



Big plans start with
a simple choice:
CollegeChoice 529





Important highlights from the enclosed Disclosure Statement

Topics

- Account owner and beneficiary requirements
- Contribution limitations and penalties
- Fees and costs
- Federal and state tax information
- General risks
- Investment options
- Investment performance
- Investment risks
- Plan governance and administration
- Withdrawal limitations and penalties

Dear College Saver:

We all want the best for our children. Whether we're parents, grandparents, relatives, or caring friends, we recognize that it's our responsibility to do all we can to help them reach their potential. One of the greatest contributions we can make toward achieving that goal is a sound education. But with continued increases in costs, planning ahead is vital.

I'm pleased to present the CollegeChoice 529 Direct Savings Plan (CollegeChoice 529), sponsored by the State of Indiana. The Plan offers a range of benefits, including:

- Tax-advantaged investing
- Competitive, low-cost fees and expenses
- Professional investment management with a variety of options
- 24-hour online account management
- Additional ways to save for college: Ugift® and Upromise®
- A special 20% tax credit for Indiana taxpayers

This Highlights Booklet and the accompanying Disclosure Statement provide details about CollegeChoice 529. I encourage you to read this information closely before making a decision to invest.

Our children deserve the best possible start in life. Saving can be a daunting task, but with CollegeChoice Direct, you'll have a plan in place that can help bring their goals closer to reality.



Sincerely,

Kelly M. Mitchell

Hon. Kelly M. Mitchell
Indiana Treasurer of State



Saving for college starts with a choice

Your child already has big plans for the future, no matter how old they are. Maybe they see themselves as a botanist, architect, veterinarian, or teacher. Their dream may change over the years, but one thing to consider — your child will need higher education to make their dream come true. That's where a simple choice today can make a big difference tomorrow — your choice to start saving now for traditional college or technical school.

A 529 plan can make saving easier

A 529 plan is a tax-advantaged program designed to help you save for college. You can use its assets to pay for tuition, fees, books, computers, and certain room and board costs at eligible schools anywhere around the country — not only in Indiana, and not just at two- and four-year schools, but at trade and technical institutes or graduate programs, too.

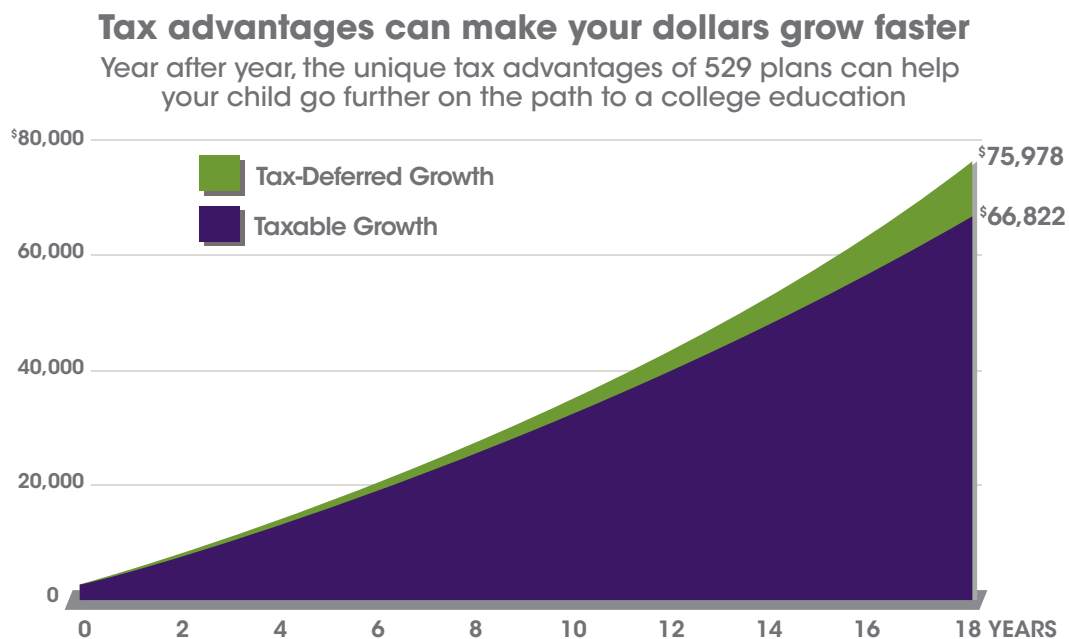
Why are 529 college savings plans so popular? They can help your children afford college while also providing you with benefits:

- Tax-deferred earnings
- Tax-free qualified withdrawals*
- Control by the account owner over how assets are used
- Gift- and estate-tax advantages

Make your money work harder

As you can see in the hypothetical chart below, the difference between tax-free growth and taxable growth can be significant. If an investor opened a 529 account with an initial investment of \$2,500 and contributed \$200 every month for 18 years, there could be over \$9,100 more for a qualified withdrawal.**

* Earnings on non-qualified withdrawals are subject to federal income tax and may be subject to a 10% federal penalty tax, as well as state and local income taxes. The availability of tax or other benefits may be contingent on meeting other requirements.



