state taxes. If you are an Idaho taxpayer and have an account in another 529 Plan, you are not eligible to take the Idaho state income tax deduction for contributions to that other 529 Plan account. All 529 Plans offer the same federal tax benefits, but only IDeal allows for the Idaho state tax deduction. Please contact a customer service representative at 1-866-433-2533, Monday through Friday, 6 a.m. to 6 p.m. (MT) for details on how to roll over an existing account with another plan. You should contact the sponsor of your current 529 Plan for additional details on rolling over your account.

Do my contributions to IDeal qualify as a gift under federal law?

Yes. The Internal Revenue Code provides that payments to an Account are completed gifts for federal gift tax purposes and are eligible for the applicable annual exclusion from gift and generation skipping transfer taxes (for 2016, $14,000 for single individual or $28,000 for married couple). Under certain conditions, you can contribute up to $70,000 immediately ($140,000 for married couples) and average the total over five years to remain within the $14,000 ($28,000 for married couples) annual gift-tax exclusion. Please consult your tax advisor for more information.

What are the risks involved?

As with any investment, there are risks involved in investing in IDeal. To learn about the risks, please read and carefully consider the Risks of Investing in the Plan starting on page 36 and Explanation of the Risk Factors of the Portfolios and the Funds starting on page 31.

What is the Upromise Service?

The Upromise Service is a loyalty program offered by Upromise, Inc., which enables Account Owners in the Upromise Service to earn rewards from participating merchants. These cash rewards can be used to make contributions to an Account in the Plan. The Upromise Service is a separate service from the Plan. It is not affiliated with the State of Idaho, the Board, or the Trust. Separate terms and conditions apply. Upromise, Inc. is not an affiliate of the Program Manager. For more information, visit www.upromise.com.

Where can I find forms and the current Disclosure Statement?

To obtain forms relating to IDeal or the most up to date Disclosure Statement, visit the IDeal website at www.idsaves.org or call 1-866-433-2533.

How do I contact the Plan?

Phone:
1-866-433-2533
Monday through Friday, 6:00 a.m. to 6:00 p.m. Mountain time

Online:
www.idsaves.org

Regular Mail:
IDeal – Idaho College Savings Program
PO. Box 219944
Kansas City, MO 64121

Overnight Delivery:
IDeal – Idaho College Savings Program
920 Main Street, Suite 900
Kansas City, MO 64105
Part I. Introduction

General Information About 529 Plans and IDeal

Section 529 permits states and state agencies to sponsor 529 Plans, which are tax-advantaged programs intended to help individuals and families pay the costs of higher education. IDeal is a 529 Plan administered by the Board and sponsored by the State of Idaho. Even if you do not live in Idaho, you may invest in the Plan.

Prospective Account Owners should consider many factors before deciding to invest in a 529 Plan such as IDeal, including the Plan’s Investment Options and its performance history, its flexibility and features, the reputation and expertise of the Investment Manager, the Maximum Account Balance, fees and expenses, and federal and state tax benefits associated with an investment in the Plan.

The Plan is intended to be used only to save for Qualified Expenses. The Plan is not intended to be used, nor should it be used, by any taxpayer for the purpose of evading federal or state taxes or tax penalties. Taxpayers may wish to seek tax advice from an independent tax advisor based on their own particular circumstances.

This Disclosure Statement (including any supplements thereto) and the Participation Agreement contain information you should know before participating in the Plan, including information about fees, expenses, and risks. Please read them carefully before you invest and keep it for future reference.

Acknowledgment of Terms. The Participation Agreement includes an acknowledgment that you agree to be bound by the terms and conditions of the Disclosure Statement. The Participation Agreement, and, when executed by you, the Enrollment Form constitutes the entire agreement between you and the Board with respect to your Account.

Accuracy of Information in Disclosure Statement. The information in this Disclosure Statement is believed to be accurate as of the cover date, but is subject to change without prior notice. No one is authorized to provide information that is different from the information in the most current form of this Disclosure Statement.

Confidential Information. Idaho law requires that personal information including the Social Security numbers, addresses and telephone numbers of an Account Owner or Beneficiary in IDeal be confidential. We recognize our obligation to keep information about you secure and confidential.

Collecting and Using Information. Through your participation in IDeal, we collect various types of confidential information you provide in your Enrollment Form, such as your name and the name of your Beneficiary, Social Security numbers, addresses, and demographic information. We also collect confidential information relating to your transactions in the Plan, such as Account balances, contributions, withdrawals, and investments. We do not sell information about current or former Account Owners, Beneficiaries and/or Custodians to any third parties, and we do not disclose it to third parties unless necessary to process a transaction, service an Account, as otherwise permitted or required by law, or with your consent. We may, however, share information with companies that perform administrative or marketing services for us or with a research firm we have hired. When we enter into such a relationship, our contracts restrict the companies’ use of your confidential IDeal information and prohibit them from sharing or using it for any purposes other than those for which they were hired.

Protection of Information. We maintain physical, electronic, and procedural safeguards to protect the information about you that we collect or use. These include restricting access to those individuals who have a need to know the information, such as to those who service your Account, resolve problems, or inform you of additional products or services as appropriate.

Account Owner’s Interest. Account Owners and Beneficiaries do not have access or rights to any assets of the Trust other than assets credited to the Account of such Account Owner or Beneficiary.

Individual Advice. No investment recommendation or advice received by the Account Owner from ABD or any other person is provided by, or on behalf of, the State of Idaho, the Board, the Plan, ABD or its affiliates.

Representations. Statements contained in this Disclosure Statement that involve estimates, forecasts, or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.
IMPORTANT LEGAL INFORMATION

Important information about opening a new account. The Program Manager acts in accordance with a customer identification program and obtains certain information from the Account Owner in order to verify the Account Owner’s identity. If the Account Owner does not provide the following information as requested on the Enrollment Form — full name; date of birth (if applicable) of the Account Owner, any Successor Account Owner and the Beneficiary; taxpayer identification number of the Account Owner (for example, Social Security number or taxpayer identification number); and U.S. permanent street address (no P.O. box) — the Program Manager may refuse to open an Account. If reasonable efforts to verify this information are unsuccessful, the Program Manager may take certain actions regarding the Account without prior notice to the Account Owner, including among others, rejecting contribution and transfer requests, suspending Account services, or closing the Account. Units redeemed as a result of closing an Account will be valued at the net asset value next calculated after the Program Manager decides to close the Account, and the risk of market loss, tax implications, and any other expenses, as a result of the liquidation, will be solely the Account Owner’s responsibility.

Tax Disclaimer. This Disclosure Statement is not intended to constitute, nor does it constitute, legal or tax advice. This Disclosure Statement was developed to support the marketing of the Plan and cannot be relied upon for purposes of avoiding the payment of federal or state tax penalties. You should consult your legal or tax advisor about the impact of federal and state tax regulations on your individual situation.

State tax and other benefits. If you are not an Idaho taxpayer, consider before investing whether your or the Beneficiary’s home state offers a 529 Plan that provides its taxpayers with favorable state tax or other benefits that may only be available through investment in the home state’s 529 Plan, and which are not available through investment in the Plan. Because different states have different tax provisions, this Disclosure Statement contains limited information about the state tax consequences of investing in the Plan. Therefore, please consult your financial, tax, or other advisor to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances. You also may wish to contact your home state’s 529 Plan(s), or any other 529 Plan, to learn more about those plans’ features, benefits, and limitations. Keep in mind that state-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision.

Investments are not guaranteed or insured. Except for the Savings Portfolio which offers FDIC insurance on a pass-through basis to Account Owners Investments in the Plan are not guaranteed or insured by the Plan, any of the Plan Officials, the FDIC, or any other entity. The value of your Account will depend on market conditions and the performance of the investment options you select. Investments in the Plan can go up or down in value, and you could lose money by investing in the Plan.

The Plan is not a mutual fund. Although money contributed to the Plan will be invested in certain Portfolios that hold Vanguard® mutual funds, neither the Plan, nor any of the Plan’s investment Portfolios are mutual funds. An investment in the Plan is an investment in municipal fund securities that are issued and offered by the Plan. These securities are not registered with the SEC or any state. The Plan’s Portfolios are not registered as investment companies with the SEC or any state.
Part II. How To Enroll

This section offers a brief overview of the process needed to: (1) open an Account, (2) choose a Beneficiary, (3) designate a Successor Account Owner, (4) choose your investment options, and (5) contribute money to an Account.

Open an Account

Who Can Open an Account?

To be an Account Owner, you must be a U.S. citizen or resident alien, be at least 18 years of age, and must have a Social Security number or taxpayer identification number. You must provide the Plan with a U.S. permanent street address that is not a post office box.

Certain entities may also be Account Owners, including, trusts, partnerships, corporations, associations, and estates. All entities must submit documentation to IDeal to verify the existence of the entity and identify the individuals who are eligible to act on the entity’s behalf. Examples of appropriate documentation include a trust agreement, partnership agreement, corporate resolution, articles of incorporation, bylaws, or letters appointing an executor or personal representative. Documentation must be submitted when an Account is established. We will not be able to open your Account until we receive all of the information required on the Enrollment Form, including the documentation that verifies the existence of the Account Owner. If the individuals who are authorized to act on behalf of the entity have changed since the Account was established, then additional documentation must be submitted with any withdrawal or other transaction request. If the Account Owner is an agency or instrumentality of a state or local government, or tax-exempt organization as defined in the Code, has established the Account as a general scholarship fund, the organization must provide verification of its exempt status that is acceptable to the Plan when the Account is established. Please note that Accounts established as a general scholarship fund are not required to name a Beneficiary, are not subject to the Maximum Account Balance, and may be subject to separate terms and conditions separate from the Plan.

Although contributions to an Account can be made by anyone, only the Account Owner can control how those assets are invested and used. There can be only one Account Owner per Account. You may name a Successor Account Owner to assume control of the Account upon your death.

How Do You Open an Account?

- **Online:** Complete the Enrollment Form online at [www.idsaves.org](http://www.idsaves.org).
- **By mail:** Complete, sign, and mail an Enrollment Form to: IDeal – Idaho College Savings Program PO. Box 219944 Kansas City, MO 64121

Choose a Beneficiary

- Identify a Beneficiary for the Account on your Enrollment Form. A Beneficiary must be a U.S. citizen or resident alien, and have a Social Security number or individual taxpayer identification number. A Beneficiary may be of any age and must be an individual and not a trust or an entity.
- You may designate only one Beneficiary per Account, but different Account Owners may establish different Accounts for the same Beneficiary. If a Beneficiary has multiple Accounts, contributions to an Account will be limited if the total assets held in all Accounts for that Beneficiary exceed the Maximum Account Balance.
- You do not have to be related to the Beneficiary.
- You may designate yourself as the Beneficiary.

Designate a Successor Account Owner

You may designate a Successor Account Owner (to the extent permissible under applicable law) to succeed to all of your rights, title, and interest in your Account upon your death. You can make this designation on the Enrollment Form, online, over the phone, or in writing. You can also change your Successor Account Owner by submitting an Account Information Change Form. We must receive and process your request before the Successor Account Owner designation can be effective. You may revoke the designation of a Successor Account Owner at any time online, over the phone, or by submitting an Account Information Change Form. Forms may be obtained from our website at [www.idsaves.org](http://www.idsaves.org) or by calling us at 1-866-433-2533. Idaho is a community property state.

Please consult your legal or tax advisor regarding your Account designation and changing the Successor Account Owner.

Choose an Investment Option

You may select from a number of Investment Options which fall into the following three categories:

- **Age-Based Option (three (3) investment styles to choose from):** The asset allocation of money invested in an Age-Based Option is automatically adjusted over time to become more conservative as the Beneficiary approaches college age.
- **Fixed Asset Allocation Portfolios (six (6) investment options):** The asset allocation of money invested in any of the Fixed Asset Allocation Portfolios is static, meaning it does not change over time.
- **Savings Portfolio:** Assets are invested in an FDIC-insured omnibus account held in trust by the Board at Sallie Mae Bank.
Each time you contribute you may choose up to five (5) Investment Options. You must allocate a minimum of five percent (5%) of the contribution to each option you choose. See Part III. Plan Investment Options starting on page 20 for details about the Plan’s investment options, including investment objectives, strategies, risks, and fees.

**Contribute to an Account**

**Initial Contribution.** You must open an Account with a minimum initial contribution of $25, unless you participate through payroll direct deposit. The minimum initial contribution required to open an Account through payroll direct deposit is $15 per pay period.

**Subsequent Contributions.** You may make subsequent contributions to your Account at any time. The minimum subsequent contribution is $25, unless you participate through payroll direct deposit. The minimum subsequent contribution through payroll direct deposit is $15.

**Rollover Contributions and Other Transfers.** You may contribute to the Plan through a Rollover or transfer from another state’s 529 Plan, or from another Account in the Plan, subject to limitations imposed by Section 529 on certain Rollovers and such transfers. See Part VI. Contributions — Rollover Contributions on page 40.

**Other Contributions.** You may contribute with assets liquidated from an UGMA/UTMA custodial account, an ESA, certain qualified U.S. savings bonds or a refund from an Eligible Educational Institution.

See Part VI. Contributions — Funding an Account starting on page 39 for additional details on contributing to your Account, setting up an EFT or recurring contribution, and the guidelines relating to transfers and Rollovers.
Part III. Plan Investment Options

General

Investment Options. You can choose between three (3) types of Investment Options (Age-Based Options, Fixed Asset Allocation Portfolios and a Savings Portfolio) at the time the Account is established and at the time each subsequent contribution is made. Account owners should periodically assess, and if appropriate, adjust their Investment Options with their time horizon, risk tolerance, and investment objectives in mind.

Assets Held in Trust. Your Account assets are held in the Trust. Your Account is held for your exclusive benefit and may not be transferred or used by the Plan Officials for any purpose other than those of the Trust. Please keep in mind that you will not own shares of the Funds. You are purchasing Units in the Portfolios, which are in the Trust, and your contributions are invested in one or more of the Funds. For more information on the Trust Declaration see Part X. Legal and Administrative Information about the Plan — Plan Governance on page 51.

Investment Guidelines. The Board has established investment guidelines, including the number of Investment Options and the general character and composition of each Investment Option and Portfolio. Based on these guidelines, the Board, with the assistance of ABD, Vanguard and Sallie Mae Bank, has developed detailed asset allocations and selected the Funds for each Portfolio.

Investment Option and Portfolio Changes by the Board. The asset allocations, policies, objectives, and investment guidelines of the Investment Options and Portfolios may be changed from time to time by the Board, without prior notice, as may the selection of Funds in which each Portfolio invests. The Board may modify, add, and cancel Investment Options and Portfolios at any time without prior notice.

Investment Option Changes by Account Owner. Once your Investment Option is selected for a particular contribution, IRS rules provide that you can move money or transfer from one Investment Option to another up to two times per calendar year for the same Beneficiary.

Treatment of Dividends and Capital Gains. The Funds distribute dividends and capital gains because they are required to do so under the current provisions of the Code in order to maintain their tax status as regulated investment companies. Each Portfolio, which is an offering through the Trust, is not considered a mutual fund. Therefore, the Portfolios are not required to comply with these requirements. Any reinvested dividends and capital gains from the Funds will become assets of the Portfolios. Although the Funds may distribute dividends and/or capital gains, rather than distribute earnings, the Portfolios reflect changes in value from income and gains and losses on the sale of the Funds solely by increasing or decreasing their Unit Value.

Investment Selection. For each new contribution, you can select up to five (5) of the Investment Options when you make your contribution. The minimum allocation per selected Investment Option is 5% of the contribution amount.

Portfolio Rebalancing. Portfolios are rebalanced on an as needed basis to ensure that they are allocated as close to the target allocations as possible.

Age-Based Option

You may choose from the following three Age-Based Options:

- Conservative Age-Based Option;
- Moderate Age-Based Option; and
- Aggressive Age-Based Option.

Each Age-Based Option is designed to take into account a Beneficiary’s age and your investing time horizon — i.e., the number of years before the Beneficiary is expected to attend an Eligible Educational Institution. Within the Age-Based Options, you may invest according to your risk tolerance, in a conservative, moderate, or aggressive asset allocation. In general, for younger Beneficiaries, the Age-Based Options will be invested more heavily in stocks to capitalize on the longer investment horizon and to try to maximize returns. As time passes, Account assets are automatically moved to more conservative Portfolios in an effort to preserve capital as the time for withdrawal approaches.

As the Asset Allocation Table on page 22 shows, for any particular age group, the Conservative Age-Based Option usually has a higher concentration of assets in bonds and short-term reserves than does the Moderate Age-Based Option. The same is true for the Moderate Age-Based Option compared with the Aggressive Age-Based Option. Portfolios with higher allocations in bonds and short-term reserves tend to be more conservative than those with higher allocations to stock. Conservative Portfolios generally will not decline as far when stock markets go down, but also generally will not appreciate in value as much when stock markets go up.

For each of the Age-Based Options, we will automatically exchange assets from one Portfolio to another as the Beneficiary ages. The exchange occurs during the month following the month of the Beneficiary’s birth date, according to the Asset Allocation Table.
Fixed Asset Allocation Portfolios

Unlike the Age-Based Options, the Fixed Asset Allocation Portfolios do not change asset allocations as the Beneficiary ages. Instead, the asset allocation of each Portfolio remains fixed over time. The Fixed Asset Allocation Portfolios consist of five (5) multi-Fund Portfolios, which invest in multiple Funds, and one (1) single-Fund Portfolio, which invests in a single Fund, as follows:

**Multi-Fund Portfolios:**
- Aggressive Growth Portfolio
- Growth Portfolio
- Moderate Growth Portfolio
- Conservative Growth Portfolio
- Income Portfolio

**Single-Fund Portfolio:**
- Interest Accumulation Portfolio

Savings Portfolio

Similar to the Fixed Asset Allocation Portfolios, the types and composition of investments held by the Savings Portfolio remains fixed over time. The Savings Portfolio invests 100% of its assets in an omnibus savings account insured by the FDIC (up to certain limits) and held in trust by the Board at Sallie Mae Bank. See **Portfolio Profiles – Savings Portfolio** beginning on page 28.

Asset Allocation Table

The chart on page 22 describes the composition of the Portfolios within each Age-Based Option, the Fixed Asset Allocation Portfolios and the Savings Portfolio. For details on the investment objectives, strategies and risks of each of the Portfolios and the underlying Funds, refer to **Part III. Plan Investment Options — Portfolio Profiles** starting on page 23 and **Part III. Plan Investment Options — Certain Fund Profiles** starting on page 29, respectively.
### Asset Allocation Table

<table>
<thead>
<tr>
<th>Age</th>
<th>Aggressive Age-Based Option</th>
<th>Moderate Age-Based Option</th>
<th>Conservative Age-Based Option</th>
<th>Fixed Asset Allocation Portfolios</th>
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</table>

**Fixed Asset Allocation Portfolios**

- **Aggressive Growth Portfolio**: Equity 60%, Bonds 40%
- **Growth Portfolio**: Equity 45%, Bonds 30%, Cash 17.5%, Cash Equivalent 7.5%
- **Moderate Growth Portfolio**: Equity 30%, Bonds 20%, Cash 35%, Cash Equivalent 15%
- **Conservative Growth Portfolio**: Equity 15%, Bonds 10%, Cash 52.5%, Cash Equivalent 22.5%
- **Income Portfolio**: Equity 34.5%, Bonds 22.5%, Cash 18%, Cash Equivalent 25%
- **Interest Accumulation Portfolio**: 100%

**Savings Portfolio**

- Savings Portfolio: 100%
Portfolio Profiles

The following discussion highlights key aspects of each of the Portfolios in IDeal. Each Portfolio profile references investment risks that apply to the Portfolio’s underlying investments. For a discussion of those risks, see Explanation of the Risk Factors of the Portfolios and the Funds beginning on page 31.

Aggressive Growth Portfolio

**Investment Objective**
The Portfolio seeks to provide capital appreciation.

**Investment Strategy**
The Portfolio invests in two Vanguard stock index funds according to a formula that results in an allocation of 100% of its assets in stocks. The percentages of the Portfolio’s assets allocated to each Fund are:

- Vanguard Total Stock Market Index Fund: 60%
- Vanguard Total International Stock Index Fund: 40%

Through its ownership of the two stock funds, the Portfolio indirectly owns primarily large-capitalization and, to a lesser extent, mid-, small-, and micro-capitalization U.S. stocks, and international stocks.

**Investment Risks**
Because it invests entirely in stock funds, the Portfolio primarily is subject to stock market risk, country/regional risk, currency risk, and emerging markets risk. The Portfolio also has low levels of index sampling risk and derivatives risk. For a description of these risks, see Explanation of the Risk Factors of the Portfolios and Funds starting on page 31.

