# SUPPLEMENT DATED JULY 2025 TO THE COLLEGEINVEST DIRECT PORTFOLIO COLLEGE SAVINGS PLAN DISCLOSURE STATEMENT, PARTICIPATION AGREEMENT, AND PRIVACY POLICY DATED DECEMBER 2022

This Supplement describes important changes for the CollegeInvest Direct Portfolio College Savings Plan (the Plan). This information is intended to supplement the Plan Disclosure Statement, Participation Agreement, and Privacy Policy dated December 2022 (the Plan Disclosure Statement). Please keep this Supplement with your other Plan documents.

## Reduction in Total Annual Asset-Based Fees

Effective April 1, 2025, the total annual asset-based fee for all Portfolios in the Plan decreased from 0.29% to 0.28%. Accordingly, all references in the Plan Disclosure Statement to the total annual asset-based fee for the Portfolios are revised as follows:

## Plan Highlights

*Effective April 1, 2025, the following replaces the "Fees and Charges" section on The Plan Highlights table on page 2 of the Plan Disclosure Statement:*

"Current annual asset-based fee: 0.28%. The Plan charges an annual account fee of $20, which will be waived if: (1) the Account Owner or the Beneficiary is a resident of Colorado, (2) the account balance is greater than $10,000, or (3) the Account Owner elects electronic delivery of all Plan documents. See Part 4. The Plan Fees and Charges, page 33.

**Note:** Certain accounts established prior to December 1, 2011, when either the Account Owner or the Beneficiary was a Wyoming resident, also have the annual account fee waived."

## The Plan Portfolio Profiles

*Effective April 1, 2025, the following replaces the "Annual Asset-Based Fee" section found under "The Plan Portfolio Profiles" on page 14 of the Plan Disclosure Statement:*

"**Annual Asset-Based Fee.** The annual asset-based fee for any of the Age-Based Options, Blended Portfolios, or Individual Portfolios is currently 0.28%. See **Part 4. The Plan Fees and Charges—Asset-Based Fee.**"

## The Plan Fees and Charges

*Effective April 1, 2025, the following replaces the first paragraph found under "Asset-Based Fee" in "Part 4. The Plan Fees and Charges" on page 33 of the Plan Disclosure Statement:*

"The Plan currently charges an annual asset-based fee of 0.28% daily against the assets in each Portfolio at an annualized rate. This fee is the total of the administrative and management fees relating to The Plan and the Underlying Fund expenses applicable to such Portfolio."

*Effective April 1, 2025, the following replaces the table and accompanying footnotes on page 35 of the Plan Disclosure Statement, as supplemented by the Supplement dated April 2025:*

## Annual Asset-Based Fees as of April 1, 2025

| Portfolio | Estimated Underlying Fund Expenses[1] | CollegeInvest Administrative Fee[2] | Managers' Fee | Total Annual Asset-Based Fees |
|---|---|---|---|---|
| Aggressive Growth Portfolio | 0.03% | 0.06% | 0.19% | 0.28% |
| 87.5% Stock/12.5% Bond Portfolio* | 0.03 | 0.06 | 0.19 | 0.28 |
| Growth Portfolio | 0.03 | 0.06 | 0.19 | 0.28 |
| 62.5% Stock/37.5% Bond Portfolio* | 0.03 | 0.06 | 0.19 | 0.28 |
| Moderate Growth Portfolio | 0.03 | 0.06 | 0.19 | 0.28 |
| 37.5% Stock/62.5% Bond Portfolio* | 0.03 | 0.06 | 0.19 | 0.28 |
| Conservative Growth Portfolio | 0.03 | 0.06 | 0.19 | 0.28 |

| Portfolio | Estimated Underlying Fund Expenses[1] | CollegeInvest Administrative Fee[2] | Managers' Fee | Total Annual Asset-Based Fees |
|---|---|---|---|---|
| 12.5% Stock/87.5% Bond Portfolio* | 0.03 | 0.06 | 0.19 | 0.28 |
| Income Portfolio[3] | 0.03 | 0.06 | 0.19 | 0.28 |
| 50% Bond/50% Colorado Short-Term Reserves Portfolio*[3] | 0.03 | 0.06 | 0.19 | 0.28 |
| 25% Bond/75% Colorado Short-Term Reserves Portfolio*[3] | 0.03 | 0.06 | 0.19 | 0.28 |
| Stock Index Portfolio | 0.02 | 0.06 | 0.20 | 0.28 |
| International Stock Index Portfolio | 0.05 | 0.06 | 0.17 | 0.28 |
| Bond Index Portfolio | 0.02 | 0.06 | 0.20 | 0.28 |
| International Bond Index Portfolio | 0.06 | 0.06 | 0.16 | 0.28 |
| Interest Accumulation Portfolio[3] | 0.02 | 0.06 | 0.20 | 0.28 |

*This Portfolio is only available for purchase as part of an Age-Based Option and can't be purchased individually.

[1] Estimated Underlying Fund expenses include each Underlying Fund's investment advisory fee, administrative, and other expenses. The expenses set forth in this table reflect each Underlying Fund's expense ratio as disclosed in its most recent prospectus available as of May 30, 2025, and are net of any "Acquired Fund Fees and Expenses" otherwise applicable to the Underlying Fund. Estimated Underlying Fund expenses for Blended Portfolios represent a weighted average of the expenses of the Portfolio's multiple Underlying Fund(s).
Source: Vanguard

[2] Reflects CollegeInvest's election to waive 0.04% of its 0.10% administrative fee

[3] An Underlying Fund of these Portfolios is the Colorado Short-Term Reserves Account. This Underlying Fund is invested in products such as funding agreements, which provide a return after netting out fees for the provider of such products (in the range of 0.14% to 0.16%). Accordingly, the return to this Underlying Fund (as well as to these Portfolios) is net of such fees. The estimated Underlying Fund expenses shown for these Portfolios in this table do not include any such fees, and the performance shown for such Portfolios elsewhere reflects the netting of such fees for the Underlying Fund's return.

## Investment Cost Example

*Effective April 1, 2025, the following replaces "Investment Cost Example" section and the "Approximate Cost of a $10,000 Investment" chart on page 35 of the Plan Disclosure Statement:*

"The examples in the following table are intended to help you compare the cost of investing in the Plan over different periods of time. They illustrate the hypothetical expenses that you would incur over various periods if you invest $10,000 in a Portfolio of the Plan. These examples assume that the Portfolio provides a return of 5% per year and that the Portfolio's annual asset-based fee of 0.28% remains the same (assuming that the election by CollegeInvest to waive 0.04% of its 0.10% administrative fee continues in effect). The results apply whether or not the investment is withdrawn at the end of the period, but they do not take into account any withdrawals that are Nonqualified Withdrawals (defined in Part 7. Other Information About Your Plan Account—Withdrawals) or withdrawals otherwise subject to state or federal income taxes, or any penalties.

## Approximate Cost of a $10,000 Investment

**(Without $20 Annual Account Fee)**

| 1 Year | 3 Years | 5 Years | 10 Years |
|---|---|---|---|
| $29 | $90 | $157 | $356 |

**(With $20 Annual Account Fee)**

| 1 Year | 3 Years | 5 Years | 10 Years |
|---|---|---|---|
| $49 | $150 | $257 | $553 |

Source: Vanguard.

**These examples do not represent actual expenses or performance from the past or for the future. Actual future expenses and performance may be higher or lower than what is shown or assumed. The tables do not consider the impact of any potential state or federal taxes on the withdrawal."**

**CollegeInvest**

# SUPPLEMENT DATED APRIL 2025 TO THE COLLEGEINVEST DIRECT PORTFOLIO COLLEGE SAVINGS PLAN DISCLOSURE STATEMENT, PARTICIPATION AGREEMENT, AND PRIVACY POLICY DATED DECEMBER 2022

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## Underlying Fund Expense Ratio Reductions

Effective February 3, 2025, the cost of four Underlying Funds has decreased as follows: Vanguard Total Bond Market Index Fund by 1 basis point, Vanguard Short-Term Inflation Protected Securities Index Fund by 1 basis point, Vanguard Total International Stock Index Fund by 3 basis points, and Vanguard Total International Bond Index Fund by 1 basis point. As a result of these changes, the information in this supplement replaces the affected Funds' information found under the Annual Asset-Based Fees table on page 35 of the Plan Disclosure Statement, as follows.

## Annual Asset-Based Fees as of February 3, 2025

| Portfolio | Estimated Underlying Fund Expenses[1] | CollegeInvest Administrative Fee[2] | Managers Fee | Total Annual Asset- Based Fees |
|---|---|---|---|---|
| Aggressive Growth Portfolio | 0.03% | 0.06% | 0.20% | 0.29% |
| 87.5% Stock/12.5% Bond Portfolio* | 0.03 | 0.06 | 0.20 | 0.29 |
| Growth Portfolio | 0.03 | 0.06 | 0.20 | 0.29 |
| 62.5% Stock/37.5% Bond Portfolio* | 0.03 | 0.06 | 0.20 | 0.29 |
| Moderate Growth Portfolio | 0.03 | 0.06 | 0.20 | 0.29 |
| 37.5% Stock/62.5% Bond Portfolio* | 0.03 | 0.06 | 0.20 | 0.29 |
| Conservative Growth Portfolio | 0.03 | 0.06 | 0.20 | 0.29 |
| 12.5% Stock/87.5% Bond Portfolio* | 0.03 | 0.06 | 0.20 | 0.29 |
| Income Portfolio[3] | 0.03 | 0.06 | 0.20 | 0.29 |
| 50% Bond/50% Colorado Short-Term Reserves Portfolio*[3] | 0.03 | 0.06 | 0.20 | 0.29 |
| 25% Bond/75% Colorado Short-Term Reserves Portfolio*[3] | 0.03 | 0.06 | 0.20 | 0.29 |
| Stock Index Portfolio | 0.02 | 0.06 | 0.21 | 0.29 |
| International Stock Index Portfolio | 0.05 | 0.06 | 0.18 | 0.29 |
| Bond Index Portfolio | 0.02 | 0.06 | 0.21 | 0.29 |
| International Bond Index Portfolio | 0.06 | 0.06 | 0.17 | 0.29 |
| Interest Accumulation Portfolio[3] | 0.02 | 0.06 | 0.21 | 0.29 |

*This Portfolio is only available for purchase as part of an Age-Based Option and can't be purchased individually.

[1] Estimated Underlying Fund expenses include each Underlying Fund's investment advisory fee, administrative, and other expenses. The expenses set forth in this table reflect each Underlying Fund's expense ratio as disclosed in its most recent prospectus available as of February 1, 2025, and are net of any "Acquired Fund Fees and Expenses" otherwise applicable to the Underlying Fund. Estimated Underlying Fund expenses for Blended Portfolios represent a weighted average of the expenses of the Portfolio's multiple Underlying Fund(s).
Source: Vanguard

[2] Reflects CollegeInvest's election to waive 0.04% of its 0.10% administrative fee

[3] An Underlying Fund of these Portfolios is the Colorado Short-Term Reserves Account. This Underlying Fund is invested in products such as funding agreements, which provide a return after netting out fees for the provider of such products (in the range of 0.14% to 0.16%). Accordingly, the return to this Underlying Fund (as well as to these Portfolios) is net of such fees. The estimated Underlying Fund expenses shown for these Portfolios in this table do not include any such fees, and the performance shown for such Portfolios elsewhere reflects the netting of such fees for the Underlying Fund's return.

## Portfolio Performance Update

The Direct Portfolio Average Annual Returns table found on page 31 of the Plan Disclosure Statement is replaced with the following:

The table below shows the average annual returns for the 1-, 3-, 5-, and 10-year periods and since inception for the Portfolios based on the Underlying Funds and share classes held in the Portfolios as of January 31, 2025.* The International Stock Index Portfolio and the International Bond Index Portfolio launched on August 6, 2024 are not included due to less than one year's worth of return information.

### Direct Portfolio Average Annual Returns as of January 31, 2025*

| Portfolio | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception | Inception Date |
|---|---|---|---|---|---|---|
| Aggressive Growth Portfolio | 19.57% | 7.68% | 10.91% | 10.16% | 8.66% | 10/28/2004 |
| 87.5% Stock/12.5% Bond Portfolio** | 17.47 | 6.62 | 9.51 | | 9.49 | 03/23/2018 |
| Growth Portfolio | 15.15 | 5.52 | 8.08 | 7.99 | 7.39 | 10/22/2004 |
| 62.5% Stock/37.5% Bond Portfolio** | 13.02 | 4.41 | 6.68 | | 7.24 | 03/23/2018 |
| Moderate Growth Portfolio | 10.95 | 3.37 | 5.25 | 5.78 | 6.04 | 10/22/2004 |
| 37.5% Stock/62.5% Bond Portfolio** | 8.81 | 2.19 | 3.74 | | 4.85 | 03/23/2018 |
| Conservative Growth | 6.74 | 1.03 | 2.27 | 3.42 | 4.50 | 10/22/2004 |
| 12.5% Stock/87.5% Bond Portfolio** | 4.62 | –0.17 | 0.76 | | 2.42 | 03/23/2018 |
| Income Portfolio | 3.07 | 0.25 | 0.50 | 1.23 | 2.38 | 10/22/2004 |
| 50% Bond/50% Colorado Short-Term Reserves Portfolio** | 2.97 | 0.79 | 0.76 | | 1.53 | 03/23/2018 |
| 25% Bond/75% Colorado Short-Term Reserves Portfolio** | 2.70 | 1.30 | 0.97 | | 1.44 | 03/23/2018 |
| Stock Index Portfolio | 25.88 | 10.99 | 14.22 | 12.84 | 10.46 | 10/22/2004 |
| Bond Index Portfolio | 1.83 | –1.75 | –0.87 | 0.87 | 2.57 | 10/22/2004 |
| Interest Accumulation Portfolio | 2.52 | 1.83 | | | 1.34 | 10/09/2020 |

*The performance data shown represent 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 **collegeinvest.org**.

**This Portfolio is only available for purchase as part of an Age-Based Option and can't be purchased individually.

Source: Vanguard

The Underlying Fund Performance found on page 32 of the Plan Disclosure Statement is replaced with the following:

### Underlying Fund Performance

The following table shows the average annual returns for the 1-, 3-, 5-, and 10-year periods and since inception for the Underlying Fund in the share classes held by the Portfolios as of January 31, 2025.* The information concerning performance of the Underlying Funds has been provided by Vanguard for inclusion herein and has not been independently verified by CollegeInvest.

**Note:** Please keep in mind that you, as an individual investor, are not investing directly in shares of the Underlying Funds.

### Average Annual Returns as of January 31, 2025*

| Underlying Fund | Estimated Underlying Fund Expenses | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception | Inception Date |
|---|---|---|---|---|---|---|---|
| Vanguard Institutional Total Stock Market Index Fund | 0.02% | 26.20% | 11.28% | 14.54% | 13.19% | 9.22% | 05/31/2001 |
| Vanguard Total Bond Market Index Fund | 0.02 | 2.14 | –1.47 | –0.59 | 1.18 | 2.28 | 02/05/2010 |
| Vanguard Total Bond Market II Index Fund | 0.02 | 2.10 | –1.52 | –0.67 | 1.13 | 2.55 | 02/17/2009 |
| Vanguard Short-Term Inflation-Protected Securities Index Fund | 0.03 | 5.22 | 2.61 | 3.41 | 2.54 | 1.96 | 10/17/2012 |
| Vanguard Total International Bond Index Fund | 0.06 | 4.34 | –0.04 | –0.23 | 1.78 | 2.42 | 05/31/2013 |
| Colorado Short-Term Reserves Account** | 0.02 | 2.81 | 2.10 | | | 1.62 | 10/09/2020 |
| Vanguard Total International Stock Index Fund | 0.05 | 10.71 | 2.80 | 5.72 | 5.43 | 5.22 | 11/30/2010 |

*The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so Account Owners' mutual fund shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited.

**This Underlying Fund is invested in products such as funding agreements, which provide a return after netting out fees for the provider of such products (in the range of 0.14% to 0.16%). Accordingly, the return to this Underlying Fund is the net of such fees. The estimated Underlying Fund expenses shown in this table do not include any such fees, and the performance shown for such Portfolios elsewhere reflects the netting of such fees for the Underlying Fund's return.

Source: Vanguard

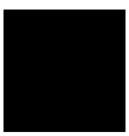
## SUPPLEMENT DATED JULY 2024 TO THE COLLEGEINVEST DIRECT PORTFOLIO COLLEGE SAVINGS PLAN PLAN DISCLOSURE STATEMENT, PARTICIPATION AGREEMENT, AND PRIVACY POLICY DATED DECEMBER 2022

This Supplement describes important changes for the CollegeInvest Direct Portfolio College Savings Plan (the Plan). This information is intended to supplement the Plan Disclosure Statement, Participation Agreement, and Privacy Policy dated December 2022 (the Disclosure Statement). Please keep this Supplement with your other Plan documents. The profiles below are also added to **The Plan Portfolios** section beginning on page 15 of the Disclosure Statement.

### Addition of the International Stock Index Portfolio and International Bond Index Portfolio

On or about August 6, 2024, the CollegeInvest Direct Portfolio College Savings Plan will enhance its investment options. The Individual Portfolios will be expanded to include the International Stock Index Portfolio and the International Bond Index Portfolio, previously only available as underlying funds in several Blended and Age-Based Portfolios. These new portfolios will act as building blocks alongside the Stock Index Portfolio and Bond Index Portfolio, allowing account owners to customize their college savings accounts.

### International Stock Index Portfolio



■ 100% stocks

#### *Investment Objective*

The Portfolio 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.

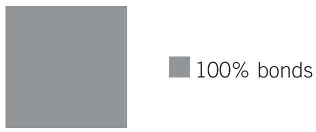
#### *Investment Strategy*

The Portfolio invests in Vanguard Total International Stock Index Fund, which employs an indexing investment approach designed to track the performance of the FTSE Global All Cap ex US Index, a 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 FTSE Global All Cap ex US Index includes approximately 8,327 stocks of companies located in 48 markets. As of October 31, 2023, the largest markets covered in the Index were Japan, the United Kingdom, China, Canada, France, and Switzerland (which made up approximately 16%, 10%, 8%, 7%, 7%, and 6%, respectively, of the Index's market capitalization). The Fund invests all, or substantially all, of its assets in the common stocks included in its target index.

#### *Investment Risks*

The Portfolio is subject to the risk of the underlying fund, which includes **stock market risk**, **investment style risk**, **country/ regional risk**, **currency risk**, **emerging markets risk**, and **index replicating risk**. For more information regarding the Portfolio risk factors, please refer to the **Explanation of the Risk Factors of the Portfolios and Underlying Funds** beginning on page 29 of the Disclosure Statement.

### International Bond Index Portfolio




***Investment Objective***

The Portfolio seeks to track the performance of a benchmark index that measures the investment return of non-U.S. dollar-denominated investment-grade bonds.

***Investment Strategy***

The Portfolio invests in Vanguard Total International Bond Index Fund, which employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged). This Index provides 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 market value-weighted and capped to comply with investment company diversification standards of the Internal Revenue Code, which state that, at the close of each fiscal quarter, a fund's (1) exposure to any particular bond issuer may not exceed 25% of the fund's assets and (2) aggregate exposure to issuers that individually constitute 5% or more of the fund may not exceed 50% of the fund's assets. To help enforce these limits, if the Index, on the last business day of any month, were to have greater than 20% exposure to any particular bond issuer, or greater than 48% aggregate exposure to issuers that individually constitute 5% or more of the Index, then the index provider would reallocate the excess to bonds of other issuers represented in the Index. The Index methodology is not designed to satisfy the diversification requirements of the Investment Company Act of 1940. The Fund will attempt to hedge its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in order to correlate to the returns of the Index, which is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar.

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, under normal circumstances, at least 80% of the Fund's assets will be invested in bonds included in the Index. The Fund maintains a dollar-weighted average maturity consistent with that of the Index. As of October 31, 2023, the dollar-weighted average maturity of the Index was 8.7 years.

***Investment Risks***

The Portfolio is subject to the risk of the underlying fund, which includes **country/regional risk**, **interest rate risk**, **income risk**, **nondiversification risk**, **credit risk**, **call risk**, **index sampling risk**, **currency** and **currency hedging risk**, and **derivatives risk**. For more information regarding the Portfolio risk factors, please refer to the **Explanation of the Risk Factors of the Portfolios and Underlying Funds** beginning on page 29 of the Disclosure Statement.

*Accordingly, effective on or about August 6, 2024, the following changes are made to the Disclosure Statement:*

**The following replaces the Investment Options and Performance section of The Plan Highlights on page 1 of the Disclosure Statement:**

There are 13 different investment options, all managed by Vanguard:

- 3 Age-Based Options (conservative, moderate, and aggressive)
- 10 Blended and Individual Portfolio Options

This Plan Disclosure Statement contains historical performance information for the Portfolios and the mutual funds in which the Portfolios invest.

See **Part 3. The Plan Investment Options, page 9**.

**The following replaces 3. Choosing Your Investment Options on page 8 of the Disclosure Statement:**

**You may select from a number of investment options. The options fall into two categories:**

**Age-Based Options (three options).** The asset allocation of money invested in the Age-Based Options is automatically adjusted over time to include a lower percentage of allocations to stock funds as the Beneficiary approaches expected enrollment age.

**Blended Portfolios and Individual Portfolios (ten options).** Money invested in one of these options is allocated to the Portfolio you choose for the life of your investment (unless you direct a change in investment option). The Blended Portfolios and the Individual Portfolios are each invested according to a static asset allocation; it does not change over time (unless CollegeInvest determines that a change is appropriate). Each time you contribute, you may choose up to five investment options. Regardless of how many investment options you select, you must allocate a minimum of 5% of the contribution to each option you choose. Investment percentages must total 100%. You may not direct the investment of your account assets other than selecting investment options when a contribution is made and reallocating assets up to twice per calendar year. Please see **Part 3. The Plan Investment Options** for details about The Plan's investment options, including investment objectives, strategies, risks, and fees.

**The following replaces the Investment Options Summary on page 9 of the Disclosure Statement:**

The Plan offers many different investment options for your account contributions.

- You may choose from three Age-Based Options in which your money automatically is moved to Portfolios that progressively include a lower percentage of allocations to stock funds as your Beneficiary approaches expected enrollment age. You may select the Age-Based Option— conservative, moderate, or aggressive—that best reflects your risk tolerance.
- You may choose from five Blended Portfolios and five Individual Portfolios, which invest the respective Portfolio assets in varying allocations of stock funds, bond funds, and a money market fund. If you choose a Blended or an Individual Portfolio, your money will remain in that Portfolio until you direct The Plan to change the investment of your Plan account assets.

**The following replaces Individual Portfolios on page 13 of the Disclosure Statement:**

Each of the five Individual Portfolios invests entirely in a single Underlying Fund.

- Stock Index Portfolio invests in Vanguard Institutional Total Stock Market Index Fund.
- International Stock Index Portfolio invests in Vanguard Total International Stock Index Fund.
- Bond Index Portfolio invests in Vanguard Total Bond Market Index Fund.
- International Bond Index Portfolio invests in Vanguard Total International Bond Index Fund.
- Interest Accumulation Portfolio directs all its assets into Colorado Short-Term Reserves Account.

The Underlying Fund in which an Individual Portfolio invests all of its assets is subject to change.

**The following will be added to the Investment Risks section within the Vanguard Total International Stock Index fund profile on page 27:**

**Index Replicating Risk.**

**The following will be removed from the Investment Risks section within the Vanguard Total International Bond Index fund profile on page 28:**

**Liquidity Risk.**

**The following will be added to the Explanation of the Risk Factors of the Portfolios and Underlying Funds section starting on page 29:**

### Index Replicating Risk.

This is the chance that the Fund may be prevented from holding one or more securities in the same proportion as in its target index.

**The following will be added to the Annual Asset-Based Fees table on page 35 of the Disclosure Statement:**

### Annual Asset-Based Fees as of June 30, 2024

| Portfolio | Estimated Underlying Fund Expenses* | CollegeInvest Administrative Fee** | Manager's Fee | Total Annual Asset-Based Fees |
|---|---|---|---|---|
| International Stock Index Portfolio | 0.08% | 0.06% | 0.15% | 0.29% |
| International Bond Index Portfolio | 0.07 | 0.06 | 0.16 | 0.29 |

*Estimated Underlying Fund expenses include each Underlying Fund's investment advisory fee, administrative, and other expenses. The expenses set forth in this table reflect each Underlying Fund's expense ratio as disclosed in its most recent prospectus available as of June 30, 2024, and are net of any "Acquired Fund Fees and Expenses" otherwise applicable to the Underlying Fund. Estimated Underlying Fund expenses for Blended Portfolios represent a weighted average of the expenses of the Portfolio's multiple Underlying Fund(s).

Source: Vanguard

**Reflects CollegeInvest's election to waive 0.04% of its 0.10% administrative fee.

# SUPPLEMENT DATED MAY 2024 TO THE COLLEGEINVEST DIRECT PORTFOLIO COLLEGE SAVINGS PLAN DISCLOSURE STATEMENT, PARTICIPATION AGREEMENT, AND PRIVACY POLICY DATED DECEMBER 2022

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## Expense Ratio Increase – Vanguard Total International Stock Index Fund

Effective February 27, 2024, the cost of the Vanguard Total International Stock Index Fund has increased by 1 basis point. As a result of such change, the information in this supplement replaces the Vanguard Total International Stock Index Fund information found under the Average Annual Returns table on page 32 of the Plan Disclosure Statement, as follows.

**Note:** Please keep in mind that you, as an individual investor, are not investing directly in shares of the Underlying Funds.

## Average Annual Returns as of March 31, 2024*

| Underlying Fund | Expense Ratio | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception | Inception Date |
|---|---|---|---|---|---|---|---|
| Vanguard Institutional Total Stock Market Index Fund | 0.02% | 29.40% | 9.67% | 14.28% | 12.32% | 8.87% | 05/31/2001 |
| Vanguard Total Bond Market Index Fund | 0.03 | 1.67% | –2.40% | 0.39% | 1.53% | 2.22% | 02/05/2010 |
| Vanguard Total Bond Market II Index Fund | 0.02 | 1.57% | –2.42% | 0.30% | 1.48% | 2.52% | 02/17/2009 |
| Vanguard Short-Term Inflation-Protected Securities Index Fund | 0.04 | 3.16% | 2.23% | 3.16% | 2.01% | 1.68% | 10/17/2012 |
| Vanguard Total International Bond Index Fund | 0.07 | 5.23% | –1.68% | 0.32% | 2.23% | 2.26% | 05/31/2013 |
| Colorado Short-Term Reserves Account** | 0.02 | 2.54% | 1.45% | | | 1.33% | 10/09/2020 |
| Vanguard Total International Stock Index Fund | 0.08 | 13.00% | 1.92% | 6.20% | 4.49% | 5.23% | 11/30/2010 |

*The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so Account Owners' mutual fund shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited.