** Assumptions: \$2,500 initial investment with subsequent monthly investments of \$200 for a period of 18 years; annual rate of return on investment of 5% and no funds withdrawn during the time period specified; taxpayer has a 24% Federal income tax rate for all options at the time of contributions and distribution. This hypothetical is for illustrative purposes only. It does not reflect an actual investment in any particular 529 plan or any taxes payable upon distribution. Actual investment returns may be higher or lower than those shown.



The simple choice: The CollegeChoice 529 Direct Savings Plan

Designed to give you an affordable, flexible, and smart way to save for higher education.

Affordable

Low minimums: You can open an account for as little as \$10 and make additional contributions of \$10.

High maximums: Contribute up to a total of \$450,000 per beneficiary for accounts in all 529 plans sponsored by the State of Indiana.

Low costs: CollegeChoice 529 investment options have annual asset-based fees ranging from 0.18% to 0.82% (depending on which investments you choose). If you or your beneficiary is an Indiana resident, or if your account balance is equal to or greater than \$25,000, there is no annual account maintenance fee; otherwise, the fee is \$20.

Flexible

Range of investment options: Families have different investment goals, so you can choose from a variety of investment styles and asset classes, including a simplified year of enrollment option.

Smart

Tax-deferred earnings: Your account earnings are federal and state tax-deferred.

Federal and state tax-free qualified withdrawals: When your child is ready for college you can withdraw the money from your CollegeChoice 529 account free from federal and Indiana state taxes (if the money is used to pay for qualified higher education expenses).*

Special tax credit for Indiana taxpayers: Contributions to a CollegeChoice 529 account are eligible for a state income tax credit of 20%, up to \$1,000 credit per year.**

Gift-tax benefits: Your contributions also qualify for the federal \$15,000 (\$30,000 if married, filing jointly) annual gift exclusion.

Estate planning benefits: Reduce your personal taxable estate by making five years' worth of gifts (up to \$75,000; \$150,000 if married, filing jointly) in one lump sum.†

* Earnings on non-qualified withdrawals are subject to federal income tax and may be subject to a 10% federal penalty tax, as well as state and local income taxes. The availability of tax or other benefits may be contingent on meeting other requirements.

** This credit may be subject to recapture from the account owner (not the contributor) in certain circumstances, such as a rollover to another state's 529 plan or a non-qualified withdrawal.

† In the event the contributor does not survive the five-year period, a pro-rated amount will revert back to the contributor's taxable estate.

Choices that help you save even more

CollegeChoice 529 wants your money to work as hard as you do, so here are two extra opportunities to save: Ugift® and Upromise®.

Ugift®

Ugift is an easy, free-to-use service that lets family and friends make the meaningful gift of money into your CollegeChoice 529 account. Saving for college can take a village, and Ugift makes it easy to get help from your network of family and friends. Instead of giving toys, clothes or other traditional gifts that a child will outgrow, gift givers get the satisfaction of knowing that their generosity can make a lasting impression.

Hassle-free: Gift contributions can be made online or by check. The contributions are coded to go into your CollegeChoice account, so there's no extra paperwork for you.

Secure: Unlike many other gifting programs, gift givers don't have to join, register or pay a service fee.

Popular: Families have already received over \$500 million in gift contributions through Ugift.

This may be one of the most meaningful gifts your child ever receives — help toward a college education. For more information, go to collegechoicedirect.com.

Upromise®

This free program helps families save for college. With access to saving strategies, simple savings tools, and unique savings offers, Upromise can help you accelerate your college savings every day. To learn more and to join, visit collegechoicedirect.com and click on the Upromise logo.



1 Suggest a 529 gift contribution to family and friends



2 They send a contribution



3 Those gifts are invested in your account

Don't wait!

Remember, it's never too early or late to start saving for college. The sooner you open your CollegeChoice 529 account, the sooner you can start gaining all of its benefits — and you may be that much closer to reaching your savings goals.