Blended Growth Portfolio

**This Portfolio is only available within the Age-Based Options and not as a stand-alone Portfolio.**

**Investment Objective**
The Portfolio seeks to provide capital appreciation and moderate current income.

**Investment Strategy**
The Portfolio invests in two Vanguard stock index funds and two Vanguard bond index funds, resulting in an allocation of 62.5% of its assets to stocks and 37.5% of its assets to investment-grade bonds. The percentages of the Portfolio’s assets allocated to each Fund are:

- Vanguard Total Stock Market Index Fund: 37.5%
- Vanguard Total International Stock Index Fund: 25%
- Vanguard Total Bond Market II Index Fund: 26.25%
- Vanguard Total International Bond Index Fund: 11.25%

Through its ownership of the two stock funds, the Portfolio indirectly owns primarily large-capitalization and, to a lesser extent, mid-, small-, and micro-capitalization U.S. stocks, and international stocks. Through its ownership of Vanguard Total Bond Market II Index Fund, the Portfolio indirectly holds a mix of bonds—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—that represent a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than 1 year. The Fund maintains a dollar-weighted average consistent with that of the Barclays U.S. Aggregate Float Adjusted Index, which generally ranges between 5 and 10 years.

Through its ownership of Vanguard Total International Bond Index Fund, the Portfolio also indirectly owns government, government agency, corporate, and securitized non-U.S. investment-grade fixed income investments, all issued in currencies other than the U.S. dollar and with maturities of more than 1 year. To minimize currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar, the Fund attempts to hedge its currency exposures.

**Investment Risks**
Because it invests mainly in stock funds, the Portfolio primarily is subject to stock market risk. Through its bond fund holdings, the Portfolio has low to moderate levels of interest rate risk, credit risk, income risk, call risk, prepayment risk, and extension risk. The Portfolio also has low to moderate levels of country/regional risk, currency risk, and emerging markets risk, and low levels of currency hedging risk, nondiversification risk, index sampling risk, and derivatives risk. For a description of these risks, see Explanation of the Risk Factors of the Portfolios and Funds starting on page 31.
**Blended Income Portfolio**

This Portfolio is only available within the Age-Based Options and not as a stand-alone Portfolio.

**Investment Objective**

The Portfolio seeks to provide current income and low capital appreciation.

**Investment Strategy**

The Portfolio invests in two Vanguard stock index funds and two Vanguard bond index funds, resulting in an allocation of 12.5% of its assets to stocks and 87.5% of its assets to investment-grade bonds. The percentages of the Portfolio’s assets allocated to each Fund are:

- **Vanguard Total Stock Market Index Fund**: 7.5%
- **Vanguard Total International Stock Index Fund**: 5%
- **Vanguard Total Bond Market II Index Fund**: 61.25%
- **Vanguard Total International Bond Index Fund**: 26.25%

Through its ownership of the two stock funds, the Portfolio indirectly owns primarily large-capitalization and, to a lesser extent, mid-, small-, and micro-capitalization U.S. stocks, and international stocks. Through its ownership of Vanguard Total Bond Market II Index Fund, the Portfolio indirectly holds a mix of bonds—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—that represent a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than 1 year. The Fund maintains a dollar-weighted average consistent with that of the Barclays U.S. Aggregate Float Adjusted Index, which generally ranges between 5 and 10 years.

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**Investment Risks**

Because it invests mainly in bond funds, the Portfolio primarily is subject to low to moderate levels of interest rate risk, credit risk, income risk, call risk, prepayment risk, and extension risk. The Portfolio also has low to moderate levels of country/regional risk, currency hedging risk, and nondiversification risk, and low levels of manager risk, index sampling risk, and derivatives risk. For a description of these risks, see **Explanation of the Risk Factors of the Portfolios and Funds** starting on page 31.

**Conservative Growth Portfolio**

**Investment Objective**

The Portfolio seeks to provide current income and low to moderate capital appreciation.

**Investment Strategy**

The Portfolio invests in two Vanguard stock index funds and two Vanguard bond index funds, resulting in an allocation of 25% of its assets to stocks and 75% of its assets to investment-grade bonds. The percentages of the Portfolio’s assets allocated to each Fund are:

- **Vanguard Total Stock Market Index Fund**: 15%
- **Vanguard Total International Stock Index Fund**: 10%
- **Vanguard Total Bond Market II Index Fund**: 52.5%
- **Vanguard Total International Bond Index Fund**: 22.5%

Through its ownership of the two stock funds, the Portfolio indirectly owns primarily large-capitalization and, to a lesser extent, mid-, small-, and micro-capitalization U.S. stocks, and international stocks. Through its ownership of Vanguard Total Bond Market II Index Fund, the Portfolio indirectly holds a mix of bonds—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—that represent a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than 1 year. The Fund maintains a dollar-weighted average consistent with that of the Barclays U.S. Aggregate Float Adjusted Index, which generally ranges between 5 and 10 years.

Through its ownership of Vanguard Total International Bond Index Fund, the Portfolio also indirectly owns government, government agency, corporate, and securitized non-U.S. investment-grade fixed income investments, all issued in currencies other than the U.S. dollar and with maturities of more than 1 year. To minimize currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar, the Fund attempts to hedge its currency exposures.

**Investment Risks**

Because it invests mainly in bond funds, the Portfolio primarily is subject to low to moderate levels of interest rate risk, credit risk, income risk, call risk, prepayment risk, and extension risk. The Portfolio also has low to moderate levels of stock market risk, country/regional risk, currency hedging risk, and nondiversification risk, and low levels of currency risk, emerging markets risk, index sampling risk, and derivatives risk. For a description of these risks, see **Explanation of the Risk Factors of the Portfolios and Funds** starting on page 31.
Growth Portfolio

**Investment Objective**
The Portfolio seeks to provide capital appreciation and low to moderate current income.

**Investment Strategy**
The Portfolio invests in two Vanguard stock index funds and two Vanguard bond index funds, resulting in an allocation of 75% of its assets to stocks and 25% of its assets to investment-grade bonds. The percentages of the Portfolio’s assets allocated to each Fund are:

- Vanguard Total Stock Market Index Fund: 45%
- Vanguard Total International Stock Index Fund: 30%
- Vanguard Total Bond Market II Index Fund: 17.5%
- Vanguard Total International Bond Index Fund: 7.5%

Through its ownership of the two stock funds, the Portfolio indirectly owns primarily large-capitalization and, to a lesser extent, mid-, small-, and micro-capitalization U.S. stocks, and international stocks. Through its ownership of Vanguard Total Bond Market II Index Fund, the Portfolio indirectly holds a mix of bonds—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—that represent a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than 1 year. The Fund maintains a dollar-weighted average consistent with that of the Barclays U.S. Aggregate Float Adjusted Index, which generally ranges between 5 and 10 years.

Through its ownership of Vanguard Total International Bond Index Fund, the Portfolio also indirectly owns government, government agency, corporate, and securitized non-U.S. investment-grade fixed income investments, all issued in currencies other than the U.S. dollar and with maturities of more than 1 year. To minimize currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar, the Fund attempts to hedge its currency exposures.

**Investment Risks**
Because it invests mainly in stock funds, the Portfolio primarily is subject to stock market risk. Through its bond Fund holdings, the Portfolio has low to moderate levels of interest rate risk, credit risk, income risk, call risk, prepayment risk, and extension risk. The Portfolio also has low to moderate levels of country/regional risk, currency risk, and emerging markets risk, and low levels of currency hedging risk, nondiversification risk, index sampling risk, and derivatives risk. For a description of these risks, see *Explanation of the Risk Factors of the Portfolios and Funds* starting on page 31.

Income Portfolio

**Investment Objective**
The Portfolio seeks to provide current income.

**Investment Strategy**
The Portfolio invests in three Vanguard bond funds and one Vanguard short-term reserves account, resulting in an allocation of 75% of assets to investment-grade bonds and 25% of assets to short-term investments. The percentages of the Portfolio’s assets allocated to each Fund are:

- Vanguard Total Bond Market II Index Fund: 34.5%
- Vanguard Total International Bond Index Fund: 22.5%
- Vanguard Short-Term Inflation-Protected Securities Fund: 18%
- Vanguard Short-Term Reserves Account: 25%

Through its ownership of Vanguard Total Bond Market II Index Fund, the Portfolio indirectly holds a broadly diversified collection of securities that, in the aggregate, approximates the Barclays U.S. Aggregate Float Adjusted Index in terms of key risk factors and other characteristics. The Index measures a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage backed securities and asset-backed securities—all with maturities of more than 1 year. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its ownership of Vanguard Total International Bond Index Fund, the Portfolio indirectly holds government, government agency, corporate, and securitized non-U.S. investment-grade fixed income investments, all issued in currencies other than the U.S. dollar and with maturities of more than 1 year. To minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar, the fund attempts to hedge its currency exposures.

Through its ownership of Vanguard Short-Term Inflation-Protected Securities Index Fund, the Portfolio indirectly holds inflation protected public obligations issued by the U.S. Treasury with remaining maturities of less than 5 years. The Fund maintains a dollar-weighted average maturity consistent with that of its target index, which generally does not exceed three years.

Through its ownership of Vanguard Short-Term Reserves Account, the Portfolio indirectly invests in traditional and separate account funding agreements issued by one or more insurance companies, synthetic investment contracts (“SICs”), and shares of Vanguard Federal Money Market Fund. Funding agreements are interest-bearing contracts that are structured to preserve principal and accumulate interest earnings over the life of the investment. Traditional funding agreements may pay interest at a fixed minimum rate and have fixed maturity dates that normally range from 2 to 5 years. The likelihood of timely payment of principal and interest under a traditional funding agreement is a direct reflection of the claims-paying ability of the issuing insurer. Under separate account funding agreements, the insurer holds a portfolio of fixed income securities for the benefit of the funding agreements backed by the separate account and returns will vary based on the performance of the assets in the separate account. SICs are arrangements in which the Trust Fund, not the insurer, owns a fixed-income security or portfolio of securities and an insurance company or other financial institution provides a benefit-responsive guarantee.
Vanguard Federal Money Market Fund invests in high-quality securities issued by the U.S. government and its agencies and instrumentalities. For more information about Vanguard Short-Term Reserves Account, please see the Vanguard Interest Accumulation Portfolio profile.

**Investment Risks**

Because it invests mainly in bond funds, the Portfolio primarily is subject to low to moderate levels of interest rate risk, credit risk, income risk, call risk, and prepayment risk. The Portfolio also has a moderate level of income fluctuation risk, low to moderate levels of currency hedging risk, country/regional risk, and nondiversification risk, and low levels of manager risk, index sampling risk, and derivatives risk. For a description of these risks, see Explanation of the Risk Factors of the Portfolios and Funds starting on page 31.

**Interest Accumulation Portfolio**

**Investment Objective**

The Portfolio seeks income consistent with the preservation of principal.

**Investment Strategy**

The Portfolio directs all of its assets into Vanguard Short-Term Reserves Account, through which the Portfolio owns funding agreements (traditional and separate account), synthetic investment contracts (SICs), and shares of Vanguard Federal Money Market Fund. Funding agreements and synthetic investment contracts are interest-bearing contracts that are structured to preserve principal and accumulate interest earnings over the life of the investment. Traditional funding agreements generally pay interest at a fixed interest rate and have fixed maturity dates that normally range from 2 to 5 years. Separate account funding agreements and synthetic investment contracts pay a variable interest rate and have an average duration range between 2 and 5 years. Investments in either new funding agreements or synthetic investment contracts are based upon available liquidity in the Portfolio, and the competitiveness of offered yields, based on market conditions and trends. The Short-Term Reserves Account also purchases shares of the Federal Money Market Fund to meet normal liquidity needs.

The total amount invested in the Federal Money Market Fund is expected to range between 0% and 25%. The Federal Money Market Fund invests in high-quality, short-term money market instruments issued by the U.S. government and its agencies and instrumentalities. To be considered high-quality, a security generally must be rated in one of the two highest credit-quality categories for short-term securities by at least two nationally recognized rating services (or by one, if only one rating service has rated the security). The Federal Money Market Fund maintains a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life of 120 days or less.

The performance of the Interest Accumulation Portfolio will reflect the blended earnings of the funding agreements, synthetic investment contracts, and Federal Money Market Fund shares held by the Portfolio (minus the Portfolio’s expenses).

The Portfolio has a longer average maturity than money market funds, which should result in higher yields when interest rates are stable or declining. However, because only a portion of the Portfolio’s investment matures each year, its yield will change more slowly than that of a money market fund. As a result, when interest rates are rising, the Portfolio’s yield may fall below money market funds’ yields for an extended time period. The Portfolio may, from time to time, invest all or a significant portion of its assets in the Federal Money Market Fund.

**Note:** Vanguard Income Portfolio and Vanguard Interest Accumulation Portfolio both invest in Vanguard Short-Term Reserves Account, which, in turn, invests in Vanguard Federal Money Market Fund. Vanguard Short-Term Reserves Account’s investment in Vanguard Federal Money Market Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of the investment at $1 per share, it is possible that Vanguard Short-Term Reserves Account may lose money by investing in the Fund.

**Investment Risks**

The Portfolio primarily is subject to inflation risk, income risk, manager risk, and credit risk. It also has low levels of derivatives risk. For a description of these risks, see Explanation of the Risk Factors of the Portfolios and Funds starting on page 31.

Traditional funding agreements are backed by the financial strength of the insurance companies that issue the contracts. Every effort is made to select high-quality insurance companies. However, the Portfolio may lose value if an insurance company is unable to make interest or principal payments when due.

Separate account funding agreements and synthetic investment contracts (SICs) are issued by banks, insurance companies, and other issuers, and are designed to provide a stable asset value. However, unlike traditional funding agreements, they are supported by a diversified portfolio of high-quality fixed income assets and mutual funds as well as the financial strength of the issuing institution. Returns earned vary with the performance of the underlying fixed income assets or mutual funds. Synthetic investment contracts are also called alternative investment contracts or wrapped bond contracts.
Moderate Growth Portfolio

**Investment Objective**
The Portfolio seeks to provide capital appreciation and current income.

**Investment Strategy**
The Portfolio invests in two Vanguard stock index funds and two Vanguard bond index funds, resulting in an allocation of 50% of its assets to stocks and 50% of its assets to investment-grade bonds. The percentages of the Portfolio’s assets allocated to each Fund are:

- Vanguard Total Stock Market Index Fund: 30%
- Vanguard Total International Stock Index Fund: 20%
- Vanguard Total Bond Market II Index Fund: 35%
- Vanguard Total International Bond Index Fund: 15%

Through its ownership of the two stock funds, the Portfolio indirectly owns primarily large-capitalization and, to a lesser extent, mid-, small-, and micro-capitalization U.S. stocks, and international stocks. Through its ownership of Vanguard Total Bond Market II Index Fund, the Portfolio indirectly holds a mix of bonds—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—that represent a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than 1 year. The Fund maintains a dollar-weighted average consistent with that of the Barclays U.S. Aggregate Float Adjusted Index, which generally ranges between 5 and 10 years.

Through its ownership of Vanguard Total International Bond Index Fund, the Portfolio also indirectly owns government, government agency, corporate, and securitized non-U.S. investment-grade fixed income investments, all issued in currencies other than the U.S. dollar and with maturities of more than 1 year. To minimize currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar, the Fund attempts to hedge its currency exposures.

**Investment Risks**
Because it invests mainly in stock funds, the Portfolio primarily is subject to stock market risk. Through its bond fund holdings, the Portfolio has low to moderate levels of interest rate risk, credit risk, income risk, call risk, prepayment risk, and extension risk. The Portfolio also has low to moderate levels of country/regional risk, currency risk, and emerging markets risk, and low levels of currency hedging risk, nondiversification risk, index sampling risk, and derivatives risk. For a description of these risks, see Explanation of the Risk Factors of the Portfolios and Funds starting on page 31.

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Moderately Aggressive Growth Portfolio

**This Portfolio is only available within the Age-Based Options and not as a stand-alone Portfolio.**

**Investment Objective**
The Portfolio seeks to provide capital appreciation and low current income.

**Investment Strategy**
The Portfolio invests in two Vanguard stock index funds and two Vanguard bond index funds, resulting in an allocation of 87.5% of its assets to stocks and 12.5% of its assets to investment-grade bonds. The percentages of the Portfolio’s assets allocated to each Fund are:

- Vanguard Total Stock Market Index Fund: 52.5%
- Vanguard Total International Stock Index Fund: 35%
- Vanguard Total Bond Market II Index Fund: 8.75%
- Vanguard Total International Bond Index Fund: 3.75%

Through its ownership of the two stock funds, the Portfolio indirectly owns primarily large-capitalization and, to a lesser extent, mid-, small-, and micro-capitalization U.S. stocks, and international stocks. Through its ownership of Vanguard Total Bond Market II Index Fund, the Portfolio indirectly holds a mix of bonds—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—that represent a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than 1 year. The Fund maintains a dollar-weighted average consistent with that of the Barclays U.S. Aggregate Float Adjusted Index, which generally ranges between 5 and 10 years.

Through its ownership of Vanguard Total International Bond Index Fund, the Portfolio also indirectly owns government, government agency, corporate, and securitized non-U.S. investment-grade fixed income investments, all issued in currencies other than the U.S. dollar and with maturities of more than 1 year. To minimize currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar, the Fund attempts to hedge its currency exposures.

**Investment Risks**
Because it invests mainly in stock funds, the Portfolio primarily is subject to stock market risk. Through its bond fund holdings, the Portfolio has low to moderate levels of interest rate risk, credit risk, income risk, call risk, prepayment risk, and extension risk. The Portfolio also has moderate levels of country/regional risk, currency risk, and emerging markets risk, and low levels of currency hedging risk, nondiversification risk, index sampling risk, and derivatives risk. For a description of these risks, see Explanation of the Risk Factors of the Portfolios and Funds starting on page 31.
Moderately Conservative Growth Portfolio

This Portfolio is only available within the Age-Based Options and not as a stand-alone Portfolio.

Investment Objective
The Portfolio seeks to provide current income and moderate capital appreciation.

Investment Strategy
The Portfolio invests in two Vanguard stock index funds and two Vanguard bond index funds, resulting in an allocation of 37.5% of its assets to stocks and 62.5% of its assets to investment-grade bonds. The percentages of the Portfolio’s assets allocated to each Fund are:

- Vanguard Total Stock Market Index Fund: 22.5%
- Vanguard Total International Stock Index Fund: 15%
- Vanguard Total Bond Market II Index Fund: 43.75%
- Vanguard Total International Bond Index Fund: 18.75%

Through its ownership of the two stock funds, the Portfolio indirectly owns primarily large-capitalization and, to a lesser extent, mid-, small-, and micro-capitalization U.S. stocks, and international stocks. Through its ownership of Vanguard Total Bond Market II Index Fund, the Portfolio indirectly holds a mix of bonds—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—that represent a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States, all with maturities of more than 1 year. The Fund maintains a dollar-weighted average consistent with that of the Barclays U.S. Aggregate Float Adjusted Index, which generally ranges between 5 and 10 years.

Through its ownership of Vanguard Total International Bond Index Fund, the Portfolio also indirectly owns government, government agency, corporate, and securitized non-U.S. investment-grade fixed income investments, all issued in currencies other than the U.S. dollar and with maturities of more than 1 year. To minimize currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar, the Fund attempts to hedge its currency exposures.

Investment Risks
Because it invests mainly in bond funds, the Portfolio primarily is subject to low to moderate levels of interest rate risk, credit risk, income risk, call risk, prepayment risk, and extension risk. The Portfolio also has low to moderate levels of country/regional risk, currency risk, emerging markets risk, currency hedging risk, and nondiversification risk, and low levels of index sampling risk, and derivatives risk. For a description of these risks, see Explanation of the Risk Factors of the Portfolios and Funds starting on page 31.

Savings Portfolio

Investment Objective
The Portfolio seeks income consistent with the preservation of principal.

Investment Strategy
The Portfolio invests 100% of its assets in the HYSA. The HYSA is held in an omnibus savings account insured by the FDIC, which is held in trust by Sallie Mae Bank.

Investments in the Savings Portfolio earn a varying rate of interest. Interest earned on the HYSA will be compounded daily, based on the actual number of days in a year (typically, 365/365 and 366/366 in leap years) and will be credited to the HYSA on a monthly basis. The interest rate is expressed as an Annual Percentage Yield (“APY”). The HYSA APY will be reviewed by Sallie Mae Bank on a periodic basis and may be recalculated as needed at any time. To see the current Savings Portfolio APY, please visit www.id saves.org or call 1-866-433-2533.

Investments in the Savings Portfolio are pooled into the FDIC-insured omnibus savings account held in trust by the Board at Sallie Mae Bank. Subject to the application of Sallie Mae Bank and FDIC rules and regulations to each Account Owner, funds in the Savings Portfolio will retain their value as described below under FDIC Insurance.

FDIC Insurance
Except for the Savings Portfolio, investments in IDeal are not insured by the FDIC.