**This Underlying Fund is invested in products such as funding agreements, which provide a return after netting out fees for the provider of such products (in the range of 0.15% to 0.20%). Accordingly, the return to this Underlying Fund is the net of such fees. The estimated Underlying Fund expenses shown in this table do not include any such fees, and the performance shown for such Portfolios elsewhere reflects the netting of such fees for the Underlying Fund's return.
Source: Vanguard

## Portfolio Performance Update

The table below shows the average annual returns for the 1-, 3-, 5-, and 10-year periods and since inception for the Portfolios based on the Underlying Funds and share classes held in the Portfolios as of March 31, 2024, and replaces the performance table found on page 31 of the Plan Disclosure Statement.*

### Direct Portfolio Average Annual Returns as of March 31, 2024*

| Portfolio | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception | Inception Date |
|---|---|---|---|---|---|---|
| Aggressive Growth Portfolio | 22.39% | 6.38% | 11.10% | 9.50% | 8.46% | 10/28/2004 |
| 87.5% Stock/12.5% Bond Portfolio** | 19.73% | 5.32% | 9.78% | | 9.13% | 03/23/2018 |
| Growth Portfolio | 17.12% | 4.27% | 8.49% | 7.61% | 7.25% | 10/22/2004 |
| 62.5% Stock/37.5% Bond Portfolio** | 14.55% | 3.18% | 7.13% | | 6.92% | 03/23/2018 |
| Moderate Growth Portfolio | 12.05% | 2.13% | 5.79% | 5.65% | 5.94% | 10/22/2004 |
| 37.5% Stock/62.5% Bond Portfolio** | 9.56% | 0.96% | 4.36% | | 4.53% | 03/23/2018 |
| Conservative Growth | 7.15% | –0.17% | 2.97% | 3.52% | 4.43% | 10/22/2004 |
| 12.5% Stock/87.5% Bond Portfolio** | 4.71% | –1.32% | 1.55% | | 2.11% | 03/23/2018 |
| Income Portfolio | 2.63% | –0.69% | 0.89% | 1.39% | 2.32% | 10/22/2004 |
| 50% Bond/50% Colorado Short-Term Reserves Portfolio** | 2.56% | –0.06% | 0.97% | | 1.29% | 03/23/2018 |
| 25% Bond/75% Colorado Short-Term Reserves Portfolio** | 2.47% | 0.56% | 1.01% | | 1.24% | 03/23/2018 |
| Stock Index Portfolio | 29.04% | 9.37% | 13.95% | 11.95% | 10.10% | 10/22/2004 |
| Bond Index Portfolio | 1.43% | –2.67% | 0.11% | 1.22% | 2.55% | 10/22/2004 |
| Interest Accumulation Portfolio | 2.27% | 1.18% | | | 1.05% | 10/09/2020 |

*The performance data shown represent 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 **collegeinvest.org**.

**This Portfolio is only available for purchase as part of an Age-Based Option and can't be purchased individually.

Source: Vanguard

# SUPPLEMENT DATED JANUARY 2024 TO THE COLLEGEINVEST DIRECT PORTFOLIO COLLEGE SAVINGS PLAN PLAN DISCLOSURE STATEMENT, PARTICIPATION AGREEMENT, AND PRIVACY POLICY DATED DECEMBER 2022

This Supplement describes important changes for the CollegeInvest Direct Portfolio College Savings Plan (the Plan). This information is intended to supplement the Plan Disclosure Statement, Participation Agreement, and Privacy Policy dated December 2022 (the Plan Disclosure Statement). Please keep this Supplement with your other Plan documents.

## Federal Legislation Expands Use of 529 Plans

The SECURE 2.0 Act of 2022 (the "SECURE 2.0 Act") was signed into federal law in December 2022. In addition to several significant retirement savings related enhancements, the SECURE 2.0 Act revises Section 529 of the Internal Revenue Code. Beginning January 1, 2024, rollovers will be permitted from a 529 plan account to a Roth IRA without incurring federal income tax or penalties, subject to the following conditions:

- The 529 plan account must be open for 15 or more years.
- Contributions and associated earnings that you transfer to the Roth IRA must be in the 529 plan account for more than 5 years.
- A lifetime maximum amount of $35,000 per designated beneficiary may be rolled over from 529 plan accounts to Roth IRAs.
- 529 plan assets can only be rolled over into a Roth IRA maintained for the benefit of the designated beneficiary on the 529 plan account.
- 529 plan assets must be sent directly to the Roth IRA.
- The Roth IRA rollover is subject to the Roth IRA contribution limit for the taxable year applicable to the designated beneficiary for all individual retirement plans maintained for the benefit of the designated beneficiary.

The IRS may issue guidance that may impact 529 plan account rollovers to Roth IRAs, including the above referenced conditions.

Colorado authorities have determined that a rollover from a 529 plan account to a Roth IRA is to be treated as a Nonqualified Withdrawal for Colorado state tax income purposes. Colorado Account Owners are cautioned that a Nonqualified Withdrawal may be subject to state tax recapture of a previous Colorado income tax deduction. State tax treatment of such withdrawals is determined by the state where you file state income tax.

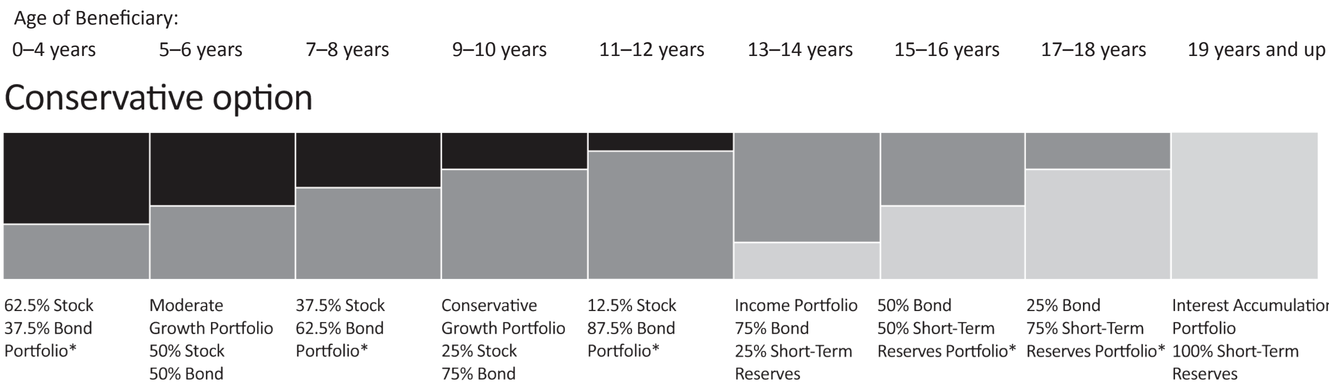
Account Owners and Beneficiaries should each consult a financial professional or tax advisor regarding the applicability of these rollovers to their personal situations. It is the responsibility of the Account Owner to determine the eligibility of a 529 plan to Roth IRA rollover including tracking and documenting the length of time the 529 plan account has been opened and the amount of assets in your 529 plan account eligible to be rolled into a Roth IRA. To request a rollover to a Roth IRA, please submit the appropriate form to the CollegeInvest Direct Portfolio College Savings Plan.

## Additional Information

If you have questions concerning this Supplement, please call **800-997-4295** or visit the CollegeInvest website at **www.collegeinvest.org**.

**Portfolio Clarification**

*Effective January 1, 2024, the following replaces the Conservative option under "Age-Based options designed for college savings" located on page 11 of the Plan Disclosure Statement.*




*Effective January 1, 2024, the following replaces "The Blended Portfolios and Individual Portfolios" table located on page 13 of the Plan Disclosure Statement.*

**The Blended Portfolios and Individual Portfolios**

| Underlying Fund | Aggressive Growth Portfolio | Growth Portfolio | Moderate Growth Portfolio | Conservative Growth Portfolio | Income Portfolio |
|---|---|---|---|---|---|
| Vanguard Institutional Total Stock Market Index Fund | 60% | 45% | 30% | 15% | 0% |
| Vanguard Total International Stock Index Fund | 40% | 30% | 20% | 10% | 0% |
| Total Stock Funds | 100% | 75% | 50% | 25% | 0% |
| Vanguard Total Bond Market II Index Fund | 0% | 17.5% | 35% | 52.5% | 34.5% |
| Vanguard Total International Bond Index Fund | 0% | 7.5% | 15% | 22.5% | 22.5% |
| Vanguard Short-Term Inflation-Protected Securities Index Fund | 0% | 0% | 0% | 0% | 18% |
| Total Bond Funds | 0% | 25% | 50% | 75% | 75% |
| Colorado Short Term Reserves Account | 0% | 0% | 0% | 0% | 25% |
| Total Short-Term Reserves | 0% | 0% | 0% | 0% | 25% |
| **TOTAL** | **100%** | **100%** | **100%** | **100%** | **100%** |

*Effective January 1, 2024, the following replaces the "Investment Strategy" asset allocation for the Moderate Growth Portfolio located on page 18 of the Plan Disclosure Statement.*

**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 Underlying Fund are:

| | |
|---|---|
| Vanguard Institutional 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% |

### Gift Tax Exclusions

*The following information supplements and updates the information set forth under the section entitled "The Plan Highlights—Tax Matters" located on page 2 of the Plan Disclosure Statement and under the section entitled "Part 8: Tax Matters—Federal Estate and Gift Taxes" on page 52 of the Plan Disclosure Statement.*

As of January 1, 2024, the federal annual gift tax exclusion increased to $18,000 for a single individual, $36,000 for married couples making a proper election. For 529 Plans, contributions of up to $90,000 for a single contributor (or $180,000 for married couples making a proper election) 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 the Plan Disclosure Statement are updated to reflect these increased amounts.

### State Tax Deduction Limit

*The following information supplements and updates the information set forth under the section entitled "The Plan Highlights—Tax Matters" located on page 2 of the Plan Disclosure Statement and under the section entitled "Part 8: Tax Matters—State of Colorado Income Tax—Contributions" on page 53 of the Plan Disclosure Statement.*

For income tax years commencing on or after January 1, 2024, the Colorado income tax deduction otherwise available for contributions to any Colorado 529 Plan or any 529 Plan affiliated with an educational institution in Colorado shall not exceed $22,700 per taxpayer per beneficiary for a taxpayer who files a single return or $34,000 per tax filing per beneficiary for taxpayers who file a joint return. For income tax years commencing on or after January 1, 2025, the deduction limits described in the preceding sentence will be adjusted annually by the percentage change in the combined average annual costs of tuition and room and board for all Colorado institutions of higher education as determined by the Colorado Department of Education.

### Rollovers

*The following information replaces the final two sentences set forth under the section entitled "Part 8: Tax Matters—State of Colorado Income Tax—Contributions" on page 53 of the Plan Disclosure Statement.*

Effective on January 1, 2024, the Colorado Department of Revenue will treat a transfer or rollover from another state Section 529 Plan to The Plan as a contribution eligible for the Colorado income tax deduction. The principal originally invested in the other state 529 account may qualify for the state tax deduction, whereas the earnings do not. To determine eligible amounts, please refer to box 3 of the IRS Form 1099-Q provided by the qualified tuition program administrator. Rollovers from one Colorado qualified state tuition program to another Colorado qualified state tuition program do not qualify for the state tax deduction. Generally, earnings in the Trust are not included in computing the Colorado state taxable income of the Account Owner or Beneficiary.

# SUPPLEMENT DATED JULY 2023 TO THE COLLEGEINVEST DIRECT PORTFOLIO COLLEGE SAVINGS PLAN PLAN DISCLOSURE STATEMENT, PARTICIPATION AGREEMENT, AND PRIVACY POLICY DATED DECEMBER 2022

This Supplement describes important changes for the CollegeInvest Direct Portfolio College Savings Plan (the Plan). This information is intended to supplement the Plan Disclosure Statement, Participation Agreement, and Privacy Policy dated December 2022, as amended by the Supplement dated January 2023 (the Plan Disclosure Statement). Please keep this Supplement with your other Plan documents.

*The following is added as a new heading and supplements the information set forth under the section entitled "Opening Your Plan Account" on page 7 of the Plan Disclosure Statement:*

**Opening and Transacting in an Account through a Financial Intermediary**

If you invest through a financial institution, such as an online investment advisor (often referred to as a "robo-advisor"), or other financial intermediary that has direct access to the Plan's recordkeeping platform, you will be able to perform certain transactions directly through that financial institution's portal by linking your Plan Account with your account held at the financial institution. To do so, you must consent and agree to authorize the Plan to allow the financial institution to access your Account, to share Account information with the financial institution, and to accept instructions from the financial institution to open an Account and/or perform transactions on your behalf. Your Plan Account will always be held on the Plan's recordkeeping system and you will always be able to access and transact in your Account through the Plan's website at any time. CollegeInvest and the Plan Managers, at their discretion, may terminate the financial institution's direct access to the Plan's recordkeeping system.

When accessing and transacting in your Account through your financial institution, there may be features, guidelines, conditions, services, and restrictions that may vary from those discussed in this Plan Disclosure Statement. Depending on a particular financial institution's policies, these differences may include but are not limited to: (i) minimum initial and subsequent contribution amounts; (ii) policies relating to banking instructions; (iii) policies and trade dates for contributions, including one-time and recurring contributions, and payroll direct deposit; and (iv) hold periods on contributions. You should ask the financial institution for information on its specific policies and how they may impact your investment in the Plan.

Additionally, the financial institution will receive a one-time, flat fee for each Plan Account opened and funded through the financial institution. Although such compensation will not be borne by Account Owners, the receipt of this compensation may create a conflict of interest by influencing your financial institution to recommend an investment in the Plan over another investment. Ask your financial intermediary or visit its website for more information.

# SUPPLEMENT DATED JANUARY 2023 TO THE COLLEGEINVEST DIRECT PORTFOLIO COLLEGE SAVINGS PLAN PLAN DISCLOSURE STATEMENT, PARTICIPATION AGREEMENT, AND PRIVACY POLICY DATED DECEMBER 2022

This Supplement describes important changes for the CollegeInvest Direct Portfolio College Savings Plan (the Plan). This information is intended to supplement the Plan Disclosure Statement, Participation Agreement, and Privacy Policy dated December 2022 (the Plan Disclosure Statement). Please keep this Supplement with your other Plan documents.

## State Tax Deduction Limit

*The following information supplements and updates the information set forth under the section entitled "The Plan Highlights—Tax Matters" on page 2 of the Plan Disclosure Statement and under the section entitled "Part 8. Tax Matters—State of Colorado Income Tax—Contributions" on page 53 of the Plan Disclosure Statement:*

For income tax year commencing on January 1, 2023, the Colorado income tax deduction otherwise available for contributions to any Colorado 529 plan or any 529 plan affiliated with an educational institution in Colorado shall not exceed $20,700 per taxpayer per beneficiary for a taxpayer who files a single return, or $31,000 per taxpayer per beneficiary for taxpayers who file a joint return. For income tax years commencing on or after January 1, 2024, the deduction limits described in the preceding sentence will be adjusted annually by the percentage change in the combined average annual costs of tuition and room and board for all Colorado institutions of higher education as determined by the Colorado Department of Education.

## Gift Tax Exclusions

As of January 1, 2023, the federal annual gift tax exclusion increased to $17,000 for a single individual, $34,000 for married couples making a proper election. For 529 Plans, contributions of up to $85,000 for a single contributor (or $170,000 for married couples making a proper election) 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 the Plan Disclosure Statement are updated to reflect these increased amounts.

## Additional Information

If you have questions concerning this Supplement, please call **800-997-4295** or visit the CollegeInvest website at **www.collegeinvest.org**.

CollegeInvest®

WE HELP YOU GET THERE

# DIRECT PORTFOLIO

## COLLEGE SAVINGS PLAN

PLAN DISCLOSURE STATEMENT, PARTICIPATION AGREEMENT, AND PRIVACY POLICY
DECEMBER 2022

COLLEGEINVEST
Trustee and Administrator

ASCENSUS / VANGUARD
Managers

WWW.COLLEGEINVEST.ORG

# Plan Disclosure Statement, Participation Agreement, and Privacy Policy

## Plan Disclosure Statement

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# The Plan Highlights

The Plan Highlights below direct you to more complete information about The Plan contained in this Plan Disclosure Statement, which you should review carefully. The offering of the CollegeInvest Direct Portfolio College Savings Plan to potential investors is made only by means of the entire Plan Disclosure Statement and Participation Agreement.

| | |
|---|---|
| **Purpose of the CollegeInvest Direct Portfolio** | To help individuals and families save for education expenses through a tax-advantaged investment plan administered by CollegeInvest, a division of the Colorado Department of Higher Education. |
| **Managers of The Plan** | The Plan is managed by Ascensus College Savings Recordkeeping Services, LLC, and Ascensus Broker Dealer Services, LLC (collectively, "Ascensus"), and The Vanguard Group, Inc. ("Vanguard"). The term "Manager" or "Managers" as used in this Plan Disclosure Statement means Ascensus and/or Vanguard as the context so requires. All investment management for The Plan will be provided by Vanguard. The Managers' contract expires on December 31, 2034.<br>See **Part 1. Introduction, page 5**. |
| **Contact Information** | CollegeInvest Direct Portfolio College Savings Plan<br>P.O. Box 219931<br>Kansas City, MO 64121-9931<br>www.collegeinvest.org<br>Phone: **800-997-4295**<br>Monday through Friday from 6 a.m. to 7 p.m., Mountain time |
| **No Guarantee Against Loss** | None of your Plan account, the principal you invest in the CollegeInvest Direct Portfolio College Savings Trust, or any investment return is insured or guaranteed by The Plan, the State of Colorado, CollegeInvest, any other state or federal governmental agency, Ascensus, Vanguard, or any other entity. You could lose money, including the principal you invest. |
| **Eligibility (Account Owner)** | The Plan is open to U.S. citizens and resident aliens who have a Social Security number or taxpayer identification number and have a U.S. permanent address that is not a P.O. box. There are no restrictions on income of Account Owners.<br>See **Part 2. Getting Started, page 7**. |
| **Beneficiary** | The Beneficiary may be a U.S. citizen or resident alien with a Social Security number or taxpayer identification number, of any age, from newborn to adult. The Account Owner may change the Beneficiary or transfer a portion of the account to a different Beneficiary without adverse tax consequences, provided the new Beneficiary is a qualifying member of the family of the prior designated Beneficiary. The Account Owner and the Beneficiary for a Plan account may be the same.<br>See **Part 7. Other Information About Your Plan Account—Changing Your Beneficiary, page 47**. |
| **Contributions** | Contributions may be made by anyone, regardless of the relationship to the Account Owner or Beneficiary, but the Account Owner retains ownership and control of all account assets.<br>Initial contribution: $25 minimum. Additional contributions: $15 minimum.<br>See **Part 7. Other Information About Your Plan Account—Maximum Contribution Limit, page 45**. |
| **Maximum Contribution Limit** | $500,000—Plan accounts that have reached the combined Maximum Contribution Limit across all 529 Plans sponsored by the State of Colorado ("Colorado 529 Plans") for the same Beneficiary may continue to accrue earnings, but additional contributions are prohibited unless the combined account balance falls below the Maximum Contribution Limit.<br>See **Part 7. Other Information About Your Plan Account—Maximum Contribution Limit, page 45**. |
| **Investment Options and Performance** | There are 11 different investment options, all managed by Vanguard:<br>• 3 Age-Based Options (conservative, moderate, and aggressive)<br>• 8 Blended and Individual Portfolio Options<br>This Plan Disclosure Statement contains historical performance information for the Portfolios and the mutual funds in which the Portfolios invest.<br>See **Part 3. The Plan Investment Options, page 8**. |
| **Risk Factors of The Plan** | Investing in The Plan involves certain risks, including: (1) the possibility that you may lose money (including your original contribution) over short or even long periods, (2) the risk of federal or state tax law changes, (3) the risk of Plan changes, including changes in fees, asset allocation, and investment guidelines, and (4) 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.<br>See **Part 5. Certain Risks of Investing in The Plan, page 36**. |

| | |
|---|---|
| **Fees and Charges** | Current annual asset-based fee: 0.29%. The Plan charges an annual account fee of $20, which will be waived if: (1) the Account Owner or the Beneficiary is a resident of Colorado, (2) the account balance is greater than $10,000, or (3) the Account Owner elects electronic delivery of all Plan documents.<br>See **Part 4. The Plan Fees and Charges, page 33**.<br>**Note:** Certain accounts established prior to December 1, 2011, when either the Account Owner or the Beneficiary was a Wyoming resident also have the annual account fee waived. |
| **Tax Matters** | • Earnings grow free from federal and Colorado income tax while in a Plan account.<br>• There is no federal or Colorado income tax on Qualified Withdrawals.<br>• Beginning in 2022, the annual gift exclusion is $16,000 (single) and $32,000 (married couple). No gift tax is payable on contributions up to $80,000 (single) and $160,000 (married couple)—prorated over five years. Please consult your tax advisor or the IRS website as the IRS may adjust these limits from time to time.<br>• Contributions are deductible from Colorado state income tax (subject to recapture if a Nonqualified Withdrawal under Colorado law). For income tax years commencing on or after January 1, 2022, the Colorado income tax deduction otherwise available for contributions to any Colorado 529 Plan or any 529 Plan affiliated with an educational institution in Colorado shall not exceed $20,000 per taxpayer per Beneficiary for a taxpayer who files a single return or $30,000 per tax filing per Beneficiary for taxpayers who file a joint return. For income tax years commencing on or after January 1, 2023, the deduction limits described in the preceding sentence will be adjusted annually by the percentage change in the combined average annual costs of tuition and room and board for all Colorado institutions of higher education as determined by the Colorado Department of Education.<br>• The earnings portion of a Nonqualified Withdrawal generally is includable in the taxable income of the Account Owner. Subject to certain exceptions, the earnings portion of a Nonqualified Withdrawal will also be subject to an additional 10% federal penalty tax.<br>• Contributions to a 529 Plan are not deductible for federal income tax purposes. Consult with a qualified tax advisor about the application of these rules to your circumstances.<br>See **Part 8. Tax Matters, page 49**. |
| **Qualified Withdrawals** | Assets in your Plan account withdrawn for the following purposes will be considered a Qualified Withdrawal available for a federal tax benefit:<br>• Used to pay for tuition, fees, certain room and board, books, supplies, and equipment required for enrollment or attendance at any Eligible Educational Institution in the United States or abroad, as well as certain computer-related expenses to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution<br>• Used to pay for expenses for tuition in connection with enrollment or attendance at an elementary or a secondary public, private, or religious school (not to exceed $10,000)<br>• Used to pay for fees, books, supplies, and equipment required for the participation of a designated beneficiary in an apprenticeship program<br>• Used to pay for principal or interest on any qualified education loan of the designated beneficiary (subject to a lifetime cap)<br>While the withdrawals noted above are considered Qualified and available for a federal tax benefit, certain withdrawals are Nonqualified under Colorado state law and subject to state income tax (including possible recapture of state deductions).<br>See **Part 7. Other Information About Your Plan Account—Withdrawals, page 43**. |
| **Account Control** | As an Account Owner, you can:<br>• Retain control of how and when money is used<br>• Change the Beneficiary without paying federal income tax or a federal penalty tax, if the new Beneficiary is a “member of the family” of the currently designated Beneficiary<br>• Withdraw amounts in your account for any purpose, subject to applicable federal and Colorado income taxes on earnings (including possible recapture of state tax deductions) and a 10% federal penalty tax on earnings<br>See **Part 7. Other Information About Your Plan Account, page 41**. |
| **Account Control Limitations** | A few limitations apply:<br>• You may change the investment options for your Plan account for any reason up to two times during any calendar year or with the permissible change of Beneficiary. This limitation applies on an aggregate basis to all accounts under The Plan and other Colorado 529 Plans having the same Account Owner and Beneficiary<br>• An Account Owner may transfer all or part of a Plan account to a non-Colorado 529 Plan for the same Beneficiary only if it has been at least 12 months since the last such transfer for the Beneficiary<br>See **Part 7. Other Information About Your Plan Account, page 41**. |

| | |
|---|---|
| **Online Applications and Account Information** | • Account Owners may obtain an Enrollment Application online at **www.collegeinvest.org** or by mail.<br>• Account Owners may choose to receive periodic account statements, transaction confirmations, tax forms, and other personal correspondence online, rather than by mail.<br>See **Part 2. Getting Started, page 7**. |
| **Upromise Service** | You may choose to sign up for the optional Upromise service that lets members get back a percentage of their qualified spending when dining out, shopping for groceries, buying gas, and making other purchases with participating companies. These dollars can be transferred to your Plan account on a periodic basis. |
| **Privacy Policy** | All information you provide to The Plan is treated confidentially. CollegeInvest has a Privacy Policy for the benefit of Plan participants.<br>See **Privacy Policy, page 64**. |
| **Other Education Savings and Investment Alternatives** | There are education savings and investment options other than The Plan for saving for the expenses of attending an Eligible Educational Institution, including other 529 Plans administered by CollegeInvest, such as the Scholars Choice College Savings Program, the Stable Value Plus College Savings Plan, and the Smart Choice College Savings Plan. See CollegeInvest's website at **www.collegeinvest.org** for more information. If you are a resident of a state other than Colorado, you may have the opportunity to invest in a 529 Plan sponsored by your home state that may provide state tax benefits not available to you by investing in The Plan. State-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision. |

# Part 1. Introduction

## General Information About 529 Plans and The Plan

Section 529 of the Internal Revenue Code permits states and state agencies to sponsor qualified tuition programs ("529 Plans"), which are tax-advantaged programs intended to help individuals and families save for the costs of education. CollegeInvest administers an education savings program (the "Program") and offers several 529 Plans as part of the Program. This Plan Disclosure Statement describes the CollegeInvest Direct Portfolio College Savings Plan ("The Plan"), which is one of such 529 Plans. Even if you do not live in Colorado, you may invest in The Plan, although non-Colorado residents should consider whether their state offers a 529 Plan that would provide state income tax or other benefits not available through The Plan. See **Other Important Information—State Tax and Other Benefits** below. CollegeInvest also offers several 529 Plans other than The Plan. See CollegeInvest's website at **www.collegeinvest.org** for more information.

Amounts contributed to The Plan are invested in the CollegeInvest Direct Portfolio College Savings Trust (the "Trust"). When you invest in The Plan, you are purchasing Portfolio units issued by the Trust. CollegeInvest acts as trustee for the Trust and has contracted with the Managers to hold the assets of the Trust in a segregated custody account. Assets of the Trust are held "in trust" for the exclusive benefit of Account Owners and Beneficiaries of The Plan. The Trust will not make any loans to either Account Owners or Beneficiaries. Amounts invested in a Plan account may not be pledged, assigned, or otherwise used as collateral or security for a loan. The assets in the Trust will be allocated as directed by Account Owners to investment portfolios ("Portfolios") and invested by Vanguard. See **Part 3. The Plan Investment Options**.

An investment in The Plan will not be the appropriate investment program for all investors. You should evaluate The Plan, the investment options available, and the Portfolios in the context of your overall financial situation, investment goals, other resources and needs (such as liquidity), and other investments.

## Who's Who in The Plan

**CollegeInvest**—CollegeInvest, a division of the Colorado Department of Higher Education ("CollegeInvest"), provides certain administrative services in connection with The Plan and generally oversees the Managers' activities in providing services to The Plan.

**Ascensus**—Ascensus College Savings Recordkeeping Services, LLC, and Ascensus Broker Dealer Services, LLC, have been selected by CollegeInvest to be Managers of The Plan, responsible for the day-to-day operations of The Plan including but not limited to certain marketing services, administration, recordkeeping, and other services for The Plan. "Ascensus" is used to refer collectively or individually, as the case requires, to Ascensus College Savings Recordkeeping Services, LLC, Ascensus Broker Dealer Services, LLC, and their affiliates.

**Vanguard**—The Vanguard Group, Inc., has been selected by CollegeInvest to be a Manager of The Plan, responsible for all investments of The Plan Portfolios and the Underlying Funds in which each of the Portfolios is invested. Vanguard also assists CollegeInvest in marketing The Plan, providing administrative services, and distributing the securities issued by the Trust. "Vanguard" is used to refer collectively or individually, as the case requires, to The Vanguard Group, Inc., Vanguard Marketing Corporation, and their affiliates.

Throughout this document, the State of Colorado, the Trust, CollegeInvest, Ascensus, and Vanguard—and those parties' affiliates, directors, officers, employees, agents, and other representatives—are referred to collectively as "Associated Persons" of The Plan.

## Other Important Information

IMPORTANT INFORMATION ABOUT OPENING A NEW ACCOUNT. The Plan is required by federal law to obtain from each person who opens an account certain personal information—including name, street address, Social Security number or individual taxpayer identification number, and date of birth, among other information, that will be used to verify identity. If you do not provide this information, The Plan will not be able to open your account. If we are unable to verify your identity, The Plan reserves the right to close your account or take other reasonable steps.

The Plan is intended to be used only to save for Qualified Higher Education Expenses (as defined below in **Part 8. Tax Matters—Qualified Higher Education 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. This Plan Disclosure Statement is not intended to constitute, nor does it constitute, legal or tax advice. You should consult your own independent financial, tax, or other advisor for more information on the tax implications to you of investing in The Plan based on your circumstances.