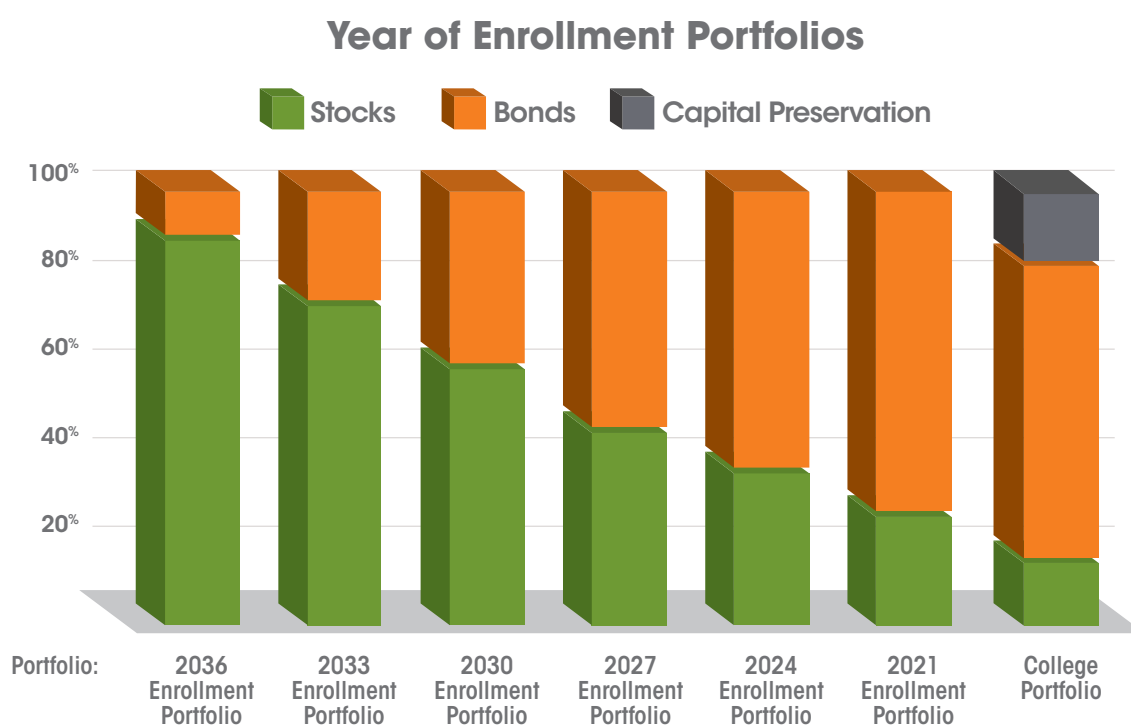
‡ Upromise is an optional program offered by Upromise, Inc., is separate from CollegeChoice 529, and is not affiliated with the State of Indiana. Terms and conditions apply to the Upromise program. Participating companies, contribution levels, and terms and conditions are subject to change at any time without notice. Transfers from Upromise to a CollegeChoice 529 account are subject to a \$25 minimum.

Focus on: Investment choices to fit your needs

The way you invest depends on several factors: Is your child a toddler, “tween,” or teenager? Do you believe in taking some risk or are you a conservative investor? Are you hands-on or do you prefer a one-stop portfolio? Your answers may lead you to choose either Year of Enrollment or Individual Portfolios.

Year of Enrollment Portfolios – An automatic choice

Make saving for college even simpler by selecting an investment option that automatically adjusts over time to become more conservative as the beneficiary approaches enrollment. With this option, your portfolio automatically shifts from a growth-oriented allocation to a more conservative mix, based on the year your child is expected to enter college.



You could lose money by investing in a portfolio which includes the Vanguard Short-Term Reserves Account which in turn invests in the Vanguard Federal Money Market Fund as well as Funding Agreements and Synthetic Investment Contracts (SICs). Although the money market fund in which your investment option invests (the “underlying fund”) seeks to preserve its value at \$1.00 per share, the underlying fund cannot guarantee it will do so. An investment in this investment option is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The underlying fund’s sponsor has no legal obligation to provide financial support to the underlying fund, and you should not expect that the sponsor will provide financial support to the underlying fund at any time.



Portfolios with higher allocations to bonds and short-term investments tend to be less volatile than those with higher stock allocations. Less-volatile portfolios generally may not decline in value as much when markets decline, but they also may not appreciate in value as much when markets go up.

The Year of Enrollment Portfolios’ investment in the Stable Value Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.



Individual Portfolios – Design your own investment option

CollegeChoice 529 also offers a wide range of investments managed by Dodge & Cox, Carillon Reams, NexBank, The Vanguard Group, Inc., and Dimensional to meet your and your beneficiary’s needs.