FDIC insurance is provided for the Savings Portfolio only, which invests in an FDIC-insured omnibus savings account held in trust by the Board at Sallie Mae Bank. Contributions to and earnings on the investments in the Savings Portfolio are insured by the FDIC on a pass-through basis to each Account Owner up to $250,000, the maximum amount set by federal law. The amount of FDIC insurance provided to an Account Owner is based on the total of: (a) the value of an Account Owner’s investment in the Savings Portfolio, and (b) the value of all other accounts held by the Account Owner at Sallie Mae Bank, as determined by Sallie Mae Bank and FDIC regulations. Plan Officials are not responsible for determining how an Account Owner’s investment in the Savings Portfolio will be aggregated with other accounts held by the Account Owner at Sallie Mae Bank for purposes of the FDIC insurance.

No Other Guarantees
There is no other insurance and there are no other guarantees for the Savings Portfolio. Therefore, like all of the Portfolios, neither your contributions into the Savings Portfolio nor any investment return earned on your contributions are guaranteed by Plan Officials. In addition, the Savings Portfolio does not provide a guarantee of any level of performance or return.

Investment Risks
To the extent that FDIC insurance applies, the Portfolio is primarily subject to income risk. For a description of this risk, see Explanation of the Risk Factors of the Portfolios and Funds starting on page 31.
Certain Fund Profiles

Below are the investment profiles for each of the Funds, except for the Vanguard Short-Term Reserves Account which is described above in the Interest Accumulation Portfolio.

Vanguard Total Stock Market Index Fund

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

Investment Strategy
Vanguard Total Stock Market Index Fund employs an indexing investment approach designed to track the performance of the Center for Research in Security Prices (CRSP®) US Total Market Index. The Index represents approximately 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-capitalization stocks regularly traded on the NYSE and Nasdaq. The Fund invests by sampling the Index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full index in terms of key characteristics. These key characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield.

Investment Risks
The Fund is subject to stock market risk and index sampling risk. For a description of these risks, see Explanation of the Risk Factors of the Portfolios and Funds starting on page 31.

Vanguard Short-Term Inflation-Protected Securities Index Fund

Investment Objective
The Fund seeks to track the performance of a benchmark index that measures the investment return of inflation-protected public obligations of the U.S. Treasury with remaining maturities of less than five years.

Investment Strategy
The Fund employs an indexing investment approach designed to track the performance of the Barclays U.S. Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index. The Index is a market-capitalization-weighted index that includes all inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than five years. The Fund attempts to replicate the target index by investing all, or substantially all, of its assets in the securities that make up the Index, holding each security in approximately the same proportion as its weighting in the Index. The Fund maintains a dollar-weighted average maturity consistent with that of the target index, which generally does not exceed three years. Vanguard Short-Term Inflation-Protected Securities Index Fund seeks to provide protection from inflation as measured by the Consumer Price Index. It is possible that the costs of higher education may increase at a rate that exceeds the rate of increase of the Consumer Price Index. There is no guarantee that the Fund will protect investors from the rising costs of higher education.

Investment Risks
The Fund is subject to income fluctuation risk, interest rate risk, and derivatives risk. For a description of these risks, see Explanation of the Risk Factors of the Portfolios and Funds starting on page 31.
**Vanguard Total International Stock Index Fund**

**Investment Objective**
The Fund seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in developed and emerging markets, excluding the United States.

**Investment Strategy**
Vanguard Total International Stock Index Fund employs an indexing investment approach designed to track the performance of the FTSE Global All Cap ex US Index, a free-float-adjusted market capitalization weighted index designed to measure equity market performance of companies located in developed and emerging markets, excluding the United States. The Index includes more than 5,550 stocks of companies located in 46 countries. The Fund invests all, or substantially all, of its assets in the common stocks included in its target index.

**Investment Risks**
The Fund is subject to **stock market risk**, **investment style risk**, **country/regional risk**, **currency risk**, and **emerging markets risk**. For a description of these risks, see *Explanation of the Risk Factors of the Portfolios and Funds* starting on page 31.

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**Vanguard Total Bond Market II Index Fund**

**Investment Objective**
The Fund seeks to track the performance of a broad, market-weighted bond index.

**Investment Strategy**
Vanguard Total Bond Market II Index Fund employs an indexing investment approach designed to track the performance of the Barclays U.S. Aggregate Float Adjusted Index. This Index represents a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—all with maturities of more than 1 year. The Fund invests by sampling the Index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full Index in terms of key risk factors and other characteristics. All of the Fund’s investments will be selected through the sampling process, and at least 80% of the Fund’s assets will be invested in bonds included in the Index.

**Investment Risks**
The Fund is subject to **interest rate risk**, **income risk**, **credit risk**, **call risk**, **country/regional risk**, **currency hedging risk**, **nondiversification risk**, and **index sampling risk**. For a description of these risks, see *Explanation of the Risk Factors of the Portfolios and Funds* starting on page 31.

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**Vanguard Total International Bond Index Fund**

**Investment Objective**
Vanguard Total International Bond Index Fund seeks to track the performance of a US dollar hedged benchmark index that measures the investment return of investment-grade bonds issued outside of the United States.

**Investment Strategy**
The Fund employs an indexing investment approach designed to track the performance of the Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Index includes government, government agency, corporate, and securitized non-U.S. investment-grade fixed income investments, all issued in currencies other than the U.S. dollar and with maturities of more than one year. The Index is capped, which means that its exposure to any particular bond issuer is limited to a maximum of 20%. Additionally, issuers that individually constitute 5% or more of the index may not constitute, in the aggregate, more than 48% of the index. If the Index, as constituted based on market weights would exceed the 20% or 48% limit, the excess is reallocated to bonds of other issuers represented in the Index. To minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar, the Fund will attempt to hedge its currency exposures. The Fund invests by sampling the Index, meaning that it holds a range of securities that, in the aggregate, approximates the full Index in terms of key risk factors and other characteristics. All of the Fund’s investments will be selected through the sampling process, and at least 80% of the Fund’s assets will be invested in bonds included in the Index.

**Investment Risks**
The Fund is subject to **interest rate risk**, **income risk**, **credit risk**, **call risk**, **country/regional risk**, **currency hedging risk**, **nondiversification risk**, and **index sampling risk**. For a description of these risks, see *Explanation of the Risk Factors of the Portfolios and Funds* starting on page 31.
Requesting additional information about the Funds

Your contributions to a Portfolio will be invested in one or more of the Funds. Please keep in mind that you will not own shares of the Funds. Instead, you will own interests in the Plan created and administered by the Board. Additional information about the investment strategies and risks of each Fund is available in its current prospectus and statement of additional information. You can request a copy of the current prospectus, the statement of additional information, or the most recent semiannual or annual report of any Fund by visiting Vanguard’s website at www.vanguard.com or by calling 1-866-734-4524.

Target indexes of certain Funds may change

Many of the Funds are Index Funds. Each Index Fund reserves the right to substitute a different index for the index it currently tracks. This could happen if the current index is discontinued, if the Index Fund’s agreement with the sponsor of its current index is terminated, or for any other reason determined in good faith by the Funds’ board of trustees. In any such instance, a substitute index would measure the same market segment as the current index.

Explanation of the Risk Factors of the Portfolios and the Funds

Call Risk. This is the risk that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupons or interest rates before their maturity dates. The Fund would then lose any potential price appreciation above the bond’s call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the Fund’s income.

Country/Regional Risk. This is the risk that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of securities issued by companies in foreign countries or regions. Because a Fund may invest a large portion of its assets in securities of companies located in any one country or region, including emerging markets, its performance may be hurt disproportionately by the poor performance of its investments in that area.

Credit Risk. This is the risk that an issuer of a security owned by a Fund will fail to pay principal or interest in a timely manner, or that negative perceptions of the issuer’s ability to make such payments will cause the price of that security to decline.

Currency Risk. This is the risk that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates.

Currency Hedging Risk. This is the risk that the currency hedging transactions entered into by the Vanguard Total International Bond Index Fund may not perfectly offset its foreign currency exposures. Vanguard Total International Bond Index Fund seeks to mimic the performance of foreign bonds without regard to currency exchange rate fluctuations. To accomplish this goal, the Vanguard Total International Bond Index Fund attempts to offset, or hedge, its foreign currency exposures by entering into currency hedging transactions. However, because it generally is not possible to perfectly hedge the exposures, the Vanguard Total International Bond Index Fund may decline in value if it underhedges or overhedges in certain circumstances. Also, the Vanguard Total International Bond Index Fund will incur expenses to hedge its foreign currency exposures.

Derivatives Risk. Each of the Funds may invest, to a limited extent, in derivatives. Generally speaking, a derivative is a financial contract whose value is based on the value of a financial asset (such as a stock, bond, or currency), a physical asset (such as gold, oil, or wheat), or a market index (such as the S&P 500 Index). Investments in derivatives may subject the Funds to risks different from, and possibly greater than, those of the underlying securities, assets, or market indexes. The Funds will not use derivatives for speculation or for the purpose of leveraging (magnifying) investment returns.

Emerging Markets Risk. This is the risk that the stocks of companies located in emerging markets will be substantially more volatile, and substantially less liquid, than the stocks of companies located in more developed foreign markets.

Extension Risk. This is the risk that during periods of rising interest rates, certain debt obligations will be paid off substantially more slowly than originally anticipated, and the value of the those securities may fall. For Funds that invest in mortgage-backed securities, extension risk is the risk that during periods of rising interest rates, homeowners will prepay their mortgages at slower rates.

Income Fluctuation Risk. This is the risk that a Fund’s quarterly income distributions are likely to fluctuate considerably more than the income distributions of a typical bond fund. For Vanguard Inflation-Protected Securities Fund, income fluctuations associated with changes in interest rates are expected to be low; however, income fluctuations associated with changes in inflation rates are expected to be high.

Income Risk. This is the risk that the Fund’s income will decline because of falling interest rates. Income risk is generally high for short-term bond funds and low for long-term bond funds.

Index Sampling Risk. This is the risk that the securities selected for a Fund using the sampling method of indexing will not, in the aggregate, provide investment performance matching that of the Fund’s target index.

Interest Rate Risk. This is the risk that bond prices overall will decline because of rising interest rates. Interest rate risk should be high for long-term bond funds and low for short-term bond funds.

Investment Style Risk. This is the risk that returns from the types of stocks in which an Underlying Fund invests will trail returns from the overall stock market. Specific types of stocks (for instance, small-, mid-, or large-capitalization stocks) tend to go through cycles of doing better—or worse—than the stock market in general. These periods have, in the past, lasted for as long as several years.

Manager Risk. This is the risk that poor security selection or focus on securities in a particular sector, category, or group of companies will cause a Fund to underperform relevant benchmarks or other funds with a similar investment objective.

Nondiversification Risk. This is the risk that Vanguard Total International Bond Index Fund’s performance may be hurt disproportionately by the poor performance of bonds issued by just a few or even a single issuer. The Vanguard Total International Bond Index Fund is considered nondiversified, which means that it
may invest a significant percentage of its assets in bonds issued by a small number of issuers.

**Prepayment Risk.** This is the risk that during periods of falling interest rates, homeowners will refinance their mortgages before their maturity dates, resulting in prepayment of mortgage-backed securities held by a Fund. The Fund would then lose any price appreciation above the mortgage’s principal and would be forced to reinvest the unanticipated proceeds and lower interest rates, resulting in a decline in the Fund’s income.

**Stock Market Risk.** This is the risk that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. A Fund’s target index may, at times, become focused in stocks of a particular sector, category, or group of companies.

**Portfolio Performance**

The following table shows how the performance of the Portfolios has varied over the periods indicated. The performance data includes each Portfolio’s asset-based fee but does not include other charges associated with an investment in the Plan. See Part IV, Fees and Expenses on page 33. If you are invested in an Age-Based Option, the assets in the Portfolio in which you are currently invested (“Current Portfolio”) will automatically transfer to other Portfolios as the Beneficiary ages. Accordingly, the assets in your Current Portfolio may not have been invested in the Current Portfolio for all or a portion of the period reported in the performance table shown below. Thus, your personal performance may be different than the performance for a Portfolio as shown below. Also, keep in mind that the performance of the Portfolios will differ from the performance of the Funds. This is due primarily to differences in expense ratios and differences in the Trade Dates of Portfolio purchases.

Because the Portfolios have higher expense ratios than the Funds, over comparable periods of time, all other things being equal, a Portfolio would have lower performance than its comparable Fund. (However, the Funds do not offer the same tax advantages as the Portfolios.) Performance differences also are caused by differences in the Trade Dates of Portfolio purchases. When you invest money in a Portfolio, you will receive Portfolio Units as of the Trade Date noted in Part VI, Contributions — Pricing of Portfolio Units on page 42. The Portfolio will use your money to purchase shares of a Fund. However, the Trade Date for the Portfolio’s purchase of Fund shares typically will be one (1) business day after the Trade Date for your purchase of Portfolio Units. Depending on the amount of cash flow into or out of the Portfolio and whether the Fund is going up or down in value, this timing difference may cause the Portfolio’s performance either to trail or exceed the Fund’s performance.

The performance data shown below represents past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so Account Owners’ Portfolio Units, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit www.idsaves.org.

### AVERAGE ANNUAL TOTAL RETURNS AS OF MARCH 31, 2016

<table>
<thead>
<tr>
<th>Investment Options</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>Since Inception</th>
<th>Inception Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggressive Growth Portfolio</td>
<td>-3.57%</td>
<td>7.22%</td>
<td>7.11%</td>
<td>3.43%</td>
<td>12/7/2007</td>
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<tr>
<td>Growth Portfolio</td>
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<td>6.00%</td>
<td>6.31%</td>
<td>3.92%</td>
<td>12/7/2007</td>
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<tr>
<td>Moderate Growth Portfolio</td>
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<td>5.42%</td>
<td>4.18%</td>
<td>12/7/2007</td>
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<tr>
<td>Conservative Growth Portfolio</td>
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<td>3.32%</td>
<td>4.28%</td>
<td>4.16%</td>
<td>12/7/2007</td>
</tr>
<tr>
<td>Income Portfolio</td>
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<td>0.38%</td>
<td>1.95%</td>
<td>2.70%</td>
<td>12/7/2007</td>
</tr>
<tr>
<td>Money Market Portfolio</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.31%</td>
<td>12/7/2007</td>
</tr>
<tr>
<td>Savings Portfolio</td>
<td>0.59%</td>
<td>0.56%</td>
<td>-</td>
<td>0.57%</td>
<td>11/30/2011</td>
</tr>
</tbody>
</table>
Part IV. Fees and Expenses

The Board has established Fees and other payments relating to IDeal, which it may change from time to time. Any changes to the Fees will be included in any subsequent Disclosure Statements or supplements. The Fees are described below and illustrated in the following tables.

**Total Annual Asset-Based Plan Fee**

Each Portfolio has a Total Annual Asset-Based Plan Fee of 0.51% of the value of the Portfolio, except for the Savings Portfolio, which has a total Annual Asset-Based Plan Fee of 0.34% of the value of the Portfolio. This Fee, called the Total Annual Asset-Based Plan Fee, consists of a “Manager Fee”, “State Fee” and “Estimated Fund Expenses”, which are deducted from the assets in each Portfolio. These fees include both administrative and investment management costs and the annual fees and expenses associated with the Funds in which each Portfolio held by your Account invests. As an Account Owner, you indirectly bear a pro-rata share of the Total Annual Asset-Based Plan Fee. This ultimately reduces the return you will receive from an investment in the Plan.

The Board, the Program Manager and the Investment Manager have agreed to a specific formula for the allocation among the parties of the total Annual Asset-Based Plan Fee. The Total Annual Asset-Based Plan Fee is distributed as follows:

**Manager Fee**

The Program Manager receives the Manager Fee for administration and management of IDeal. The Program Manager pays the Investment Manager a portion of the Manager Fee for its services to the Portfolios. It is intended that the Manager Fee will provide all income to the Program Manager and the Investment Manager necessary to cover the expenses of administering and managing IDeal.

**State Fee**

Each Portfolio is subject to a State Fee equal to 0.05% of Portfolio assets payable to the Board to offset expenses related to oversight and administration of the Plan. This fee is accrued daily and is factored into the Portfolio’s Unit Value.

**Estimated Fund Expenses**

Each Portfolio indirectly bears a pro-rata share of the fees and expenses of the Funds in which it invests. The following table shows the estimated Fund expenses for each Portfolio. A Fund’s expense ratio represents the total annual operating expenses (“Underlying Fund Expenses”) of the Fund expressed as a percentage of its average daily net assets. Expenses for multiple-fund Portfolios are based on a weighted average of each Fund’s annualized expense ratio, in accordance with the Portfolios actual asset allocations among the applicable Funds. The estimated Fund expenses are subject to fluctuation based on changes in the Underlying Fund Expenses.

**Annual Account Fee**

An Annual Account Fee of $20 is charged if neither the Account Owner nor your Beneficiary is an Idaho Resident. The Program Manager receives this Fee, which is generally charged during the month of the first anniversary in which the Account has been opened and annually thereafter. A prorated $5 per quarter Fee may be charged at the time of a full withdrawal of funds from the Account prior to the Account anniversary month.

**Fee Structure Table**

The following table describes the total fees charged to each Portfolio in IDeal. The annualized Manager Fee, State Fee and Estimated Fund Expenses added together equal the Total Annual Asset-Based Plan Fee. The Total Annual Asset-Based Plan Fee and the Annual Account Fee, if applicable, are the only fees for investing in IDeal. The Board may change the fees at any time without notice. If the fees are changed, this Disclosure Statement will be amended to reflect the change.
### FEE STRUCTURE TABLE
(as of May 16, 2016)

<table>
<thead>
<tr>
<th>Portfolios</th>
<th>Estimated Fund Expenses</th>
<th>Manager Fee</th>
<th>State Fee</th>
<th>Total Annual Asset-Based Plan Fee</th>
<th>Annual Account Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age-Based Options</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggressive Growth Portfolio</td>
<td>0.06%</td>
<td>0.40%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Moderately Aggressive Growth Portfolio*</td>
<td>0.06%</td>
<td>0.40%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Growth Portfolio</td>
<td>0.06%</td>
<td>0.40%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Blended Growth Portfolio*</td>
<td>0.06%</td>
<td>0.40%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Moderate Growth Portfolio</td>
<td>0.07%</td>
<td>0.39%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Moderately Conservative Growth Portfolio*</td>
<td>0.07%</td>
<td>0.39%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Conservative Growth Portfolio</td>
<td>0.07%</td>
<td>0.39%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Blended Income Portfolio*</td>
<td>0.07%</td>
<td>0.39%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Income Portfolio</td>
<td>0.08%</td>
<td>0.38%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Interest Accumulation Portfolio</td>
<td>0.11%</td>
<td>0.35%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td><strong>Fixed Asset Allocation Portfolios</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggressive Growth Portfolio</td>
<td>0.06%</td>
<td>0.40%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Growth Portfolio</td>
<td>0.06%</td>
<td>0.40%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Moderate Growth Portfolio</td>
<td>0.07%</td>
<td>0.39%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Conservative Growth Portfolio</td>
<td>0.07%</td>
<td>0.39%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Income Portfolio</td>
<td>0.08%</td>
<td>0.38%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td>Interest Accumulation Portfolio</td>
<td>0.11%</td>
<td>0.35%</td>
<td>0.05%</td>
<td>0.51%</td>
<td>$20</td>
</tr>
<tr>
<td><strong>Savings Portfolio</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Savings Portfolio</td>
<td>0.00%</td>
<td>0.29%</td>
<td>0.05%</td>
<td>0.34%</td>
<td>$20</td>
</tr>
</tbody>
</table>

* These Portfolios are only available within the Age-Based Options and are not available as stand-alone Portfolios.

1 Expressed as an annual percentage of the average daily net assets of each Portfolio.

2 Derived from each Fund’s most recent prospectus as of February 25, 2016. The Estimated Underlying Fund Expenses include investment advisory fees, administrative, and other expenses. Expenses for multiple-fund Portfolios represent a weighted average of the expenses of the Portfolio’s underlying Funds.

3 ABD and Vanguard have agreed to a specific formula for the allocation of the Manager Fee. The total amount of the Manager Fee and Estimated Fund Expenses for all Portfolios (except for the Savings Portfolio) is equal to 0.46%. The Manager Fee is subject to fluctuate up and down based on any changes to the Estimated Fund Expenses so that the total amount of the Manager Fee and Fund Expenses remains equal 0.46%.