**State Tax and Other Benefits. The Colorado income tax deduction, as described in this Plan Disclosure Statement, is available only to Colorado taxpayers investing in Colorado plans under current law, which may be changed**

**through future legislative or judicial action. If you are not a Colorado taxpayer, 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 and that are not available through investment in The Plan. Because different states have different tax provisions, this Plan Disclosure Statement contains limited information about the state tax consequences of investing in The Plan. Therefore, please consult your own independent 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 want 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.**

**Other 529 Plans Administered by CollegeInvest.** CollegeInvest currently offers three other 529 Plans that are not described in this Plan Disclosure Statement. These 529 Plans have different investment options, investment managers, fees, and sales commissions and may be marketed differently from The Plan. CollegeInvest may develop and offer other 529 Plans in the future. Please call **800-448-2424** or go to **www.collegeinvest.org** for information and materials that describe other 529 Plans administered and offered by CollegeInvest.

**Investments Are Not Guaranteed or Insured.** Investments in The Plan are not guaranteed or insured by The Plan, the State of Colorado, CollegeInvest, any other federal or state governmental agency, the Federal Deposit Insurance Corporation, Vanguard, Ascensus, or any other entity. The value of your Plan account will depend on market conditions and the performance of the Portfolios for the investment option(s) you select. Investments in The Plan can go up or down in value, and you could lose money (including the principal invested), or not make money, by investing in The Plan.

**The Plan Is Not a Mutual Fund.** Although money contributed to The Plan will be allocated to Portfolios that invest in mutual funds, neither the Trust, The Plan, nor any of The Plan's Portfolios is a mutual fund. An investment in The Plan is an investment in municipal fund securities that are offered and issued by the Trust. These securities are not registered with the U.S. Securities and Exchange Commission ("SEC") or any state, nor are the Trust, The Plan, or The Plan's Portfolios registered as investment companies with the SEC or any state.

**Changes in The Plan.** The Plan is established with the intent that it will qualify for favorable federal tax treatment as a qualified tuition program under Section 529 of the Internal Revenue Code. It is possible that federal and state laws may change in a manner that will adversely affect The Plan as described in this Plan Disclosure Statement and that such adverse effects may be retroactive. CollegeInvest may amend The Plan at any time if CollegeInvest determines that such an amendment is necessary to maintain qualification under Section 529 or is otherwise desirable. CollegeInvest, in consultation with the Managers, may establish such administrative rules as it determines are necessary or desirable to promote the Plan's compliance with Section 529, other laws, rules and regulations, the purpose of the Plan, and the orderly operation and administration of the Plan. Additionally, CollegeInvest reserves the right, in its sole discretion, to discontinue The Plan or to change any aspect of The Plan. See **Part 5. Certain Risks of Investing in The Plan—Potential Changes to The Plan or Investments.**

**Important Reference Material.** Please keep this Plan Disclosure Statement and Participation Agreement for future reference. This document gives you 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.

## How to Contact Us

Please call **800-997-4295** if you have any questions about The Plan or would like additional information. You can also visit CollegeInvest's website at **www.collegeinvest.org** for more information about The Plan or to download forms described in this Plan Disclosure Statement.

# Part 2. Getting Started

This section offers a brief overview of the process needed to: (1) open your account with The Plan, (2) designate your Beneficiary, (3) choose your investment option(s), and (4) contribute money to your Plan account. Before you begin, it is important that you understand two terms used throughout this Plan Disclosure Statement.

- The *Account Owner* is the person who opens an account with The Plan and controls the assets held in the account. References in this document to "you" mean you in your capacity as the Account Owner.
- The *Beneficiary* (future student) is the person designated by the Account Owner whose education expenses are expected to be paid (in whole or in part) using money from the Plan account. The Account Owner and the Beneficiary for a Plan account may be the same.

### 1. Opening Your Plan Account

### Who May Open a Plan Account?

To be an Account Owner, you must be a U.S. citizen or resident alien and must have a Social Security number or taxpayer identification number. Trusts, not-for-profit organizations, local governments, corporations, and partnerships may also be Account Owners. Account Owners must provide The Plan with a permanent U.S. address that is not a P.O. box.

Although persons other than the Account Owner can contribute to a Plan account, only the Account Owner controls how account assets are invested and used. There can be only one Account Owner designated per account. You may grant another person the ability to take certain actions with respect to your Plan account by completing the appropriate form(s). You may name a successor Account Owner to control the account if you die. Upon the death of the Account Owner, the successor Account Owner must notify the Plan by submitting a completed Enrollment Application and a certified copy of the death certificate. The Plan account will become effective for the successor Account Owner once this paperwork has been received in good order and processed. If, on the death of the Account Owner, a successor Account Owner has not been designated or is deceased or validly disclaims his or her interest in the account at the time of the Account Owner's death, the Beneficiary of the account automatically will become the Account Owner after completion of the Enrollment Application in good order. The Plan may also require submission of additional documents. You may transfer a Plan account to another Account Owner subject to the conditions described in **Part 7. Other Information About Your Plan Account**.

### Opening an Account with the Assistance of a Registered Investment Advisor

You may choose to open your account with the assistance of a registered investment advisor ("RIA"), who would generally charge a fee for this service. You must consent and agree to authorize your RIA to access your Plan account and perform certain transactions on your behalf as set forth in the applicable form(s). The Manager may terminate your RIA's authority to access your account at The Plan's discretion.

There is no limit on the age of the Account Owner to participate in, or benefit from, The Plan. If the Account Owner is a minor, his or her parent or legal guardian will need to consent to the minor's participation in The Plan by signing the Enrollment Application.

### How Do You Open a Plan Account?

- Online: Complete the Enrollment Application at [www.collegeinvest.org](www.collegeinvest.org).
- By mail: Complete, sign, and mail the Enrollment Application to **CollegeInvest Direct Portfolio College Savings Plan, P.O. Box 219931, Kansas City, MO 64121-9931**.

By signing the Enrollment Application, you will agree to the terms of your Plan account, the Participation Agreement, and The Plan set forth in this Plan Disclosure Statement.

Please see **Part 7. Other Information About Your Plan Account** for a description of the Enrollment Application process and for more details on setting up an account with The Plan.

### 2. Choosing Your Beneficiary

You must name a Beneficiary for the account on your Enrollment Application. A Beneficiary must be a U.S. citizen or resident alien and have a Social Security number or taxpayer identification number.

- You may designate only one Beneficiary per account, but you or different Account Owners may establish different accounts for the same Beneficiary subject to the Maximum Contribution Limit.
- There is no limit on the age of the Beneficiary to participate in, or benefit from, The Plan.
- You do not have to be related to the Beneficiary.
- You may name yourself as the Beneficiary.

Only the Account Owner can change the Beneficiary of an account. Please see **Part 7. Other Information About Your Plan Account** for more details on setting up an account with The Plan and changing the Beneficiary of your account.

## 3. Choosing Your Investment Options

You may select from a number of investment options. The options fall into two categories:

**Age-Based Options (three options).** The asset allocation of money invested in the Age-Based Options is automatically adjusted over time to include a lower percentage of allocations to stock funds as the Beneficiary approaches expected enrollment age.

**Blended Portfolios and Individual Portfolios (eight options).** Money invested in one of these options is allocated to the Portfolio you choose for the life of your investment (unless you direct a change in investment option). The Blended Portfolios and the Individual Portfolios are each invested according to a static asset allocation; it does not change over time (unless CollegeInvest determines that a change is appropriate).

Each time you contribute, you may choose up to five investment options. Regardless of how many investment options you select, you must allocate a minimum of 5% of the contribution to each option you choose. Investment percentages must total 100%. You may not direct the investment of your account assets other than selecting investment options when a contribution is made and reallocating assets up to twice per calendar year.

Please see **Part 3. The Plan Investment Options** for details about The Plan's investment options, including investment objectives, strategies, risks, and fees.

## 4. Contributing to Your Plan Account

**Initial Contribution**

- You must open an account with an initial investment of $25 or more.

**Additional Contributions**

- You or others may make additional contributions to your Plan account at any time, subject to the Maximum Contribution Limit. The minimum additional contribution is $15.

There are limitations on, and there may be other tax consequences of, rollovers or other contributions. You should consult a qualified tax advisor about your particular circumstances. Please see **Part 7. Other Information About Your Plan Account—Contributions** for additional details on contributing to your account through rollovers, transfers, setting up recurring contributions, and the guidelines relating to transfers and contributions from UGMA/UTMA custodial accounts or other savings accounts.

# Part 3. The Plan Investment Options

## Investment Options Summary

The Plan offers many different investment options for your account contributions.

- You may choose from three Age-Based Options in which your money automatically is moved to Portfolios that progressively include a lower percentage of allocations to stock funds as your Beneficiary approaches expected enrollment age. You may select the Age-Based Option—conservative, moderate, or aggressive—that best reflects your risk tolerance.
- You may choose from five Blended Portfolios and three Individual Portfolios, which invest the respective Portfolio assets in varying allocations of stock funds, bond funds, and a money market fund. If you choose a Blended or an Individual Portfolio, your money will remain in that Portfolio until you direct The Plan to change the investment of your Plan account assets.

The limits on your ability to change the investment option(s) for your Plan account are described in **Part 7. Other Information About Your Plan Account—Changing Investment Options for Current Balances and Future Contributions**.

Each Portfolio invests its assets in investments approved by CollegeInvest, which currently consist of one or more mutual funds managed by Vanguard (the "Underlying Funds"). Please keep in mind that you will not own shares of the Underlying Funds.

Vanguard has agreed to invest Portfolio assets in investments in accordance with the CollegeInvest Investment Policy Statement, which sets forth policies, objectives, and guidelines that govern the investment of such assets.

CollegeInvest reserves the right to change, at any time, the Investment Policy Statement, which may affect the Portfolios that make up the Age-Based Options, the Blended Portfolios, the Individual Portfolios, or the Underlying Funds in which the Portfolios invest.

**The holding period for education investing is short relative to the holding period for retirement (i.e., 5 to 20 years versus 30 to 60 years). Also, the need for liquidity during the withdrawal phase (to pay for certain educational expenses) is important. You should seriously consider the level of risk you want to assume, your investment time horizon, and other important factors before you select your investment options. You should periodically assess and, if appropriate, adjust your investments with the same factors in mind. The Plan and its Associated Persons make no representations about the suitability of The Plan's investment options to any particular investor. Other types of investments and education savings vehicles may be more appropriate, depending on your circumstances. Please consult your tax or investment advisor for more information.**

## The Age-Based Options

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

• Conservative Age-Based Option

• Moderate Age-Based Option

• Aggressive Age-Based Option

The Age-Based Options are 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, defined later). Within the Age-Based Options, you may invest according to your risk tolerance in either a conservative, a moderate, or an aggressive asset allocation.

In general, for younger Beneficiaries, the Age-Based Options will be invested in Portfolios more heavily weighted in stock funds to capitalize on the longer investment time frame and to try to maximize returns. As time passes, account assets are automatically moved to include a lower percentage of allocations to stock funds in an attempt to preserve capital as the withdrawal phase approaches. As the table on the next page shows, for any particular age group, the Conservative Age-Based Option usually has a higher concentration of assets in bond and/or short-term reserves than 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 to bond and money market funds tend to be less volatile than Portfolios with higher stock allocations. Less volatile Portfolios generally will not decline as much when stock markets go down but generally will not appreciate in value as much when stock markets go up.

The Manager relies on your representation as to the age of the Beneficiary to allocate your assets to a particular Portfolio at the outset.

A description of the Underlying Funds, as of June 30, 2022, in which each of these Portfolios invests, is provided in **The Plan Portfolios and Certain Underlying Fund Profiles** sections on the following pages.

For each of the Age-Based Options, The Plan will automatically exchange assets between one Portfolio and another as the Beneficiary ages. The exchange occurs during the month following the month of the Beneficiary's birth date, according to the schedule in the table on the following page.

**Age-based options designed for college savings**

Age of Beneficiary:

## Conservative option

| 0–4 years | 5–6 years | 7–8 years | 9–10 years | 11–12 years | 13–14 years | 15–16 years | 17–18 years | 19 years and up |
|---|---|---|---|---|---|---|---|---|
| 62.5% Stock 37.5% Bond Portfolio* | Growth Portfolio 50% Stock 50% Bond | 37.5% Stock 62.5% Bond Portfolio* | Conservative Growth Portfolio 25% Stock 75% Bond | 12.5% Stock 87.5% Bond Portfolio* | Income Portfolio 75% Bond 25% Short-Term Reserves | 50% Bond 50% Short-Term Reserves Portfolio* | 25% Bond 75% Short-Term Reserves Portfolio* | Interest Accumulation Portfolio 100% Short-Term Reserves |

## Moderate option

| 0–4 years | 5–6 years | 7–8 years | 9–10 years | 11–12 years | 13–14 years | 15–16 years | 17–18 years | 19 years and up |
|---|---|---|---|---|---|---|---|---|
| 87.5% Stock 12.5% Bond Portfolio* | Growth Portfolio 75% Stock 25% Bond | 62.5% Stock 37.5% Bond Portfolio* | Moderate Growth Portfolio 50% Stock 50% Bond | 37.5% Stock 62.5% Bond Portfolio* | Conservative Growth Portfolio 25% Stock 75% Bond | 12.5% Stock 87.5% Bond Portfolio* | Income Portfolio 75% Bond 25% Short-Term Reserves | Income Portfolio 75% Bond 25% Short-Term Reserves |

## Aggressive option

| 0–4 years | 5–6 years | 7–8 years | 9–10 years | 11–12 years | 13–14 years | 15–16 years | 17–18 years | 19 years and up |
|---|---|---|---|---|---|---|---|---|
| Aggressive Growth Portfolio 100% Stock | 87.5% Stock 12.5% Bond Portfolio* | 87.5% Stock 12.5% Bond Portfoilo* | Growth Portfolio 75% Stock 25% Bond | 62.5% Stock 37.5% Bond Portfolio* | Moderate Growth Portfolio 50% Stock 50% Bond | 37.5% Stock 62.5% Bond Portfolio* | Conservative Growth Portfolio 25% Stock 75% Bond | 12.5% Stock 87.5% Bond Portfolio* |

■ Stock ■ Bond ■ Short-Term Reserves

***Portfolio is only available for purchase as part of an Age-Based Option and can't be purchased individually.

The following table provides the expected allocation, as of June 2022, of the assets of each Portfolio in the Age-Based Options for investment in the particular Underlying Fund.

**Underlying investments**

| **Portfolios** / **Underlying investments** | Aggressive Growth Portfolio | 87.5% Stock 12.5% Bond Portfolio* | Growth Portfolio | 62.5% Stock 37.5% Bond Portfolio* | Moderate Growth Portfolio | 37.5% Stock 62.5% Bond Portfolio* | Conservative Growth Portfolio | 12.5% Stock 87.5% Bond Portfolio* | Income Portfolio | 50% Bond/50% Short-Term Reserves Portfolio* | 25% Bond/75% Short-Term Reserves Portfolio* | Interest Accumulation Portfolio |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Vanguard Institutional Total Stock Market Index Fund | 60% | 52.5% | 45% | 37.5% | 30% | 22.5% | 15% | 7.5% | 0% | 0% | 0% | 0% |
| Vanguard Total International Stock Index Fund | 40% | 35% | 30% | 25% | 20% | 15% | 10% | 5% | 0% | 0% | 0% | 0% |
| Vanguard Total Bond Market II Index Fund | 0% | 8.75% | 17.5% | 26.25% | 35% | 43.75% | 52.5% | 61.25% | 34.5% | 23% | 11.5% | 0% |
| Vanguard Total International Bond Index Fund | 0% | 3.75% | 7.5% | 11.25% | 15% | 18.75% | 22.5% | 26.25% | 22.5% | 15% | 7.5% | 0% |
| Vanguard Short-Term Inflation-Protected Securities Index Fund | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 18% | 12% | 6% | 0% |
| Colorado Short-Term Reserves Account | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 25% | 50% | 75% | 100% |

## The Blended Portfolios and Individual Portfolios

### Blended Portfolios

Unlike the Age-Based Options, the Blended Portfolios and Individual Portfolios do not change asset allocations as the Beneficiary ages. Instead, your assets will be allocated to such Portfolio for the life of your investment (unless you direct a change in investment option). These Portfolios are invested according to an asset allocation that remains fixed over time (unless CollegeInvest decides to implement changes to any of the asset allocations under the Investment Policy Statement).

If you choose to invest in Portfolios that have a significant weighting in stock funds, you may want to consider moving your assets to a Portfolio that allocates a lower percentage of its assets to stocks as your Beneficiary approaches expected enrollment age. Please note that there are limitations on your ability to move Plan account assets from one Portfolio to another. See **Part 7. Other Information About Your Plan Account—Changing Investment Options for Current Balances and Future Contributions**. The five Blended Portfolios listed below invest in multiple Underlying Funds:

- Aggressive Growth Portfolio
- Growth Portfolio
- Moderate Growth Portfolio
- Conservative Growth Portfolio
- Income Portfolio

Vanguard invests Blended Portfolio assets in one or more Underlying Funds that have investment objectives consistent with each particular asset category. The following table provides the expected allocation, as of June 30, 2022, of each Blended Portfolio's assets for investment in the particular Underlying Fund (unless a decision is made by CollegeInvest to change the investments in which the Portfolio assets are invested). You will be notified of any significant changes to the investments to which Portfolio assets are allocated.

### Individual Portfolios

Each of the three Individual Portfolios invests entirely in a single Underlying Fund.

- Stock Index Portfolio invests in Vanguard Institutional Total Stock Market Index Fund.
- Bond Index Portfolio invests in Vanguard Total Bond Market Index Fund.
- Interest Accumulation Portfolio directs all its assets into Colorado Short-Term Reserves Account.

The Underlying Fund in which an Individual Portfolio invests all of its assets is subject to change.

## The Blended Portfolios and Individual Portfolios

| Underlying Fund | Aggressive Growth Portfolio | Growth Portfolio | Moderate Growth Portfolio | Conservative Growth Portfolio | Income Portfolio |
|---|---|---|---|---|---|
| Vanguard Institutional Total Stock Market Index Fund | 60% | 45% | 30% | 15% | 0% |
| Vanguard Total International Stock Index Fund | 40% | 30% | 20% | 10% | 0% |
| **Total Stock Funds** | **100%** | **75%** | **50%** | **25%** | **0%** |
| Vanguard Total Bond Market II Index Fund | 0% | 17.5% | 40% | 52.5% | 34.5% |
| Vanguard Total International Bond Index Fund | 0% | 7.5% | 15% | 22.5% | 22.5% |
| Vanguard Short-Term Inflation-Protected Securities Index Fund | 0% | 0% | 0% | 0% | 18% |
| **Total Bond Funds** | **0%** | **25%** | **50%** | **75%** | **75%** |
| Colorado Short-Term Reserves Account | 0% | 0% | 0% | 0% | 25% |
| **Total Short-Term Reserves** | **0%** | **0%** | **0%** | **0%** | **25%** |
| **TOTAL** | **100%** | **100%** | **100%** | **100%** | **100%** |

## The Plan Portfolio Profiles

### Requesting Additional Information About the Underlying Funds

Your contributions to a Portfolio will be invested in one or more of the Underlying Funds. **Please keep in mind that you will not own shares of the Underlying Funds. Instead, you will own interests in the Trust established by CollegeInvest.** Information in this Plan Disclosure Statement about the Underlying Funds has been provided by Vanguard and has not been independently verified by CollegeInvest.

Additional information about the investment strategies and risks of each Underlying 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 Underlying Fund by visiting Vanguard's website at **www.vanguard.com/mutualfunds** or by calling **800-997-4295**. Information about Vanguard Total Bond Market II Index Fund can be found on Vanguard's Institutional Investors site at **www.vanguard.com/institutional** or by calling **800-997-4295**.

**Annual Asset-Based Fee.** The annual asset-based fee for any of the Age-Based Options, Blended Portfolios, or Individual Portfolios is currently 0.29%. See **Part 4. The Plan Fees and Charges—Asset-Based Fee**.

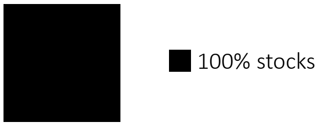
**The Target Indexes of the Underlying Funds May Change.** Six of the Underlying Funds—Vanguard Institutional Total Stock Market Index Fund, Vanguard Total International Stock Index Fund, Vanguard Total Bond Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Short-Term Inflation-Protected Securities Index Fund, and Vanguard Total International Bond Index Fund—are index funds. The target index for each Underlying Fund is described below. Each Vanguard index fund reserves the right to substitute a different target index for the index it currently tracks. Another target index could be substituted if the original target index is discontinued, if the Underlying Fund's agreement with the sponsor of its current index is terminated, or for any other reason determined in good faith by the Underlying Fund's board of trustees. In any such instance, the substitute index would measure the same market segment as the current index.

**Investment Objectives May Not Be Met.** The ability of a Portfolio to meet its investment objective is directly related to the ability of each Underlying Fund to meet its objective and to the allocation of Portfolio assets among the Underlying Funds. The performance of the Underlying Funds, in turn, depends on the performance of the stock, bond, and money markets in the United States and abroad. There can be no assurance that the investment objective of any Portfolio or Underlying Fund will be achieved.

**Risk Information.** The following investment portfolio profiles identify certain risks of each Portfolio and Underlying Fund. An explanation of these risks appears after the profiles. This risk information has been provided by Vanguard and has not been independently verified by CollegeInvest.

## The Plan Portfolios

### 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 assets to stocks. The percentages of the Portfolio's assets allocated to each Underlying Fund are:

| | |
|---|---|
| Vanguard Institutional Total Stock Market Index Fund | 60% |
| Vanguard Total International Stock Index Fund | 40% |

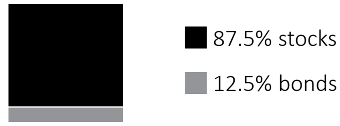
Through its investment in Vanguard Institutional Total Stock Market Index Fund, the Portfolio indirectly invests in large-, mid-, small-, and micro-capitalization U.S. stocks. The Fund employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index, which represents approximately 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap stocks regularly traded on the New York Stock Exchange ("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.

Through its investment in Vanguard Total International Stock Index Fund, the Portfolio also indirectly invests in international stocks. The 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 approximately 5,800 stocks of companies located in over 45 countries. The Fund invests all, or substantially all, of its assets in the common stocks included in its target Index.

***Investment Risks***

The Portfolio is subject to **stock market risk**, **investment style risk**, **country/regional risk**, **currency risk**, **emerging markets risk**, **index sampling risk**, and **derivatives risk**.

### 87.5% Stock/12.5% Bond 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-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 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 Underlying Fund are:

| | |
|---|---|
| Vanguard Institutional 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 investment in Vanguard Institutional Total Stock Market Index Fund, the Portfolio indirectly invests in large-, mid-, small-, and micro-capitalization U.S. stocks. The Fund employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index, which represents approximately 100% of the investable U.S. stock market, and includes large-, mid-, small-, and micro-cap 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.

Through its investment in Vanguard Total International Stock Index Fund, the Portfolio also indirectly invests in international stocks. The 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 approximately 5,800 stocks of companies located in more than 45 countries. The Fund invests all, or substantially all, of its assets in the common stocks included in its target Index.

Through its investment in Vanguard Total Bond Market II Index Fund, the Portfolio also indirectly invests in a broadly diversified collection of securities that, in the aggregate, approximates the Bloomberg U.S. Aggregate Float Adjusted

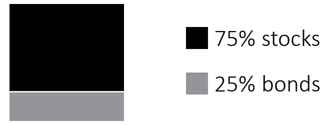
Index in terms of key risk factors and other characteristics. The Fund employs an indexing investment approach designed to track the performance of the Index. The Index represents a wide spectrum of public, investment-grade, taxable, and fixed-income securities in the United States—including government, 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 maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Total International Bond Index Fund, the Portfolio also indirectly invests in 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. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), which provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Fund will attempt to hedge its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in order to correlate to the returns of the Index, and is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

***Investment Risks***

Because it invests mainly in stock funds, the Portfolio is proportionately subject to **stock market risk**. Through its bond fund holdings, the Portfolio is subject to **interest rate risk**, **credit risk**, **income risk**, **call risk**, **prepayment risk**, **liquidity risk**, and **extension risk**. The Portfolio is also subject to **country/regional risk, currency risk**, **emerging markets risk**, **investment style risk, currency and currency hedging risk**, **nondiversification risk**, **index sampling risk**, and **derivatives risk**.

## 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 Underlying Fund are:

| | |
|---|---|
| Vanguard Institutional 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 investment in Vanguard Institutional Total Stock Market Index Fund, the Portfolio indirectly invests in large-, mid-, small-, and micro-capitalization U.S. stocks. The Fund employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index, which represents 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap 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.

Through its investment in Vanguard Total International Stock Index Fund, the Portfolio also indirectly invests in international stocks. The 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 approximately 5,800 stocks of companies located in more than 45 countries. The Fund invests all, or substantially all, of its assets in the common stocks included in its target Index.

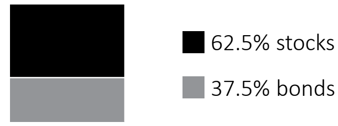
Through its investment in Vanguard Total Bond Market II Index Fund, the Portfolio indirectly invests in a broadly diversified collection of securities that, in the aggregate, approximates the Bloomberg U.S. Aggregate Float Adjusted Index in terms of key risk factors and other characteristics. The Fund employs an indexing investment approach designed to track the performance of the Index. The Index represents a wide spectrum of public, investment-grade, taxable, and 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 maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Total International Bond Index Fund, the Portfolio also indirectly invests in 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. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), which provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Fund will attempt to hedge its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in order to correlate to the returns of the Index, and is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

***Investment Risks***

Because it invests mainly in stock funds, the Portfolio is proportionately subject to **stock market risk**. Through its bond fund holdings, the Portfolio is subject to **interest rate risk**, **credit risk**, **income risk**, **extension risk**, **liquidity risk**, **call risk**, and **prepayment risk**. The Portfolio is also subject to **country/regional risk**, **currency risk**, **emerging markets risk**, **nondiversification risk**, **currency hedging risk**, **index sampling risk**, and **derivatives risk**.

## 62.5% Stock/37.5% Bond 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-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 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 Underlying Fund are:

| | |
|---|---|
| Vanguard Institutional 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 investment in Vanguard Institutional Total Stock Market Index Fund, the Portfolio indirectly invests in large-, mid-, small-, and micro-capitalization U.S. stocks. The Fund employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index, which represents approximately 100% of the investable U.S. stock market, and includes large-, mid-, small-, and micro-cap 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.

Through its investment in Vanguard Total International Stock Index Fund, the Portfolio indirectly invests in international stocks. The 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 approximately 5,800 stocks of companies located in more than 45 countries. The Fund invests all, or substantially all, of its assets in the common stocks included in its target Index.

Through its investment in Vanguard Total Bond Market II Index Fund, the Portfolio also indirectly invests in a broadly diversified collection of securities that, in the aggregate, approximates the Bloomberg U.S. Aggregate Float Adjusted Index in terms of key risk factors and other characteristics. The Fund employs an indexing investment approach designed to track the performance of the Index.

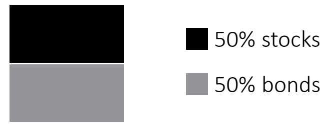
The Index represents a wide spectrum of public, investment-grade, taxable, and fixed-income securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—all with maturities of more than 1 year. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Total International Bond Index Fund, the Portfolio also indirectly invests in 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. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), which provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Fund will attempt to hedge its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in order to correlate to the returns of the Index, and is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

***Investment Risks***

Because it invests mainly in stock funds, the Portfolio is proportionately subject to **stock market risk**. Through its bond fund holdings, the Portfolio is subject to **interest rate risk**, **credit risk**, **income risk**, **call risk**, **prepayment risk**, and **extension risk**. The Portfolio is also subject to **country/regional risk**, **currency risk**, **emerging markets risk**, **investment style risk**, **liquidity risk**, **currency and currency hedging risk**, **nondiversification risk**, **index sampling risk**, and **derivatives risk**.

## Moderate Growth Portfolio




***Investment Objective***

The Portfolio seeks to provide moderate levels of income and capital appreciation.