Individual Portfolios	
INVESTMENT MANAGER	PORTFOLIO
DODGE & COX FUNDS	International Portfolio seeks long-term growth of principal and income by investing primarily in a diversified portfolio of equity securities issued by non-U.S. companies from at least three different countries, including emerging markets.
CARILLON TOWER ADVISERS	Active Bond Portfolio seeks to achieve a high level of total return, consistent with the preservation of capital.*
NEXBANK™	Savings Portfolio seeks income consistent with the preservation of principal.**
 Vanguard	<p>Bond Index Portfolio seeks to track the performance of a broad, market-weighted bond index.</p> <hr/> <p>Stable Value Portfolio seeks income consistent with the preservation of principal.</p> <hr/> <p>U.S. Equity Index Portfolio seeks to track the performance of a benchmark index that measures the investment return of the overall stock market.</p>
 Dimensional	Inflation-Protected Portfolio seeks to provide inflation protection and earn current income consistent with inflation-protected securities.

* As a result of investing in undervalued sectors of the market as well as in non-investment grade securities, the Portfolio may at times experience periods of high volatility, especially when the market itself is experiencing dramatic volatility.

** The Savings Portfolio invests 100% of its assets in the NexBank High-Yield Savings Account (“HYSA”). The HYSA is held in an omnibus savings account insured by FDIC, which is held in trust by the Indiana Education Savings Authority at NexBank. 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 the maximum amount set by federal law – currently \$250,000. 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 NexBank, as determined by NexBank and FDIC regulations.

Frequently asked questions

What is CollegeChoice 529?

CollegeChoice 529 is a 529 college savings plan designed to help individuals and families save for college in a tax-advantaged way. Its benefits include tax-deferred growth, generous contribution limits, attractive investment options, and professional investment management. CollegeChoice 529 is offered by the Indiana Education Savings Authority, with program management by Ascensus College Savings.

How does CollegeChoice 529 work?

When you enroll in CollegeChoice 529, you choose to invest in one or more of eight different investment options offered by a variety of investment managers, including an automatic Year of Enrollment and Individual Portfolios, based upon your investing preferences and risk tolerance. All of the contributions made to your account can grow tax-deferred and your distributions are free from federal and Indiana state tax if used for qualified higher education expenses.*

How do I open a CollegeChoice 529 account?

You can enroll online now at collegechoicedirect.com. If you prefer to open an account by mail, complete the enclosed Enrollment Form and make an initial investment for the benefit of an individual (the "beneficiary"). You can open more than one account, but each must be for a different beneficiary.

How much can I invest?

You can establish an account with just \$10 and make additional investments of \$10 or more. More than one person can contribute to the same account until the total account balance reaches \$450,000. After that, the account can continue to grow through investment earnings only.

What are the fees associated with CollegeChoice 529?

The investment options have annual asset-based fees ranging from 0.18% to 0.82% (depending on the investments you choose). If you or your beneficiary is an Indiana resident, or if your account balance is equal to or greater than \$25,000, there is no annual account maintenance fee; otherwise, the fee is \$20.

What tax benefits can I get from CollegeChoice 529?

Your investments grow tax-deferred and can be withdrawn Indiana state and federal income tax-free if used for qualified higher education expenses.* Your contributions may also help you manage federal gift and estate taxes.

Are there any special tax benefits for Indiana taxpayers?

Yes. Indiana taxpayers are eligible for a state income tax credit of 20% of their contributions to CollegeChoice 529, up to \$1,000 credit per year. This credit may be subject to recapture from the account owner (not the contributor) in certain circumstances, such as a rollover to another state's 529 plan or a non-qualified withdrawal.

Who can open an account?

Any U.S. citizen or resident alien, 18 or older, or an entity that is organized in the U.S., with a Social Security number or Tax Identification number, can open a CollegeChoice 529 account, regardless of income level. Parents, grandparents, other family members, and friends can open an account for any person they choose.

Who can contribute?

Any number of people can contribute to the same CollegeChoice 529 account, but total contributions cannot exceed \$450,000 for all accounts for the same beneficiary in 529 plans sponsored by the State of Indiana.

Who can be a beneficiary?

Any person of any age, with a Social Security number or Tax Identification number, can be named as beneficiary of a CollegeChoice 529 account. As account owner, you can select a child, adult, or even yourself as beneficiary. If a beneficiary decides not to attend college, you can name another beneficiary who is a qualified member of the same family as the original beneficiary. Please see the Disclosure Statement for more information on who qualifies.

Does my child have to attend college in Indiana?

No. You can use the assets in your account toward 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, graduate school, 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 CollegeChoice 529 account can be used.

Do I retain control of the money?