4 The State Fee is used to offset expenses associated with administering iDeal.

5 This total is assessed against assets over the course of the year and includes the annualized Manager Fee and the annualized State Fee but does not include the Annual Account Fee. Please refer to the Table on page 35 that shows the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

6 The Annual Account Fee is charged to each Account if neither the Account Owner nor the Beneficiary is an Idaho Resident.
Service-Based and Other Fees

We reserve the right to charge the following service-based and other fees:

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Fee Amount*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returned Check</td>
<td>$30</td>
</tr>
<tr>
<td>Rejected Recurring Contribution</td>
<td>$30</td>
</tr>
<tr>
<td>Rejected EFT</td>
<td>$30</td>
</tr>
<tr>
<td>Priority Delivery**</td>
<td>$15 weekday</td>
</tr>
<tr>
<td></td>
<td>$25 Saturday</td>
</tr>
<tr>
<td>Electronic Payment to Schools (where available)**</td>
<td>$10</td>
</tr>
<tr>
<td>Outgoing Wires**</td>
<td>$5</td>
</tr>
<tr>
<td>Reissue of Disbursement Checks</td>
<td>$15</td>
</tr>
<tr>
<td>Request for Historical Statement</td>
<td>$10 per yearly statement</td>
</tr>
<tr>
<td>Rollover from the Plan</td>
<td>$20</td>
</tr>
</tbody>
</table>

* Subject to change without prior notice. All fees listed may be considered Non-Qualified Distributions. You should consult your tax advisor regarding calculating and reporting any tax liability as applicable.

** The Plan will report the fees (and other optional convenience fees as applicable) as distributions on Form 1099-Q.

We reserve the right to not reimburse fees charged by financial institutions for contributions made either via recurring contribution or EFT that are cancelled due to insufficient funds in the bank account from which the money is withdrawn.

Approximate Cost for a $10,000 Investment

The following tables compare the approximate cost of investing in the Plan over different periods of time. Your actual cost may be higher or lower. The table is based on the following assumptions:

- A $10,000 contribution is invested for the time periods shown.
- A 5% annually compounded rate of return on the amount invested throughout the period.
- The Account is redeemed at the end of the period shown to pay for Qualified Expenses.
- The table does not consider the impact of any potential state or federal taxes on contributions or withdrawals and does not consider any potential tax deduction that is offered.
- The Total Annual Asset-Based Plan Fee remains the same as that shown in the Fee Structure Table above. The actual Total Annual Asset-Based Plan Fee may be higher or lower.

<table>
<thead>
<tr>
<th></th>
<th>1 Year</th>
<th>3 Years</th>
<th>5 Years</th>
<th>10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age-Based Portfolios</td>
<td>$72</td>
<td>$223</td>
<td>$384</td>
<td>$835</td>
</tr>
<tr>
<td>Fixed Asset Allocation Portfolios</td>
<td>$72</td>
<td>$223</td>
<td>$384</td>
<td>$835</td>
</tr>
<tr>
<td>Savings Portfolio</td>
<td>$55</td>
<td>$169</td>
<td>$290</td>
<td>$627</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>1 Year</th>
<th>3 Years</th>
<th>5 Years</th>
<th>10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age-Based Portfolios</td>
<td>$52</td>
<td>$164</td>
<td>$285</td>
<td>$640</td>
</tr>
<tr>
<td>Fixed Asset Allocation Portfolios</td>
<td>$52</td>
<td>$164</td>
<td>$285</td>
<td>$640</td>
</tr>
<tr>
<td>Savings Portfolio</td>
<td>$35</td>
<td>$109</td>
<td>$191</td>
<td>$431</td>
</tr>
</tbody>
</table>
Part V. Risks of Investing In The Plan

You should carefully consider the information in this section, as well as the other information in the Disclosure Statement before making any decisions about opening an Account or making any contributions. The contents of the Disclosure Statement should not be construed as legal, financial, or tax advice. You should consult an attorney or a qualified financial or tax advisor with any legal, business, or tax questions you may have.

The Plan is an investment vehicle. Accounts in the Plan are subject to certain risks. In addition, certain Portfolios carry more and/or different risks than others. You should weigh such risks with the understanding that these risks could arise at any time during the life of your Account.

Principal and Returns Not Guaranteed

Neither your contributions to an Account nor any investment return earned on your contributions are guaranteed by the Plan Officials. Except to the extent of FDIC insurance available on the Savings Portfolio, you could lose money (including your contributions) or not make any money by investing in IDeal.

An investment in IDeal is not a bank deposit. Generally, investments in IDeal are not insured or guaranteed by the FDIC or any other government agency or by Plan Officials. As described in this document, FDIC insurance is provided on a pass-through basis for the Savings Portfolio. Relative to investing for retirement, the holding period for college investors is very short (i.e. 5-20 years versus 30-60 years). Also, the need for liquidity during the withdrawal phase (to pay for Qualified Expenses) generally is very important. You should strongly consider the level of risk you wish to assume and your investment time horizon prior to selecting an Investment Option.

Market Uncertainties

Due to market uncertainties, the overall market value of your Account is likely to be highly volatile and could be subject to wide fluctuations in response to factors such as regulatory or legislative changes, worldwide political uncertainties, and general economic conditions, including inflation and unemployment rates. All of these factors are beyond our control and may cause the value of your Account to decrease (realized or unrealized losses) regardless of our performance or any systematic investing on your part.

Limited Investment Direction; Liquidity

Investments in a Qualified Tuition Program are considered less liquid than other types of investments (e.g., investments in mutual fund shares) because the circumstances in which you may withdraw money from a Qualified Tuition Program account without a penalty or adverse tax consequences are significantly more limited. Once your Investment Option is selected for a particular contribution, Section 529 of the Code provides that you can move money or transfer from one Investment Option to another only up to two times per calendar year for the same Beneficiary. Any additional transfers within that calendar year will be treated as Non-Qualified Withdrawals and they will be subject to federal and any applicable state income taxes and the Federal Penalty Tax.

Equity Wash Rule

An Account Owner cannot transfer an Account, or any portion of an Account, directly from the Interest Accumulation Portfolio to an Investment Option that is considered a competing Investment Option. Competing Investment Options include money market funds or other investments that invest primarily or exclusively in money market instruments or certain fixed income investments. The competing Investment Option in the IDeal–Idaho College Savings Program is the Savings Portfolio.

Before an Account Owner may direct the transfer of an Account, or any portion of an Account, from the Interest Accumulation Portfolio to the Savings Portfolio, (or any other competing Investment option that may later be added to the Plan), the Account Owner must first direct the transfer to an Investment Option, other than a competing Investment Option, and wait at least 90 days. After 90 days, the Account Owner may then instruct the Program Manager to transfer the applicable amount to the Savings Portfolio or the competing Investment Option at the time.

Account Owners should note that moving allocations from the Interest Accumulation Portfolio to a noncompeting Investment Option for at least 90 days, and then to the desired competing Investment Option, will each count toward the limited number of times an Account Owner is permitted to direct changes in Investment Options for an Account within a calendar year.

Discretion of the Board; Potential Changes to the Plan

The Board has the sole discretion to determine which Investment Options will be available in IDeal. For example, the Board may change the Plan’s Fees and expenses; add, subtract, or merge Portfolios or Investment Options; close a Portfolio or Investment Option to new investors; or change the Program Manager, the Investment Manager, or the underlying investment(s) of a Portfolio. Depending on the nature of the change, you may be required to participate, or be prohibited from participating, in the change with respect to Accounts established before the change. A termination of the Plan may result in a Non-Qualified Withdrawal for which tax and penalties, including the Federal Penalty Tax, may be assessed.

If you established your Account prior to the time a change to the Plan is made available, you may be required to participate in such changes or may be prohibited (according to Section 529 regulations or other guidance issued by the IRS) from participating in the Plan changes, unless you open a new Account. In addition, the Board may terminate the Plan by giving written notice to you. If this happens, the funds in your Account will be distributed to...
Effect of Future Law Changes

It is possible that future changes in federal or state laws or court or interpretive rulings could adversely affect the terms and conditions of IDeal or the value of your Account, or the availability of state tax deductions, even retroactively. Specifically, IDeal is subject to the provisions of and any changes to or revocation of the Enabling Legislation. In addition, it is the Board’s intention to take advantage of Section 529 of the Code and therefore, IDeal is vulnerable to tax law changes or court or interpretive rulings that might alter the tax considerations described in Part IX. Federal and State Tax Treatment beginning on page 48.

Death of Account Owner

If a Successor Account Owner has not been named on an Account and the Account Owner dies, control and ownership of the Account will become subject to the estate laws of the state in which the Account Owner resided.

Eligibility for Financial Aid

In making decisions about eligibility for financial aid programs offered by the U.S. government and the amount of such aid required, the U.S. Department of Education takes into consideration a variety of factors, including but not limited to, the assets owned by the student (i.e., the Beneficiary) and the assets owned by the student’s parents. The U.S. Department of Education generally expects the student to spend a substantially larger portion of his or her own assets on educational expenses than the parents.

For federal financial aid purposes, Account assets will be considered (i) assets of a student’s parent, if the student is a dependent student and the owner of the Account is the parent or the student, or (ii) assets of the student, if the student is the owner of the Account and not a dependent student.

For purposes of financial aid programs offered by states, educational institutions and non-federal sources, the treatment of Account assets may follow or differ from the treatment described above for federal financial aid purposes. Account Owners and Beneficiaries are advised to consult a financial aid professional and/or the state or educational institution offering a particular financial aid program, to determine how assets held in an Account may affect eligibility for financial aid.

The federal and non-federal financial aid program treatment of assets in a 529 Plan are subject to change at any time. You should therefore check and periodically monitor the applicable laws
and other official guidance, as well as particular program and institutional rules and requirements to determine the impact of assets on your Account on eligibility under particular financial aid programs.

**No Indemnification**

The Plan, ABD, Vanguard and Sallie Mae Bank will not indemnify or reimburse any Account Owner or Beneficiary against losses or other claims arising from the official or unofficial acts, negligent or otherwise, of the Board or State employees.

**Education Savings and Investment Alternatives**

In addition to the Plan, there are other 529 Plans, including programs designed to provide prepaid tuition and certain other educational expenses, as well as other education savings and investment alternatives. These alternative programs may offer different investment vehicles, and may result in different tax and other consequences. They may have different eligibility requirements and other features, as well as fees and expenses that may be more or less than those charged by the Plan. You may want to consider all investment choices before establishing an Account.

**Medicaid and Other Federal and State Benefits**

The effect of an Account on eligibility for Medicaid or other state and federal benefits is uncertain. It is possible that an Account in the Plan may be viewed as a “countable resource” in determining an individual’s financial eligibility for Medicaid. Withdrawals from an Account during certain periods also may have the effect of delaying the disbursement of Medicaid payments. You should consult a qualified advisor to determine how a 529 Plan account may affect eligibility for Medicaid or other federal or state benefits.

**No Guarantee of Admittance**

Participation in the Plan does not guarantee or otherwise provide a commitment that the Beneficiary will be admitted to, be allowed to continue to attend, or receive a degree from any educational institution. Participation in the Plan also does not guarantee that a Beneficiary will be treated as a resident of any state for tuition or any other purpose.

**Differences between Performance of Portfolios and the Funds**

The performance of the Portfolios will differ from the performance of the Funds. This is due primarily to differences in expense ratios and differences in the Trade Dates of Portfolio purchases. Because the Portfolios and the Funds have different expense ratios, over comparable periods of time, all other things being equal, there will also be performance differences between the Portfolios and the Funds. Performance differences also are caused by differences in the Trade Dates of Portfolio purchases. When you invest money in a Portfolio, you will receive Units of the selected Portfolio as of the Trade Date. See Part VI. Contributions starting on page 39.

The Trust will use your money to purchase Funds to be held in the Portfolio you selected. However, the Trade Date for the Trust’s purchase of the Underlying Fund typically will be one (1) business day after the Trade Date for your purchase of Units of the selected Portfolio. Depending on the amount of cash flow into or out of the Portfolio and whether the Underlying Fund is going up or down in value, this timing difference will cause the Portfolio’s performance either to trail or exceed the Fund’s performance.

**Portfolio Investment Risk**

Accounts are subject to a variety of investment risks that will vary depending upon the particular Portfolio and the Funds of that Portfolio. See Part III. Plan Investment Options on page 20 for a summary of the investment objective and principal risks of each Fund. Please remember that the information is only a summary of the main risks of each Fund; please consult each Fund’s prospectus and statement of additional information for additional risks that apply to each Fund. You can request a copy of the current prospectus, statement of additional information, or the most recent semiannual or annual report of any Fund, by visiting Vanguard’s website at www.vanguard.com or by calling 1-866-734-4524. Vanguard has provided the Fund information in this Disclosure Statement.

**Tax Considerations**

The federal and state tax consequences associated with participating in IDeal can be complex. Any statements in this Disclosure Statement concerning U.S. tax issues: (i) are not offered as individual tax advice to any person, (ii) are provided only as general information in connection with the marketing of IDeal, and (iii) are not provided or intended to be used, and cannot be used by any taxpayer for the purpose of avoiding U.S. and state tax penalties. You should consult a tax advisor regarding the application of tax laws to your particular circumstances. If you live outside Idaho, you may also want to compare any college savings program offered by your state with IDeal.

**Securities Laws**

Units held by the Accounts in IDeal may be considered municipal fund securities. The Units will not be registered as securities with the SEC or any state securities regulator. In addition, the Portfolios will not be registered as investment companies under the Investment Company Act of 1940. Neither the SEC nor any state securities commission has approved or disapproved the Units or passed upon the adequacy of this Disclosure Statement. Outside of Idaho, we will market IDeal only in those states in which we have received assurances from either the state or counsel that offers and sales would be legal without meeting further regulatory requirements. We may choose to reject applications from residents of certain other states.
Part VI. Contributions

Minimum Contributions

To open an Account, you must make an initial contribution of at least $25, unless you participate through payroll direct deposit. The minimum investment required to open an Account through payroll direct deposit is $15 per pay period. Subsequent investments must be at least $25 per contribution ($15 for payroll direct deposit).

You can make your initial and any subsequent contributions by check, recurring contribution, payroll direct deposit, EFT, rolling over assets from another 529 Plan, moving assets from an UGMA/UTMA account or ESA, redeeming U.S. Savings Bonds, and recontributing a refund from an Eligible Educational Institution. Subsequent contributions can also be made through Ugift® and transfers from a Upromise Service account.

We will not accept contributions made by cash, money order, travelers checks, foreign checks not in U.S. dollars, checks dated over 180 days, 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 over $10,000, instant loan checks, or any other checks we deem unacceptable. No stocks, securities or other non-cash assets will be accepted as contributions.

You can allocate each contribution among up to five (5) Investment Options; however, the minimum allocation per selected Investment Option is 5% of the contribution amount. Your subsequent contributions can be made to different Investment Options and Investment Option allocation(s) than the selection(s) on the Enrollment Form.

Contribution Date

We will credit any money contributed to your Account on the same business day if the contribution is received in good order and prior to the close of the NYSE, normally 2:00 p.m. Mountain Time. The contribution will be credited on the next succeeding trading day if it is received after the close of the NYSE.

We will generally treat contributions sent by U.S. mail as having been made in a given year if checks are postmarked on or before December 31 of the applicable year, provided the checks are subsequently paid. With respect to EFT contributions, for tax purposes we will generally treat contributions received by us in a given year as having been made in that year if you initiate them on or before December 31 of such year, provided the funds are subsequently withdrawn from your checking or savings account at another financial institution. Contributions made pursuant to a recurring contribution will generally be considered received by us in the year the recurring contribution has been deducted from your checking or savings account at another financial institution. Contributions made pursuant to a recurring contribution will generally be considered received by us in the year the recurring contribution has been deducted from your checking or savings account at another financial institution. Contributions made pursuant to a recurring contribution will generally be considered received by us in the year the recurring contribution has been deducted from your checking or savings account at another financial institution. Contributions made pursuant to a recurring contribution will generally be considered received by us in the year the recurring contribution has been deducted from your checking or savings account at another financial institution. Contributions made pursuant to a recurring contribution will generally be considered received by us in the year the recurring contribution has been deducted from your checking or savings account at another financial institution. Contributions made pursuant to a recurring contribution will generally be considered received by us in the year the recurring contribution has been deducted from your checking or savings account at another financial institution. 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Contributions made pursuant to a recurring contribution will generally be considered received by us in the year the recurring contribution has been deducted from your checking or savings account at another financial institution. Contributions made pursuant to a recurring contribution will generally be considered received by us in the year the recurring contribution has been deducted from your checking or savings account at another financial institution. Contributions made pursuant to a recurring contribution will generally be considered received by us in the year the recurring contribution has been deducted from your checking or savings account at another financial institution. Contributions made pursuant to a recurring contribution will generally be considered received by us in the year the recurring contribution has been deducted from your checking or savings account at another financial institution. 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Contributions made pursuant to a recurring contribution will generally be considered received by us in the year the recurring contribution has been deducted from your checking or savings account at another financial institution.

Regardless of the calendar year for which a contribution is deductible, the Trade Date of the contribution (and thus the price of the Units purchased with the contribution) will be determined based on the day we receive the contribution, and with respect to recurring contributions and EFT contributions, on the business day before the bank debit occurs with the exception noted above for recurring contributions with a debit date of January 1st, 2nd, 3rd or 4th.

Allocation of Future Contributions

At the time of enrollment, you must select how you want your contributions allocated, which will serve as the Standing Allocations on your Account. We will invest all subsequent contributions according to the Standing Allocations, unless you provide us with different instructions, and investments in different Investment Options are permissible. You may reallocate assets to different Investment Options up to two times per calendar year, and with a permissible change in the Beneficiary. You may view or change your Standing Allocations at any time by logging onto our website at www.idsaves.org, by submitting the appropriate form by mail, or by calling 1-866-433-2533.

Control Over the Account

Although any individual or entity may make contributions to your Account, you retain control of all contributions made as well as all earnings credited to your Account up to the date they are directed for withdrawal from the Account. A Beneficiary who is not the Account Owner has no control over any of the Account assets. Individuals or entities other than you that contribute funds to your Account will have no subsequent control over the contributions. You control all contributions made to your Account as well as all earnings credited to the Account. Except as required by law, only you may direct transfers, Rollovers, investment changes, withdrawals and changes in the Beneficiary. You may grant another person the ability to take certain actions with respect to your Account by completing the appropriate form(s).

Funding an Account

There are a variety of ways to fund your Account:

Contributions by Check

You may make your initial contribution by check in the minimum amount of $25. The check must accompany your Enrollment Form. Any subsequent contributions by check must be at least $25. Checks must be made payable to: IDeal — Idaho College Savings Program.
Recurring Contribution (also known as Automatic Investment Plan or AIP)

Subject to certain processing restrictions, you may contribute to the Plan through periodic automatic debits in an amount equal to at least $25 per month, or $75 per quarter from a checking or savings account at your bank, if your bank is a member of the Automated Clearing House. You cannot make recurring contributions from a money market mutual fund or cash management account. There is no charge for establishing or maintaining a recurring contribution. Either you or the Plan may terminate your enrollment in a recurring contribution at any time.

To establish a recurring contribution during enrollment, complete the appropriate section of the Enrollment Form. You may establish or make changes to a recurring contribution for an existing Account at any time either online at www.idsaves.org or by submitting the appropriate form.

Your bank account will be debited on the day you designate, provided the day is a regular business day. If the day you designate 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 one (1) business day prior to the day the bank debit occurs. For example, if the 15th of every month was selected as the debit date and the 15th falls on a business day, then the Trade Date for the transaction will be the 14th (if the 14th is a business day). If you indicate a debit date that is within the first four (4) days of the month, there is a chance that your investment will be credited on the last business day of the previous month. Therefore, the 1st through the 4th of the month are not recommended debit dates. Please note that recurring contributions with a debit date of January 1st, 2nd, 3rd, or 4th will be credited in the same year as the debit date. The first debit of a recurring contribution must be at least three (3) days from the receipt of the recurring contribution request. Quarterly recurring contribution investments will be made on the day indicated every three (3) months, not on a calendar quarter basis. If no date is designated, your bank account will be debited on the 20th of the month. (If the 20th is not a business day, the debit will be made on the next business day).

Authorization to perform recurring contributions will remain in effect until the Plan has received notification of its termination. To be effective, a change to, or termination of, a recurring contribution must be received by us at least five (5) business days before the next recurring contribution debit is scheduled to be deducted from your bank account. If your recurring contribution cannot be processed because the bank account on which it is drawn lacks sufficient funds or because of incomplete or inaccurate information, or if the transaction would violate processing restrictions, the Plan reserves the right to suspend processing of future recurring contribution.

Electronic Funds Transfer ("EFT")

You may contribute to your Account by giving authorization to make a one-time EFT from your bank checking or savings account subject to certain processing restrictions. To authorize an EFT, you must provide certain information about the bank account from which money will be withdrawn (the same information required to establish a recurring contribution). Once you have provided that information, you may make an EFT from the designated bank account to the Plan online at www.idsaves.org or by calling 1-866-433-2533. There is no charge for making an EFT. The Plan may place a limit on the total dollar amount per day you may contribute to an Account by EFT. Contributions in excess of such a limit will not be processed. If you plan to contribute a large dollar amount to your Account by EFT, you may want to contact a client service representative at 1-866-433-2533 to inquire about the current limit prior to making your contribution.