***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 Underlying Fund are:

| | |
|---|---|
| Vanguard Institutional Total Stock Market Index Fund | 35% |
| Vanguard Total International Stock Index Fund | 15% |
| Vanguard Total Bond Market II Index Fund | 40% |
| Vanguard Total International Bond Index Fund | 10% |

Through its investment in Vanguard Institutional Total Stock Market Index Fund, the Portfolio indirectly invests in large-, mid-, small-, and micro-capitalization U.S. stocks. The Fund employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index, which represents approximately 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap 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.

Through its investment in Vanguard Total International Stock Index Fund, the Portfolio also indirectly invests in international stocks. The 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 approximately 5,800 stocks of companies located in more than 45 countries. The Fund invests all, or substantially all, of its assets in the common stocks included in its target Index.

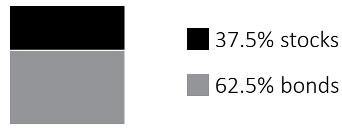
Through its investment in Vanguard Total Bond Market II Index Fund, the Portfolio indirectly invests in a broadly diversified collection of securities that, in the aggregate, approximates the Bloomberg U.S. Aggregate Float Adjusted Index in terms of key risk factors and other characteristics. The Fund employs an indexing investment approach designed to track the performance of the Index. The Index represents a wide spectrum of public, investment-grade, taxable, and 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 maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Total International Bond Index Fund, the Portfolio also indirectly invests in 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. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), which provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Fund will attempt to hedge its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in order to correlate to the returns of the Index, and is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years

***Investment Risks***

Through its stock fund holdings, the Portfolio is subject to **stock market risk**. Through its bond fund holdings, the Portfolio is subject to **interest rate risk**, **credit risk**, **income risk**, **extension risk**, **liquidity risk**, **call risk**, and **prepayment risk**. The Portfolio is also subject to **country/regional risk**, **currency risk**, **emerging markets risk**, **nondiversification risk, currency and currency hedging risk**, **index sampling risk**, and **derivatives risk**.

## 37.5% Stock/62.5% Bond 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 income and some capital appreciation.

***Investment Strategy***

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

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

Through its investment in Vanguard Total Bond Market II Index Fund, the Portfolio indirectly invests in a broadly diversified collection of securities that, in the aggregate, approximates the Bloomberg U.S. Aggregate Float Adjusted Index in terms of key risk factors and other characteristics. The Fund employs an indexing investment approach designed to track the performance of the Index. The Index represents a wide spectrum of public, investment-grade, taxable, and 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 maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Total International Bond Index Fund, the Portfolio also indirectly invests in 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. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), which provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Fund will attempt to hedge its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in order to correlate to the returns of the Index, and is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

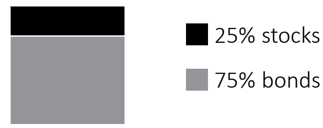
Through its investment in Vanguard Institutional Total Stock Market Index Fund, the Portfolio indirectly invests in large-, mid-, small-, and micro-capitalization U.S. stocks. The Fund employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index, which represents approximately 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap 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.

Through its investment in Vanguard Total International Stock Index Fund, the Portfolio indirectly invests in international stocks. The 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 approximately 5,800 stocks of companies located in more than 45 countries. The Fund invests all, or substantially all, of its assets in the common stocks included in its target Index.

***Investment Risks***

Because it invests mainly in bond funds, the Portfolio is proportionately subject to **interest rate risk**, **credit risk**, **income risk**, **call risk**, **prepayment risk**, **liquidity risk**, and **extension risk**. Through its stock fund holdings, the Portfolio is subject to **stock market risk**. The Portfolio is also subject to **country/regional risk, currency and currency hedging risk, nondiversification risk, currency risk, emerging markets risk, index sampling risk, investment style risk**, and **derivatives risk**.

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

| | |
|---|---|
| Vanguard Total Bond Market II Index Fund | 52.5% |
| Vanguard Total International Bond Index Fund | 22.5% |
| Vanguard Institutional Total Stock Market Index Fund | 15% |
| Vanguard Total International Stock Index Fund | 10% |

Through its investment in Vanguard Total Bond Market II Index Fund, the Portfolio indirectly invests in a broadly diversified collection of securities that, in the aggregate, approximates the Bloomberg U.S. Aggregate Float Adjusted Index in terms of key risk factors and other characteristics. The Fund employs an indexing investment approach designed to track the performance of the Index. The Index represents a wide spectrum of public, investment-grade, taxable, and 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 maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Total International Bond Index Fund, the Portfolio also indirectly invests in 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. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), which provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Fund will attempt to hedge its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in order to correlate to the returns of the Index, and is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

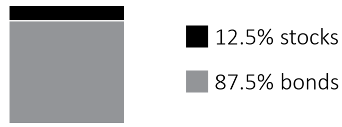
Through its investment in Vanguard Institutional Total Stock Market Index Fund, the Portfolio indirectly invests in large-, mid-, small-, and micro-capitalization U.S. stocks. The Fund employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index, which represents 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap 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.

Through its investment in Vanguard Total International Stock Index Fund, the Portfolio also indirectly invests in international stocks. The 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 approximately 5,800 stocks of companies located in more than 45 countries. The Fund invests all, or substantially all, of its assets in the common stocks included in its target Index.

***Investment Risks***

Because it invests mainly in bond funds, the Portfolio is proportionately subject to **interest rate risk**, **credit risk**, **income risk**, **extension risk**, **liquidity risk**, **call risk**, and **prepayment risk**. Through its stock fund holdings, the Portfolio is subject to **stock market risk**. The Portfolio is also subject to moderate levels of **country/regional risk, currency risk, emerging markets risk, nondiversification risk, currency and currency hedging risk, index sampling risk,** and **derivatives risk**.

## 12.5% Stock/87.5% Bond 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 income and some capital appreciation.

***Investment Strategy***

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

| | |
|---|---|
| Vanguard Total Bond Market II Index Fund | 61.25% |
| Vanguard Total International Bond Index Fund | 26.25% |
| Vanguard Institutional Total Stock Market Index Fund | 7.5% |
| Vanguard Total International Stock Index Fund | 5% |

Through its investment in Vanguard Total Bond Market II Index Fund, the Portfolio indirectly invests in a broadly diversified collection of securities that, in the aggregate, approximates the Bloomberg U.S. Aggregate Float Adjusted Index in terms of key risk factors and other characteristics. The Fund employs an indexing investment approach designed to track the performance of the Index. The Index represents a wide spectrum of public, investment-grade, taxable, and 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 maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Total International Bond Index Fund, the Portfolio also indirectly invests in 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. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), which provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Fund will attempt to hedge its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in order to correlate to the returns of the Index, and is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in

currencies other than the U.S. dollar. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

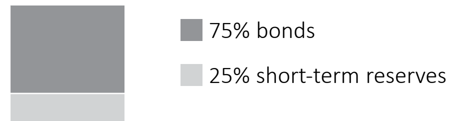
Through its investment in Vanguard Institutional Total Stock Market Index Fund, the Portfolio indirectly invests in large-, mid-, small-, and micro-capitalization U.S. stocks. The Fund employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index, which represents approximately 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap 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.

Through its investment in Vanguard Total International Stock Index Fund, the Portfolio indirectly invests in international stocks. The 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 approximately 5,800 stocks of companies located in more than 45 countries. The Fund invests all, or substantially all, of its assets in the common stocks included in its target Index.

***Investment Risks***

Because it invests mainly in bond funds, the Portfolio is proportionately subject to **interest rate risk**, **credit risk**, **income risk**, **call risk**, **prepayment risk**, **liquidity risk**, and **extension risk**. Through its stock fund holdings, the Portfolio is subject to **stock market risk**. The Portfolio is also subject to **country/regional risk, currency and currency hedging risk**, **nondiversification risk**, **currency risk**, **emerging markets risk**, **index sampling risk**, **investment style risk**, and **derivatives risk**.

## Income Portfolio




***Investment Objective***

The Portfolio seeks to provide current income.

***Investment Strategy***

The Portfolio invests in three Vanguard bond funds and one Vanguard money market fund, resulting in an allocation of 75% of its assets to investment-grade U.S. bonds and 25% of its assets to short-term investments. The percentages of the Portfolio's assets allocated to each Underlying 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 Index Fund | 18% |
| Colorado Short-Term Reserves Account | 25% |

Through its investment in Vanguard Total Bond Market II Index Fund, the Portfolio indirectly invests in a broadly diversified collection of securities that, in the aggregate, approximates the Bloomberg U.S. Aggregate Float Adjusted Index in terms of key risk factors and other characteristics. The Fund employs an indexing investment approach designed to track the performance of the Index. The Index represents a wide spectrum of public, investment-grade, taxable, and 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 maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Total International Bond Index Fund, the Portfolio also indirectly invests in 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. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), which provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Fund will attempt to hedge its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in order to correlate to the returns of the Index, which is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in

currencies other than the U.S. dollar. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Short-Term Inflation-Protected Securities Index Fund, the Portfolio indirectly invests in inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than 5 years. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) 0–5 Year Index. The Fund maintains a dollar-weighted average maturity consistent with that of the target index, which generally does not exceed 3 years.

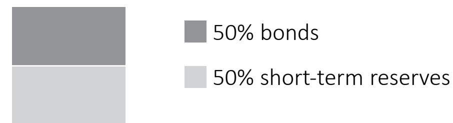
Through its investment in Colorado Short-Term Reserves Account, the Portfolio indirectly invests in funding agreements issued by one or more insurance companies, synthetic investment contracts (SICs), and shares of Vanguard Federal Money Market Fund. Funding agreements are interest-bearing contracts that are structured to preserve principal and accumulate interest earnings over the life of the investment. The agreements pay interest at a fixed minimum rate and have fixed maturity dates that normally range from 2 to 5 years. Vanguard Federal Money Market Fund invests in high-quality, short-term money market instruments issued by the U.S. government and its agencies and instrumentalities. For more information about Colorado Short-Term Reserves Account, please see the Interest Accumulation Portfolio profile.

**Note: Colorado Short-Term Reserves Account's investments in Vanguard Federal Money Market Fund are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although Vanguard Federal Money Market Fund seeks to preserve the value of the investment at $1 per share, it is possible that Colorado Short-Term Reserves Account may lose money by investing in the Fund. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.**

***Investment Risks***

Because it invests mainly in bond funds, the Portfolio is proportionately subject to **interest rate risk**, **credit risk**, **income risk**, **call risk**, **prepayment risk**, **extension risk**, **liquidity risk**, and **income fluctuation risk**. The Portfolio is also subject to **country/regional risk, nondiversification risk, currency and currency hedging risk**, **index sampling risk**, and **derivatives risk**.

## 50% Bond/50% Short-Term Reserves




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.

***Investment Strategy***

The Portfolio invests in three Vanguard bond funds and one short-term reserves account, resulting in an allocation of 50% of its assets to investment-grade bonds and 50% of its assets to short-term investments. The percentages of the Portfolio's assets allocated to each Underlying Fund are:

| | |
|---|---|
| Vanguard Total Bond Market II Index Fund | 23% |
| Vanguard Total International Bond Index Fund | 15% |
| Vanguard Short-Term Inflation-Protected Securities Index Fund | 12% |
| Colorado Short-Term Reserves Account | 50% |

Through its investment in Vanguard Total Bond Market II Index Fund, the Portfolio indirectly invests in a broadly diversified collection of securities that, in the aggregate, approximates the Bloomberg U.S. Aggregate Float Adjusted Index in terms of key risk factors and other characteristics. The Fund employs an indexing investment approach designed to track the performance of the Index. The Index represents a wide spectrum of public, investment-grade, taxable, and 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 maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Total International Bond Index Fund, the Portfolio also indirectly invests in 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. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), which provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Fund will attempt to hedge its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in order to correlate to the returns of the Index, which is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in

currencies other than the U.S. dollar. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Short-Term Inflation-Protected Securities Index Fund, the Portfolio indirectly invests in inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than 5 years. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) 0–5 Year Index. The Fund maintains a dollar-weighted average maturity consistent with that of the target index, which generally does not exceed 3 years.

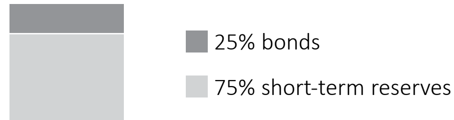
Through its investment in Colorado Short-Term Reserves Account, the Portfolio indirectly invests in funding agreements issued by one or more insurance companies, synthetic investment contracts (SICs), and shares of Vanguard Federal Money Market Fund. Funding agreements are interest-bearing contracts that are structured to preserve principal and accumulate interest earnings over the life of the investment. The agreements pay interest at a fixed minimum rate and have fixed maturity dates that normally range from 2 to 5 years. Vanguard Federal Money Market Fund invests in high-quality, short-term money market instruments issued by the U.S. government and its agencies and instrumentalities. For more information about Colorado Short-Term Reserves Account, please see the Interest Accumulation Portfolio profile.

**Note: Colorado Short-Term Reserves Account's investments in Vanguard Federal Money Market Fund are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although Vanguard Federal Money Market Fund seeks to preserve the value of the investment at $1 per share, it is possible that Colorado Short-Term Reserves Account may lose money by investing in the Fund. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.**

***Investment Risks***

The Portfolio is subject to **interest rate risk**, **credit risk**, **income risk**, **call risk**, **prepayment risk**, **extension risk**, **liquidity risk**, **income fluctuation risk**, **country/regional risk**, **nondiversification risk, currency and currency hedging risk**, **manager risk**, **index sampling risk**, and **derivatives risk**.

## 25% Bond/75% Colorado Short-Term Reserves 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.

***Investment Strategy***

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

| | |
|---|---|
| Vanguard Total Bond Market II Index Fund | 11.5% |
| Vanguard Total International Bond Index Fund | 7.5% |
| Vanguard Short-Term Inflation-Protected Securities Index Fund | 6% |
| Colorado Short-Term Reserves Account | 75% |

Through its investment in Vanguard Total Bond Market II Index Fund, the Portfolio indirectly invests in a broadly diversified collection of securities that, in the aggregate, approximates the Bloomberg U.S. Aggregate Float Adjusted Index in terms of key risk factors and other characteristics. The Fund employs an indexing investment approach designed to track the performance of the Index. The Index represents a wide spectrum of public, investment-grade, taxable, and 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 maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Total International Bond Index Fund, the Portfolio also indirectly invests in 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. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), which provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. The Fund will attempt to hedge its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in order to correlate to the returns of the Index, which is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

Through its investment in Vanguard Short-Term Inflation-Protected Securities Index Fund, the Portfolio indirectly invests in inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than 5 years. The Fund employs an indexing investment approach designed to track the performance of the Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) 0–5 Year Index. The Fund maintains a dollar-weighted average maturity consistent with that of the target index, which generally does not exceed 3 years.

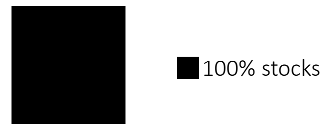
Through its investment in Colorado Short-Term Reserves Account, the Portfolio indirectly invests in funding agreements issued by one or more insurance companies, synthetic investment contracts (SICs), and shares of Vanguard Federal Money Market Fund. Funding agreements are interest-bearing contracts that are structured to preserve principal and accumulate interest earnings over the life of the investment. The agreements pay interest at a fixed minimum rate and have fixed maturity dates that normally range from 2 to 5 years. Vanguard Federal Money Market Fund invests in high-quality, short-term money market instruments issued by the U.S. government and its agencies and instrumentalities. For more information about Colorado Short-Term Reserves Account, please see the Interest Accumulation Portfolio profile.

**Note: Colorado Short-Term Reserves Account's investments in Vanguard Federal Money Market Fund are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although Vanguard Federal Money Market Fund seeks to preserve the value of the investment at $1 per share, it is possible that Colorado Short-Term Reserves Account may lose money by investing in the Fund. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.**

***Investment Risks***

The Portfolio is subject to **interest rate risk**, **credit risk**, **income risk**, **call risk**, **prepayment risk**, **extension risk**, **liquidity risk**, **income fluctuation risk**, **country/regional risk**, **nondiversification risk, currency and currency hedging risk**, **manager risk**, **index sampling risk**, and **derivatives risk**.

## Stock Index Portfolio




***Investment Objective***

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

***Investment Strategy***

The Portfolio invests in Vanguard Institutional Total Stock Market Index Fund, which employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index. The Index represents approximately 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap stocks regularly traded on the NYSE and Nasdaq. The Fund invests by sampling the Index, which means 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 Portfolio is subject to **stock market risk**, **index sampling risk**, and **derivatives risk**.

## Bond Index Portfolio

100% bonds

### *Investment Objective*

The Portfolio seeks to track the performance of a broad, market-weighted bond index.

### *Investment Strategy*

The Portfolio invests in Vanguard Total Bond Market Index Fund, which employs an indexing investment approach designed to track the performance of the Bloomberg U.S. Aggregate Float Adjusted Index. The Index represents a wide spectrum of public, investment-grade, taxable, and 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 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 held in the Index. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

### *Investment Risks*

The Portfolio is subject to **interest rate risk**, **income risk**, **extension risk**, **call risk**, **prepayment risk**, **credit risk**, **index sampling risk**, **liquidity risk**, and **derivatives risk**.

## Interest Accumulation Portfolio



100% short-term reserves

### *Investment Objective*

The Portfolio seeks income consistent with the preservation of principal.

### *Investment Strategy*

The Portfolio directs all its assets into Colorado Short-Term Reserves Account, through which the Portfolio owns funding agreements issued by one or more insurance companies, synthetic investment contracts (SICs), and/or shares of Vanguard Federal Money Market Fund. Funding agreements and SICs are interest-bearing contracts that are structured to preserve principal and accumulate interest earnings over the life of the investment. Funding agreements generally pay interest at a fixed interest rate and have fixed maturity dates that normally range from 2 to 5 years. SICs pay a variable interest rate and have an average duration range between 2 and 5 years. Investments in either new funding agreements or SICs are based upon available liquidity in the Portfolio and the competitiveness of offered yields, based on market conditions and trends. The Colorado Short-Term Reserves Account may also invest as little as 5% to 25% of its assets in shares of Vanguard Federal Money Market Fund, to meet normal liquidity needs, to as much as all or a large portion of its assets in this Fund if sufficient investments cannot be obtained from issuers meeting the minimum credit standards and contract terms.

Vanguard Federal Money Market Fund invests in high-quality, short-term money market instruments issued by the U.S. government and its agencies and instrumentalities. Although these are high-quality securities, most of the securities held by the Fund are neither guaranteed by the U.S. Treasury nor supported by the full faith and credit of the U.S. government.

To be considered high-quality, a security must be determined by Vanguard to present minimal credit risk based in part on a consideration of maturity, portfolio diversification, portfolio liquidity, and credit quality. The 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, SICs, and Vanguard Federal Money Market Fund shares held by the Portfolio, minus the Portfolio's expenses, including the benefit responsive charge paid to the issuers of SICs and separate account funding agreements. The benefit responsive charges range from 0.20% to 0.30%. The Portfolio's target duration is expected to range between 1.5 and 3.5 years. The Portfolio has a longer average maturity than most 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.

**Note: Colorado 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 Vanguard Federal Money Market Fund seeks to preserve the value of the investment at $1 per share, it cannot guarantee that it will do so. It is possible that Colorado Short-Term Reserves Account may lose money by investing in the Fund. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.**

***Investment Risks***

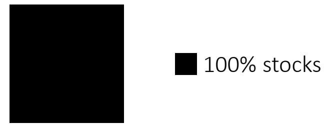
The Portfolio is subject to **income risk**, **manager risk**, and **credit risk**. Funding agreements are backed by the financial strength of the insurance companies that issue the contracts. Every effort is made to select high-quality insurance companies. However, the Portfolio may lose value if an insurance company is unable to make interest or principal payments when due.

SICs are issued by banks, insurance companies, and other issuers, and, like funding agreements, are designed to provide a stable asset value. However, unlike funding agreements, SICs 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. The market value of the underlying fixed income assets will change every day with the markets and may, at times, be higher or lower than the constant book value (sum of participant balances or deposits plus accrued interest). In an effort to mitigate the risks associated with the variance between the market value of the underlying holdings and the fund's book value, the fund's interest rate will be reset quarterly to assist the market and book values in staying close together over time. Returns earned on SICs vary with the performance of the underlying fixed-income assets and mutual funds. These assets back the contract and are owned by the Trustee on behalf of the plan. These contracts are also called "alternative investment contracts."

### Certain Underlying Fund Profiles

Each Age-Based Option or Blended Portfolio invests in one or more Underlying Funds, which generally are available for investment as Individual Portfolios, and information has therefore been provided above about them. However, because four of the Underlying Funds are not available as Individual Portfolios, more information about their investment strategies and risks is presented on the following page. This information has been provided by Vanguard, and CollegeInvest has not independently verified this information.

### 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.

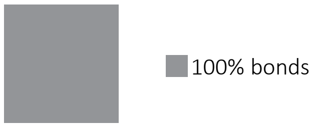
***Investment Strategy***

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 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 approximately 5,800 stocks of companies located in more than 45 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**.

## Vanguard Total International Bond Index Fund




***Investment Objective***

The Fund seeks to track the performance of a benchmark index that measures the investment return of non-U.S. dollar-denominated, investment-grade bonds.

***Investment Strategy***

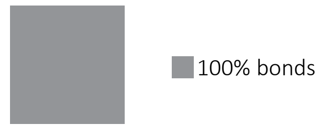
Vanguard Total International Bond Index Fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged). The Index provides a broad-based measure of the global, investment-grade, fixed-rate debt markets. 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 1 year.

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 the Fund’s investments will be selected through the sampling process and, under normal circumstances, at least 80% of the Fund’s assets will be invested in bonds included in the Index. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

***Investment Risks***

The Fund is subject to **interest rate risk**, **income risk**, **credit risk**, **call risk**, **country/regional risk**, **nondiversification risk, currency and currency hedging risk**, **derivatives risk**, **liquidity risk**, and **index sampling risk**.

## 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 5 years.

***Investment Strategy***

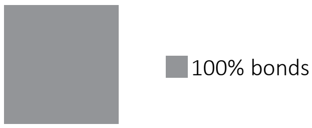
The Fund employs an indexing investment approach designed to track the performance of the Bloomberg U.S. Treasury Inflation Protected Securities (TIPS) 0–5 Year Index. The Index is a market-capitalization-weighted index that includes all inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than 5 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 3 years.

**Note: Vanguard Short-Term Inflation-Protected Securities Index Fund seeks to provide protection from inflation (i.e., a rise in the general price level for goods and services) as measured by the Consumer Price Index. It is possible that the costs of 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 education.**

***Investment Risks***

The Fund is subject to **income fluctuation risk** and **interest rate risk**.

## 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 Bloomberg U.S. Aggregate Float Adjusted Index. The Index represents a wide spectrum of public, investment-grade, taxable, and 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 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 held in the Index. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

***Investment Risks***

The Fund is subject to **interest rate risk**, **income risk**, **call risk**, **prepayment risk**, **credit risk**, **extension risk**, **liquidity risk**, and **index sampling risk**.

## Explanation of the Risk Factors of the Portfolios and Underlying 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 Underlying Fund would then lose any 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 Underlying 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 and/or liquidity of securities issued by foreign companies, governments, or government agencies. Country/regional risk is especially high in emerging markets.

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

**Currency and Currency Hedging Risk.** This is the risk that the currency hedging transactions entered into by an Underlying Fund may not perfectly offset the Fund's foreign currency exposures. The Underlying Fund will decline in value if it underhedges a currency that has weakened or overhedges a currency that has strengthened relative to the U.S. dollar. In addition, the Underlying Fund will incur expenses to hedge its foreign currency exposure. By entering into currency hedging transactions, the Underlying Fund may eliminate any chance to benefit from favorable fluctuations in relevant currency exchange rates. The Underlying Fund's use of foreign currency exchange forward contracts also subjects the Underlying Fund to counterparty risk, which is the chance that the party to a currency forward contract with the Underlying Fund will be unable or unwilling to meet its financial obligations.

**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 risk is especially high in emerging markets.

**Derivatives Risk.** The Underlying 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, a bond, or a currency), a physical asset (such as gold, oil, or wheat), a market index (such as the Standard & Poor's 500 Index), or a reference rate (such as the London Interbank Offered Rate [LIBOR]). Investments in derivatives may subject the Underlying Funds to risks different from, and possibly greater than, those of the underlying securities or assets. The Underlying 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 because, among other factors, emerging markets can have greater custodial and operational risks; less developed legal, tax, regulatory, and accounting systems; and greater political, social, and economic instability than developed markets.

**Extension Risk.** This is the chance that during periods of rising interest rates, certain debt securities will be paid off or homeowners will prepay their mortgages substantially more slowly than originally anticipated.

**Income Fluctuation Risk.** An Underlying Fund's quarterly income distributions are likely to fluctuate considerably more than the income distributions of a typical bond fund. In fact, under certain conditions, the Underlying Fund may not have any income to distribute. For Vanguard Short-Term Inflation-Protected Securities Index 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 falling interest rates will cause an Underlying Fund's income to decline.

**Index Sampling Risk.** This is the risk that the securities selected for an Underlying Fund in the aggregate will not provide investment performance matching that of the Underlying Fund's target index.

**Interest Rate Risk.** This is the risk that bond prices overall will decline because of rising interest rates.

**Investment Style Risk.** This is the risk that returns from the specific stocks in which an Underlying Fund invests will trail returns from the overall stock market. Small-, mid-, and large-cap stocks (growth or value) (foreign or domestic) each tend to go through cycles of doing better—or worse—than other segments of the stock market or the stock market (or global stock market) in general. Historically, small- and mid-cap stocks have been more volatile in price than large-cap stocks because small- and mid-size companies are more sensitive to changing economic conditions.

**Liquidity Risk.** This is the risk that an Underlying Fund may not be able to sell a security in a timely manner at a desired price.

**Manager Risk.** This is the risk that poor security selection will cause an Underlying Fund to underperform relevant benchmarks or other funds with a similar investment objective.

**Nondiversification Risk.** This is the risk that an Underlying Fund's performance may be hurt disproportionately by the poor performance of bonds issued by just a few or even a single issuer. If an Underlying Fund is considered nondiversified, the Underlying Fund 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 the Underlying Fund.

**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. Prices of mid- and small-cap stocks often fluctuate more than those of large-cap stocks. In addition, an Underlying Fund's target index may, at times, become focused on stocks of a particular market sector, which would subject the Fund to proportionately higher exposure to the risks of that sector. An Underlying Fund's investments in foreign stocks can be riskier than U.S. stock investments. The prices of foreign stocks and the prices of U.S. stocks have, at times, moved in opposite directions.

## Portfolio Performance

The table below shows the average annual returns for the 1-, 3-, 5-, and 10-year periods and since inception for the Portfolios based on the Underlying Funds and share classes held in the Portfolios as of June 30, 2022. The performance data are net of each Portfolio's annual asset-based fee but do not take into account other charges associated with an investment in The Plan, such as the annual account fee for non-Colorado residents. The information concerning Portfolio performance has been provided by Vanguard for inclusion herein and has not been independently verified by CollegeInvest.

Keep in mind that the net performance of the Portfolios will differ from the performance of the Underlying Funds, even when a Portfolio invests in only one Underlying Fund. This is due primarily to the differences in the Underlying Fund expenses of the Underlying Funds and the Portfolios in The Plan. While the Underlying Funds' expenses are a part of the annual asset-based fee of the Portfolios (see **Part 4. The Plan Fees and Charges**), there are additional costs associated with a 529 Plan that do not exist in an individual mutual fund. (Of course, investing directly in the Underlying Funds does not offer the same tax advantages as investing in the Portfolios.) The result is, in the case of a Portfolio that invests in a single Underlying Fund, that the performance of the Portfolio typically would be lower than the performance of the Underlying Fund. Performance differences between a Portfolio and its Underlying Fund(s) also result from differences in the timing of purchases, which is determined as described in **Part 7. Other Information About Your Plan Account—Pricing of Portfolio Units**. On days when money is invested in a Portfolio, the Portfolio will not use that money to purchase shares of an Underlying Fund until the next business day. This timing difference, depending on how the markets are moving, will cause the Portfolio’s performance to either trail or exceed the Underlying Fund’s performance.