Yes. As the account owner, you choose the portfolios in which you invest, as well as the distribution of the funds.

What qualifies as a higher education expense?

Qualified expenses can include tuition, certain room and board costs, fees, books, computers, and supplies at an accredited eligible institution of higher education.*

Can I roll over money from another 529 plan to CollegeChoice 529?

Yes. You may perform a federal income tax-free rollover from another 529 plan into your CollegeChoice 529 account for the same beneficiary once every 12 months. You may also perform a federal income tax-free rollover from another 529 plan into your CollegeChoice 529 account at any time when you change the beneficiary to a qualifying family member of the current beneficiary. However, rollover contributions are not eligible for the special Indiana state income tax credit.

What if my child does not go to college immediately after high school?

CollegeChoice 529 does not require the beneficiary to attend college immediately after graduating high school. There are no restrictions on when you can use the money in your account to pay for college expenses.

* Earnings on non-qualified withdrawals are subject to federal income tax and may be subject to a 10% federal penalty tax, as well as state and local income taxes. The availability of tax or other benefits may be contingent on meeting other requirements.



Five things you may not know about 529 plans...

1. 529 plan assets can be used at any eligible 2- or 4-year college or technical/vocational school around the country and beyond— not only in the state that is sponsoring the program.
2. Any U.S. citizen or resident alien of legal age with a Social Security number or Tax Identification number can establish an account.
3. There are no income limitations.
4. The name comes from Section 529 of the Internal Revenue Code, which allowed states and certain educational institutions to establish tax-advantaged programs designated to help families pay for higher education expenses.
5. You can establish a 529 plan account for your own education or career re-training expenses.

Their big plans start with your simple choice!

Don't stop now: Consider enrolling today in the CollegeChoice 529 Direct Savings Plan.

It's simple to enroll

- 1 Read** this entire Enrollment Kit, including the Disclosure Statement, carefully before investing. It includes the most complete information on CollegeChoice 529.
- 2 Decide** which investment approach is best for you. Your investment choices will be applied to all future contributions. Twice per calendar year you may move assets in your account into different investment options. However, you may change the investment allocation of future investments at any time.
- 3 Enroll.** Note that you will need to enroll each beneficiary separately.

Questions?

We're here to help. Call Client Service at **1.866.485.9415** any time from 8 a.m. to 8 p.m. Eastern time. You can also email questions or comments to clientservice@collegechoicedirect.com.

Online

The fastest way to open your account is to go to **collegechoicedirect.com** and click on "Enroll." You can open and begin managing your account immediately. To get started, you'll need:

- Your Social Security number
- Your beneficiary's Social Security number and date of birth
- Your email address
- Your bank checking or savings account number and routing number (if you want to contribute electronically via bank transfer)

If you prefer, you can complete the enclosed Enrollment Form. Return it with your initial contribution.

Mail to:

CollegeChoice 529 Direct Savings Plan
P.O. Box 219418
Kansas City, MO 64121

For overnight mail:

CollegeChoice 529 Direct Savings Plan
920 Main Street, Suite 900
Kansas City, MO 64105



Contact and service

CollegeChoice 529 Direct Savings Plan
P.O. Box 219418
Kansas City, MO 64121

Client service

1.866.485.9415
8 a.m. to 8 p.m. Eastern time
clientservice@collegechoicedirect.com

collegechoicedirect.com

For more information about the CollegeChoice 529 Direct Savings Plan ("CollegeChoice 529"), call 1.866.485.9415 or visit www.collegechoicedirect.com to obtain a Disclosure Statement, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing.

If you are not an Indiana taxpayer, before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program.

CollegeChoice 529 is administered by the Indiana Education Savings Authority (Authority). Ascensus Broker Dealer Services, LLC ("ABD"), the Program Manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory, recordkeeping and administrative services, and marketing. CollegeChoice 529's Portfolios invest in: (i) mutual funds; (ii) a stable value account held in trust by the Authority at Vanguard; and/or (iii) an FDIC-insured omnibus savings account held in trust by the Authority at NexBank.

Investment returns will vary depending upon the performance of the Portfolios you choose. Except to the extent of FDIC insurance available for the Savings Portfolio, depending on market conditions, you could lose all or a portion of your money by investing in CollegeChoice 529. Account Owners assume all investment risks as well as responsibility for any federal and state tax consequences.

Upromise and the Upromise logo are registered service marks of Upromise, Inc. Ugift is a registered service mark of ABD. All other marks are the exclusive property of their respective owners.

Not FDIC-Insured (except for the Savings Portfolio). No Bank, State or Federal Guarantee. May Lose Value.

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