EFT purchase requests that are received in good order by the Plan before 8:00 p.m., Mountain Time, will be given a Trade Date of the next business day after the date of receipt and will be effected at that day’s closing price for Units of the applicable Portfolio. In such cases, the EFT debit from your bank account will occur on the second business day after the request is received. EFT purchase requests that are received in good order by the Plan after 8:00 p.m., Mountain Time, will be given a Trade Date of the second business day after the date the request is received, and will be effected at that day’s closing price for Units of the applicable Portfolio. In such cases, the EFT debit will occur on the third business day after the request is received. If your EFT contribution cannot be processed because the bank account on which it is drawn lacks sufficient funds or because of incomplete information or inaccurate information, or if the transaction would violate processing restrictions, the Plan reserves the right to suspend processing of future EFT contributions.

Direct Deposits from Payroll

You may be eligible to make automatic, periodic contributions to your Account by payroll direct deposit (if your employer offers such a service). The minimum payroll direct deposit contribution is $15 per paycheck. Contributions by payroll will only be permitted from employers able to meet our operational and administrative requirements. You may sign up for payroll direct deposit by providing your payroll direct deposit instructions to the Plan either online by logging into your Account at www.idsaves.org or by completing a Payroll Direct Deposit Form and mailing it to the Plan. After you submit your payroll direct deposit instructions to the Plan, you will receive a Payroll Deduction Confirmation Form, which you must sign and submit to your employer’s payroll department.

Rollover Contributions

You can make your initial investment by rolling over assets from another 529 Plan to IDeal for the benefit of the same Beneficiary. You can also Rollover assets from your Account or another 529 Plan to a Beneficiary who is a Member of the Family of your current Beneficiary. (See Options for Unused Contributions; Changing a Beneficiary, Transferring Assets to Another of Your Accounts on page 46). A Rollover for the same Beneficiary is restricted to once per 12-month period.

Incoming Rollovers can be direct or indirect. A direct Rollover is the transfer of money from one 529 Plan directly to another. An indirect Rollover is the transfer to you of money from an account in another state’s 529 Plan and you then contribute the money to your Account. To avoid federal income tax consequences and the Federal Penalty Tax, you must contribute an indirect Rollover to your IDeal Account within 60 days of the withdrawal. You should be aware that not all states permit direct Rollovers from 529 Plans.
In addition, there may be state income tax consequences (and in some cases state-imposed penalties) resulting from a Rollover out of a state’s 529 Plan.

Moving Assets from an UGMA/UTMA Account

If you are the Custodian of an UGMA/UTMA account, you may be able to open an Account in your custodial capacity, depending on the laws of the state where you opened the UGMA/UTMA account. These types of accounts involve additional restrictions that do not apply to regular Section 529 accounts. The Plan Officials are not liable for any consequences related to your improper use, transfer, or characterization of custodial funds.

In general, your UGMA/UTMA custodial account is subject to the following additional requirements and restrictions:

- you must indicate that the Account is an UGMA/UTMA Account by checking the appropriate box on the Enrollment Form and indicate the state in which the UGMA/UTMA Account was opened;
- you must establish an Account in your custodial capacity separate from any Accounts you may hold in your individual capacity;
- you will be permitted to make withdrawals only in accordance with the rules applicable to withdrawals under applicable UGMA/UTMA law;
- you will not be able to change the Beneficiary of the Account (directly or by means of a Rollover), except as may be permitted by applicable UGMA/UTMA law;
- you will not be permitted to change the Account Owner to anyone other than a successor Custodian during the term of the custodial account under applicable UGMA/UTMA law;
- you must notify us when the custodianship terminates and your Beneficiary is legally entitled to take control of the Account. At that time, the Beneficiary will become the Account Owner and will become subject to the provisions of the Plan applicable to non-UGMA/UTMA Account Owners;
- any tax consequences of a withdrawal from an Account will be imposed on the Beneficiary and not on the Custodian; and
- we may require you to provide documentation evidencing compliance with the applicable UGMA/UTMA law.

In addition, certain tax consequences described under Part IX. Federal and State Tax Treatment starting on page 48 may not be applicable in the case of Accounts opened by a Custodian under UGMA/UTMA. Moreover, because only contributions made in “cash form” may be used to open an Account in IDeal, the liquidation of non-cash assets held by an UGMA/UTMA account would be required and would generally be a taxable event. Please contact a tax advisor to determine how to transfer assets held in an existing UGMA/UTMA account and what the implications of such a transfer may be for your specific situation.

Moving Assets from a Coverdell Education Savings Account (ESA)

You may fund your Account by moving assets from an ESA. Please indicate on the Enrollment Form or with any additional investments that the assets were liquidated from the ESA. Unlike UGMA/UTMA accounts, the Beneficiary may be changed to a Member of the Family of the beneficiary of the ESA. Making withdrawals from an ESA to fund an Account for the same Beneficiary is not a taxable transaction. Consult your tax advisor for more information.

Redeeming U.S. Savings Bonds

You may fund your Account with proceeds from the redemption of certain U.S. Savings Bonds. In certain cases, you may redeem U.S. Savings Bonds under the education tax exclusion. Please visit www.savingsbonds.gov to determine if you are eligible for this exclusion.

Additional Form Requirements for Rollovers, ESAs and Series EE or Series I Bonds

To roll over assets from another 529 Plan into an IDeal Account for the same Beneficiary, you must complete an Incoming Rollover Form and an Enrollment Form for your Beneficiary, either by paper or online. However, if you have an existing Account in IDeal for the same Beneficiary and you wish to roll over your assets from another 529 Plan, you may complete the process online by logging into your account, or you can complete and mail the Incoming Rollover Form. In the case of a Rollover, either you or the previous 529 Plan must provide us with a statement issued by the distributing program that shows the earnings portion of the withdrawal otherwise all of your new contribution may be counted as earnings.

For other transfers to your Account such as contributions from an ESA or the redemption of Series EE or Series I U.S. Savings Bonds, you must complete an Incoming Rollover Form and provide us with any other information we may require, including the information specified below:

- In the case of a contribution from an ESA, an account statement issued by the financial institution that acted as custodian of the account that shows basis and earnings.
- In the case of a contribution from the redemption of Series EE or Series I U.S. Savings Bonds, an account statement or Form 1099-INT issued by the financial institution that redeemed the bond showing interest from the redemption of the bond. Please note: Series EE U.S. Savings Bonds must be issued after 1989; the owner of the Bond must be at least 24 years of age before the Bond’s issue date, and also meet certain income restrictions. Please consult your tax professional for more information.

Please visit the IDeal website at www.idsaves.org or contact a customer service representative at 1-866-433-2533 for any of the forms you may need. Until we receive the documentation described above, as applicable, we will treat the entire amount of the contribution as earnings in the Account receiving the transfer.

Ugift®

You may invite family and friends to contribute to your Account through Ugift to provide a gift to the Beneficiary. You provide a unique contribution code to selected family and friends and gift givers can either contribute online through an EFT or by mailing in a gift contribution coupon with a check made payable to Ugift: Idaho College Savings. The minimum Ugift contribution is $25.

Gift contributions received in good order will be held for approximately five (5) business days before being transferred into
your Account. Gift contributions through Ugift are subject to the Maximum Account Balance. Gift contributions will be invested according to the Standing Allocations on file for the Account at the time the gift contribution is transferred. There may be potential tax consequences of gift contributions invested in your Account. You and the gift giver should consult a tax advisor for more information. Ugift is an optional service, is separate from IDeal, and is not affiliated with the State, the Board, the Trust, or the Program Manager. For more information about Ugift, visit www.idsaves.org or call the Plan at 1-866-433-2533.

Upromise Service

The Upromise Service is an Internet-based college savings network offered and administered by Upromise, Inc. If you are enrolled in the Upromise Service, you can link your Upromise Service account so that savings are automatically transferred to your IDeal Account on a periodic basis. The minimum amount for an automatic transfer from a Upromise Service account to your Account is $25. However, you cannot use the transfer of funds from a Upromise Service account as the initial funding source for your Account. This Disclosure Statement is not intended to provide detailed information concerning the Upromise Service. The Upromise Service is administered in accordance with the terms and procedures set forth in the Upromise Member Agreement (as amended from time to time), which is available on the Upromise website at upromise.com. The Upromise Service is an optional service, is separate from IDeal and is not affiliated with the State, the Board, the Trust or the Program Manager.

Recontribution of Refunds from Eligible Educational Institutions

In the event the Beneficiary receives from an Eligible Educational Institution a refund of funds originally withdrawn from an Account to pay for Qualified Expenses, such funds may be recontributed to an account in a Qualified Tuition Program for the same Beneficiary up to the amount of the refund provided that the recontribution is made within 60 days of the date of the refund. Such funds also will not be subject to federal income tax or the Federal Penalty Tax. For tax purposes, please maintain proper documentation evidencing the refund from the Eligible Educational Institution.

Maximum Account Balance

You may contribute to an Account for a Beneficiary provided the aggregate balance of all Accounts for the same Beneficiary does not exceed the Maximum Account Balance, which is $350,000. Accounts that have reached the Maximum Account Balance (either alone or combined with other Accounts) may continue to accrue earnings, although future contributions may not be made to such accounts. If, however, the market value of such Account falls below the Maximum Account Balance due to market fluctuations and not as a result of Qualified Withdrawals from such Account(s), additional contributions will be accepted.

The determination of whether the Maximum Account Balance has been reached is based on the aggregate market value of the Account(s) for a Beneficiary plus Qualified Withdrawals, and not solely on the aggregate contributions made to the Account(s).

The Program Manager may, in its discretion, refuse to accept a proposed contribution, upon determination that acceptance of such proposed contribution would not comply with federal or Idaho state requirements. None of the Plan Officials will be responsible for any loss, damage, or expense incurred in connection with a rejected or returned contribution. The Maximum Account Balance does not apply to Accounts maintained for a scholarship program by a state or local government (or agency or instrumentality) or organization described in Section 501(c)(3) of the Code. The Board expects to evaluate the Maximum Account Balance annually, but reserves the right to make adjustments more or less frequently.

Excess Contributions

The excess portion of any contributions received that would cause the Account balance to exceed the Maximum Account Balance (as determined by the close of business on the day prior to our receipt of your contribution) will be returned to you, without adjustment for gains or losses. If a contribution is applied to an Account and we later determine the contribution to have caused the aggregate market value of the Account(s) for a Beneficiary to exceed the Maximum Account Balance, we will refund the excess contributions and any earnings thereon to the contributor. Any refund of an excess contribution may be treated as a Non-Qualified Withdrawal by the IRS.

Temporary Withdrawal Restriction

If you make a contribution by check, EFT, or recurring contribution (assuming all are in good order), we will defer the approval of a withdrawal of that contribution from your Account for eight (8) business days or longer after deposit. For assistance, please contact a customer service representative at 1-866-433-2533.

Nonpayment

If you pay with a check or EFT that does not clear, or if your payment is not received in a timely manner, your purchase may be canceled. You will be responsible for any losses or expenses incurred by the Portfolios or IDeal due to your nonpayment. However, your obligation to cover the loss may be waived in the discretion of the Plan if you make payment in good order within 10 days. The Plan has the right to reject or cancel any purchase due to nonpayment.

Pricing of Portfolio Units

When you contribute to the Plan, your money will be invested in Units of the Plan’s Portfolios. The Unit Value of each Portfolio is calculated each business day after the close of trading on the NYSE. The Unit Value is determined by dividing the dollar value of the Portfolio’s net assets (i.e., total Portfolio assets minus total Portfolio liabilities) by the number of Portfolio Units outstanding. On holidays or other days when the NYSE is closed, the Portfolio’s Unit Value is not calculated, and the Plan does not transact purchase, exchange, transfer, or redemption requests.
When you purchase, redeem, or exchange Units of a Portfolio, you will do so at the Unit Value of the Portfolio’s Units on the Trade Date. Your Trade Date will be determined as follows:

- If the Plan receives your transaction request (whether to contribute money, withdraw money, or exchange money between Investment Options) in good order on a business day prior to the close of trading on the NYSE, your transaction will receive that day’s Trade Date.

- If the Plan receives your transaction request in good order on a business day after the close of trading on the NYSE or at any time on a non-business day, your transaction will receive the next business day’s Trade Date.

Notwithstanding the preceding two bullets, the Trade Date for contributions made by EFT and recurring contributions are determined differently. See **Recurring Contributions (an Automatic Investment Plan or AIP) and Electronic Funds Transfer (“EFT”)** above in this section for more information.
Part VII. Withdrawals

General

You can take a withdrawal from your Account at any time by notifying us. Pursuant to the Rules, you may request a withdrawal of all or part of the balance in your Account if the amount you request has been on deposit in your Account for eight (8) business days or longer. Withdrawals from your Account are either qualified or non-qualified as determined by the IRS. As the Account Owner, you are responsible for satisfying the IRS requirements for proof of Qualified Withdrawals, which includes retaining any paperwork and receipts necessary to verify the type of withdrawal you received. We will not provide information to the IRS regarding the type of withdrawal you receive.

Withdrawals may be subject to federal and/or state tax withholding. For purposes of determining whether a withdrawal is taxable or subject to the Federal Penalty Tax, you must determine whether the withdrawal is made in connection with the payment of Qualified Expenses, as defined under the Code and discussed under Qualified Withdrawals below, or fits within one of the exceptions to treatment as a Non-Qualified Withdrawal as discussed under Other Withdrawals.

Procedures for Withdrawals

You may request a withdrawal online at www.idsaves.org, by calling customer service at 1-866-433-2533 or by mailing a Distribution Request Form to the Plan. If the distribution request is in good order, the Plan typically will process the distribution and initiate payment of a distribution within three (3) business days after the Trade Date. During periods of market volatility and at year-end, withdrawal requests may take up to five (5) business days to process. Please allow ten (10) business days for the proceeds to reach you. We may also establish a minimum withdrawal amount and/or charge a fee for withdrawals made by federal wire. Please note that there will be a hold on withdrawal requests for nine (9) business days when there is a change to the Account Owner’s address. There will also be a hold on withdrawal requests for fifteen (15) calendar days, if bank information has been added or edited.

Qualified Withdrawals

Withdrawals for Qualified Expenses are exempt from federal and Idaho state income taxes and the Federal Penalty Tax. If you are not an Idaho taxpayer, you should consult a tax advisor regarding state income tax treatment of a withdrawal from an IDeal Account in the state or states in which you pay taxes. Rollovers may be subject to certain state taxes, but are generally exempt from federal income taxes and the Federal Penalty Tax.

Non-Qualified Withdrawals

A withdrawal that does not meet the requirements for a Qualified Withdrawal will be considered a Non-Qualified Withdrawal by the IRS unless it is one of the withdrawals described below under Other Withdrawals. The earnings portion of a Non-Qualified Withdrawal will be subject to federal income taxes (and may be subject to other taxes) and will be taxable to the person receiving the withdrawal. In addition, Non-Qualified Withdrawals are subject to a Federal Penalty Tax and state taxes. See State Tax Treatment starting on page 49. The person receiving the withdrawal would need to comply with IRS requirements, including filing applicable forms with the IRS. Although we will report the earnings portion of all withdrawals, it is your final responsibility to calculate and report any tax liability and to substantiate any exemption from tax and/or penalty.

Other Withdrawals

The withdrawals discussed below are not subject to the Federal Penalty Tax. Except for a Rollover and a refund from an Eligible Institution that is recontributed to a 529 Plan within 60 days of the date of the refund, the earnings portion of each withdrawal discussed will be subject to federal taxes. Each withdrawal will also be subject to any applicable state taxes. See State Tax Treatment starting on page 49. The person receiving the withdrawal. In addition, Non-Qualified Withdrawals are subject to other taxes) and will be taxable to the person receiving the withdrawal. In addition, Non-Qualified Withdrawals are subject to a Federal Penalty Tax and state taxes. See State Tax Treatment starting on page 49. The person receiving the withdrawal would need to comply with IRS requirements, including filing applicable forms with the IRS. Although we will report the earnings portion of all withdrawals, it is your final responsibility to calculate and report any tax liability and to substantiate any exemption from tax and/or penalty.

Death of Beneficiary

In the event of the death of the Beneficiary, you may change the Beneficiary of your Account, authorize a payment to a beneficiary of the Beneficiary, or the estate of the Beneficiary, or request the return of all or a portion of your Account balance. A withdrawal due to the death of the Beneficiary if paid to a beneficiary of the Beneficiary or the estate of the Beneficiary will not be subject to the Federal Penalty Tax, but earnings will be subject to federal and any applicable state income tax. A withdrawal of amounts in the Account, if not paid to a beneficiary of the Beneficiary or the estate of the Beneficiary will not be subject to the Federal Penalty Tax, but earnings will be subject to federal and any applicable state income tax. A withdrawal of amounts in the Account, if not paid to a beneficiary of the Beneficiary or the estate of the Beneficiary, may constitute a Non-Qualified Withdrawal, subject to federal and applicable state income taxes at the distributee’s tax rate and the Federal Penalty Tax. If you select a new Beneficiary who is a Member of the Family of the former Beneficiary, you will not owe federal income tax or a penalty. Special rules apply to UGMA/UTMA custodial accounts.

Disability of Beneficiary

If your Beneficiary becomes Disabled, you may change the Beneficiary of your Account or request the return of all or a portion of your Account balance. A withdrawal due to the Disability of the Beneficiary will not be subject to the Federal Penalty Tax, but earnings will be subject to federal and any applicable state income tax.
income tax at your tax rate. If you select a new Beneficiary who is
a Member of the Family, you will not owe federal income tax or a
penalty. Special rules apply to UGMA/UTMA custodial accounts.

Receipt of Scholarship
If your Beneficiary receives a qualified scholarship, Account
assets up to the amount of the scholarship may be returned to
you without imposition of the Federal Penalty Tax. A qualified
scholarship includes certain educational assistance allowances
under federal law as well as certain payments for educational
expenses (or attributable to attendance at certain Eligible
Educational Institutions) that are exempt from federal income
tax. The earnings portion of a withdrawal due to a qualified
scholarship is subject to federal and any applicable state income
tax at the distributee’s tax rate.

Tuition Assistance
If your Beneficiary receives Tuition Assistance, as described in the
Code, a withdrawal is allowed up to the amount of the Tuition
Assistance. Although a withdrawal due to receipt of Tuition
Assistance will be exempt from a Federal Penalty Tax, the earnings
portion will be subject to federal income taxes, and may be subject
to other taxes.

Attendance at Certain Specified U.S. Military Academies
If your Beneficiary attends the U.S. Military Academy, the United
States Naval Academy, the United States Air Force Academy,
the United States Coast Guard Academy, or the United States
Merchant Marine Academy, you may withdraw an amount up to
an amount equal to the costs of advanced education attributable
to the Beneficiary’s attendance at the institution without incurring
the additional Federal Penalty Tax. The earnings portion of the
withdrawal will be subject to federal and any applicable state
income tax at the distributee’s tax rate.

Use of Education Credits
If you pay Qualified Expenses from an Account, you will not
be able to claim Education Credits for the same expenses.
Furthermore, expenses used in determining the allowed Education
Credits will reduce the amount of a Beneficiary’s Qualified
Expenses to be paid from your Account as a Qualified Withdrawal
and may result in taxable withdrawals. Such withdrawals will not
be subject to the Federal Penalty Tax.

Rollover
To qualify as a Rollover, you must reinvest the amount distributed
from your Account into another Qualified Tuition Plan within sixty
(60) days of the withdrawal date. Rollovers may be subject to certain
state taxes and penalties, but are generally exempt from federal
income taxes and the Federal Penalty Tax. For details on Idaho
state tax treatment of Rollovers, see Part IX. Federal and State
Tax Treatment — State Tax Treatment — Rollovers to Another
State’s Qualified Tuition Program starting on page 50.

Refunds from Eligible Educational Institutions
In the event the Beneficiary receives from an Eligible Educational
Institution a refund of funds originally withdrawn from an Account
to pay for Qualified Expenses, such funds up to the amount of
the refund will not be subject to federal income tax or the Federal
Penalty Tax; provided that the funds are recontributed to an
account in a Qualified Tuition Program for the same Beneficiary, to
the extent such retribution is made not later than 60 days after
the date of the refund and does not exceed the refund amount.
For tax purposes, you must maintain proper documentation
evidencing the refund from the Eligible Educational Institution.

Records Retention
Under current federal tax law, you are responsible for obtaining and
retaining records, invoices, or other documentation adequate to
substantiate: (i) expenses which you claim are Qualified Expenses, (ii)
the death or Disability of a Beneficiary, (iii) the receipt by a Beneficiary
of a qualified scholarship, (iv) the attendance by a Beneficiary at
certain specified military academies, (v) the use of Education Credits;
(vi) a refund from an Eligible Institution that is recontributed to a 529
plan within 60 days of the date of the refund.