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 and depending on the option you chose. Accordingly, your 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.

The table below shows the average annual returns for the 1-, 3-, 5-, and 10-year periods and since inception for the Portfolios based on the Underlying Funds and share classes held in the Portfolios as of September 30, 2022.*

**Direct Portfolio Average Annual Returns as of September 30, 2022***

| Portfolio | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception | Inception Date |
|---|---|---|---|---|---|---|
| Aggressive Growth Portfolio | –21.01% | 4.19% | 5.18% | 8.65% | 7.00% | 10/28/2004 |
| 87.5% Stock/12.5% Bond Portfolio** | –20.07 | 3.30 | — | — | 4.48 | 03/23/2018 |
| Growth Portfolio | –19.11 | 2.45 | 3.99 | 6.80 | 6.14 | 10/22/2004 |
| 62.5% Stock/37.5% Bond Portfolio** | –18.19 | 1.54 | — | — | 3.34 | 03/23/2018 |
| Moderate Growth Portfolio | –17.29 | 0.57 | 2.65 | 4.85 | 5.16 | 10/22/2004 |
| 37.5% Stock/62.5% Bond Portfolio** | –16.67 | –0.51 | — | — | 1.92 | 03/23/2018 |
| Conservative Growth Portfolio | –15.82 | –1.52 | 1.15 | 2.76 | 3.99 | 10/22/2004 |
| 12.5% Stock/87.5% Bond Portfolio** | –15.05 | –2.60 | — | — | 0.48 | 03/23/2018 |
| Income Portfolio | –8.73 | –1.66 | 0.36 | 0.57 | 2.19 | 10/22/2004 |
| 50% Bond/50% Colorado Short-Term Reserves Portfolio** | –5.77 | –0.95 | — | — | 0.61 | 03/23/2018 |
| 25% Bond/75% Colorado Short-Term Reserves Portfolio** | –2.73 | –0.26 | — | — | 0.76 | 03/23/2018 |
| Stock Index Portfolio | –18.21 | 7.29 | 8.25 | 10.99 | 8.59 | 10/22/2004 |
| Bond Index Portfolio | –14.89 | –3.53 | -0.54 | 0.54 | 2.42 | 10/22/2004 |
| Interest Accumulation Portfolio | 0.40 | — | — | — | 0.35 | 10/09/2020 |

***The performance data shown represent 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 collegeinvest.org.**

**This Portfolio is only available for purchase as part of an Age-Based Option and can’t be purchased individually.

Source: Vanguard

## Underlying Fund Performance

The following table shows the average annual returns for the 1-, 3-, 5-, and 10-year periods and since inception for the Underlying Funds in the share classes held by the Portfolios as of September 30, 2022.* The information concerning performance of the Underlying Funds has been provided by Vanguard for inclusion herein and has not been independently verified by CollegeInvest.

**Note: Please keep in mind that you, as an individual investor, are not investing directly in shares of the Underlying Funds.**

### Average Annual Returns as of September 30, 2022*

| Underlying Fund | Expense Ratio | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception | Inception Date |
|---|---|---|---|---|---|---|---|
| Vanguard Institutional Total Stock Market Index Fund | 0.02% | –17.98% | 7.61% | 8.58% | 11.38% | 7.51% | 05/31/2001 |
| Vanguard Total Bond Market Index Fund | 0.03 | –14.64 | –3.25 | –0.24 | 0.87 | 1.97 | 09/18/1995 |
| Vanguard Total Bond Market II Index Fund | 0.02 | –14.60 | –3.36 | –0.32 | 0.81 | 2.32 | 02/17/2009 |
| Vanguard Short-Term Inflation-Protected Securities Index Fund | 0.04 | –2.94 | 2.35 | 2.31 | — | 1.26 | 10/17/2012 |
| Vanguard Total International Bond Index Fund | 0.07 | –13.05 | –4.17 | 0.04 | — | 1.69 | 05/31/2013 |
| Colorado Short-Term Reserves Account** | 0.02 | 0.67 | — | — | — | 0.61 | 10/09/2020 |
| Vanguard Total International Stock Index Fund | 0.07 | –25.20 | –1.14 | –0.67 | 3.35 | 3.06 | 11/30/2010 |

***The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so Account Owners' mutual fund shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited.**

****This Underlying Fund is invested in products such as funding agreements, which provide a return after netting out fees for the provider of such products (in the range of 0.15% to 0.20%). Accordingly, the return to this Underlying Fund is the net of such fees. The estimated Underlying Fund expenses shown in this table do not include any such fees, and the performance shown for such Portfolios elsewhere reflects the netting of such fees for the Underlying Fund's return.**

Source: Vanguard

# Part 4. The Plan Fees and Charges

CollegeInvest, in its sole discretion, will establish, and may change at any time, the fees and charges it deems appropriate for The Plan. In the future, The Plan's fees and charges could be higher or lower than those discussed in this Plan Disclosure Statement.

### Asset-Based Fee

The Plan currently charges an annual asset-based fee of 0.29% daily against the assets in each Portfolio at an annualized rate. This fee is the total of the administrative and management fees relating to The Plan and the Underlying Fund expenses applicable to such Portfolio.

Included in the asset-based fee is an administrative fee paid to CollegeInvest. CollegeInvest may charge an administrative fee at an annual rate of up to 0.10% of the average daily net assets in each Portfolio. This fee will be determined and used by CollegeInvest for the payment of expenses incurred in connection with its operation of the Program, including the funding of scholarships and grants, which may or may not relate to The Plan. Other CollegeInvest Plans include the Scholars Choice College Savings Program, the Stable Value Plus College Savings Plan, and the Smart Choice College Savings Plan. CollegeInvest will not earn a profit from the Program. Commencing September 1, 2011, CollegeInvest elected to waive 0.04% of its 0.10% administrative fee. While such waiver continues in effect, CollegeInvest will receive an administrative fee at an annual rate of 0.06% of the average daily net assets in each Portfolio. CollegeInvest will periodically reevaluate such 0.06% administrative fee rate and, at any time, may determine either to lower such fee rate or increase it to a rate that is not greater than 0.10%. Account Owners will be notified of any decision to change the current 0.06% administrative fee rate.

Also included in the asset-based fee is the Managers' fee, which includes the administrative and management fees paid to Vanguard and Ascensus for their services to The Plan. The asset-based fee for each Portfolio also includes the Underlying Fund expenses applicable to such Portfolio.

The table of asset-based fees on the following page shows the fees and expenses associated with each Portfolio. If you invest in a Portfolio (i.e., own units issued by the Portfolio), you bear a pro rata share of the Portfolio's costs. Although you are not charged directly for these costs, you bear the costs indirectly because the costs are deducted from the Portfolio's assets and therefore reduce the value of the Portfolio units that you own. Please note that these costs can change over time.

## Other Charges

### Annual Account Fee

The Plan may assess an annual account fee. Currently, this fee is $20 and assessed each May, but this amount may be changed in the future. The annual account fee will be waived if: (1) the Account Owner or the Beneficiary is a resident of Colorado, (2) the account balance is greater than $10,000, or (3) the Account Owner elects electronic delivery of all Plan documents.

You may register on **www.collegeinvest.org** to sign up for electronic delivery of all documents.

### Transaction Fees

The Plan reserves the right to charge a Plan account in any circumstance in which The Plan incurs expenses on behalf of the account (e.g., when a check, recurring contribution, or electronic bank transfer is returned unpaid by the financial institution upon which it is drawn). Your financial institution may also charge you a fee for such items. The following are the current fees charged for the respective transactions:

| Transaction | Fee Amount* |
|---|---|
| Returned Check | $30 |
| Rejected Automatic Funds Transfer | $30 |
| Wire Transfer Fee | $25, Saturday |
| Reissue of Disbursement | $5 |
| Reissue of Historical Statement | $10 |
| Priority Delivery | $15, weekday |
| Electronic Payments to Schools (where available) | $10 |

*Subject to change without prior notice.

### Other Fees and Charges

New Plan fees and charges also may be charged in the future without prior notice. The Plan may deduct the fees and charges identified in this Part 4. The Plan fees and charges are removed directly from an Account Owner's Plan account.

### Float Income

Ascensus may receive indirect compensation for the custodial services that it provides to your account. This compensation, known as “float” income, is paid by the financial organization at which Ascensus maintains “clearing accounts” or by the investments in which Ascensus invests in such clearing accounts. Float income may arise from interest that is earned on account contributions or distributions during the time that these assets are held by Ascensus in clearing accounts but are not invested in an Investment Option. For example, if you request a distribution and receive the distribution check but do not cash it for several days, some interest may be earned while your funds remain in the clearing account. These clearing accounts generally earn interest at a rate between the money market rate and that of U.S. Treasury notes. The interest paid on each of these transactions is typically small, and it is likely to represent a minor portion of the overall compensation received by Ascensus. By maintaining a Plan account, you acknowledge that float income may be retained by Ascensus.

For fees and costs that may be associated with an investment change, please see **Part 5. Certain Risks of Investing in The Plan—Fees and Costs Associated With Investment Changes**.

## Annual Asset-Based Fees as of June 30, 2022

| Portfolio | Estimated Underlying Fund Expenses* | CollegeInvest Administrative Fee** | Managers' Fee | Total Annual Asset-Based Fees |
|---|---|---|---|---|
| Aggressive Growth Portfolio | 0.04% | 0.06% | 0.19% | 0.29% |
| 87.5% Stock/12.5% Bond Portfolio | 0.04 | 0.06 | 0.19 | 0.29 |
| Growth Portfolio | 0.04 | 0.06 | 0.19 | 0.29 |
| 62.5% Stock/37.5% Bond Portfolio | 0.04 | 0.06 | 0.19 | 0.29 |
| Moderate Growth Portfolio | 0.04 | 0.06 | 0.19 | 0.29 |
| 37.5% Stock/62.5% Bond Portfolio | 0.04 | 0.06 | 0.19 | 0.29 |
| Conservative Growth Portfolio | 0.04 | 0.06 | 0.19 | 0.29 |
| 12.5% Stock/87.5% Bond Portfolio | 0.04 | 0.06 | 0.19 | 0.29 |
| Income Portfolio | 0.04 | 0.06 | 0.19 | 0.29 |
| 50% Bond/50% Colorado Short-Term Reserves Portfolio*[3] | 0.03 | 0.06 | 0.20 | 0.29 |
| 25% Bond/75% Colorado Short-Term Reserves Portfolio*[3] | 0.03 | 0.06 | 0.20 | 0.29 |
| Stock Index Portfolio | 0.02 | 0.06 | 0.21 | 0.29 |
| Bond Index Portfolio | 0.03 | 0.06 | 0.20 | 0.29 |
| Interest Accumulation Portfolio[3] | 0.03 | 0.06 | 0.20 | 0.29 |

***This Portfolio is only available for purchase as part of an Age-Based Option and can't be purchased individually.***

***[1]Estimated Underlying Fund expenses include each Underlying Fund's investment advisory fee, administrative, and other expenses. The expenses set forth in this table reflect each Underlying Fund's expense ratio as disclosed in its most recent prospectus available as of June 30, 2022, and are net of any "Acquired Fund Fees and Expenses" otherwise applicable to the Underlying Fund. Estimated Underlying Fund expenses for Blended Portfolios represent a weighted average of the expenses of the Portfolio's multiple Underlying Fund(s).***

Source: Vanguard

[2]Reflects CollegeInvest's election to waive 0.04% of its 0.10% administrative fee

[3]An Underlying Fund of these Portfolios is the Colorado Short-Term Reserves Account. This Underlying Fund is invested in products such as funding agreements, which provide a return after netting out fees for the provider of such products (in the range of 0.15% to 0.20%). Accordingly, the return to this Underlying Fund (as well as to these Portfolios) is net of such fees. The estimated Underlying Fund expenses shown for these Portfolios in this table do not include any such fees, and the performance shown for such Portfolios elsewhere reflects the netting of such fees for the Underlying Fund's return.

## Investment Cost Example

The examples in the following table are intended to help you compare the cost of investing in The Plan over different periods of time. They illustrate the hypothetical expenses that you would incur over various periods if you invested $10,000 in a Portfolio of The Plan. These examples assume that the Portfolio provides a return of 5% per year and that the Portfolio's annual asset-based fee of 0.29% remains the same (assuming the election by CollegeInvest to waive 0.04% of its 0.10% administrative fee continues in effect). The results apply whether or not the investment is withdrawn at the end of the period, but they do not take into account any withdrawals that are Nonqualified Withdrawals (defined in **Part 7. Other Information About Your Plan Account—Withdrawals**) or withdrawals otherwise subject to state or federal income taxes or any penalties.

## Approximate Cost of a $10,000 Investment

(Without $20 Annual Account Fee)

| 1 year | 3 years | 5 years | 10 years |
|---|---|---|---|
| $30 | $93 | $163 | $368 |

(With $20 Annual Account Fee)

| 1 year | 3 years | 5 years | 10 years |
|---|---|---|---|
| $50 | $153 | $262 | $565 |

Source: Vanguard

**These examples do not represent actual expenses or performance from the past or for the future. Actual future expenses and performance may be higher or lower than what is shown or assumed. The tables do not consider the impact of any potential state or federal taxes on the withdrawal.**

# Part 5. Certain Risks of Investing in The Plan

Investing in The Plan involves certain risks, including the possibility that you may lose money (including your original contribution) over short or even long periods. In addition to the investment risks of the Portfolios and Underlying Funds described above, there are certain risks relating to The Plan generally. These risks are described below.

### No Guarantee of Principal or Earnings; No Insurance

The value of your Plan account may increase or decrease over time based on the performance of the Portfolio(s) you select. It is possible that, at any given time, your account's value may be less than the total amount contributed. An investment in The Plan is not a bank deposit, and neither the principal contributed to nor any investment return on the account is guaranteed by the Federal Deposit Insurance Corporation, the State of Colorado, the federal government, CollegeInvest, the Trust, Vanguard, Ascensus, or any federal or state governmental agency.

### Limited Investment Direction

An Account Owner or contributor may not direct the underlying investments of a Portfolio. The ongoing money management is the responsibility of CollegeInvest and Vanguard.

### Liquidity

Investments in a 529 Plan are considered less liquid than other types of investments (e.g., investments in mutual fund shares) because the circumstances under which you may withdraw money from a 529 Plan account without a penalty tax or adverse tax consequences are significantly more limited. Amounts invested in an account may not be pledged, assigned, or otherwise used as collateral or security for a loan.

### Potential Changes to The Plan or Investments

CollegeInvest reserves the right, in its sole discretion, to discontinue The Plan or to change any aspect of The Plan. For example, CollegeInvest may change The Plan's fees and charges; add, subtract, or merge Portfolios; close a Portfolio to new investors; change the asset allocation and investment guidelines for The Plan; or direct Vanguard to change the Underlying Fund(s) of a Portfolio. All these actions can be taken without the consent of Account Owners. Depending on the nature of the change, Account Owners may be required to participate in or may be prohibited from participating in the change with respect to accounts established before the change. For instance, if CollegeInvest makes changes to Underlying Funds or allocations of a Portfolio, an Account Owner who has already made each of the permitted two-per-calendar-year investment exchanges cannot change investment options until the following calendar year without incurring taxes and penalties.

### Fees and Costs Associated With Investment Changes

During the transition from investment in one Underlying Fund to investment in another Underlying Fund with respect to a particular asset class, a Portfolio may temporarily hold a basket of securities if the Underlying Fund from which it redeems chooses to satisfy the Portfolio's redemption out of such Underlying Fund on an in-kind basis. In such event, Vanguard will seek to liquidate the securities received from the Underlying Fund as promptly as practicable so that the proceeds can be promptly invested in the replacement Underlying Fund. The transaction costs associated with such liquidation, as well as any market impact on the value of the securities being liquidated, will be borne by the Portfolio and accounts invested in such Portfolio. An Underlying Fund from which a Portfolio redeems may impose redemption fees with respect to shares in such Underlying Fund that were held by the Portfolio for a specific period of time as specified in the Underlying Fund's prospectus. In such event, the Portfolio and accounts invested in such Portfolio will bear such redemption fees.

### Changes in Manager

The current terms of the College Savings Manager Services Contract among Vanguard, Ascensus, and CollegeInvest (the "Services Contract") ends on December 31, 2034.

CollegeInvest has the right to terminate the Services Contract in its entirety or with respect to one of the Managers earlier under certain circumstances, such as a material breach of or failure to meet specific performance standards under the Services Contract.

If the term expires and is not extended or if the Services Contract is terminated for certain reasons specified in the Services Contract, the Managers will, in many instances, continue to provide services under the Services Contract with respect to accounts in existence as of the last day of the term or upon termination. In other instances discussed in the Services Contract, upon expiration or termination of the Services Contract, CollegeInvest may appoint a successor Program Manager with respect to existing as well as new accounts. In either case, the Managers may continue to hold existing accounts and accept additional contributions to those accounts; the fee and compensation structure may be higher than the fees that existing Account Owners currently pay; and, in the case of a successor Program Manager, that Manager may invest Portfolio assets in mutual funds and investments other than the initial Underlying Funds or achieve performance results that are different from those that may have been achieved by Vanguard. If you do not want to continue to invest in The Plan after a change in Program Manager, your options are to make a tax-free rollover to another 529 Plan or to make a Nonqualified Withdrawal of your account assets, subject to applicable taxes. If you choose to roll over to a non-Colorado Section 529 Plan or ABLE account or you make a Nonqualified Withdrawal, any Colorado tax deduction taken for contributions to the account may be subject to recapture. See **Part 8. Tax Matters—State of Colorado Income Tax**.

### Status of Federal and State Law and Regulations Governing The Plan

Federal and state law and regulations governing the administration of Section 529 Plans could change in the future. In addition, federal and state laws on related matters—such as the funding of education expenses, treatment of financial aid, and tax rules—are subject to frequent change. It is unknown what effect these kinds of changes could have on a Plan account. You should also consider the potential impact of any other state laws on your Plan account. The Plan is established with the intent that it will qualify for favorable federal tax treatment as a qualified tuition program under Section 529. CollegeInvest may amend The Plan at any time if CollegeInvest determines that such an amendment is necessary to maintain qualification under Section 529. CollegeInvest, in consultation with the Managers, may also establish such administrative rules as it determines are necessary or desirable to promote The Plan's compliance with Section 529, and other laws, rules, and regulations. Neither CollegeInvest nor the Managers are under any obligation to continue The Plan in the event that a change in the tax or other federal or state law makes continued operation not in the best interests of Account Owners or Beneficiaries. There can be no assurance that a change will not adversely affect The Plan or the value, either to you or the Beneficiary, of your investment in a Plan account.

### No Indemnification

Neither The Plan nor any of its Associated Persons will indemnify any Account Owner or Beneficiary against losses or other claims arising from the official or unofficial acts, negligent or otherwise, of any Associated Persons.

### Eligibility for Financial Aid

Being the Account Owner or Beneficiary of an account in a 529 Plan may adversely affect one's eligibility to receive 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, among other things, the assets owned by the student (i.e., the Beneficiary) and the assets owned by the student's parents. The Department generally expects the student to spend a substantially larger portion of his or her own assets on educational expenses than the parents. For purposes of these federal programs, 529 Plan accounts owned by a dependent student or the student's parents are treated as parental assets. Assets in a 529 Plan account owned by a student who is considered independent for financial aid purposes are considered student assets. 529 Plan accounts owned by neither the student nor the student's parents are currently treated as neither student nor parental assets.
- With respect to financial aid programs offered by educational institutions and other nonfederal sources, the effect of being the Account Owner or Beneficiary of a 529 Plan account varies from institution to institution. Accordingly, no generalizations can be made about the effect of being the Account Owner or Beneficiary of a 529 Plan account on the student's eligibility for financial aid, or the amount of aid the student may qualify for, from such sources.

**The federal and nonfederal financial aid program treatments of 529 Plan accounts 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 529 Plan accounts on eligibility under particular financial aid programs.**

### No Guarantee That Investments Will Cover Education-Related Expenses

There is no guarantee that the money in your Plan account will be sufficient to cover all of a Beneficiary's education expenses, even if contributions are made in the maximum allowable amount for the Beneficiary. The future rate of increase in education expenses is uncertain and could exceed the rate of return on your investment in an account over any relevant period.

### No Guarantees With Respect to Eligible Educational Institutions

There is no guarantee that, as a result of being the Beneficiary of an account in The Plan, a Beneficiary will be accepted at any Eligible Educational Institution. Even after he or she begins to attend an Eligible Educational Institution, there is no guarantee that the Beneficiary will be able to continue to attend, that he or she will graduate, or that he or she will be considered a resident of any particular state for tuition purposes.

## Education Savings and Investment Alternatives

In addition to The Plan, there are many 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. State tax features vary by program; the Managers and CollegeInvest do not render tax advice, and you should consult your own tax advisor to determine the effect of state and federal tax benefits related to each program. In addition, these alternatives 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 should consider other investment alternatives before establishing an account in The Plan.

## Cybersecurity Risk

In addition to The Plan, there are many other 529 Plans, With the increased use of technologies such as the Internet to conduct business, The Plan, the Portfolios, and the Underlying Funds are susceptible to operational, information security, and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include but are not limited to gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyberattacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting The Plan or an Underlying Fund's Manager(s) and other service providers (including but not limited to accountants, custodians, transfer agents, and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with a Portfolio's or Underlying Fund's ability to calculate its value, impediments to trading, the inability of Account Owners or Underlying Fund shareholders (including the Trust) to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which an Underlying Fund invests, counterparties with which an Underlying Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While The Plan's and the Underlying Funds' service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Furthermore, The Plan, the Portfolios, and the Underlying Funds cannot control the cybersecurity plans and systems put in place by their service providers or any other third parties whose operations may affect them. The Plan, the Portfolios, and the Underlying Funds could be negatively impacted as a result.

## Medicaid and Other Federal and State Benefits

The effect of a 529 Plan account on eligibility for Medicaid and other state and federal benefits is uncertain. It is possible that an account in The Plan will be viewed as a "countable resource" in determining an individual's financial eligibility for Medicaid. Withdrawals from a Plan 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 and other state and federal benefits.

## No Recommendation by the Plan Managers or CollegeInvest

Neither the Plan Managers nor CollegeInvest is recommending any specific Portfolio for any particular Account Owner. The determinations of whether to invest, how much to invest, and which Portfolios to select are solely the decision of the Account Owner. An Account Owner should seek the advice of his or her financial professional in choosing to invest in The Plan and in selecting any specific Portfolio(s).

### Market Uncertainties and Other Events

Due to market uncertainties, the overall market value of your Plan account may exhibit volatility and could be subject to wide fluctuations in response to factors, including but not limited to regulatory or legislative changes, worldwide political uncertainties, general economic conditions (such as inflation and unemployment rates), acts of God, acts of civil or military authority, acts of government, accidents, environmental disasters, natural disasters or events, fires, floods, earthquakes, hurricanes, explosions, lightning, suspensions of trading, epidemics, pandemics, public health crises, quarantines, wars, acts of war (whether war is declared or not), terrorism, threats of terrorism, insurrections, embargoes, cyberattacks, riots, strikes, lockouts or other labor disturbances, disruptions of supply chains, civil unrest, revolutions, power or other mechanical failures, loss or malfunction of utilities or communications services, delays or stoppages of postal or courier services, delays in or stoppages of transportation, and any other events or circumstances beyond our reasonable control whether similar or dissimilar to any of the foregoing (all enumerated and described events in this section individually and collectively, "Force Majeure"). All these factors may cause the value of your Plan account to decrease (realized or unrealized losses) regardless of Plan investment performance or any systematic investing on your part.

# Part 6. Information About The Plan, the Managers, the Upromise Service, and Ugift

## The Plan

In 1999, the Colorado General Assembly directed CollegeInvest to develop and administer a college savings program (the "Program") as a tax-advantaged way to save for higher education expenses. In October 2004, CollegeInvest began offering The Plan as part of the Program. The Plan is designed to qualify for treatment as a "qualified tuition program" under Section 529 of the Internal Revenue Code of 1986, as amended, and any regulations and other guidance issued thereunder ("Section 529"). CollegeInvest provides certain administrative services in connection with The Plan and generally oversees the activities of the Managers in providing services to The Plan.

Ascensus serves as a Manager of The Plan and provides certain marketing services, administration, recordkeeping, and other services for The Plan. Vanguard also serves as a Manager of The Plan and provides investment management services for the Portfolios and the Underlying Funds in which each of the Portfolios is invested. Vanguard also provides certain distribution, marketing, and administrative services for The Plan.

## Upromise Service

You may establish a Upromise service account without charge. The Upromise service is offered by Upromise, Inc., and deposits a percentage of your eligible spending with particular companies to your Upromise service account. Your Upromise service account and your Plan account can be linked so that your Upromise service savings dollars are automatically transferred to your Plan account on a periodic basis, subject to a minimum transfer amount. Go to **www.upromise.com** for more information on transfer minimums.

This Plan Disclosure Statement provides information concerning The Plan but 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 **www.upromise.com**. If you want more information about the Upromise service, please visit **www.upromise.com**.

The Upromise service is an optional service, is separate from The Plan, and is not offered by or the responsibility of CollegeInvest.

## Ugift

You may invite family and friends to contribute to your Plan accounts through Ugift, a service offered by Ascensus, to provide a gift to your account for the Beneficiary. You provide a unique contribution code to selected family and friends and gift-givers can either contribute online through an electronic bank transfer or by mailing in the gift contribution coupon with a check made payable to ***Ugift—CollegeInvest Direct Portfolio College Savings Plan***. The minimum Ugift contribution is $15. Gift contributions received in good order will be held in an account by Ascensus for approximately five business days before being transferred into your Plan account. Gift contributions through Ugift are subject to the general contribution limitations of the Plan. Gift contributions so transferred to your account by Ascensus will be invested according to the allocation on file for the account at the time of transfer. There may be potential tax consequences of gift contributions made to Ugift for transfer to a Plan account. You and the gift-giver should consult a tax advisor for more information. Please see **Part 8. Tax Matters—Federal Estate and Gift Taxes**.

This Plan Disclosure Statement provides information concerning The Plan but is not intended to provide detailed information concerning Ugift. For more information about Ugift, please visit **www.collegeinvest.org** or call **800-997-4295**.

Ugift is an optional service, is separate from The Plan, and is not offered by or the responsibility of CollegeInvest.

# Part 7. Other Information About Your Plan Account

## Contributions

You may contribute money to your Plan account by any of the following methods: check, recurring contribution, electronic bank transfer, payroll deduction, transfer from a Upromise service account, or rollover. You may also receive a contribution through Ugift. The Plan will not accept contributions made with cash, money orders, stocks, securities, or other non-bank-account assets. You may not charge contributions to your credit card.

Contributions by check, recurring contributions, or electronic bank transfer will be held and not available for withdrawal for seven business days.

**Note: The Plan may deduct money directly from your Plan account to pay for any expenses or charges incurred by The Plan as a result of any check, recurring contribution, or electronic bank transfer being returned unpaid by the financial institution upon which it is drawn.**

### Minimum Contributions

You must contribute at least $25 to open a Plan account. Additional contributions must be at least $15.

### Contributions by Check

Please make all checks payable to *CollegeInvest Direct Portfolio College Savings Plan* and send to the following address: CollegeInvest Direct Portfolio College Savings Plan, P.O. Box 219931 Kansas City, MO 64121-9931. Contributions through Ugift must be made payable to *Ugift—CollegeInvest Direct Portfolio College Savings Plan*. For established Plan accounts, please include your account number on the check. The Plan will not accept contributions made by starter check, bank courtesy check, instant loan check, credit card check, traveler's check, check drawn on banks located outside the U.S., check not in U.S. dollars, check dated more than 180 days before The Plan receives it, postdated check, check with unclear instructions, or any other check the Managers deem unacceptable. Third-party checks up to $10,000 are accepted only at the discretion of the Managers. Third-party checks must be payable to you or the Beneficiary and properly endorsed to *CollegeInvest Direct Portfolio College Savings Plan* by you or the Beneficiary.