Method of Payment; Timing of Withdrawal Request
We pay withdrawals to the following payees:

- Account Owner (by check or by ACH to an established bank
  account);
- Beneficiary (by check); or
- Eligible Educational Institution (by check or ACH, as available
  through an Eligible Educational Institution).

Withdrawal requests received in good order before the close of the
NYSE, generally 2:00 p.m. Mountain time, on any day the NYSE is
open for business are processed that day based on the Unit Values
of the Portfolios in the Account for that day. Requests received after
the close of the NYSE are processed the next business day using
the Unit Values on that day.

Tax Treatment of Withdrawals
Please read Part IX. Federal and State Tax Treatment starting
on page 48.
Part VIII. Maintaining Your Account

Documents in Good Order

To process any transaction in IDeal, all necessary documents must be in good order, which means executed when required and properly, fully, and accurately completed.

Confirmations and Statements; Safeguarding Your Account

We will send you quarterly statements to reflect financial transactions only if you have made financial transactions within the quarter. These transactions include: (1) contributions made to the Account; (2) withdrawals made from the Account; (3) contributions made by recurring contribution or payroll direct deposit; (4) automatic transfers from a Upromise Service account to your Account; or (5) automatic transfers of Account assets to progressively more conservative Portfolios in the Age-Based Option as a Beneficiary ages. 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 statement even if you have made no financial transactions within the year.

We will send you a confirmation for each contribution and transaction to your Account(s), except for recurring contributions, payroll direct deposit transactions, Account assets that are automatically moved to a more conservative Age-Based Option as a Beneficiary ages, automatic transfers from a Upromise Service account to your Account, and maintenance fees, which will only be confirmed on a quarterly basis.

The Plan periodically matches and updates the addresses of record against a change-of-address database maintained by the U.S. Postal Service to reduce the possibility that items sent by first-class mail, such as Account statements, will be undeliverable.

You can securely access and manage your Account information—including quarterly statements, transaction confirmations, and tax forms—24 hours a day at www.idsaves.org once you have created an online username and password and selected a security image. If you open an Account online, the Plan requires you to select a username, password and security image right away. If you open an Account by submitting an Enrollment Form, you may establish a username and password at www.idsaves.org.

The Plan uses reasonable procedures to confirm that transaction requests are genuine. However, neither the Plan nor any of the Plan Officials will be responsible for losses resulting from fraudulent or unauthorized instructions received by the Plan, provided we reasonably believed the instructions were genuine. To safeguard your Account, please keep your information confidential.

Contact the Plan immediately if you believe someone has obtained unauthorized access to your Account or if there is a discrepancy between a transaction you requested and your confirmation statement.

If you receive a confirmation that you believe does contain an error or not accurately reflect your authorized instructions—e.g., the amount invested differs from the amount contributed or the Contribution was not invested in the particular Investment Options you selected—you must promptly notify the Plan of the error. If you do not notify the Plan promptly, you will be considered to have approved the information in the confirmation and to have released the Plan and the Plan Officials from all responsibility for matters covered by the confirmation. You should regularly review your Account statements and transaction confirmations. Neither the Plan nor any of the Plan Officials will be responsible for losses resulting from an error if such error resulted from fraudulent or unauthorized instructions received by the Plan that we reasonably believed were genuine.

Options for Unused Contributions; Changing a Beneficiary; Transferring Assets to Another of Your Accounts

Your Beneficiary may choose not to attend an Eligible Educational Institution or may not use all the money in your Account. In either case, you may name a new Beneficiary or take a withdrawal of your Account assets. The withdrawal, however, will be treated as a Non-Qualified Withdrawal, subject to applicable income taxes and the Federal Penalty Tax.

You can change your Beneficiary at any time. To avoid negative tax consequences, the new Beneficiary must be a Member of the Family of the original Beneficiary. Any change of the Beneficiary to a person who is not a Member of the Family of the current designated Beneficiary is treated as a Non-Qualified Withdrawal subject to applicable federal and state income taxes as well as the Federal Penalty Tax. An Account Owner who is an UGMA/UTMA Custodian will not be able to change the Beneficiary of the Account, except as may be permitted under the applicable UGMA/UTMA law. See Funding An Account — Moving Assets From An UGMA/UTMA Account starting on page 41.

To initiate a change of Beneficiary, you must complete and submit a Beneficiary Change Form. The change will be made upon our receipt and acceptance of the signed, properly completed form(s) in good order. You may also change your Beneficiary online at www.idsaves.org or by calling us at 1-866-433-2533 (provided we have an existing Account for your new Beneficiary). We reserve the right to suspend the processing of a Beneficiary transfer if we suspect that the transfer is intended to avoid the Plan’s exchange and reallocation limits. Also, a Beneficiary change or transfer of assets may be denied or limited if it causes one or more Accounts to exceed the maximum aggregate Account balance for a Beneficiary. There is no fee for changing a Beneficiary.

We will invest your assets in accordance with the Standing Allocations for the new Beneficiary’s Account. If you are invested in an Age-Based Option, the particular Portfolio in which the Account...
is invested may change if there is a change in the Beneficiary (i.e., in a different age bracket). This change will be made so that the Portfolio investment corresponds to the age of the new Beneficiary and may result in a loss in the value of the Account depending on market fluctuations during the time of the change. You can also transfer assets in the Account to a new Investment Option when you change the Beneficiary for the Account.

### Changing Investment Options for Current Balances and Future Contributions

You may move assets in your Account to different Investment Options (i.e., make exchanges or reallocate) up to two times per calendar year. Automatic investment exchanges that occur because the assets are in an Age-Based Option do not count towards your twice per calendar year exchange limit. If you reallocate your money between Accounts within the Plan for the same Beneficiary, this may count towards your twice per calendar year exchange limit. You may make investment exchanges any time you change the Beneficiary. However, the Plan reserves the right to suspend processing a Beneficiary transfer if it suspects it is being requested for reasons other than intended by the Plan.

You may change the allocation of future contributions at any time. Please note that a decision to change the allocation of future contributions will not affect the allocation of assets already in your Account, and vice versa. For example, assume that upon the opening of your Account, you elect to split your contributions 60% to Option A and 40% to Option B. Then, six months later you decide to reallocate the existing assets in your Account 50% to Option A, 25% to Option B and 25% to Option C and at the same time you decide to allocate 100% of future contributions to Option D. In this scenario, you may only make one additional reallocation of the existing assets in your Account for the remainder of that calendar year. However, you may continue to change the allocation of future contributions.

You may exchange existing assets (subject to the twice per calendar year exchange limit), or change the allocation of future contributions online, by calling 1-866-433-2533, or by submitting the appropriate form from our website at www.idsaves.org.

### Change of Account Owner

Except as discussed below, you may transfer control of your Account assets to a new Account Owner. All transfers to a new Account Owner must be requested by submitting the Account Information Change Form and the new Account Owner must also submit a new Enrollment Form. However, your right of control may not be sold, transferred, used as collateral, or pledged or exchanged for money or anything of value. We may require affidavits or other evidence to establish that a transfer is non-financial in nature. Your right of control may also be transferred under an appropriate court order as part of divorce proceedings. Before doing so, you may want to check with your tax advisor regarding your particular situation.

### Simultaneous Death of Account Owner and Beneficiary

If you and your Beneficiary both die and there is no evidence to verify that one died before the other, the appointed Successor Account Owner will become the Account Owner. If no Successor Account Owner has been appointed, the fiduciary responsible for the disposition of the Beneficiary’s estate shall designate the new Account Owner. If no executor or fiduciary has been appointed, one must be appointed by a valid court order for this purpose.

### Recovery of Incorrect Amounts

If an incorrect amount is paid to or on behalf of you or your Beneficiary, we may recover this amount from you or your Beneficiary, or any remaining balances may be adjusted to correct the error. The processing of adjustments resulting from clerical errors or other causes that are de minimis in amount may be waived at the discretion of the Board.

### Changing or Removing a Custodian

For an Account funded with assets originally held in an UGMA/UTMA account, the Custodian may be released or replaced upon written notice to the Plan. Please see Funding An Account — Moving Assets From An UGMA/UTMA Account starting on page 41.
Part IX. Federal And State Tax Treatment

This Disclosure Statement is not intended to constitute, nor does it constitute, legal or tax advice. This Disclosure Statement was developed to support the marketing of the Plan and cannot be relied upon for purposes of avoiding the payment of federal or state tax penalties. You should consult your legal or tax advisor about the impact of federal and state tax regulations on your individual situation.

This section summarizes certain key aspects of the federal and state tax treatment of contributions to, and withdrawals from, Accounts. The U.S. Treasury Department has issued proposed regulations under Section 529 and an advance notice of proposed rulemaking describing new proposed regulations to be issued under Section 529. The Plan is designed to comply with those proposed regulations (except to the extent that provisions in the proposed regulations have been superseded by legislative and/or administrative changes), as well as with certain other guidance issued by the IRS under Section 529. However, there is no assurance that the proposed regulations will become the final regulations or that the IRS will not issue other guidance interpreting Section 529. The information provided below is not exhaustive. It is based on the Plan’s understanding of current law and regulatory interpretations relating to 529 Plans generally and is meant to provide Account Owners with general background information about the tax characteristics of these programs. Neither this Part IX, nor any other information provided throughout this Disclosure Statement is intended to constitute, nor does it constitute, legal or tax advice.

It is possible that Congress, the Treasury Department, the IRS, the Idaho legislature, or federal or state courts may take action that will affect the tax treatment of 529 Plan contributions, earnings, or distributions. Individual state legislation may also affect the state tax treatment of a 529 Plan for residents of that state.

If you are not an Idaho taxpayer, consider before investing whether your or the Beneficiary’s home state offers a 529 Plan that provides its taxpayers with favorable state tax or other benefits that may only be available through investment in the home state’s 529 Plan, and which are not available through investment in IDeal. Since different states have different tax provisions, this Disclosure Statement contains limited information about the state tax consequences of investing in IDeal. Therefore, please consult your financial, tax, or other advisor to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances. You also may wish to contact your home state’s 529 Plan(s), or any other 529 Plan, to learn more about those plans’ features, benefits, and limitations. Keep in mind that state-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision.

General 529 Plan Tax Treatment

529 Plans allow individuals, trusts, and certain corporate entities to provide for the education-related expenses of a Beneficiary in a tax-advantaged manner. To be eligible for these tax benefits, 529 Plan account assets must be used to pay the Qualified Expenses of the Beneficiary at an Eligible Educational Institution.

529 Plan Contributions and Withdrawals

Federal law does not allow a tax deduction for contributions to 529 Plans. However, the income earned on any such contributions may generally grow free of federal income tax until distributed. Qualified Withdrawals (i.e., withdrawals to pay for the Qualified Expenses of a Beneficiary), Rollovers, and refunds from Eligible Educational Institutions that are recontributed to a 529 Plan within 60 days of the date of the refund (up to the amount of the refund) are not subject to federal income taxation. The earnings portion of Non-Qualified Withdrawals, however, is subject to all applicable federal and state income taxes and, in most cases, to the Federal Penalty Tax.

The Federal Penalty Tax does not apply to certain withdrawals made because of (1) the death or disability of the Beneficiary, (2) a Rollover, as described below, (3) attendance at a U.S. Military Academy or receipt of a qualified scholarship, allowance, or similar payment made to the Beneficiary, but only to the extent of such qualified scholarship allowance, or payment or (4) a refund from an Eligible Institution that is recontributed to a 529 Plan within 60 days of the date of the refund (up to the amount of the refund). See Part VII. Withdrawals — Other Withdrawals starting on page 44.

For Idaho state tax treatment of contributions and withdrawals, see Part IX. Federal and State Tax Treatment — State Tax Treatment starting on page 49.

The earnings portion of a withdrawal will generally be calculated on an Account-by-Account basis. An Account Owner may only open one Account in the Plan for the same Beneficiary. If you don’t select a specific Investment Option(s) from which to take a withdrawal, the withdrawal will be taken proportionally from all the Portfolios in the Account. If you request that a withdrawal be taken from one or more specific Portfolio(s), the earnings, for tax reporting purposes, will be calculated based on the earnings of all the Investment Options in your Account.

Rollovers

An Account Owner may transfer all or part of the funds in a 529 Plan account to an account in another 529 Plan without adverse federal income tax consequences or penalties if, within sixty (60) days of the withdrawal from the distributing account, such funds are transferred to or deposited into another 529 Plan account for...
the benefit of (1) an individual who is a Member of the Family of
the former Beneficiary, or (2) the same Beneficiary, but only if no
other such Rollover distribution or transfer has been made for the
benefit of such individual within the preceding 12 months. See
Part VIII. Maintaining your Account — Changing Investment
Options for Current Balances and Future Contributions
starting on page 47. For details on Idaho state tax treatment of
Rollovers, see Part IX. Federal and State Tax Treatment
— State Tax Treatment — Rollovers to Another State’s
Qualified Tuition Program starting on page 50.

Other Contributions and Transfers

An individual may generally transfer into a 529 Plan account,
without adverse federal income tax consequences, all or part of:
(1) money held in an Account in the Plan for a Member of the
Family of the Beneficiary, if the money is transferred within sixty
(60) days of the withdrawal from the distributing Account, (2)
money from an ESA described in Section 530 of the Code, (3) the
proceeds from the redemption of a qualified U.S. savings bond
described in Section 135 of the Code, or (4) a refund from an
Eligible Educational Institution that is recontributed to a Qualified
Tuition Program to the extent such recontribution is made not
later than 60 days after the date of the refund and does not
exceed the refund amount. See Part VII. Withdrawals — Other
Withdrawals starting on page 44.

Coordination With Other Higher Education Expense
Benefit Plans

The tax benefits afforded to 529 Plans must be coordinated with
other programs designed to provide tax benefits for meeting
higher education expenses in order to avoid the duplication of
such benefits. The coordinated programs include ESAs under
Section 530 of the Code and Education Credits.

Coverdell Education Savings Accounts (ESAs). An individual
may contribute money to, or withdraw money from, both a 529
Plan account and an ESA in the same year. However, to the extent
the total distributions from both accounts exceed the amount of
the Qualified Expenses incurred, the recipient must allocate his
or her Qualified Expenses between both such distributions in
order to determine how much may be treated as tax-free under
each program.

Education Credits. The use of Education Credits by a qualifying
Account Owner and Beneficiary will not affect participation in or
benefits from a 529 Plan account, so long as the 529 Plan assets
are not used for the same expenses for which the Education Credit
was claimed.

Federal Gift and Estate Taxes

Contributions (including certain Rollover contributions) to a 529
Plan account generally are considered completed gifts to the
Beneficiary and are eligible for the applicable annual exclusion
from gift and GST taxes (for 2016, $14,000 for a single individual
or $28,000 for a married couple). Except in the situations
described in the following paragraph, if the Account Owner were
to die while assets remain in an Account, the value of the Account
would not be included in the Account Owner’s estate. In cases
where contributions to an Account exceed the applicable annual
exclusion amount for a single Beneficiary, the contributions may
be subject to federal gift tax and possibly the GST tax in the year
of contribution. However, in these cases, a contributor may elect
to apply the contribution against the annual exclusion equally over a
five (5) year period. This option is applicable only for contributions
up to five (5) times the available annual exclusion amount in
the year of the contribution. Once this election is made, if the
contributor makes any additional gifts to the same Beneficiary in
the same or the next four years, such gifts may be subject to gift
or GST taxes in the calendar year of the gift. However, any excess
gifts may be applied against the contributor’s lifetime gift or GST
tax exclusions.

If the Account Owner chooses to use the five (5) year forward
election and dies before the end of the five (5) year period, the
portion of the contribution allocable to the years remaining in
the five (5) year period (beginning with the year after the Account
Owner’s death) would be included in the Account Owner’s estate
for federal estate or GST tax purposes.

If the Beneficiary of an Account is changed, or amounts in
an Account are rolled over to a new Beneficiary of the same
generation as the old Beneficiary (or an older generation), a gift
or GST tax will not apply. If the new Beneficiary is of a younger
generation than the former Beneficiary, there will be a taxable gift
to the extent of the amount transferred. GST taxes may apply if the
new Beneficiary is two or more generations below (younger than)
the former beneficiary. Estate, gift, and GST tax issues arising
in conjunction with 529 Plans can be quite complicated. You
should consult your tax advisor if you have any questions about
these issues.

State Tax Treatment

In General. The tax benefits described in this Disclosure
Statement generally relate to federal tax benefits. State tax
 treatment may differ based on the state or states in which you pay
taxes. You should consult with your tax advisor about any state or
local taxes, including income, gift, estate, and GST taxes.

Income Tax Deduction for Idaho Taxpayers. Idaho taxpayers
may deduct a maximum of $4,000 per year ($8,000 if married
filing jointly) on their State tax return for contributions made to
IDeal Accounts that year. Idaho taxable income is determined
by applying certain addition and subtraction modifications to federal adjusted gross income. Thus, for purposes of calculating Idaho state income tax, an Account Owner or Beneficiary will not recognize income on earnings that are not distributed from the Plan. In addition, the earnings portion of a Qualified Withdrawal will not be subject to Idaho state income tax.

This deduction is one of the subtractions available on the State return. Any contributor to an Account who is an Idaho taxpayer may take advantage of Idaho income tax deduction for contributions that he or she has made. Contributions made in excess of $4,000 in a single year may not be carried forward and deducted from your federal adjusted gross income to determine your Idaho taxable income for subsequent years. If you move out of Idaho or no longer pay Idaho income tax, you will no longer be eligible to receive the Idaho state income deduction for subsequent contributions to your Account.

Idaho Tax Deduction Contribution Deadline. For a contribution to be deductible for a taxable year, it must be made by an Idaho taxpayer on or before the last day of that taxable year. Contributions sent by U.S. mail will be treated as having been made in a particular year if the envelope in which it is sent is postmarked on or before December 31 of that year.

Contributions done by EFT will be treated as having been made in a particular year if the EFT requested is submitted by 9:59 p.m., Mountain Time, on or before December 31 of that year, provided the funds are subsequently withdrawn from an Account Owner’s checking or savings account at another financial institution. Contributions done by recurring contribution will be treated as having been made based on the designation date of that recurring contribution transaction, provided the funds are subsequently withdrawn from an Account Owner’s checking or savings account at another financial institution. (If your recurring contribution designation date is January 1st, 2nd, 3rd, or 4th that recurring contribution will be treated as having been made in the new calendar year.) See Part VI. Contributions — Recurring Contribution starting on page 40 for more detail on designation dates.

Idaho Tax-Free Withdrawals for Qualified Expenses. When money is withdrawn to pay for Qualified Expenses, the Account’s investment gains are distributed free of Idaho state income taxes.

Idaho Taxation of Other Withdrawals. When money is withdrawn from an Account and not used to pay for Qualified Expenses, any amounts withdrawn must be added to your Idaho taxable income (to the extent not included in federal adjusted gross income) for the tax year in which you took the withdrawal. This addition to your Idaho taxable income could include amounts you contributed to the Account, as well as earnings.

Rollovers to Another State’s Qualified Tuition Program. If you roll funds from your Account into another state’s Qualified Tuition Program, the Rollover amount (and not only the amount previously deducted) must be added back to your Idaho taxable income up to the amount of your total contributions to your Account in the twelve (12) months preceding the date of the Rollover.
Plan Governance

**IDeal.** IDeal was established under the Enabling Legislation. Specifically, the Enabling Legislation requires the Board to adopt procedures that the Board considers necessary to carry out the provisions of the Enabling Legislation, including procedures relating to the enrollment process for participation in IDeal, early withdrawals and transfer of funds between IDeal and other Qualified Tuition Programs. In addition, the Board is provided discretion with regard to the formation of IDeal, including the assessment of enrollment and other Fees, creation of multiple Portfolios, receipt of contributions into Accounts, and retention of professional services necessary to assist in the administration of IDeal. The Board has adopted the Rules to assist in the administration of IDeal.

IDeal is administered by the Idaho College Savings Program Board, an independent State entity, whose funds are not considered monies of the State and may not be deposited into the general fund of the State. Funds remaining in IDeal at the end of any fiscal year remain in IDeal and do not revert to the State general fund.

**The Board.** As required by the Enabling Legislation, IDeal is directed and administered by the Idaho College Savings Program Board. The Board consists of six members: the state treasurer or his designee who shall serve as chair, the governor or designee, the state controller or designee, the attorney general or designee, the superintendent of public instruction or designee, and the secretary of state or designee. Board members receive no reimbursement for expenses incurred in the performance of their duties. The Board has general and fiduciary responsibility for IDeal as a whole. There may be vacancies on the Board from time to time.