### Contributions Through Payroll Direct Deposit

You may be eligible to make automatic contributions to your Plan account through a payroll direct deposit plan if your employer has agreed to make such a plan available to employees and can meet the operational and administrative requirements of the Managers of The Plan. The minimum payroll direct deposit contribution to an existing Plan account is $15. Please check with your employer to see whether you are eligible to contribute to The Plan through a payroll direct deposit plan. Forms for payroll direct deposit are available at **www.collegeinvest.org**.

### Recurring Contributions (also known as Automatic Investment Plan)

You may contribute to your Plan account through periodic automated debits of $15 ($25 for the initial contribution) or more from a checking or savings account at your bank, if your bank is a member of the Automated Clearing House, subject to certain processing restrictions. There is no charge for establishing or maintaining recurring contributions. To initiate recurring contributions during enrollment, you must complete the appropriate section of the online or paper Enrollment Application. Even if you initiate recurring contributions during enrollment, the $25 initial minimum contribution applies. You may also set up recurring contributions after a Plan account has been established, either by visiting **www.collegeinvest.org** or by submitting the Automatic Investment Plan/Electronic Bank Transfer 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 debit from your bank account will occur on the next business day. You will receive a trade date of one 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. The first debit of a recurring contribution must be at least three days from the date of receipt of the request to establish recurring contributions. Quarterly recurring contributions will be made on the day indicated every three 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.) If you choose a start date that is within the first four days of the month, there is a chance that your investment will be credited on the last business day of the previous month. Please note that recurring contributions with a debit date of January 1, 2, 3, or 4 will be credited in the same year as the debit date.

Authorization to perform recurring contributions will remain in effect until The Plan has received notification of its termination. Either you or The Plan may terminate your enrollment in recurring contributions at any time. Changes to, or termination of, recurring contributions must occur at least five business days before a debit is scheduled to be deducted from your bank account and are not effective until received and processed by The Plan. If your recurring contribution cannot be processed because the bank account on which itis drawn contains insufficient 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 recurring contributions.

### Electronic Bank Transfer (EBT)

You may contribute to your Plan account by giving authorization to make a one time EBT from your bank checking or savings account, subject to certain processing restrictions. To authorize an EBT, 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 EBT from the designated bank account to The Plan at **www.collegeinvest.org** or by phone at **800-997-4295**. There is no charge for making an EBT.

If your EBT contribution cannot be processed because the bank account on which it is drawn contains insufficient 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 EBT contribution requests.

### Incoming Rollover Contributions

You can contribute to The Plan with money transferred from another state's 529 Plan. This transaction is known as a "rollover." You may roll over assets from an account in another state's 529 Plan to an account in The Plan for the same Beneficiary without penalty or federal income tax consequences provided it has been more than 12 months since any previous rollover for that Beneficiary. A transfer to another Plan account or to another account you maintain for the same Beneficiary under another CollegeInvest 529 Plan is not subject to this rule but is subject to the investment change limitation described under **Transfer of Assets to the Same Beneficiary Within the CollegeInvest Program** in this section. A withdrawal and subsequent reinvestment to a CollegeInvest 529 Plan for the same Beneficiary is not a tax-free rollover and thus may be treated as a Nonqualified Withdrawal. You also may roll over money from an account in another state's 529 Plan to an account in The Plan at any time without penalty or federal income tax consequences when you change the Beneficiary, provided that the new Beneficiary is a "member of the family" of the currently designated Beneficiary (see **Changing Your Beneficiary** in this section for a list of eligible people). Rollovers must occur within 60 days of withdrawal. A 529 Plan rollover that does not meet these criteria will be considered by the IRS to be a Nonqualified Withdrawal (defined in **Withdrawals** in this section) that is subject to federal income tax and an additional 10% federal penalty tax on earnings. There may also be state income tax consequences (including possible recapture of state tax deductions) resulting from a Nonqualified Withdrawal.

Incoming rollovers can be direct or indirect. Direct rollovers involve the transfer of money from another state's 529 Plan directly to a Plan account. Indirect rollovers involve the transfer of money from an account in another state's 529 Plan to the Account Owner, who then contributes the money to an account in The Plan. To avoid penalties and federal income tax consequences, money received by an Account Owner in an indirect rollover must be contributed to The Plan within 60 days of the withdrawal. You should be aware that not all states permit direct rollovers from 529 Plans. Additionally, 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. See **Part 8. Tax Matters—Transfers Between Accounts of Different Designated Beneficiaries or Different 529 Plans**.

You can roll over assets to The Plan either as an initial contribution when you open a Plan account or as an additional contribution to an existing Plan account.

When making a rollover, you will need to provide The Plan with an account statement or other documentation from the distributing 529 Plan account indicating how much of the rollover money is attributable to earnings. Until The Plan receives this documentation, the entire amount of your contribution will be treated as earnings, which would be subject to taxation in the case of a Nonqualified Withdrawal.

### Contributions From an Education Savings Account or Qualified U.S. Savings Bond

You can contribute to The Plan with proceeds from the sale of assets held in an education savings account (formerly known as an Education IRA) or a Qualified U.S. Savings Bond. See **Part 8. Tax Matters—Education Savings Accounts**. You will need to provide The Plan with the following documentation:

- For assets from an education savings account, an account statement or other documentation from the custodian financial institution showing the total amount contributed and the proportion of the assets that represent earnings
- For assets obtained by redeeming a Qualified U.S. Savings Bond, an account statement, IRS Form 1099-INT, or other documentation from the financial institution that redeemed the bond showing how much of the proceeds represented interest and how much represented principal

Until The Plan receives this documentation, the entire amount of your contribution will be treated as earnings, which would be subject to taxation in the case of a Nonqualified Withdrawal.

### Contributions From UGMA/UTMA Accounts; Establishing an Account as an UGMA/UTMA Account

The custodian for a minor under the Uniform Gifts to Minors Act or Uniform Transfers to Minors Act ("UGMA/UTMA") may use the assets previously held in an UGMA/UTMA account to open an account in The Plan and act as the Account Owner, subject to the laws of the state under which the UGMA/UTMA account was established. The minor and/or the minor's parent may incur capital gains (or losses) from the sale of noncash assets held by an UGMA/UTMA account. You may also establish a Plan account as an UGMA/UTMA account with funds that have not previously been established as an UGMA/UTMA account. You should contact a qualified tax advisor to determine how to transfer UGMA/UTMA custodial assets and what the implications of such a transfer may be for you.

UGMA/UTMA custodians should consider the following:

- The custodian may make withdrawals only as permitted under UGMA/UTMA and The Plan.
- The custodian may not change the Beneficiary of The Plan account (directly or by means of a rollover distribution), except as permitted under UGMA/UTMA.
- The custodian should not change the Account Owner to anyone other than a successor custodian during the term of the custodial account under UGMA/UTMA.
- When the custodianship terminates, the Beneficiary is legally entitled to take control of The Plan account and may become the Account Owner subject to the provisions of The Plan that are applicable to Plan accounts established or funded with non-UGMA/UTMA assets.
- You must notify The Plan when the custodianship terminates. If you fail to direct The Plan to transfer ownership of the UGMA/UTMA custodian account when the Beneficiary is legally entitled to take control of the account assets, The Plan may freeze the account and/or refuse to allow you to transact on the account. Some UGMA/UTMA laws allow for more than one age at which the custodianship terminates ("Age of Termination"). The Plan may freeze the account based on the youngest allowable Age of Termination of the custodianship according to the UGMA/UTMA laws where the custodianship account was established, based on The Plan's records. You may be required to provide documentation to The Plan if the Age of Termination of the custodianship account is other than the youngest allowable age under the applicable UMGA/UTMA law or if the applicable UGMA/UTMA law differs from Plan records.
- You should consider whether additional contributions of money not previously gifted to the Beneficiary under UGMA/UTMA should be made to a separate and noncustodial 529 Plan account. (A noncustodial 529 Plan account will allow the Account Owner to retain control of the assets and make Beneficiary changes.)

Neither The Plan nor any of its Associated Persons will be liable for any consequences related to a custodian's improper use, transfer, or characterization of custodial funds.

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

You may move money already in your Plan account to a different mix of investment options within The Plan or to any other 529 Plan offered by CollegeInvest. Section 529 Plan Account Owners are limited to two investment exchanges (reallocations) of their current investments per calendar year. The twice-per-calendar-year limitation will not incur tax consequences and penalties. The twice-per-calendar-year limitation on changing investment options applies on an aggregate basis to all accounts in The Plan and all accounts under other Colorado 529 Plans having the same Account Owner and Beneficiary. Exchanges that occur because the assets are in an Age-Based Option do not count toward the twice-per-calendar-year exchange limitation.

You may also make exchanges or reallocations anytime you change the Beneficiary (see **Changing Your Beneficiary** in this section). In addition, 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 since you opened your Plan account your contributions have been allocated 60% to Option A and 40% to Option B. You decide to reallocate existing assets: 60% to Option A and 40% to Option C. At the same time, you decide to allocate 100% of future contributions to Option D. You may only make one additional change to the allocation of existing assets in your Plan account during the current calendar year. However, you may continue to change the allocation of future contributions.

If you move money to any other 529 Plan offered by CollegeInvest, you cannot take the Colorado income tax deduction for the money deposited into the new account, if such a tax deduction was previously taken.

You may change the allocation of existing assets in your Plan account or change the allocation of future contributions by calling **800-997-4295** or by submitting the Exchange/Future Contribution (Allocation) Form to The Plan. Changing future allocations also may be completed at **www.collegeinvest.org**.

### Withdrawals

You may withdraw money from your Plan account at any time, except as noted below. You may request a withdrawal online, by phone, or by mail using the appropriate form and providing such other information as The Plan may require. If the request meets these requirements, The Plan typically will process the withdrawal and initiate payment of a distribution within three business days after the trade date, which is determined in accordance with the policies described in

**Pricing of Portfolio Units** in this section. During periods of market volatility and at year-end, withdrawal requests may take up to five business days to process. Please allow ten business days for the proceeds to reach you. Contributions by check, recurring contribution, or EBT will be held and will not be available for withdrawal for seven business days. Withdrawals will be held for nine business days from a mailing address change if proceeds are requested by check to the Account Owner or for a Beneficiary address change if the proceeds are requested by check to the Beneficiary. The nine-business-day hold does not apply to checks sent directly to an Eligible Educational Institution. Withdrawals by EBT will not be available for 15 calendar days after bank information has been added or edited.

There are two types of withdrawals: “Qualified” and “Nonqualified.” In a Qualified Withdrawal, the proceeds are used for the Qualified Higher Education Expenses (as defined below) of your Beneficiary. A Nonqualified Withdrawal is any withdrawal that is not a Qualified Withdrawal.

The earnings portion of a Qualified Withdrawal is not subject to federal income tax. The earnings portion of a Nonqualified Withdrawal (1) is treated as income to the person who receives it and is thus subject to applicable federal and state income taxes, and, (2) in most cases, is subject to an additional 10% federal penalty tax. Certain exceptions to treatment as a Nonqualified Withdrawal exist and are explained in more detail under **Nonqualified Withdrawals Exempt From the 10% Federal Penalty Tax** in this section. For purposes of calculating these taxes, each withdrawal is treated as including a ratable share of investment earnings on all Plan accounts for the Beneficiary having the same Account Owner (and all such accounts in other Colorado 529 Plans).

Although The Plan will report the earnings portion of all withdrawals, it is solely the responsibility of the person receiving the withdrawal to calculate, report, and pay any resulting tax liability.

If all or part of a Qualified Withdrawal used to pay Qualified Higher Education Expenses of a Beneficiary is refunded by the Eligible Educational Institution, the amount refunded will not be subject to federal income tax if it is recontributed to a 529 Plan account for the same Beneficiary within 60 days of the refund, as described in **Part 8. Tax Matters—Qualified Withdrawals**.

### Qualified Higher Education Expenses

Qualified Higher Education Expenses currently include:

- Tuition, fees, and the costs of books, supplies, and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution.
- Certain room and board costs incurred while attending an Eligible Educational Institution at least half-time.
- In the case of a special-needs Beneficiary, expenses for special-needs equipment incurred in connection with enrollment or attendance at an Eligible Educational Institution.
- 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. Expenses for computer software designed for sports, games, or hobbies do not qualify as Qualified Higher Education Expenses unless the software is predominantly educational in nature.
- 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 year in the aggregate from all qualified tuition programs for that Beneficiary) (“K–12 Tuition Expenses”).
- Fees, books, supplies, and equipment required for the participation of a designated Beneficiary in an apprenticeship program registered and certified with the Secretary of Labor under section 1 of the National Apprenticeship Act (29 U.S.C. 50) (“Apprenticeship Expenses”).
- Principal or interest paid on any qualified education loan (as defined in section 221(d) of the Internal Revenue Code) of the designated Beneficiary or a sibling of the designated Beneficiary, up to $10,000 in total with respect to the loans of any individual (“Loan Repayment”). Note the $10,000 limitation is a lifetime cap per individual.

Colorado authorities have determined that a withdrawal used to pay for K-12 Tuition Expenses and/or Loan Repayments are to be treated as Nonqualified Withdrawals for Colorado state tax income tax purposes. Apprenticeship Expenses will be treated as Qualified Higher Education Expenses for Colorado tax purposes. State tax treatment of withdrawals for such expenses and payments is determined by the state where you file state income tax. Thus, Account Owners should consult with a qualified tax professional before withdrawing funds for any such expenses and payments.

For more detailed information, see **Part 8. Tax Matters—Qualified Higher Education Expenses**.

### Eligible Educational Institutions

Eligible Educational Institutions refers to institutions of higher education eligible to participate in certain Department of Education student aid programs. They include most community colleges, public and private four-year colleges, universities, graduate and postgraduate programs, certain proprietary and vocational schools, and certain institutions in foreign countries.

### Nonqualified Withdrawals Exempt From the 10% Federal Penalty Tax

#### Death of the Beneficiary*

If the Beneficiary dies, you may select a new Beneficiary or authorize a payment to the estate of the Beneficiary or a beneficiary of the Beneficiary. A payment to the estate of the Beneficiary or to a beneficiary of the Beneficiary will not be subject to the additional 10% federal penalty tax, but earnings will be subject to any applicable federal and state income taxes at the recipient's (the party receiving the withdrawal) tax rate.

#### Disability of the Beneficiary*

If the Beneficiary becomes disabled, you may change the Beneficiary or withdraw all or a portion of the account balance. A withdrawal because of the disability of the Beneficiary will not be subject to the additional 10% federal penalty tax, but earnings will be subject to any applicable federal and state income taxes at the recipient's (the party receiving the withdrawal) tax rate.

*If you select a new Beneficiary who is a "member of the family" of the currently designated Beneficiary (see **Changing Your Beneficiary** in this section), you will not owe federal or state income tax or the additional 10% federal penalty tax.

### Receipt of Scholarship/Attendance at a Military Academy*

If the Beneficiary receives a qualified scholarship or attends a military academy, you may withdraw money from your Plan account up to the amount of the scholarship or the estimated cost of attendance at a military academy without imposition of the additional 10% 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 educational institutions) that are exempt from federal income tax. The earnings portion of a withdrawal because of a qualified scholarship or attendance at a military academy is subject to any applicable federal and state income taxes at the recipient's (the party receiving the withdrawal) tax rate.

### Rollovers to Other 529 Plans

See **Incoming Rollover Contributions** in this section. The same considerations are applicable to rollovers to other 529 Plans. Indirect and direct rollovers must be requested in writing, using the appropriate forms. A Colorado taxpayer who directs an outgoing rollover to a non-Colorado Section 529 Plan or ABLE account may be subject to state tax recapture. See **Part 8. Tax Matters—State of Colorado Income Tax**.

### Transfer of Assets to Another Beneficiary Within the CollegeInvest Program

If you transfer assets to the account of another Beneficiary within The Plan or any other 529 Plan offered by CollegeInvest and if the new Beneficiary is a "member of the family" (defined in **Changing Your Beneficiary** in this section) of the currently designated Beneficiary, then the transfer will be treated as a nontaxable rollover of assets for federal income tax purposes. See **Part 8. Tax Matters—Transfers Between Accounts of Different Designated Beneficiaries or Different 529 Plans**.

### Transfer of Assets to the Same Beneficiary Within the CollegeInvest Program

A transfer into a Plan account from an account in another 529 Plan offered by CollegeInvest for the benefit of the same designated Beneficiary will be treated as an allowable tax-free change of investment options that is permitted up to twice per calendar year, rather than as a tax-free rollover. See **Changing Investment Options for Current Balances and Future Contributions** in this section for more information on changes to investment options.

### Maximum Contribution Limit

You may contribute to a Plan account for a Beneficiary provided the aggregate balance of all accounts for the same Beneficiary under all Colorado 529 Plans does not exceed the maximum contribution limit (the "Maximum Contribution Limit"), which currently is $500,000. For more details, see **Part 8. Tax Matters—Maximum Contribution Limit**.

CollegeInvest reserves the right to make adjustments to the Maximum Contribution Limit. Any adjustments to the Maximum Contribution Limit will be posted on the CollegeInvest website at **www.collegeinvest.org**.

### Unused Account Assets

If the Beneficiary graduates from an Eligible Educational Institution or chooses not to pursue education and assets remain in your Plan account, you have three options:

1. You can change the Beneficiary to a "member of the family" of the currently designated Beneficiary.

2. You can keep the assets in the account to pay future Qualified Higher Education Expenses, such as graduate or professional school expenses, of the Beneficiary.
3. You can withdraw the remaining assets (including earnings).

Options 1 and 2 are not subject to federal and state income taxes or penalties. Option 3 is a Nonqualified Withdrawal subject to applicable federal and state income taxes, including the additional 10% federal penalty tax on earnings and the possible recapture of any state income tax deduction for contributions to The Plan.

## Pricing of Portfolio Units

When you contribute to The Plan, your money will be invested in units of one or more Portfolios, depending on the investment option(s) you select. The price of a Portfolio unit is calculated each business day after the close of trading on the NYSE. The price 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 price is not calculated, and The Plan does not transact purchase or redemption requests. In the event of Force Majeure (see **Part 5. Certain Risks of Investing in The Plan—Market Uncertainties and Other Events**), processing delays may affect your trade date. In those instances, your actual trade date may be after the trade date you would have received, which may negatively affect the value of your account.

When you purchase or redeem units of a Portfolio, you will do so at the price of the Portfolio's units on the trade date. Your trade date will be determined as follows:

1. 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 the NYSE, your transaction will receive that day's trade date.
2. If The Plan receives your transaction request in good order on a business day after the close of the NYSE or at any time on a nonbusiness day, your transaction will receive the next business day's trade date.
3. Notwithstanding paragraphs 1 and 2, recurring contributions will receive a trade date of the business day before the day the bank debit occurs.

## Confirmations and Statements

You will receive quarterly account statements to reflect financial transactions only if you have made financial transactions within the quarter. These transactions include: (1) contributions made to your Plan account, including Ugift contributions, (2) withdrawals made from your Plan account, (3) changes between investment options, and (4) transaction and account fees incurred by your account. The total value of your Plan account at the end of the quarter will also be included in your quarterly account statement. You will receive an annual account statement following the fourth quarter even if you have made no financial transactions within the year. In the event you close your Plan account prior to the fourth quarter, your statement for that quarter will represent your final statement for the year.

You will also receive confirmations for any activity in your Plan account, except for recurring contributions, contributions through payroll direct deposit, assets in your Plan account that are automatically moved to another Portfolio within an Age-Based Option, transfers from a Upromise service account to your Plan account, and nonresident account fee deductions, which will appear on your quarterly statements. Account Owners are responsible for alerting CollegeInvest to a change of address. 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 your account information virtually—including quarterly statements and transaction confirmations—24 hours a day at **www.collegeinvest.org** once you have created an online username and password. The Plan requires you to select a username and password immediately upon opening an account online. If you enroll by submitting a paper application, you may establish a username and password at **www.collegeinvest.org**.

*You are expected to regularly and promptly review all transaction confirmations, account statements, and any email or paper correspondence sent by The Plan. Contact us immediately if you believe someone has obtained unauthorized access to your account, or if you believe there is a discrepancy between a transaction you requested and your transaction confirmation.*

## Safeguarding Your Plan Account

To safeguard your Plan account, it is important that you keep your account information confidential, including your username and password. The Plan has implemented reasonable processes, procedures, and internal controls to confirm that transaction requests are genuine, but these measures do not guarantee that fraudulent or unauthorized instructions received by The Plan will be detected. Neither The Plan nor any of its Associated Persons will be responsible for losses resulting from fraudulent or unauthorized instructions received by The Plan, provided we reasonably believed the instructions were genuine. For more information about how we protect your information and important information about how you can protect your information, see the Privacy Policy link on https://www.collegeinvest.org/529-savings-plans/direct-portfolio/.

## Affirmative Duty to Promptly Notify Us of Errors

If you receive a confirmation that you believe contains an error or doesn't accurately reflect your authorized instructions (e.g., the amount invested differs from the amount contributed or the contribution wasn't invested in the particular investment options you selected), you must promptly notify us of the error. If you do not notify us within 30 calendar days of the mailing of the confirmation at issue, you'll be considered to have approved the information in the confirmation and to have released The Plan and its Associated Persons from all responsibility for matters covered by the confirmation. This notification is required for all transactions that you believe don't accurately reflect your instructions. Moreover, any liability due to such an error resulting from participation in The Plan for which The Plan or any Associated Persons are determined to be responsible shall be limited to an amount equal to gains due to market movement that would have resulted from the transaction during the 30-calendar-day time period in which you should have acted.

## Account Restrictions

In addition to rights expressly stated elsewhere in this Plan Disclosure Statement, The Plan reserves the right to (1) freeze a Plan account and/or suspend account services when The Plan has received reasonable notice of a dispute about the assets in a Plan account, including notice of a dispute in account ownership or when The Plan reasonably believes a fraudulent transaction may occur or has occurred, (2) freeze a Plan 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, (3) redeem a Plan account, without the Account Owner's permission, in cases of threatening conduct or suspicious, fraudulent, or illegal activity, and (4) reject a contribution for any reason, including contributions for The Plan that the Program Managers or The Plan believe are not in the best interests of The Plan, 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.

## Control Over Your Plan Account

Pursuant to Section 529, the Account Owner controls the account and the disposition of all assets held in the account, including earnings, whether contributed by the Account Owner or by another person. **A Beneficiary who is not the Account Owner has no control over any of the account assets.**

An Account Owner may transfer a Plan account to another Account Owner without changing the Beneficiary. This type of transfer will be effective only if it is irrevocable and transfers all rights, title, interest, and power over the account to the new Account Owner. To transfer a Plan account, you may contact The Plan; however, such a transfer may have adverse tax consequences, and you should consult your tax advisor before initiating any transfer.

## Designation of Successor Account Owner

You may designate a successor Account Owner (to the extent permitted under applicable law) to succeed to all your rights, title, and interest in your Plan account (including the right to change the Beneficiary) upon your death. This designation can be made on the initial Enrollment Application, which is available at **www.collegeinvest.org**. If you do not initially designate a successor Account Owner but later decide to do so, or if you want to revoke or change a designation, you may either make the change at **www.collegeinvest.org** or submit the Account Information Change Form to The Plan. Once this paperwork has been received and processed, the designation will become effective for the successor Account Owner, who will have all the rights and responsibilities over the account as outlined in this Plan Disclosure Statement. In the event a successor Account Owner is utilized, the new Account Owner will be required to complete an Enrollment Application. The account will become effective for the successor Account Owner once this paperwork has been received and processed. If you do not designate a successor Account Owner, the Beneficiary automatically becomes the Account Owner in the event of your death, after completion of an Enrollment Application. The Beneficiary also will become the Account Owner, after completion of an Enrollment Application, if a designated successor Account Owner is deceased or validly disclaims his or her interest in the account at the time of your death. The Plan may also require submission of additional documents.

All requests to transfer ownership to a successor Account Owner after your death must be submitted by authorized persons in writing. Contact The Plan at **800-997-4295** for information needed to complete the change of account ownership. Please note that a change in Account Owner may have adverse tax consequences, and you should consult your tax advisor before making this designation.

## Changing Your Beneficiary

Section 529 permits an Account Owner to change the Beneficiary without adverse federal income tax consequences if the new Beneficiary is a "member of the family" (as defined below) of the currently designated Beneficiary. If the new Beneficiary is not a "member of the family" of the currently designated Beneficiary, then the change is treated as a Nonqualified Withdrawal subject to federal and state income taxes (including possible recapture of state deductions) and the additional 10% federal penalty tax described on page 45. There may also be federal gift tax, estate tax, or generation-skipping tax consequences in connection with changing the

Beneficiary of a 529 Plan account. Please see **Part 8. Tax Matters—Federal Estate and Gift Taxes**.

If an Account Owner is a minor or if an investment in a Plan account consists of the proceeds from an UGMA/UTMA account, the person designated as Beneficiary of The Plan account cannot be changed, the account cannot be transferred to another Account Owner (other than to another UGMA/UTMA custodian for the benefit of the same Beneficiary), and there can be no Nonqualified Withdrawals other than for the benefit of the Beneficiary.

To change a Beneficiary, you must submit the Beneficiary Change Form. At the time you change the Beneficiary, you may reallocate assets in The Plan account to a different mix of investment options.

If there are other Plan accounts opened for the benefit of the new Beneficiary, you may be limited in how much of your Plan account can be used for the new Beneficiary under the Maximum Contribution Limit.

**Note: Assets invested in an Age-Based Option, if not reallocated to a different investment option, will automatically be invested in the Portfolio that corresponds to the age of the new Beneficiary.**

### Member of the Family

A "member of the family" of the Beneficiary is defined as a:

- Father, mother, or an ancestor of either.
- Son, daughter, or a descendant of either.
- Stepfather or stepmother.
- Stepson or stepdaughter.
- Brother, sister, stepbrother, stepsister, half-brother, or half-sister.
- Brother or sister of the father or mother.
- Brother-in-law, sister-in-law, son-in-law, daughter-in-law, father-in-law, or mother-in-law.
- Son or daughter of a brother or sister.
- Spouse of the Beneficiary or any of the individuals mentioned above.
- First cousin.

A legally adopted child of an individual shall be treated as the child of such individual by blood.

### Dormant Account

Each state has unclaimed property laws that may require a dormant account to be turned over to the applicable state. The applicable state for this purpose is usually determined by the most recent address on file of the Account Owner. An account is considered dormant if over a designated period of time there is no activity on a Plan account and CollegeInvest is unable to make contact with the Account Owner.

# Part 8. Tax Matters

The following discussion summarizes certain aspects of the federal income, gift, estate, and generation-skipping transfer tax, and Colorado income tax consequences relating to the Trust and your contributions to and withdrawals from your Plan account. This discussion does not address other state or local taxes, including taxes imposed by a state other than Colorado. If you reside in a jurisdiction outside the United States, you should consult a qualified tax advisor about the application of all taxes (including those summarized herein) to your particular situation.

If you are not a Colorado 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 are not available through investment in The Plan. Since different states have different tax provisions, this Plan Disclosure Statement contains limited information about the state tax consequences of investing in The Plan and taking certain other actions such as distributions for K-12 Tuition, Apprenticeship Expenses, Loan Repayments, or a rollover to an ABLE account. Therefore, please consult your own independent financial, tax, or other advisor to learn more about how state-based benefits (including any limitations) would apply to your specific circumstances. You also may want 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.

### Caveats With Respect to Tax Discussion

This summary is not exhaustive, and you should not construe it as providing advice on your particular situation. In addition, there can be no assurance that the IRS will accept the conclusions in this Plan Disclosure Statement or, if challenged by the IRS, that these conclusions would be sustained in court. The applicable tax rules are complex, some of the rules are uncertain, and their application to any particular person may vary according to facts and circumstances specific to that person. **Neither this Part 8 nor any other information provided throughout this Plan Disclosure Statement is intended to constitute, nor does it constitute, legal or tax advice. You should consult your own independent financial, tax, or other advisor about the impact of the law and these rules on your individual situation.**

### Changing Tax Laws and Regulations

The summary is based on the relevant provisions of the Internal Revenue Code of 1986, as amended (the "Code"), relevant legislative history, proposed U.S. Department of Treasury regulations in effect as of the date of this Plan Disclosure Statement, as well as other administrative guidance and announcements issued by the IRS and U.S. Department of Treasury, Colorado tax law, and official interpretations of applicable federal and Colorado law as of the date of this Plan Disclosure Statement. Additional changes to federal or state tax laws could occur in the future due to legislative or judicial actions that could have a significant impact, including potentially retroactively, on The Plan and your investment in the Portfolios or the availability of state tax deductions, or result in termination of The Plan.