**Trust Declaration.** The Trust has been established pursuant to the Trust Declaration, which provides that the Board is the sole Trustee of IDeal and that the Board may appoint its staff to act as the Trustee’s designee with respect to the day-to-day operations of IDeal. The Trust Declaration provides that the assets of IDeal shall be used exclusively to make Qualified Withdrawals and Non-Qualified Withdrawals in accordance with the provisions of the Enabling Legislation and the Accounts and pay expenses of the Trust in the management, protection, investment, and reinvestment of Trust assets. The Trust Declaration also provides that the Board shall adopt investment policies and may change the policies from time to time as they deem in the best interest of Account Owners and Beneficiaries.

Under the Trust Declaration, the Board may:

- make changes to the Plan and the Trust required for the Account Owners in IDeal to obtain the federal income tax benefits or treatment provided by Section 529 of the Code;
- interpret, in rules, policies, guidelines and procedures, the provisions of the Enabling Legislation broadly in light of its purpose and objectives;
- charge, impose and collect administrative fees and service charges in connection with any agreement, contract or transaction relating to IDeal;
- select a financial institution or institutions to act as the depository and manager of the Plan in accordance with the Enabling Legislation and the Trust;
- contract with a financial institution or institutions to serve as program managers and depositories; and
- take any other action appropriate to implement and administer IDeal and the Trust.

To obtain a copy of the Trust Declaration, please call a customer service representative at 1-866-433-2533.

**Program Manager to IDeal.** ABD is the Program Manager for IDeal. ABD, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory, recordkeeping and administrative services, and marketing.

The address for Ascensus Broker Dealer Services, Inc. is 95 Wells Ave, Suite 160, Newton, MA 02459. All general Plan correspondence, however, should be addressed to IDeal – Idaho College Savings Program, P.O. Box 219944, Kansas City, MO 64121.

**Your Account.** The Participation Agreement and, when executed by you, the Enrollment Form constitute the entire contract between you and the Board with respect to your Account. By signing the Enrollment Form, you are requesting that the Board establish an Account for the benefit of the Beneficiary you designate on the Enrollment Form. Your Account, this Disclosure Statement, and the Participation Agreement are subject to the Enabling Legislation and the Rules. Your Account assets will be held, subject to the Enabling Legislation, the Code and the Disclosure Statement, for the exclusive benefit of you and the Beneficiary.

**Changes to an Account.** The Plan Officials are not responsible for the accuracy of the documentation you submit to us to make changes to your Account, whether submitted online or in paper form. If acceptable to the Board, notices, changes, options, and elections relating to your Account will take effect within a reasonable amount of time after we have received the appropriate documentation in good order, unless the Board agrees otherwise.

**Keep Legal Documents for Your Records.** You should retain the Disclosure Statement and Participation Agreement for your records. They contain important information about the Plan, including information about the investment risks associated with, and the terms under which you agree to participate in the
Plan. We may make modifications to IDeal in the future. If so, an addendum to the Disclosure Statement and Participation Agreement may be sent to your address of record or notice sent to you by e-mail if you choose to receive documents electronically. If material modifications are made to IDeal, a revised Disclosure Statement and Participation Agreement or supplement will be sent to your address of record or notice sent to you by e-mail if you choose to receive documents electronically. In these cases, the new supplement and/or Disclosure Statement and Participation Agreement will supersede all prior versions. Please note that we periodically match and update the addresses of record against a change of address database maintained by the U.S. Postal Service to reduce the possibility that items sent First Class Mail, such as Account statements, will be undeliverable.

Changes to the Disclosure Statement and Participation Agreement. The Board may amend the terms of the Disclosure Statement and Participation Agreement from time to time to comply with changes in the law or regulations or if the Board determines it is in IDeal’s or the Trust’s best interest to do so. However, the Board will not retroactively modify existing terms and conditions applicable to an Account in a manner adverse to you or your Beneficiary except to the extent necessary to assure compliance with applicable state and federal laws or regulations or to preserve the favorable tax treatment to you, your Beneficiary, the Board, IDeal or the Trust.

Changes to State Statutes and the Rules. The Idaho Legislature may, from time to time, pass legislation, which may directly or indirectly affect the terms and conditions of IDeal, the Trust, the Disclosure Statement and the Participation Agreement. Also, the Board may add to or amend the Rules, which may directly or indirectly affect the terms and conditions of IDeal, the Trust, the Disclosure Statement, and the Participation Agreement. Rule changes are generally reviewed by the Idaho Legislature.

Guide to Interpretation. The Plan is intended to qualify for the tax benefits of Section 529 of the Code. Notwithstanding anything in the Disclosure Statement and Participation Agreement to the contrary, the terms and conditions applicable to your Account will be interpreted and/or amended to comply with the requirements of that section and applicable regulations.

Not an offer to sell. This Disclosure Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of a security issued by the Plan by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation, or sale.

Dispute Resolution and Arbitration

The Participation Agreement contains a mandatory arbitration clause which is a condition to investing in IDeal. Any controversy or claim arising out of or relating to the Disclosure Statement or Participation Agreement, or the breach, termination, or the validity of the Plan or the Participation Agreement, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules (except that if ABD or Vanguard is a party to the arbitration, it may elect that arbitration will instead be subject to the Code of Arbitration Procedure of the Financial Industry Regulatory Authority), which are made part of the Participation Agreement, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

Continuing Disclosure

To comply with Rule 15c2-12(b)(5) of the Securities Exchange Act of 1934 (the “Rule”), the Board or its designee, as appropriate, will make appropriate arrangements for the benefit of Account Owners to produce and disseminate certain financial information and operating data (the “Annual Information”) relating to the Plan and notices of the occurrence of certain enumerated events as required by the Rule. They will make provision for the filing of the Annual Information with the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access system (“EMMA”). They will also make appropriate arrangements to file notices of certain enumerated events with EMMA.

Disclosure Relating to Internet Access

You have the option to perform account-related transactions and activity electronically via the Internet. You can securely access and manage Account information — including quarterly statements, transaction confirmations, and tax forms — 24 hours a day at www.idsaves.org once you have created an online user name and password. If you choose to open an Account electronically or register for online access to an existing Account you can also choose to access documents relating to your Account via our website.

Please note that if you elect to receive documents electronically, the only way to get paper copies of these documents will be to print them from a computer. You should not elect to conduct transactions electronically if you do not have regular and continuous Internet access.

The Disclosure Statement, the Participation Agreement, information concerning the Investment Options and Portfolios, and all required reports for an Account are available on our website. We expect to post updated information concerning the Investment Options and Funds and a revised Disclosure Statement or supplement thereto at least annually. These materials and this information also may be supplemented throughout the year. Any supplements will also be available on our website. We may archive documents and cease providing them on the website when they become out of date. You should consider printing any information posted on our website before it is removed.

If you have elected electronic delivery, we may, from time to time, notify you by e-mail that documents, including Account statements and transaction confirmations, have been delivered. However, e-mail notification is not a substitute for regularly checking your Account at www.idsaves.org. We intend to archive the transaction history for Accounts for a rolling ninety (90) day period, and Account statements and transaction confirmations for a rolling eighteen (18) month period, after which they will not be available through our website. Accordingly, you should consider printing any Account information that you may wish to retain before it is removed. After these documents are archived, you will be able to obtain them by contacting customer service at 1-866-433-2533.
You will be required to provide your user ID and password to access your Account information and perform transactions on our website. You should not share your password with anyone else. We will honor instructions from any person who provides correct identifying information, and we are not responsible for fraudulent transactions we believe to be genuine according to these procedures. Accordingly, you bear the risk of loss if unauthorized persons obtain your user ID and password and conduct any transaction on your Account. You can reduce this risk by checking your Account information regularly. You should avoid using passwords that can be guessed and should consider changing your password frequently. For security purposes, our customer service representatives will not ask you for your password. It is your responsibility to review your Account information and to notify us promptly of any unusual activity. You can withdraw your consent to receiving documents electronically at any time by contacting customer service at 1-866-433-2533 or making the change online.

We cannot guarantee the privacy or reliability of e-mail, so we will not honor requests for transfers or changes received by e-mail, nor will we send Account information through e-mail. All transfers or changes should be made through our secure website. Our website uses generally accepted and available encryption software and protocols, including Secure Socket Layer. This is to prevent unauthorized people from eavesdropping or intercepting information sent by or received from us. This may require that you use certain readily available versions of web browsers. As new software and protocols, including Secure Socket Layer. This is to prevent unauthorized people from eavesdropping or intercepting information sent by or received from us. This may require that you use certain readily available versions of web browsers. As new security software or other technology becomes available, we may enhance our systems.

**Account Restrictions**

In addition to rights expressly stated elsewhere in this Disclosure Statement, the Board and the Program Manager reserves the right to, or cause its agents to (i) freeze an Account and/or suspend Account services when the Plan has received reasonable notice of a dispute regarding the assets in an Account, including notice of a dispute in Account ownership or when the Plan reasonably believes a fraudulent transaction may occur or has occurred; (ii) freeze an Account and/or suspend Account services upon the notification to the Plan of the death of an Account Owner until the Plan receives required documentation in good order and reasonably believes that it is lawful to transfer Account ownership to the Successor Account Owner; (iii) redeem an Account, without the Account Owner’s permission, in cases of threatening conduct or suspicious, fraudulent or illegal activity; and (iv) reject a contribution for any reason, including contributions for the Plan that the Program Manager or the Board believe are not in the best interests of the Plan, an Investment Option, a Portfolio or the Account Owners. The risk of market loss, tax implications, penalties, and any other expenses, as a result of such an Account freeze or redemption will be solely the Account Owner’s responsibility.

**Termination of Accounts**

We may refuse to establish or may terminate an Account if we determine that it is in the best interest of IDeal or required by law. If we determine that you provided false or misleading information to the Plan Officials or an Eligible Educational Institution in establishing or maintaining an Account, or that you are restricted by law from participating in IDeal, we may close your Account. Trust interests redeemed as a result of closing your Account will be valued at the Unit Value next calculated after we decide to close your Account, and the risk of market loss, tax implications, and any other expenses, as a result of the liquidation, will be solely your responsibility.

**Unclaimed Accounts**

If there has been no activity in your Account for a period defined by law, usually five (5) years, and if we are unable to contact you, your account may be considered abandoned under the law of the state of your last known address. If your Account is considered abandoned, we will report your account to the state of your last known address. In some states, we are required by law to liquidate your account and transfer the funds to that state. If you do not claim your funds, the funds may escheat to the state as defined in the law of that state. If the state of your last known address is Idaho, as of July 1, 2016, your account will be reported to the Idaho Unclaimed Property Program but will not be liquidated. IDeal will retain the Account and manage the Account in the Investment Options you selected or in accordance with established procedures of the Board and in accordance with a written agreement between the Board and the Idaho Unclaimed Property Program.

**Creditor Protection Under U.S. Laws**

Federal bankruptcy law excludes from property of the debtor’s bankruptcy estate certain assets that have been contributed to a 529 Plan account. However, bankruptcy protection in this respect is limited and has certain conditions. For the 529 Plan account to be excluded from the debtor’s estate, the account beneficiary must be a child, stepchild, grandchild, or step-grandchild (including a legally adopted child or a foster child) of the individual who files for bankruptcy protection. In addition, Contributions made to all 529 Plan accounts for the same beneficiary are protected from becoming property of the debtor’s estate as follows:

- Contributions made to all 529 Plan accounts for the same Beneficiary more than seven-hundred twenty (720) days before a federal bankruptcy filing are completely protected;
- Contributions made to all 529 Plan accounts for the same Beneficiary more than three hundred and sixty five (365) days but less than seven-hundred twenty (720) days before a federal bankruptcy filing are, as of April 1, 2016, protected up to six-thousand four-hundred twenty-five dollars ($6,425), an amount currently revised every three years by the Judicial Conference of the United States; and
- Contributions made to all 529 Plan accounts for the same Beneficiary less than three hundred and sixty five (365) days before a federal bankruptcy filing are not protected against creditor claims in federal bankruptcy proceedings.

Federal bankruptcy law permits a debtor to exempt certain specified assets from liability notwithstanding the assets being property of the debtor’s estate. Under federal bankruptcy law, assets held in a 529 Plan account that are property of the debtor’s estate are not exempt from debt for domestic support obligations.
This information is not meant to constitute individual tax or bankruptcy advice, and you should consult with your own advisors concerning your individual circumstances.

Independent Registered Public Accounting Firm

The Program Manager has contracted with Thomas and Thomas, LLP, an independent public accounting firm, to audit the financial statements for the Plan in accordance with generally accepted auditing standards and practices.

Custodial Arrangements

The Bank of New York Mellon (“BNY Mellon”) is the Plan’s custodian. As such, BNY Mellon holds in safekeeping, cash and shares of the Funds belonging to the Plan. Upon instruction, BNY Mellon receives and delivers cash and shares of the Funds in connection with Portfolio transactions and collects all income payable to and all distributions made with respect to the Plan’s shares of the Funds.

Special Considerations

Additional Rights. The Board reserves the right to:

• refuse, change, discontinue, or temporarily suspend account services, including accepting contributions and processing withdrawal requests, for any reason;

• delay sending out the proceeds of a withdrawal request for up to ten (10) calendar days (this generally applies only to very large withdrawal requests without advance notice or during unusual market conditions);

• delay sending out the proceeds of a withdrawal request for up to nine (9) business days when a mailing address has changed and if the proceeds are requested to be sent by check to either the Account Owner or a Beneficiary;

• following receipt of any contributions made by check, recurring contribution, or EFT, hold withdrawal requests for eight (8) business days or longer;

• delay sending out the proceeds of a withdrawal request for up to fifteen (15) calendar days if bank information has been added or edited; and

• suspend the processing of withdrawal requests or postpone sending out the proceeds of a withdrawal request when the NYSE is closed for any reason other than its usual weekend or holiday closings, when trading is restricted by the SEC, or under any emergency circumstances.

Conflicts

Except as otherwise expressly provided in the Trust Declaration, in the event of inconsistencies between this Disclosure Statement, the Management Agreement, Board policy or the Rules, and the Code or Idaho statutes, the provisions of the Idaho statutes or the Code, as applicable, shall govern. To the extent permitted by Idaho law, the Code shall govern in the event of any inconsistencies between Idaho statutes and the Code.

Representations

STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT THAT INVOLVE ESTIMATES, FORECASTS, OR MATTERS OF OPINION, WHETHER OR NOT EXPRESSLY SO DESCRIBED HEREIN, ARE INTENDED SOLELY AS SUCH AND ARE NOT TO BE CONSTRUED AS REPRESENTATIONS OF FACTS.

Contacting IDeal

Phone: 1-866-433-2533
(6:00 a.m. – 6:00 p.m. Mountain time, Mon.-Fri.)

Online: www.idsaves.org

Regular Mail:
IDeal – Idaho College Savings Program
PO. Box 219944
Kansas City, MO 64121

Overnight Delivery:
IDeal – Idaho College Savings Program
920 Main Street, Suite 900
Kansas City, MO 64105
Part XI. Privacy Policies

**IDeal Privacy Policy**

Idaho law requires that personal information including the social security numbers, addresses and telephone numbers of an Account Owner or Beneficiary in IDeal be confidential. We recognize our obligation to keep information about you secure and confidential.

**Collecting and Using Information**

Through your participation in IDeal, we collect various types of confidential information you provide in your Enrollment Form, such as your name and the name of your Beneficiary, Social Security numbers, addresses, and demographic information. We also collect confidential information relating to your transactions in the Plan, such as Account balances, contributions, withdrawals, and investments. We do not sell information about current or former Account Owners, Beneficiaries and/or Custodians to any third parties, and we do not disclose it to third parties unless necessary to process a transaction, service an Account, as otherwise permitted or required by law, or with your consent. We may, however, share that information with companies that perform administrative or marketing services for us or with a research firm we have hired. When we enter into such a relationship, our contracts restrict the companies’ use of your confidential IDeal information, prohibiting them from sharing or using it for any purposes other than those for which they were hired.

**ABD Privacy Statement**

ABD is required to treat all Account Owner and Beneficiary information confidentially. ABD is prohibited from using or disclosing such information, except as may be necessary to perform its obligations under the terms of its contract with the Board, or if required by applicable law, by court order, or other order.
Participation Agreement

THIS PARTICIPATION AGREEMENT (the “Participation Agreement”) is entered into between the Account Owner (“you,” “I,” or the “Account Owner”) whose name appears on the Enrollment Form and the Idaho College Savings Program Board (“Board”), which serves as the administrator of the IDeal – Idaho College Savings Program (the “Plan”) and the Trustee of the Trust, which holds the assets of the Plan. The Plan was established under Idaho Code Title 33, Chapter 54 (the “Enabling Legislation”) and is designed to qualify for treatment as a qualified tuition program within the meaning of Section 529 of the Internal Revenue Code of 1986, as amended from time to time, and any regulations or other guidance issued thereunder (collectively, “Section 529”). Terms used in this Participation Agreement and not otherwise defined herein have the meanings defined in the Disclosure Statement, receipt of which is hereby acknowledged by the Account Owner. By signing the Enrollment Form you agree to be bound by the terms of this Participation Agreement, the Disclosure Statement, and the terms of the Enrollment Form and acknowledge and agree that the Account is subject to the Trust Declaration and applicable law and regulations, including without limitation, the U.S. Internal Revenue Code, as amended, the Enabling Legislation, and the rules adopted by the Board under the Idaho Administrative Procedure Act, as amended from time to time by the Board, in its sole discretion (the “Rules”).

1. Establishment of Account. This Participation Agreement and the complete Enrollment Form executed by the Account Owner with respect to an account (an “Account”) shall constitute the entire agreement between the Board and the Account Owner with respect to the Account. You request that the Board establish an Account pursuant to the Enrollment Form for the benefit of the Beneficiary on the Enrollment Form (the “Beneficiary”). Your Account and this Participation Agreement are subject to the Enabling Legislation and the Rules. Your Account assets will be held, subject to the Controls of the Trust, for the exclusive benefit of you and the Beneficiary.

2. Plan Management. The Board has retained Ascensus Broker Dealer Services, Inc. (“ABD”) as the Program Manager and the Distributor of the Plan. ABD and its affiliates have overall responsibility for the day-to-day operations of the Plan, including recordkeeping and marketing. (“ABD” is used to refer collectively or individually, as the case requires, to Ascensus Broker Dealer Services, Inc. and its affiliates.) The Program Manager will establish an Account upon receipt of a duly completed Enrollment Form in good order and the minimum initial contribution required for an Account.

3. Contributions to Accounts. The Account is subject to certain terms and conditions, including minimum initial and subsequent contribution amounts, as described in the Disclosure Statement.

4. Designation of Beneficiary; Change of Beneficiary. The Account Owner will name a single Beneficiary for each Account on the Enrollment Form. Accounts opened by an agency or instrumentality of a state or local government, or tax-exempt organization as defined in the Code to fund scholarships may be established without naming a Beneficiary. The Account Owner may change the Beneficiary of an Account without adverse federal income tax consequences in accordance with the terms set forth in the Disclosure Statement. To change a Beneficiary, the Account Owner may go online, contact us by phone, or mail the appropriate form to the Plan. The change will be effective when the Program Manager has received and processed the appropriate form. A change of Beneficiary will result in the assignment of a new Account number.

5. Investment Options. The Plan has established several Investment Options for the investment of assets in the Account. Your Account will be established by the Program Manager so that contributions are automatically allocated to the Investment Option(s) selected on the Enrollment Form. Initial and subsequent contributions to your Account will be invested in accordance with the Investment Options(s) selected, and allocations chosen, by you, as described in the Disclosure Statement, and Units of the Portfolio(s) (or any successor Portfolio(s)) selected will be allocated to your Account. Each Portfolio will invest in mutual funds or other investment vehicles approved by the Board. Except for the Savings Portfolio which offers FDIC insurance on a pass-through basis, the Portfolios are not insured or guaranteed by the FDIC, the State of Idaho, the Board, the Trust, any other government agency or the Program Manager, its affiliates, or subcontractors.

6. Withdrawals from Accounts; Termination of Accounts. You may direct withdrawals from your Account at any time subject to the Plan’s procedures (as described in the Disclosure Statement) and any fees, penalties, and additional tax that may be applicable as described below and in the Disclosure Statement or as required by the Enabling Legislation or Section 529.

(a) Withdrawals from Accounts. You may direct withdrawals from your Account following the Program Manager’s acceptance of your request (whether initiated online, by phone or by mailing the appropriate form) and any additional information or documentation required by the Plan.

(b) Tax on Non-Qualified Withdrawals. Non-Qualified Withdrawals will be subject to all applicable federal and state taxes on earnings, including the Federal Penalty Tax as described in the Disclosure Statement.

(c) Termination of Accounts. The Board or the Account Owner may terminate an Account, and the Board may terminate the Plan, in accordance with the Enabling Legislation, Section 529, and/or any applicable Rules at
any time. If the Board or the Program Manager finds that the Account Owner or a Beneficiary has provided false or misleading information to the Board, the Program Manager, or an Eligible Educational Institution with respect to an Account, the Board may take such action permitted by the Enabling Legislation and Rules such as termination of the Account and withdrawal of the Account balance. Upon termination of your Account, the Account balance will be distributed to you and contributions and all earnings thereon will be subject to all applicable federal and state taxes or penalties on Non-Qualified Withdrawals.