### Maximum Contribution Limit

Federal income tax laws require that a limit be placed on the amount that can be contributed to certain 529 Plan accounts. Currently, the aggregate Maximum Contribution Limit under The Plan for the benefit of a particular Beneficiary is $500,000. Accounts in The Plan for the same designated Beneficiary funded from all Account Owners are aggregated for purposes of applying this limitation, together with the balances of accounts for the same Beneficiary in other Colorado Section 529 Plans, including the Stable Value Plus College Savings Plan, the Scholars Choice College Savings Program, and the Smart Choice College Savings Plan, as well as any future plans developed and offered as Colorado 529 Plans. The Maximum Contribution Limit is based on the aggregate market value of the accounts for a Beneficiary and not solely on the aggregate contributions made to the accounts. Additional contributions to a Plan account (including rollover contributions) will not be accepted or, if accepted, will be returned together with any earnings thereon, to the extent that the contribution would cause the aggregate balance for the Beneficiary to exceed the Maximum Contribution Limit. However, if the aggregate balance in such accounts later falls below the Maximum Contribution Limit, additional contributions to such accounts will be accepted. The Plan may, in its discretion, refuse to accept a proposed contribution, upon determination that acceptance of such proposed contribution would not comply with federal or Colorado requirements. None of The Plan or the Associated Persons will be responsible for any loss, damage, or expense incurred in connection with a rejected or returned contribution. It is possible that the Maximum Contribution Limit at any time will be periodically increased in the future to reflect increases in education costs.

### Federal Income Tax Treatment of Contributions and Withdrawals

The Plan is designed to constitute a "qualified tuition program" under Section 529 of the Code. Contributions to a Plan account will not result in taxable income to the Beneficiary. Contributions to 529 Plans are not deductible for federal income tax purposes. Generally, earnings in the

Trust will not be includable in computing the federal taxable income of the Account Owner or the Beneficiary while held in the account. As described in greater detail below, whether the earnings are taxed upon withdrawal depends on how the withdrawal is used.

## Qualified Higher Education Expenses

Section 529 of the Code defines "Qualified Higher Education Expenses" as tuition, fees, books, supplies, and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution (see **Part 7. Other Information About Your Plan Account—Withdrawals—Eligible Educational Institutions**). The term also includes certain amounts for room and board for a Beneficiary attending an Eligible Educational Institution at least half-time in a degree or certificate program. The amount of a Beneficiary's room and board expenses that can be counted as Qualified Higher Education Expenses generally may not exceed the amount applicable to the Beneficiary included in the "cost of attendance" at the Eligible Educational Institution. In the case of a Beneficiary living in housing owned or operated by an Eligible Educational Institution, however, the amount of room and board expenses that can be counted as Qualified Higher Education Expenses is the greater of (1) the amount described in the preceding sentence or (2) the actual amount charged to the Beneficiary by the Eligible Educational Institution for room and board for such period. Qualified Higher Education Expenses also include certain additional enrollment and attendance costs of special-needs beneficiaries, 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. Expenses for computer software designed for sports, games, or hobbies don't qualify as Qualified Higher Education Expenses unless the software is predominantly educational in nature. According to amendments to Section 529 of the Code, the term also includes (i) K-12 Tuition Expenses; (ii) Apprenticeship Expenses; and (iii) Loan Repayments.

## Withdrawals

Withdrawals may comprise (1) principal, which is not taxable when distributed and (2) earnings, if any, which may be subject to federal income tax. The Plan determines the earnings portion based on IRS rules and reports to the IRS and the recipient. However, The Plan does not report whether the withdrawal is a Qualified Withdrawal or a Nonqualified Withdrawal. The earnings portion of a withdrawal will generally be calculated on an account-by-account basis. If you don't select a specific Portfolio(s) from which to take a withdrawal, the withdrawal will be taken proportionally from all the Portfolios in your 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 Portfolios in your Plan account. Therefore, the earnings reported for tax purposes may differ from the earnings generated in the specific Portfolio(s) from which the withdrawal was made. You're responsible for preparing and filing the appropriate forms when completing your federal income tax return and paying any applicable tax directly to the IRS. The earnings portion of a particular withdrawal will generally be determined as of the withdrawal date rather than in the aggregate for all distributions as of the end of the year.

Withdrawals of earnings used to pay for Qualified Higher Education Expenses ("Qualified Withdrawals") will be excludable from the Beneficiary's and the Account Owner's federal taxable income. Account Owners should retain documentation such as invoices and receipts that are adequate to substantiate to the IRS the qualifying use of such withdrawals.

Pending guidance from the IRS, it is unclear whether a withdrawal used to pay for Qualified Higher Education Expenses incurred or paid prior to the establishment of the accounts will be treated as a Qualified Withdrawal. Pending guidance from the IRS, it is also unclear whether a withdrawal taken before January 1 or after December 31 of the year in which the Qualified Higher Education Expenses were incurred and paid will be treated as a Qualified Withdrawal. Please consult a qualified tax advisor. If all or part of a Qualified Withdrawal used to pay Qualified Higher Education Expenses of a Beneficiary is refunded by the Eligible Educational Institution, the amount refunded won't be subject to federal income tax to the extent it is recontributed to a 529 Plan account for which the same Beneficiary is the Beneficiary, but only to the extent such recontribution is made no later than 60 days after the date of such refund and doesn't exceed the refunded amount (a "Qualified Recontribution"). It's the responsibility of the Account Owner to keep all records of the refunds and subsequent recontributions. You should consult a qualified tax advisor to determine your eligibility for this treatment.

Withdrawals may be Qualified Withdrawals for federal law purposes but may have state tax consequences, including recapture of amounts taken as state income tax deductions. The Account Owner should review the state law applicable to their specific circumstances. See **Part 8. Tax Matters—State of Colorado Income Tax.**

## Nonqualified Withdrawals

Under Section 529, the earnings portion of a Nonqualified Withdrawal is includable in computing the income of the person who receives it for federal income tax purposes in the year in which the withdrawals are made, except for certain nontaxable transfers to a Plan account or another 529 Plan as explained in more detail under **Transfers Between Accounts of Different Designated Beneficiaries or Different 529 Plans** in this section.

Earnings from Nonqualified Withdrawals are also subject to state income tax (including possible recapture of state deductions). A financial emergency would not entitle you to any special treatment under federal or Colorado tax laws. The earnings portion of any Nonqualified Withdrawal generally may be subject to an additional 10% federal penalty tax, in addition to applicable income tax. The additional 10% federal penalty tax will not apply, however, to: (1) certain withdrawals made as a result of the death or disability of the Beneficiary, as a result of a scholarship received by the Beneficiary, and as a result of attendance of the Beneficiary at a U.S. military academy subject to certain limitations (see **Part 7. Other Information About Your Plan Account—Nonqualified Withdrawals Exempt From the 10% Federal Penalty Tax**) and (2) nontaxable transfers to another Plan account or another 529 Plan as explained in more detail under **Transfers Between Accounts of Different Designated Beneficiaries or Different 529 Plans** in this section.

If all or part of a Qualified Withdrawal used to pay Qualified Higher Education Expenses of a Beneficiary is refunded by the Eligible Educational Institution but is not recontributed to a 529 Plan account as part of a Qualified Recontribution, then the refunded amount will be treated as a Nonqualified Withdrawal and subject to the tax treatment described above.

## Tax Reporting

Ascensus will issue an IRS Form 1099-Q in the event of a withdrawal from or trustee-to-trustee rollover from a Plan account. It is the responsibility of the recipient of the 1099-Q (which will be the Account Owner unless the withdrawal is paid directly to the Beneficiary or to an Eligible Educational Institution for the benefit of the Beneficiary) to determine whether a withdrawal is a Qualified Withdrawal or a Nonqualified Withdrawal and whether any income tax or the 10% federal penalty tax may apply. CollegeInvest may also release information about contributions to and withdrawals from an account and as otherwise requested to the Colorado Department of Revenue as permitted by law.

## Losses Upon Withdrawal

If an Account Owner has an investment loss in a Plan account, the Account Owner may be able to take the loss as a federal deduction on the Account Owner's tax return but only when all amounts from that account have been withdrawn and the total withdrawals are less than the total contributions to the account.

## Transfers Between Accounts of Different Designated Beneficiaries or Different 529 Plans

An Account Owner may change the designated Beneficiary of a Plan account without taking a withdrawal and without federal or state income tax consequences. In addition, an Account Owner can transfer (i.e., "roll over") an amount that has been withdrawn from a Plan account to a Plan account for a different Beneficiary, can transfer (i.e., "roll over") an amount that has been withdrawn from an account under another Section 529 "qualified tuition program" to a Plan account for a different Beneficiary, or can transfer (i.e., "roll over") an amount that has been withdrawn from a Plan account to an account for a different Beneficiary under another Section 529 "qualified tuition program," or, for periods prior to January 1, 2026, to an ABLE account (as defined in section 529 (e)(6) of the Code), without the amount transferred having to be included at that time in the federal taxable income of the Account Owner or any Beneficiary and without the tax on Nonqualified Withdrawals. Rollovers must occur within 60 days of withdrawal. A rollover to an ABLE account, while considered a tax-free event for federal law purposes, may also cause a recapture of a previous deduction under Colorado tax law. See **Part 8. Tax Matters—State of Colorado Income Tax**.

In order to qualify for this tax-free treatment, a new designated Beneficiary must be a "member of the family" of the currently designated Beneficiary. See **Part 7. Other Information About Your Plan Account—Changing Your Beneficiary—Member of the Family**. If there are other accounts open for the benefit of the new Beneficiary, you may be limited in how much of your account can be used for the new Beneficiary under the Maximum Contribution Limit.

If the new Beneficiary is a member of a younger generation than that of the currently designated Beneficiary, a federal gift tax may apply, and if the new Beneficiary is two or more generations younger than the currently designated Beneficiary, a federal generation-skipping transfer tax may apply. This tax (if applicable) applies in the year in which the money is withdrawn from an account or in which the designated Beneficiary is changed.

Tax-free treatment is also available for a rollover to an account in another 529 Plan for the benefit of the same Beneficiary, provided that it has been at least 12 months since the most recent such rollover for that Beneficiary.

Such a rollover must occur within 60 days of withdrawal. A Colorado taxpayer who directs an outgoing rollover to a non-Colorado Section 529 Plan or ABLE account may be subject to state tax recapture. (For transfers between 529 Plans sponsored by the State of Colorado, see **Part 7. Other Information About Your Plan Account—Changing Investment Options for Current Balances and Future Contributions** and **Part 8. Tax Matters–State of Colorado Income Tax.**)

Rollover amounts from another 529 Plan generally retain their character as earnings and invested principal. Until the 529 Plan receiving the rollover receives documentation from the distributing 529 Plan showing the earnings portion, however, the receiving 529 Plan must treat the entire amount of the rollover as earnings.

## Federal Estate and Gift Taxes

Contributions (including certain rollover contributions) to 529 Plan accounts are considered completed gifts for federal estate and gift tax purposes. Generally, if the Account Owner dies while there is still money in his or her accounts, the value of the accounts would not be included in the Account Owner's estate (except in the situation described below relating to the federal gift tax election for contributions exceeding the annual gift tax exclusion). However, amounts distributed to a beneficiary of the Beneficiary (or the estate of the Beneficiary) as a result of the death of a Beneficiary may be included in the gross estate of that Beneficiary for federal estate tax purposes.

Account contributions are potentially subject to federal gift tax payable by the contributing Account Owner and are potentially subject to the generation-skipping transfer tax if the Beneficiary is a member of a generation that is two or more generations younger than the generation of the Account Owner. Beginning in 2022, generally, if an Account Owner's contributions to a 529 Plan account or accounts for a Beneficiary, together with all other gifts by the Account Owner to the Beneficiary, are less than $16,000 (single) or $32,000 (married couple) per year, no federal gift tax or generation-skipping transfer tax will be imposed on the Account Owner for gifts to the Beneficiary during that year.

If an Account Owner's contribution to an account for a Beneficiary in a single year is greater than $16,000 (single) or $32,000 (married couple) (for 2022, the Account Owner may elect for federal gift tax purposes to treat the contributions, up to $80,000 (single) or $160,000 (married couple), as having been made proportionately over a five-year period. However, if the Account Owner dies before the five-year period has elapsed, the portion of the contribution allocable to years remaining in the five-year period (except for earnings on such contribution) would be includable in the Account Owner's estate for federal estate tax purposes. The IRS may adjust the annual gifting limit exemptions and we recommend you consult with your own tax or financial advisor and/or visit the IRS website to confirm the limits.

A withdrawal from a 529 Plan account, a permissible change of the designated Beneficiary, or a permissible transfer to an account for another Beneficiary will not be subject to federal gift or generation-skipping transfer tax if the new Beneficiary is of the same generation as (or an older generation than) the prior designated Beneficiary and is a member of the family of the prior designated Beneficiary. Such a change or transfer will potentially be subject to federal gift tax if the new Beneficiary is of a younger generation than the prior designated Beneficiary and will potentially be subject to the generation-skipping transfer tax if the new Beneficiary is two or more generations younger than the prior designated Beneficiary, in each case regardless of whether the new Beneficiary is a member of the family of the prior designated Beneficiary.

Generally, taxpayers are eligible for a limited generation-skipping transfer tax exemption that will be allocated to transfers that are subject to generation-skipping transfer tax. Accordingly, this tax may not apply to many Account Owners and Beneficiaries. However, where it applies, it is imposed at a flat rate.

***Income, estate, gift, and generation-skipping transfer tax issues arising in connection with 529 Plans can be complicated. You and the Beneficiary should consult a qualified tax advisor about these issues and the specific application of these rules to your particular circumstances.***

## Education Savings Accounts

Education savings accounts (ESAs) permit deferral of federal income tax liability and possible exclusion from gross income for earnings in such ESAs. If withdrawals are made from a Plan account and an ESA in the same year for the same Beneficiary in excess of Qualified Higher Education Expenses, however, you will need to allocate Qualified Higher Education Expenses between the two programs.

You may make contributions to your accounts in The Plan and to an ESA in the same year. You can also take a distribution of part or all of your ESA and invest it as a contribution to your Plan accounts. Such a distribution is considered a qualifying ESA distribution that is not subject to federal income tax.

## Series EE and I Savings Bonds

Interest on Series EE Savings Bonds issued in January 1990 and later, as well as interest on all Series I Savings Bonds, may be completely or partially excluded from federal income tax if bond proceeds are used to pay certain education expenses at an Eligible Educational Institution or are contributed to a Plan account in the same calendar year the bonds are redeemed. For this purpose, qualifying expenses do not include the cost of books, supplies, or room and board. The amount of education expenses taken into account in calculating the interest excludable from income is reduced by scholarships, fellowships, and certain other forms of tuition assistance. Certain income limitations apply, and the Beneficiary must have a specified relationship with the Account Owner. Provided appropriate documentation is furnished to The Plan, the original purchase price of the bonds redeemed and contributed to a Plan account will be added to the contribution portion of the account, with the interest added to earnings.

### American Opportunity and Lifetime Learning Credits

A taxpayer may not claim an American Opportunity Credit or Lifetime Learning Credit for amounts withdrawn tax-free from an account and used for Qualified Higher Education Expenses but may be eligible for these credits for education expenses paid from other sources during the year.

### Tax Deduction for Education Expenses

The Code provides for a deduction for the payment of tuition and related expenses by taxpayers who fall within certain income limits. The deduction may not be claimed, however, for expenses that were paid from the earnings portion of a tax-free withdrawal from a Plan account.

### Effect on Other Federal Tax Benefits

Under certain circumstances, the interest paid with respect to a loan used to fund Qualified Higher Education Expenses is deductible for federal income tax purposes. The Code provides that, to the extent that withdrawals are made from a 529 Plan to pay Qualified Higher Education Expenses, the amount of such expenses is not eligible for a loan, the interest on which is otherwise deductible for federal income tax purposes. Under certain circumstances, the interest on U.S. savings bonds used to pay education expenses may be excluded from taxable income for federal income tax purposes. The Code also provides that, to the extent withdrawals are made from a 529 Plan for Qualified Higher Education Expenses, such expenses cannot also be treated as paid with U.S. savings bonds for purposes of this exclusion.

### State of Colorado Income Tax

**Contributions.** Individuals, estates, and trusts subject to Colorado income tax will generally be entitled to a deduction at the state level to the extent of their Colorado taxable income for the year for contributions made to an account in such year to the extent described in the next sentence. For income tax years commencing on or after January 1, 2022, the Colorado income tax deduction otherwise available for contributions to any Colorado 529 Plan or any 529 Plan affiliated with an educational institution in Colorado shall not exceed $20,000 per taxpayer per beneficiary for a taxpayer who files a single return or $30,000 per tax filing per beneficiary for taxpayers who file a joint return. For income tax years commencing on or after January 1, 2023, the deduction limits described in the preceding sentence will be adjusted annually by the percentage change in the combined average annual costs of tuition and room and board for all Colorado institutions of higher education as determined by the Colorado Department of Education. The Colorado Department of Revenue does not treat a transfer or rollover from another Section 529 Plan to The Plan as a contribution eligible for the Colorado income tax deduction. Generally, earnings in the Trust are not included in computing the Colorado state taxable income of the Account Owner or Beneficiary.

**Withdrawals.** Qualified Withdrawals used to pay for the Qualified Higher Education Expenses of the Beneficiary at an Eligible Educational Institution are not included in Colorado taxable income of the Account Owner or Beneficiary. The earnings portion of any withdrawal other than a Qualified Withdrawal is subject to Colorado income tax. Colorado Account Owners are cautioned that a withdrawal to pay for K–12 Tuition Expenses and Loan Repayments, while qualifying, subject to certain limits, for treatment as a Qualified Withdrawal for federal tax purposes, may be a withdrawal that is subject to Colorado income tax. Apprenticeship Expenses will be treated as Qualified Higher Education Expenses for Colorado state tax purposes.

**Recapture.** For withdrawals other than: (i) to pay Qualified Higher Education Expenses, (ii) as a result of the Beneficiary's death or disability, or (iii) as a result of receiving a scholarship (to the extent the withdrawal does not exceed the amount of the scholarship), the portion of the withdrawal attributable to contributions previously deducted for Colorado income tax purposes is subject to recapture and must be added to the taxable income of the taxpayer who took the deductions, in the year in which the withdrawal is made. The recapture provision applies to a rollover to a non-Colorado Section 529 Plan or ABLE account. Colorado Account Owners are cautioned that a withdrawal to pay for K–12 Tuition Expenses and Loan Repayments, while considered a Qualified Higher Education Expense for federal law purposes, may be a Nonqualified Withdrawal under Colorado tax law, which causes a recapture of a previous Colorado income tax deduction. Furthermore, a rollover to an ABLE account, while considered a tax-free event for federal law purposes, may also cause a recapture of a previous deduction under Colorado tax law.

# Part 9. Legal and Administrative Information About The Plan

**Suitability.** The Plan and its Associated Persons make no representations about the suitability of The Plan's investment options to any particular investor. Other types of investments and other types of education savings vehicles may be more appropriate, depending on your personal circumstances. Please consult your tax or investment advisor for more information.

### Status of Claims Against Accounts

Colorado law is intended to exempt accounts and account assets from claims by creditors of the Account Owner or Beneficiary. However, the law does not exempt accounts and account assets from tax levy, garnishment, attachment, or similar orders from the IRS. Neither an Account Owner nor a Beneficiary may use an interest in an account as security for a loan, and any pledge of an interest in an account is of no force and effect. As of the date of this Plan Disclosure Statement, courts have yet to interpret, apply, or rule on matters involving this Colorado law. It is unclear whether a court located in Colorado or in another state would apply this Colorado law in the case of an Account Owner who is a resident of a state other than Colorado. Further, the Colorado exemption may not be enforceable or available to exempt an Account Owner's interest in an account in such Account Owner's bankruptcy proceedings commenced under Title 11 of the Code. However, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (the "Act") provides protection in federal bankruptcy proceedings for many Section 529 accounts. Under such Act, accounts should be protected in federal bankruptcy proceedings if the designated Beneficiary is your child, stepchild, grandchild, or stepgrandchild (including a child, stepchild, grandchild, or stepgrandchild through adoption or foster care) subject to the following limits:

- Contributions made to all Section 529 accounts for the same designated Beneficiary at least 720 days before a federal bankruptcy filing are completely protected.
- Contributions made to all Section 529 accounts for the same designated Beneficiary more than 365 days but less than 720 days before a federal bankruptcy filing are protected up to $6,825.
- Contributions made to all Section 529 accounts for the same designated Beneficiary less than 365 days before a federal bankruptcy filing are not protected against creditor claims in federal bankruptcy proceedings.

Neither CollegeInvest, the Trust, nor the Managers make any representations or warranties about protection from creditors. You should consult a qualified legal advisor about Colorado law, federal bankruptcy law, and your particular circumstances.

**Dispute Resolution.** Controversies that may arise between an Account Owner or the Beneficiary and a Manager involving any account(s) will be determined by arbitration in lieu of court proceedings. Controversies that may arise between an Account Owner or the Beneficiary and CollegeInvest involving any account(s), or the construction, performance, or breach of the Participation Agreement, may be determined by arbitration or court proceedings, as determined by CollegeInvest in its sole discretion.

**Not an Offer to Sell.** This Plan 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 Trust by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation, or sale.

**Information Subject to Change.** The information in this Plan Disclosure Statement is believed to be accurate as of the cover date but is subject to change without notice. No one is authorized to provide information that is different from the information in the most current form of this Plan Disclosure Statement, including any amendments.

**Continuing Disclosure.** To comply with Rule 15c2-12(b)(5) of the Securities Exchange Act of 1934 (the "Rule"), CollegeInvest 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. CollegeInvest will make provision for the filing of the Annual Information and event notices with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

**Independent Registered Public Accounting Firm.** Each year, an independent public accountant will audit the Trust. The auditor will examine financial statements for the Trust and provide other audit and related services. The fiscal year of CollegeInvest ends on June 30 of each year. A copy of the Trust's audited financial statements is available from CollegeInvest upon request. The Trust's current auditor is BKD, LLP.

**Custodial Arrangements.** The Bank of New York Mellon ("Bank of New York Mellon") is the Managers' custodian in connection with The Plan. As such, Bank of New York Mellon holds in safekeeping for the Managers cash and shares of the Underlying Funds belonging to The Plan. Upon instruction from the Managers, Bank of New York Mellon receives and delivers cash and shares of the Underlying Funds of The Plan in connection with Portfolio transactions and collects all income payable to and all distributions made with respect to The Plan's shares of the Underlying Funds.

**Special Considerations.** CollegeInvest and the Managers reserve 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 seven business 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 15 calendar days when a mailing address has changed and if the proceeds are requested to be sent by check to either the Account Owner or Beneficiary or if bank information has been added or edited.
- 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.

# Participation Agreement

## General Information

This Participation Agreement contains the terms governing the Account that you will establish pursuant to the CollegeInvest Direct Portfolio College Savings Plan ("The Plan"). CollegeInvest administers The Plan, which is designed to qualify for treatment as a "qualified tuition program" within the meaning of Section 529 (a "529 Plan"). **By signing the CollegeInvest Direct Portfolio College Savings Plan Enrollment Application, you agree to be bound by the terms of this Participation Agreement, which is deemed effective as of the date you sign the Enrollment Application.**

The Plan is designed to help you save for the Qualified Higher Education Expenses of the person you designate as Beneficiary in the Enrollment Application. Your investment in The Plan will be used to purchase units of beneficial interest in the CollegeInvest Direct Portfolio College Savings Trust (the "Trust"). The amounts you invest will be allocated to an individual account established and maintained as part of the Trust. The Vanguard Group, Inc. ("Vanguard"), is a "Manager" of The Plan and is responsible for all investments of The Plan Portfolios and the Underlying Funds, assisting CollegeInvest in providing marketing and administrative services to The Plan, and distributing the securities issued by the Trust. Ascensus College Savings Recordkeeping Services, LLC, and Ascensus Broker Dealer Services, LLC (collectively, "Ascensus"), are "Managers" of The Plan and are responsible for the day-to-day operations of The Plan, including but not limited to marketing, administrative, recordkeeping, and other services under The Plan. The services of the Managers include establishing your Account with the Trust, investing your Account assets according to the guidelines established by CollegeInvest, accepting and processing contributions to and withdrawals from your Account, and providing certain recordkeeping services with respect to your investment in The Plan.

The Plan Disclosure Statement sets forth in greater detail the terms of The Plan. The Plan Disclosure Statement is incorporated in its entirety by reference into this Participation Agreement. **Before making any investment under The Plan, you must read the Plan Disclosure Statement in its entirety. Call The Plan at 800-997-4295 with any questions.**

Any Account that you open pursuant to this Participation Agreement is not insured by the State of Colorado or CollegeInvest, and neither the principal invested in nor the investment return on the Account is guaranteed by the State, CollegeInvest, the Trust, or the Managers, or any affiliate of any of the foregoing, or the federal government or any of its agencies or instrumentalities.

## Definitions

Terms used in this Participation Agreement shall have the meanings set forth below. Any terms not defined in this Participation Agreement shall have the meanings given to them in the Plan Disclosure Statement.

**"Account"** means your individual Account established and maintained as part of the Trust. The money you contribute under The Plan will be allocated to your Account. You may open more than one Account for the same Beneficiary.

**"Account Owner**,**" "you**,**"** or **"your"** refers to the individual or entity signing the Enrollment Application and opening an Account.

**"Act"** refers to Title 23, Article 31, Part 3, Colorado Revised Statutes, as amended, which requires and authorizes the establishment of a college savings program to be developed and implemented by CollegeInvest under Section 529 of the Code.

**"Beneficiary"** means the person you identify on the Enrollment Application as the Beneficiary of the Account whose Qualified Higher Education Expenses are expected to be paid from the Account.

**"Code"** means the Internal Revenue Code of 1986, as amended.

**"CollegeInvest"** refers to CollegeInvest, a division of the Colorado Department of Higher Education of the State of Colorado. CollegeInvest is the administrator of The Plan.

**"Eligible Educational Institutions"** are institutions of higher education that are described in Section 481 of the Higher Education Act of 1965 (20 U.S.C. 1988), as in effect on August 5, 1997, and are eligible to participate in a program under Title IV of such Act.

**"Enrollment Application"** refers to The Plan Enrollment Application.

**"Family Member"** means a member of the family, as defined in Section 529(e)(2) of the Code.

**"Manager"** refers to Vanguard and/or Ascensus, as the case may be, or such other financial institution selected by CollegeInvest to provide investment management and other services in connection with The Plan. Collectively, Vanguard and Ascensus are the "Managers."

**"Nonqualified Withdrawal"** means a withdrawal from an Account other than a Qualified Withdrawal.

**"Plan Disclosure Statement"** means the CollegeInvest Direct Portfolio College Savings Plan Disclosure Statement, as amended and supplemented from time to time.

**"Policy Statement"** refers to the Investment Policy Statement established by CollegeInvest. The Policy Statement sets forth the policies, objectives, and guidelines that govern the investment of Trust assets.

**"Portfolio"** means any of the investment portfolios in the Age-Based Options, the Blended Portfolios, or the Individual Portfolios of the Trust, all as described more fully in the Plan Disclosure Statement.

**"Qualified Higher Education Expenses"** are tuition, room and board (subject to certain limits), fees, books, supplies, and equipment required for enrollment or attendance of the Beneficiary at an Eligible Educational Institution, as well as 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. Expenses for computer software designed for sports, games, or hobbies don't qualify as Qualified Higher Education Expenses unless the software is predominantly educational in nature, all within the meaning of Section 529(e)(3) of the Code. The term also includes expenses for K-12 Tuition, Apprenticeship Expenses, and Loan Repayments (all as defined in **Part 7. Other Information About Your Plan Account—Qualified Higher Education Expenses**).

**"Qualified Withdrawal"** means a withdrawal from an Account to pay the Qualified Higher Education Expenses of the Beneficiary.