7. **Account Owner’s Representations.** You represent and agree as follows:

(a) I have received the Disclosure Statement, the Participation Agreement, and any additional information provided to me by the Plan Officials with respect to the Trust or the Plan. I have carefully reviewed and understand the Disclosure Statement, including, without limitation, the discussion of risks in the Disclosure Statement under the heading “Risks of Investing in the Plan.” I agree that the Disclosure Statement and my Enrollment Form are incorporated by reference herein. In making my decision to open an Account and enter into this Participation Agreement, I have not relied upon any representations or other information, whether written or oral, other than as set forth in the Disclosure Statement and this Participation Agreement.

(b) I UNDERSTAND THAT (i) THE VALUE OF AN ACCOUNT WILL INCREASE OR DECREASE BASED ON THE INVESTMENT PERFORMANCE OF THE PORTFOLIO(S) IN WHICH CONTRIBUTIONS TO THE ACCOUNT HAVE BEEN ALLOCATED AND THE FUNDS IN WHICH THEY INVEST OR SUCH OTHER FUNDS, SECURITIES, OR INVESTMENTS SELECTED BY THE BOARD; (ii) THE VALUE OF AN ACCOUNT MAY BE MORE OR LESS THAN THE AMOUNT CONTRIBUTED TO THE ACCOUNT; (iii) ALL CONTRIBUTIONS TO AN ACCOUNT ARE SUBJECT TO INVESTMENT RISKS, INCLUDING THE RISK OF LOSS OF ALL OR PART OF THE CONTRIBUTIONS AND ANY RETURN OR INTEREST EARNED THEREON, EXCEPT FOR CONTRIBUTIONS TO THE SAVINGS PORTFOLIO TO THE EXTENT OF AVAILABLE FDIC INSURANCE; AND (iv) THE VALUE OF THE ACCOUNT MAY NOT BE ADEQUATE TO FUND ACTUAL HIGHER EDUCATION EXPENSES. I ACKNOWLEDGE THAT THERE IS NO GUARANTEE OF A RATE OF INTEREST OR RETURN ON ANY ACCOUNT. I UNDERSTAND THAT THE INTENDED TAX ADVANTAGES FOR THE ACCOUNT MAY BE NEGATIVELY AFFECTED BY FUTURE CHANGES IN TAX LAWS, REGULATIONS, OR RULES. NEITHER THE BOARD, THE STATE OF IDAHO, NOR THE PROGRAM MANAGER, ITS AFFILIATES, AND SUBCONTRACTORS INSURES ANY ACCOUNT OR GUARANTEES ANY RATE OF RETURN OR ANY INTEREST RATE ON ANY CONTRIBUTION, AND NONE OF THE AFOREMENTIONED SHALL BE LIABLE FOR ANY LOSS INCURRED BY ANY PERSON AS A RESULT OF PARTICIPATING IN THE PLAN.

c) I understand that: (i) the state(s) in which I live or pay taxes may offer a Section 529 college savings plan; (ii) the Section 529 college savings plan(s) and those state(s) may offer me state income tax or other benefits not available through the Plan;(iii) there are other education savings and investment alternatives designed to provide prepaid tuition or educational expenses; and (iv) I may want to consult with a qualified tax advisor regarding the state tax consequences of investing in the Plan.

d) I understand that once invested in a particular Investment Option, contributions and any earnings may only be transferred to another Investment Option up to two times per calendar year or upon a change of Beneficiary. Except as otherwise permitted under Section 529, the Enabling Legislation, or the Rules, all investment decisions for the Investment Option(s) and assets in each Account once a particular Investment Option is selected will be made by the Plan. I understand that only the Board will have the authority to make decisions concerning the Funds and the selection of the Program Manager. I understand that any Portfolio or Investment Option may at any time be merged, terminated, reorganized, or cease accepting new contributions, and any such action affecting a Portfolio or Investment Option may result in contributions being reinvested in a Portfolio or Investment Option different from the Portfolio or Investment Option in which contributions were originally invested.

e) With respect to each Investment Option except for the Savings Portfolio, I understand and acknowledge that neither my contributions nor investment returns so allocated to my Account are guaranteed or insured by any person or entity. I understand that there is no guarantee that the Plan’s investment objectives will be achieved.

f) I understand that although I own Units in a Portfolio, I do not have a direct beneficial interest in the mutual funds or other Funds approved by the Board from time to time, and, therefore, I do not have the rights of an owner or shareholder of such mutual funds or Funds. I further understand that I received no advice or investment recommendation from, or on behalf of, the State of Idaho, the Board, the Plan, or the Program Manager, its affiliates, or subcontractors.

g) I agree that each contribution to the Account shall constitute my representation that each contribution
(together with the current Account and all other Accounts of which I am aware that have been established under the Plan for the same Beneficiary) will not cause the aggregate balances in such Accounts to exceed the amount reasonably believed by me to be necessary to provide for the Beneficiary’s future Qualified Expenses, and in any event will not cause such aggregate balances to exceed the Maximum Account Balance then in effect. I understand that the Maximum Account Balance does not apply to Accounts maintained for a scholarship program by a state or local government (or agency or instrumentality) or tax-exempt organization as defined in the Code.

(h) I understand that I am solely responsible for determining which Section 529 qualified tuition program is best suited to my needs and objectives. I understand that each of the Investment Options within the Plan may not be suitable, and that the Plan may not be suitable, for all investors as a means of saving and investing for higher education costs. I have determined that an investment in the Plan is a suitable investment for me as a means of saving for the Qualified Expenses of the Beneficiary of my Account.

(i) I certify that all of the information that I provided in the Enrollment Form and any other documentation subsequently furnished in connection with the opening or maintenance of, or any withdrawals from, the Account is and shall be accurate and complete, and I agree to notify the Board or the Program Manager promptly of any material changes in such information.

(j) I understand that participation in the Plan does not guarantee that any Beneficiary: (i) will be admitted as a student to any Eligible Educational Institution; (ii) if accepted, will be permitted to continue as a student; (iii) will graduate from any Eligible Educational Institution; (iv) will be treated as a state resident of any state for tuition purposes; or (v) will achieve any particular treatment under applicable federal or state financial aid programs. Further, I understand that participation in the Plan does not guarantee Idaho in-state tuition rates at Idaho state schools.

(k) I will not use an Account as collateral for any loan, and agree that any attempted use of an Account as collateral for a loan shall be void.

(l) I will not assign or transfer any interest in any Account except as permitted by Section 529 or the Enabling Legislation, any regulations issued thereunder, or the Board, and agree that any attempted assignment or transfer of such an interest shall be void. Notwithstanding the foregoing, I understand that I may designate a Successor Account Owner to whom the Account will be assigned in the event of my death. Accounts registered as trust accounts may not designate a Successor Account Owner.

(m) I understand that the Plan will not lend money or other assets to any Account Owner or Beneficiary.

(n) I understand that the Plan is established and maintained pursuant to the Enabling Legislation and is intended to qualify for treatment as a qualified tuition program within the meaning of Section 529. The Enabling Legislation and Section 529 are subject to change and neither the Board nor the Program Manager makes any representations that either the Enabling Legislation or Section 529 regulations, rules, notices, or other guidance issued thereunder will not be changed or repealed, or that the terms and conditions of the Plan will remain as currently described in the Disclosure Statement and this Participation Agreement.

(o) If I am establishing an Account as an individual, I certify that I am a natural person at least 18 years of age and a citizen or a resident of the United States of America. I further certify that I have the requisite authority to enter into this Participation Agreement and to open an Account on behalf of the Beneficiary.

(p) I also certify that the person named Beneficiary of the Account is a citizen or a resident of the United States of America.

(q) I understand that any contributions credited to my Account will be deemed by the Board and the Program Manager to have been received from me and that any contributions by third parties may result in adverse tax or other consequences to me or such third parties.

(r) I agree and acknowledge that included in the Fees and Expenses section of the Disclosure Statement include investment management fees and other expenses charged by each of the mutual funds or other Funds in which Portfolio assets are invested.

(s) I understand that I am opening this Account to provide funds for Qualified Expenses of the Beneficiary of the Account.

(t) I understand that the Board or the Program Manager may ask me to provide additional documentation that may be required by applicable law, the Rules, or the Disclosure Statement, and I agree to promptly comply with any such requests for additional documents.

(u) I understand that purchases and sales of Units held in my Account may be confirmed to me on periodic Account statements in lieu of an immediate confirmation.

(v) I agree that I have been given an opportunity, within a reasonable time prior to my execution of the Enrollment Form, to ask questions of representatives of the Program Manager and to receive satisfactory answers concerning: (i) my participation in the Plan; (ii) the terms and conditions governing the Plan; (iii) the particular Investment Options that are available for the Beneficiary of the Account; (iv) the Disclosure Statement, the Participation Agreement, and the Trust Declaration; (v) the applicable fees and expenses charged in connection with the Plan; and (vi) my ability to obtain such additional information necessary to verify the accuracy of any information furnished.

(w) I understand that Plan assets may be allocated among equity funds, fixed income funds, cash management funds, and other investments.
(x) If I am establishing an Account as a Custodian for a minor under UGMA/UTMA, I understand and agree that I assume responsibility for any adverse consequences resulting from the establishment, maintenance, or termination of the Account.

(y) If I am establishing an Account on behalf of a government entity, corporation, association, partnership or other entity, I represent that I have the authority to enter into, and bind such entity to, this Participation Agreement and open an Account in the Plan for the benefit of the Account Owner.

(z) If I am establishing an Account as a trustee for a trust, I represent that: (i) the trustee is the Account Owner; (ii) the individual executing this Participation Agreement is duly authorized to act as trustee for the trust; (iii) the Disclosure Statement may not discuss tax consequences and other aspects of the Plan of particular relevance to the trust and individuals having an interest therein; and (iv) the trustee, for the benefit of the trust, has consulted with and relied on a professional advisor, as deemed appropriate by the trustee, before becoming an Account Owner.

(aa) I understand that tax laws are subject to change, and that any such change may have adverse tax and other consequences to me.

(bb) I understand that no part of my participation in the Plan will be considered to be a provision of an investment advisory service by the Trust, the Board, the Program Manager, its affiliates, or subcontractors.

(cc) I understand that ABD and Vanguard, to the extent permitted by applicable law, may direct mailings to me or my Beneficiary regarding products or services other than the Plan.

(dd) I, indemnify and hold harmless the Plan Officials from and against any and all loss, damage, liability, penalty, tax, or expense, including costs of reasonable attorneys’ fees, to which they incur by reason of, or in connection with, any misstatement or misrepresentation that is made by me or my Beneficiary, any breach by me of this Participation Agreement, the Trust Declaration, or the Disclosure Statement, or any failure by me to fulfill any covenants or agreements in the Trust Declaration or the Disclosure Statement, and this Participation Agreement.

(ee) The Plan Officials, individually and collectively, are not liable for a failure of IDeal to qualify or to remain a Qualified Tuition Program under the Code including any subsequent loss of favorable tax treatment under state or federal law; any loss of funds contributed to my Account; or the denial to me of a perceived tax or other benefit under IDeal, the Trust Declaration, or the Enrollment Form.

8. Fees and Expenses. The Account is subject to the fees and expenses to pay for the costs of managing and administering the Plan as described in the Disclosure Statement.

9. Necessity of Qualification. The Plan intends to qualify for favorable federal tax treatment under Section 529. Because this qualification is vital to the Plan, the Board may modify the Plan or amend this Participation Agreement at any time if the Board decides that the change is needed to meet the requirements of Section 529 or the regulations administered by the IRS pursuant to Section 529, Idaho law, or applicable rules or regulations promulgated by the Board, or to ensure the proper administration of the Plan.

10. Reports. The Program Manager will send you periodic statements of your Account. The Program Manager will provide tax reporting as required by applicable law. If you do not promptly write to the Program Manager to object to a statement or report, you will be considered to have approved it and to have released the Board, the Trust, and the Program Manager from all responsibility for matters covered by the report. You agree to provide all information the Board or the Program Manager may need to comply with any legal reporting requirements. You will continue to be responsible for filing your federal tax return and any other reports required of you by law.

11. Amendment and Termination. The Board may from time to time amend the Plan, the Disclosure Statement, the Participation Agreement, or the Rules, and may suspend or terminate the Plan by giving you written notice (which amendment shall be effective upon the date specified in the notice), but the contributions you have made to the Plan may not thereby be diverted from the exclusive benefit of you and your Beneficiary. Nothing contained in the Disclosure Statement, this Participation Agreement, or the Rules is an agreement or representation by the Board, the Trust, Program Manager, its affiliates or subcontractors, or any other person that it will continue to maintain the Plan indefinitely.

A termination of the Plan or this Participation Agreement by the Board or the Trust may result in a Non-Qualified Withdrawal for which tax and penalties may be assessed. No provision of this Participation Agreement can be amended or waived except in writing signed by an authorized representative of the Board.

My statements, representations, warranties, and covenants in this Participation Agreement will survive the termination of my Account.

12. Effective Date; Incorporation of Application. This Participation Agreement shall become effective between the Board and you upon the first deposit to your Account or the acceptance of your properly completed Enrollment Form by the Program Manager by and on behalf of the Board, whichever occurs first, subject to the Board’s right to reject the Enrollment Form if, in processing the Enrollment Form, it is determined that the Enrollment Form has not been fully and properly completed.

13. Applicable Law. This Participation Agreement is governed by the laws of Idaho without regard to its conflicts of law principles.

14. Extraordinary Events. The Board, the Trust, and the Program Manager shall not be liable for loss caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading, war, acts of terrorism, strikes, or other conditions beyond their respective control.
15. Severability. In the event that any clause, provision, or portion of this Participation Agreement is found to be invalid, illegal, void, or unenforceable by reason of any law, rule, administrative order, or judicial decision of a court of competent jurisdiction, that clause or portion will be severed from this Participation Agreement and the remainder shall continue in full force and effect as if such clause or portion had never been included.

16. Disputes. All decisions and interpretations by the Board and the Program Manager in connection with the operation of the Plan shall be final and binding upon you, the Beneficiary, and any other person affected thereby. Any claim by you against the State of Idaho, the Board, the Trust, the Plan, or any of their respective affiliates or their officers, employees, or agents, pursuant to this Participation Agreement or the Plan shall be made solely against the assets of the Plan. If you have a substantial interest affected by a decision of the Board, you may appeal to the Board in writing in accordance with the Board’s procedures. The Board shall review the documentation and other submissions and make a determination within sixty (60) days. The Board’s appeal determination shall be in writing and returned to the appellant. All appeal decisions of the Board shall be final.

17. Arbitration.

(a) Notice. This Participation Agreement contains a pre-dispute arbitration clause. By the Account Owner signing an Enrollment Form and upon acceptance of the Account Owner’s initial contribution, the Account Owner and the other parties agree as follows:

(1) All parties to this Participation Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.

(2) Arbitration awards are generally final and binding; a party’s ability to have a court reverse or modify an arbitration award is very limited.

(3) The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.

(4) The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least twenty (20) days prior to the first scheduled hearing date.

(5) The panel of arbitrators may include a minority of arbitrators who were or are affiliated with the securities industry.

(6) The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.

(7) The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

(b) Arbitration Clause. Any controversy or claim arising out of or relating to the Plan or the Participation Agreement, or the breach, termination, or validity of the Plan or the Participation Agreement, shall be settled by arbitration administered by the American Arbitration Association (the “AAA”) in accordance with its Commercial Arbitration Rules (except that if ABD or Vanguard is a party to the arbitration, it may elect that arbitration will instead be subject to the Code of Arbitration Procedure of the Financial Industry Regulatory Authority), which are made part of this Participation Agreement, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

(c) Class Actions. No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein to this Participation Agreement.

18. Lawsuits Involving Your Account. You hereby submit (on behalf of yourself and your Beneficiary) to exclusive jurisdiction of courts in Idaho for all legal proceedings, other than arbitration, arising out of or relating to this Participation Agreement. Except as to controversies arising between you or your Beneficiary and the Board or the Program Manager, the Board or the Program Manager may apply to a court at any time for judicial settlement of any matter involving your Account. If the Board or the Program Manager does so, they must give you or your Beneficiary the opportunity to participate in the court proceeding, but they also can involve other persons. Any expense incurred by the Board or the Program Manager in legal proceedings involving your Account, including attorney’s fees and expenses, are chargeable to your Account and payable by you or your Beneficiary if not paid from your Account.

19. Binding Nature. This Participation Agreement shall be binding upon the parties and their respective heirs, successors, beneficiaries, and permitted assigns. You agree that all of your representations and obligations under this Participation Agreement shall inure to the benefit of the Board and the Program Manager, all of whom can rely upon and enforce your representations and obligations contained in this Participation Agreement.
# Summary of Plan Rules

## Age Requirements

<table>
<thead>
<tr>
<th>Role</th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account Owner</td>
<td>An Account Owner must be at least age 18 and have a valid Social Security number or taxpayer identification number.</td>
</tr>
<tr>
<td>Beneficiary</td>
<td>A Beneficiary may be of any age and must have a valid Social Security number or taxpayer identification number.</td>
</tr>
<tr>
<td>Successor Account Owner</td>
<td>A Successor Account Owner must be at least age 18 and have a valid Social Security number or taxpayer identification number.</td>
</tr>
</tbody>
</table>

## Dollar Amounts

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum Account Balance</td>
<td>IDeal will accept contributions until all Account balances for the same Beneficiary reach $350,000.</td>
</tr>
<tr>
<td>Minimum Contribution</td>
<td>Initial Contribution: $25 ($15 for payroll direct deposit); Subsequent Contribution: $25 ($15 for payroll direct deposit)</td>
</tr>
<tr>
<td>Idaho State Income Tax Deduction</td>
<td>Idaho taxpayers receive a maximum $4,000 income tax deduction per individual taxpayer ($8,000 married and filing jointly) from their State adjusted gross income annually for contributions to IDeal.</td>
</tr>
<tr>
<td>Maximum Gift Without Incurring Federal Gift Tax</td>
<td>A person can contribute $14,000 ($28,000 if filing jointly) each year for the benefit of one beneficiary without incurring gift tax liability, or up to $70,000 ($140,000 if filing jointly) in one year if a five-year election is made.</td>
</tr>
</tbody>
</table>

## Movement of Funds

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>Anyone can contribute to an Account regardless of who owns the Account. However, only the Account Owner can control how money is invested and used.</td>
</tr>
<tr>
<td>Withdrawals</td>
<td>An Account Owner may request a withdrawal of funds from his or her Account anytime. Withdrawals may only be sent to the Account Owner, the Beneficiary, or an Eligible Educational Institution.</td>
</tr>
<tr>
<td>Rollovers</td>
<td>Assets in a 529 Plan account may be rolled over to another 529 Plan account once every 12 months for the same Beneficiary to avoid federal income tax consequences. A Rollover from a 529 Plan to another 529 Plan must be contributed within 60 days of the withdrawal to avoid federal tax consequences. For more details, see Part IX. Federal and State Tax Treatment — Rollovers, on page 48. Rollovers out of the Plan by Idaho taxpayers must be included in Idaho taxable income to the extent of contributions made during the 12 months prior to the rollover. For more details, see Part IX. Federal and State Tax Treatment — State Tax Treatment — Rollovers to Another State’s Qualified Tuition Program, on page 50.</td>
</tr>
<tr>
<td>Investment Options Changes</td>
<td>The Investment Option on an existing Account may be changed up to two times per calendar year for each Beneficiary or anytime in connection with a change of the Beneficiary. Additional restrictions apply to transfers out of the Interest Accumulation Portfolio, and such additional restrictions may operate to limit an Account Owner’s ability to change Investment Options for the applicable Account within the same calendar year. See “Part V. Risks of Investing in the Plan — Equity Wash Rule” on page 36.</td>
</tr>
<tr>
<td>Transfer to Another Beneficiary</td>
<td>Some or all of the funds in an Account may be transferred from one Beneficiary to another as long as the new Beneficiary is a “Member of the Family” of the previous Beneficiary.</td>
</tr>
<tr>
<td>Refunds</td>
<td>Refunds from Eligible Educational Institutions must be recontributed to a 529 Plan account for the same Beneficiary within 60 days of the date of the refund to avoid federal income tax and the Federal Penalty Tax.</td>
</tr>
</tbody>
</table>

## Deadlines

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Idaho State Income Tax Deduction</td>
<td>Contributions generally need to be made by December 31 to receive the Idaho state income tax deduction for that calendar year. For details on how the Plan treats year-end contributions by U.S. mail and EFT, see Part IX, Federal and State Tax Treatment — State Tax Treatment — Idaho Tax Deduction Contribution Deadlines on page 50.</td>
</tr>
</tbody>
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