**"State"** refers to the State of Colorado.

**"Trust"** means the CollegeInvest Direct Portfolio College Savings Trust. Your Account in The Plan is part of the Trust, which is administered by CollegeInvest. Assets of the Trust are held "in trust" on behalf of and for the benefit of Account Owners and Beneficiaries.

**"Underlying Funds"** are the mutual funds in which the assets of the Portfolios are invested from time to time and which currently are managed by Vanguard. Vanguard chooses the particular Underlying Funds, if any, in which assets of each Portfolio are invested in accordance with the Policy Statement and subject to the approval of CollegeInvest.

**"Units"** are units of interest in one or more of the Portfolios to which the assets in your Account are allocated.

### Contributions to Your Account

1. You may contribute money to your Account in The Plan by any of the following methods: check, recurring contribution, electronic bank transfer, payroll deduction, transfer from a Upromise service account, or rollover. You may also receive a contribution through Ugift. Third-party checks are accepted only at the discretion of the Managers. The Plan will not accept contributions made with cash, money orders, stocks, securities, or other non-bank-account assets. You may not charge contributions to your credit card. Checks should be made payable to ***CollegeInvest Direct Portfolio College Savings Plan***.
2. The minimum initial contribution to an Account is $25, and the minimum additional contribution is $15.
3. For each Beneficiary, there is an aggregate Maximum Contribution Limit of $500,000 for all Accounts established under The Plan and accounts established under any other Colorado 529 Plans (including the Smart Choice College Savings Plan, the Stable Value Plus College Savings Plan, the Scholars Choice College Savings Program, and any other 529 Plans that CollegeInvest may develop and offer in the future). This aggregate Maximum Contribution Limit, which includes aggregate contributions and investment earnings, is subject to change. Any adjustments to this limit will be posted on CollegeInvest's website at **www.collegeinvest.org**.
4. Your contribution will be directed to one or more Accounts established for the purpose of funding the Qualified Higher Education Expenses of the Beneficiary (each Account can be for only one Beneficiary) that you designated when you made your initial contribution.
5. You (not the Beneficiary) are the sole owner of all contributions and all earnings on such contributions, although there are special federal and state tax rules applicable to such contributions and earnings. Contributions may be made to your Account by anyone, regardless of the relationship to you or the Beneficiary, but you will retain ownership and control of all Account assets. See **Part 7. Other Information About Your Plan Account—Contributions—Contributions From UGMA/UTMA Accounts; Establishing an Account as an UGMA/UTMA Account**.

### Investment of Account Assets

1. At the time you establish your Account, you may choose up to five investment options that will form the basis for the allocation of that Account's assets among Portfolios with various asset allocations. Regardless of how many investment options you choose, you must allocate a minimum of 5% of the contribution to each option you select, for a total of 100%. After this initial election, you may move money already in your Account to a different mix of investment options within The Plan or to any other Colorado 529 Plan for any reason two times during any calendar year. The twice-per-calendar-year limitation on changing investment options applies on an aggregate basis to all Accounts in The Plan and all accounts under other Colorado 529 Plans having the same Account

Owner and Beneficiary. You may also move money in your Account upon a change in the designated Beneficiary of your Account. However, you may change the allocation of future contributions at any time. You may request a change to your investment option(s) by logging on to **www.collegeinvest.org**, by calling **800-997-4295**, or by completing the designated form, which can be obtained at **www.collegeinvest.org**.

2. After establishing your Account or changing the investment option(s) for your Account, it is your responsibility to verify that the Portfolio(s) in which your Account assets are allocated correctly correspond(s) to the investment option(s) you have elected and, if applicable, the age and/or expected year of enrollment of the Beneficiary. You have 30 calendar days after the Managers send your investment confirmation to notify the Managers if you believe that: (i) the Managers have not invested your Account assets in accordance with the investment option(s) you selected or (ii) your Account assets were invested in the wrong Portfolio(s). After 30 calendar days, you'll be considered to have approved the information in the confirmation and to have released The Plan and its Associated Persons from all responsibility for matters covered by the confirmation, and your Account assets will remain invested pursuant to the investment option(s) identified on your confirmation statement until you withdraw all such Account assets or subsequently change your investment option(s). It also is your responsibility to review the investment goals and time horizons for the investment options and Portfolios described in the Plan Disclosure Statement and to determine whether participation in The Plan is appropriate for you and if the investment option(s) you have selected meet(s) your needs and risk tolerance.
3. The Managers will separately maintain your Account as part of the Trust, and CollegeInvest will be the trustee of the Trust. The assets of your Account will be commingled with amounts credited to the Accounts of other Account Owners for investment purposes.

### Designation of Beneficiary

1. On the Enrollment Application, you shall designate one person as Beneficiary for each Account.
2. You may from time to time designate a new Beneficiary in place of the person currently designated as the Beneficiary of your Account, except as discussed in paragraph 4 of this section.
3. If the new Beneficiary is a Family Member of the currently designated Beneficiary, there is no penalty or adverse income tax consequences resulting from such designation (you will receive a new Account number). If, however, you designate a person who is not a Family Member of the currently designated Beneficiary, that designation will be treated as a Nonqualified Withdrawal of Account assets and a transfer of such assets to a new Account for the new Beneficiary. This transfer is subject to federal income taxation and may be subject to an additional 10% federal penalty tax on the earnings portion of such withdrawal, as well as state income tax (including possible recapture of state deductions). There can also be federal gift tax, estate tax, or generation-skipping tax consequences in connection with changing the Beneficiary of your Account.
4. In the case of a minor Account Owner, the parent or guardian for such minor Account Owner may not change the original Beneficiary designation. If an Account is funded with assets from an UGMA/UTMA account or is established as an UGMA/UTMA account, the Account Owner (who is the UGMA/UTMA custodian) will not be able to change the person designated as Beneficiary on the Account.
5. You may request a change of designated Beneficiary of your Account only by completing the Beneficiary Change Form, which can be obtained from the Managers. This form is available at **www.collegeinvest.org/529-planning-resources-forms**. The substitution shall become effective when the Managers have approved the form. The form will ask you to certify the family relationship between the new Beneficiary and the currently designated Beneficiary.

### Withdrawals

1. You may request a withdrawal of all or a portion of your Account at any time. Your request for a withdrawal may be made online, by phone, or by mail. The Plan uses reasonable procedures to confirm that transaction requests are genuine. Indirect and direct rollovers must be requested in writing by submitting the appropriate forms.
2. If an Account is funded with UGMA/UTMA Account assets or is established as an UGMA/UTMA Account, the Account Owner is not permitted to make withdrawals other than for the benefit of the Beneficiary.
3. If you request a Nonqualified Withdrawal, the withdrawal will be subject to an additional 10% federal penalty tax payable to the IRS on that portion of such withdrawal that is attributable to investment earnings in the Account, unless the withdrawal qualifies for an exception to the additional tax. Nonqualified Withdrawals likely will also result in income taxation (including possible recapture of state deductions) except for: (i) a nontaxable transfer to another Account or to another 529 Plan for a new Beneficiary who is a Family Member of the currently designated Beneficiary or (ii) a qualifying nontaxable transfer to another 529 Plan for the currently designated Beneficiary.

4. Nonqualified Withdrawal is not subject to the additional 10% federal penalty tax only if the withdrawal (i) is made as a result of the death or disability of the Beneficiary, (ii) is made as a result of a scholarship received by the Beneficiary, to the extent that the withdrawal does not exceed the amount of the scholarship, (iii) is a nontaxable transfer to another Account or another 529 Plan for the same Beneficiary or for the benefit of a Family Member of the currently designated Beneficiary, or (iv) is up to the amount of the estimated cost of attendance of the Beneficiary at a military academy.
5. The earnings portion of any withdrawal is to be computed in accordance with Section 529 and any regulations thereunder. Although The Plan will report the earnings portion of all withdrawals, it is solely the responsibility of the person receiving the withdrawal to calculate, report, and pay any resulting tax liability.
6. A withdrawal made by a Colorado taxpayer used to pay for K–12 Tuition Expenses or Loan Repayments, while considered a tax-free event for federal law purposes, may be a withdrawal under Colorado tax law which causes recapture of a previous deduction under Colorado tax law. If you are not a Colorado taxpayer, you should consult a qualified tax advisor to determine the state tax consequences of using a withdrawal to pay for K–12 Tuition Expenses or Loan Repayments under your home state law. Apprenticeship Expenses will be treated as Qualified Higher Education Expenses for Colorado tax law purposes.

## Account Owner’s Representations and Acknowledgments

You hereby represent, warrant, acknowledge, and agree with CollegeInvest as follows:

1. You have received and read the Plan Disclosure Statement, have carefully reviewed the information contained therein including information provided by or with respect to CollegeInvest and the Managers, and agree that its terms are incorporated into this Participation Agreement as if they were set forth herein.
2. The investment of assets held in your Account will be governed by the provisions of the Plan Disclosure Statement and this Participation Agreement, each as amended from time to time, and all such assets will be held exclusively for your benefit and the benefit of the person named as Beneficiary of that Account.
3. State tax features vary by program. Neither the Managers nor CollegeInvest renders tax advice, and you should consult your own tax advisor to determine the effect of state and federal tax benefits related to The Plan. The nature and composition of available options and costs (including costs, fees, and expenses) vary from plan to plan. You should consider the wide variety of plans and related costs available to you.
4. You have been given an opportunity, within a reasonable time prior to the effective date of this Participation Agreement, to ask questions of representatives of CollegeInvest and the Managers and receive satisfactory answers concerning: (i) an investment in The Plan, (ii) the terms and the conditions of The Plan and the Trust, (iii) the particular investment option(s) that may be selected, (iv) the Plan Disclosure Statement, this Participation Agreement, and the Enrollment Application, (v) other Colorado 529 Plans offered by CollegeInvest and the investment options and costs associated with such plans, and (vi) your ability to obtain such additional information that may be necessary to verify the accuracy of any information furnished.
5. Your Account is subject to the fees and charges as set forth in the Plan Disclosure Statement. Such fees and charges may be changed in the future. New fees and charges may also be charged in the future. You hereby authorize the Managers to redeem units in your Account to satisfy fees and charges, including the $20 annual Account fee, as applicable.
6. The Plan is established and maintained with the intent that it meets the requirements for favorable federal tax treatment under Section 529. Qualification under Section 529 is vital, and CollegeInvest may amend this Participation Agreement at any time if CollegeInvest determines that such an amendment is necessary to maintain qualification under Section 529 and as otherwise described in **Miscellaneous Provisions—Amendment and Termination** below for further information.
7. Federal and state laws are subject to change, sometimes with retroactive effect, and none of the State, CollegeInvest, or the Managers, or any affiliate of the foregoing, or any other person makes any representation that such federal or state laws will not be changed or repealed.
8. With respect to each Account you open under The Plan, you are opening the Account in order to provide funds for the Qualified Higher Education Expenses of the person designated as Beneficiary of that Account. You may contribute to a Plan Account for a Beneficiary provided the aggregate balance of all Accounts for the same Beneficiary under all Colorado 529 Plans does not exceed the Maximum Contribution Limit, which currently is $500,000.
9. You have not relied on any representations or other information, whether oral or written, and whether made by any agent or representative of CollegeInvest, the Manager, or otherwise, other than as set forth in the Plan Disclosure Statement (including any applicable supplement to the Plan Disclosure Statement) and in this Participation Agreement.

10. The value of your Account will increase or decrease each day that the NYSE is open for trading, based on the investment performance of the Portfolios in which your Account is then invested, and each Portfolio will invest in Underlying Funds or other investments selected by Vanguard and approved by CollegeInvest. YOU UNDERSTAND THAT THE VALUE OF ANY ACCOUNT TO WHICH YOU MAKE CONTRIBUTIONS MAY BE MORE OR LESS THAN THE AMOUNTS YOU CONTRIBUTED TO THE ACCOUNT.
11. All investment decisions will be made by Vanguard, one of the Managers of The Plan, in accordance with the Policy Statement and the Services Agreement, and you cannot direct the investment decisions of the Trust, either directly or indirectly. You will, however, have the ability to change the investment option(s) selected for your Account for any reason two times during any calendar year and also upon a change in the person designated as Beneficiary of your Account, as described in the **Contributions to Your Account and Investment of Account Assets** sections of this Participation Agreement.
12. **None of the State, CollegeInvest, the Managers, or any affiliate of the foregoing, or any other person makes any guarantee that you will not suffer a loss of the amount invested in any Account or that you will receive a particular return on any amount contributed to an Account.**
13. You have accurately and truthfully completed the Enrollment Application. Any other documentation that you have furnished or subsequently furnish in connection with the opening or maintenance of, or any withdrawals from, your Account is or will be accurate, truthful, and complete, including the age and/or anticipated years to enrollment indicated for the Beneficiary.
14. If you make false statements in connection with opening an Account or otherwise, CollegeInvest and/or the Managers may take such action as permitted by the Act, including, without limitation, terminating your Account or requiring that you indemnify the State, the Managers, and/or CollegeInvest as discussed under the **Limitation of Liability; Indemnification** section of this Participation Agreement.
15. Your participation in The Plan does not guarantee that the Beneficiary (i) will be accepted as a student by any Eligible Educational Institution, (ii) if accepted, will be permitted to continue as a student, (iii) will be treated as a resident of any state for tuition purposes, (iv) will graduate from any Eligible Educational Institution, or (v) will receive any particular treatment under applicable state or federal financial aid programs. You further acknowledge and agree that none of the State, CollegeInvest, the Managers, or any affiliate of the foregoing, or any other person, makes any such representation or guarantee.
16. No Account in which you invest will be used as collateral for any loan. Any attempt to use an Account as collateral for a loan shall be void. The Plan itself will not loan any assets to you or the Beneficiary.
17. You will not assign or transfer any interest in any Account, except as otherwise contemplated in the Plan Disclosure Statement or this Participation Agreement. Any attempted assignment or transfer of such an interest shall be void.
18. Although you own units through your Account, you do not have a direct beneficial interest in the Underlying Funds or any other investments or mutual funds in which Trust assets are invested, and therefore you do not have the rights of an owner or shareholder of such mutual funds or other investments.
19. You may transfer your Account to another Account Owner without changing the person identified as Beneficiary of your Account. If the Account Owner is a minor or the Account was funded with the proceeds from or otherwise established as an UGMA/UTMA account, the Account cannot be transferred to another Account Owner (other than to another UGMA/UTMA custodian for the benefit of the same Beneficiary). Such a transfer will be effective only if it is irrevocable and transfers all rights, title, interest, and power over the Account to the new Account Owner. The tax consequences associated with a transfer of ownership are uncertain. You should consult a qualified tax advisor concerning the potential income, gift, and estate tax consequences of a transfer of ownership before effecting a transfer. To effect a transfer of ownership, you should contact the Managers or visit the website for the proper form.
20. If you do not validly designate a successor Account Owner on your Enrollment Application or on the appropriate form subsequent to opening an Account, or if a designated successor is deceased or validly disclaims his or her interest in the Account, the Beneficiary will become the Account Owner in the event of your death. The successor Account Owner cannot be a minor.
21. CollegeInvest or the Managers may ask you to provide additional documentation that may be required by applicable law or in connection with your investment in The Plan, and you agree to promptly comply with any such requests for additional documentation.
22. None of the Plan Disclosure Statement, this Participation Agreement, or the Enrollment Application addresses taxes imposed by a state other than Colorado or the applicability of local taxes to The Plan, the Trust or your investment in the Trust, or your Account. You should consult a qualified tax advisor about the application of all taxes (including those summarized in the Plan Disclosure Statement) to your particular situation.

23. The state or locality in which you reside may impose a tax on the earnings accumulated on your Account assets, without deferring such tax until the time that a withdrawal is made from the Account. You are generally responsible for paying any taxes imposed upon you with respect to your Account. However, to the extent that such taxes relating to your Account are imposed upon the Trust, the Trust may pay them directly from your Account. Such payments may be considered Nonqualified Withdrawals.
24. You understand that the Manager has the right to provide a financial professional identified by you to The Plan with access to financial and other information regarding your Plan Account. You acknowledge that the Manager may terminate your financial professional's authority to access your Plan Account at The Plan's discretion.
25. Your Account may be considered dormant if for a designated period of time there is no activity on the Account and The Plan is not able to make contact with you. Dormant Accounts are subject to states' unclaimed property laws.
26. In addition to rights expressly stated elsewhere in this Plan Disclosure Statement, The Plan reserves the right to (1) freeze an Account and/or suspend Account services when The Plan has received reasonable notice of a dispute about 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, (2) 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, (3) redeem an Account, without the Account Owner's permission, in cases of threatening conduct or suspicious, fraudulent, or illegal activity, and (4) reject a contribution for any reason, including contributions for The Plan that The Plan believes are not in the best interests of The Plan, 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.

## Waiver and Release

You agree that any claim by you or the Beneficiary against any Associated Persons may be made solely against the assets in your Account and that all obligations hereunder are legally binding contractual obligations of the Trust only. As a condition of and in consideration for the acceptance of this Agreement by the Manager(s) on behalf of CollegeInvest, you agree to waive and release all Associated Persons with The Plan from any and all liabilities arising in connection with rights or obligations arising out of this Participation Agreement or the Account.

## Limitation of Liability; Indemnification

1. **Indemnification.** You recognize that the establishment of any Account in the Trust will be based on your acknowledgments, statements, agreements, representations, warranties, and covenants set forth in this Participation Agreement and the Enrollment Application. You agree to indemnify and hold harmless The Plan, the Trust, CollegeInvest, the State, the Managers, and any Associated Persons, for any liabilities or expenses (including costs of reasonable attorneys' fees) they each may incur as the result of any misstatement or misrepresentation made by you or the Beneficiary, or any breach by you or the Beneficiary of the acknowledgments, statements, agreements, representations, warranties, or covenants contained in this Participation Agreement. All your statements, representations, warranties, covenants, and agreements shall survive the termination of this Participation Agreement.
2. **Extraordinary Events.** I understand that neither the Plan nor any Associated Persons shall be liable for any loss, failure, or delay in performance of each of their obligations related to your Plan Account or any diminution in the value of your Plan Account arising out of or caused by, directly or indirectly, circumstances beyond its reasonable control, including in the event of Force Majeure (See **Part 5. Certain Risks of Investing in The Plan—Market Uncertainties and Other Events.**

## Lawsuits; Dispute Resolution

1. **Lawsuits Involving Your Account.** Except as to controversies arising between you or the Beneficiary and CollegeInvest or a Manager involving your Account, CollegeInvest or the Managers may apply to a court at any time for judicial settlement of any matter involving your Account. CollegeInvest represents that if CollegeInvest or the Managers so apply for a judicial settlement, CollegeInvest will give you or the Beneficiary the opportunity to participate in the court proceeding, but each of them also can involve other persons. Any expense that CollegeInvest or the Managers incur in legal proceedings involving your Account, including attorneys' fees and expenses, are chargeable to your Account and payable by you or the Beneficiary if not paid from your Account.
2. **Disputes with CollegeInvest.** Controversies that may arise between you or the Beneficiary and CollegeInvest involving your Account, or the construction, performance, or breach of this Participation Agreement, may be determined by arbitration or court proceedings, as determined by CollegeInvest in its sole discretion. If there is a dispute between you or the Beneficiary and CollegeInvest that is adjudicated in the courts, you hereby submit (on behalf of yourself and the Beneficiary) to exclusive jurisdiction in the courts of Colorado for all legal proceedings arising out

of or relating to this Participation Agreement. In any such proceeding, you (on behalf of yourself and the Beneficiary) and CollegeInvest each agree to waive your rights to trial by jury. If there is a dispute between you or the Beneficiary and CollegeInvest that CollegeInvest determines, in its sole discretion, has to be arbitrated, you agree (on behalf of yourself and the Beneficiary) that the arbitration will be conducted in Colorado pursuant to applicable Colorado law.

3. **Disputes with a Manager.** Controversies that may arise between you or the Beneficiary and a Manager involving your Account will be determined by arbitration in lieu of court proceedings, unless otherwise prohibited. If there is a dispute to be arbitrated, you agree (on behalf of yourself and the Beneficiary) that the arbitration will be conducted in Colorado pursuant to applicable Colorado law (except that if such dispute involves a Manager that is a broker-dealer, the Manager may elect that the arbitration will instead be subject to the Code of Arbitration Procedure of the Financial Industry Regulatory Authority).

### Arbitration

**This is a predispute arbitration clause. Any controversy or claim arising out of or relating to this Plan or the Enrollment Application, or the breach, termination, or validity of this Plan or the Enrollment Application determined to be settled by arbitration, shall be settled in accordance with applicable Colorado law (except that if Vanguard or Ascensus Broker Dealer Services, LLC, 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 is 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.**

**In connection with any arbitration, by you signing an Enrollment Application, you (on behalf of yourself and the Beneficiary), CollegeInvest, Vanguard, and Ascensus, agree as follows:**

- **All parties to this Plan are giving up important rights under state law, including the right to sue each other in court and the right to a trial by jury, except as provided by the rules of the arbitration forum.**
- **Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.**
- **The ability of the parties to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings.**
- **The potential costs of arbitration may be more or less than the cost of litigation.**
- **The arbitrators generally do not have to explain the reason(s) for their award, and each of CollegeInvest, Vanguard, and Ascensus do not guarantee that it will join any request you may make for such an explanation.**
- **The arbitrators selected to hear the case may or may not be affiliated with the securities industry.**
- **The rules of the arbitration forum may impose time limits for bringing a claim in arbitration.**
- **In limited circumstances, a claim that is ineligible for arbitration may be brought in court.**
- **The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Participation Agreement.**
- **No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action, 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, (ii) the class is decertified, or (iii) the person 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 Participation Agreement except to the extent set forth in this section.**

### Miscellaneous Provisions

1. **Reporting.** Ascensus will keep records of all transactions concerning your Account and will provide quarterly statements of your Account to you only if you have made financial transactions within the quarter. Ascensus will provide annual statements of your Account to you even if you have made no financial transactions within the year. Ascensus will cause reports of your Account to be sent to you, the IRS, the Colorado Department of Revenue, and such other regulatory authorities as required by law. If you do not write to the Managers to object to a statement or report within 30 calendar days after it has been sent to you, you will be considered to have approved the information in the statement or report and to have released CollegeInvest, the Managers, and their Associated Persons from all responsibility for matters covered by the statement or report. You agree to provide all information CollegeInvest or the Managers may need to comply with any legal reporting requirements. You will continue to be responsible for filing your federal and state tax returns and any other reports required of you by law.
2. **Duties of CollegeInvest.** Neither CollegeInvest nor its representatives has a duty to perform any action other than those specified in this Participation Agreement or the Plan Disclosure Statement. CollegeInvest may accept and rely conclusively on any instructions or other communications reasonably believed to have been given

by you or another authorized person and may assume that the authority of any authorized person continues in effect until CollegeInvest receives written notices to the contrary. CollegeInvest has no duty to determine or advise you of the investment, tax, or other consequences of your actions, or of its actions in following your directions, or of its failing to act in the absence of your directions.

3. **Duties of the Managers.** Neither the Managers nor their representatives have a duty to perform any actions other than those specified in the Plan Disclosure Statement and the Services Agreement. The Managers may accept and rely conclusively on any instructions or other communications reasonably believed to have been given by you or another authorized person and may assume that the authority of any other authorized person continues in effect until the Managers receive written notices to the contrary. The Managers have no duty to determine or advise you of the investment, tax, or other consequences of your actions, or of their actions in following your directions, or of failing to act in the absence of your directions.

4. **Change in Manager.** CollegeInvest may appoint a new Manager in the future. In such event, your Account assets may (i) continue to be managed by the prior Managers, (ii) be managed in part by a prior Manager and in part by the new Manager, such that assets in your Account before the change in Managers, and earnings on such assets, are managed by a prior Manager, and assets contributed to your Account after the change, and earnings on such assets, are managed by the new Manager, or (iii) be managed entirely by the new Manager. In each such event, you will not be able to direct investment of your Account assets, except as described above in Investment of Account Assets.

5. **Effectiveness of This Participation Agreement.** This Participation Agreement shall become effective upon the execution of your Enrollment Application, subject to CollegeInvest's or the Managers' right to reject your Enrollment Application if, in processing the Enrollment Application, it is determined that the Enrollment Application has not been completed in accordance with guidelines under The Plan.

6. **Amendment and Termination.** CollegeInvest may at any time, and from time to time, amend The Plan, this Participation Agreement, or the Plan Disclosure Statement, or suspend or terminate The Plan and the Trust and will give written notice of such suspension, termination, or amendment (unless otherwise provided herein) if material and adverse to the interests of Account Owners generally. In such event, the Account assets may not thereby be diverted from the exclusive benefit of you and/or the Beneficiary. Nothing contained in this Participation Agreement or the Plan Disclosure Statement will constitute an agreement or representation by CollegeInvest, on its own behalf or on behalf of the Managers, or any contracting party, that it will continue to maintain The Plan or the Trust indefinitely.

7. **Successors and Assigns.** This Participation Agreement shall be binding upon the parties and their respective heirs, successors (including substitute and transferee Account Owners), and permitted assigns. You agree that all your representations and obligations under this Participation Agreement shall inure to the benefit of the Managers as well as to CollegeInvest.

8. **Communications.** For purposes of this Participation Agreement, to the extent you have elected to receive documents by paper delivery, communications will be sent to you at the permanent address that you specify in your Enrollment Application or at such other permanent address that you give to the Managers in writing, or to your email address if you have provided The Plan your email address and, as applicable, if you have elected to receive notifications of the availability of certain documents via electronic delivery. All communications so sent will be deemed to be given to you personally upon such sending, whether or not you actually receive them. Account Owners are responsible for alerting the Managers to a change of address.

9. **Severability.** If any provision of this Participation Agreement is held to be invalid, illegal, void, or unenforceable, by reason of any law, rule, or administrative order, or by judicial decision, such determination will not affect the validity of the remaining provisions of this Participation Agreement.

10. **Headings.** The heading of each section, paragraph, and provision in this Participation Agreement is for descriptive purposes only and shall not be deemed to modify or qualify any of the rights or obligations set forth in each such section, paragraph, and provision.

11. **Governing Law.** This Participation Agreement shall be construed in accordance with and shall be governed by the laws of the State, without regard to community property laws or choice of law rules of any state. Your execution of the Enrollment Application shall constitute execution of this Participation Agreement.

# Privacy Policy for CollegeInvest, State Administrator for Direct Portfolio College Savings Plan

## CollegeInvest 529 Plan Privacy Policy

At CollegeInvest, privacy and confidentiality of your personal information is important, and we want to ensure your trust in us. The following statement describes our practices and policies for protecting your nonpublic personal information. CollegeInvest reserves the right to revise this policy at any time without notice.

## General

CollegeInvest does not disclose, sell, rent, trade, or otherwise provide nonpublic personal information that we have about you or your Account to third parties, whether affiliated or unaffiliated with CollegeInvest, except as permitted by law.

CollegeInvest only collects nonpublic personal information provided by you either through secure online information requests or the application, through general and toll-free phone numbers, through the application process, or through your transactions with our Program Managers or us. Examples of nonpublic personal information collected include:

- Name, address, phone number, and Social Security numbers of Account Owner, account successor, and Beneficiary.
- Account information, such as dollars contributed, units purchased, and value of account.
- Optional demographic information such as gender, household income, ethnicity, age, and level of education.
- Voluntary information collected by our service providers to conduct market research on our behalf.

CollegeInvest restricts access to your nonpublic personal and account information to those employees who need to know that information to service your Account. We also maintain physical, electronic, and procedural safeguards to protect your nonpublic personal information.

CollegeInvest will disclose nonpublic personal information to third parties as is necessary to process and service your Account. In addition, CollegeInvest will disclose nonpublic personal information to third parties providing services on CollegeInvest's behalf, such as delivery of information about CollegeInvest products and services through means including but not limited to mail, email, and phone. We also provide names, addresses, and phone numbers to a firm that conducts market research on our behalf.

All third-party servicers are governed by confidentiality agreements requiring the third party to keep all personal information provided to them by CollegeInvest confidential except as permitted by law.

WE HELP YOU GET THERE

As a not-for-profit division of the Colorado Department of Higher Education, CollegeInvest is a trusted resource providing 529 education savings plans, financial education, and scholarships to further education aspirations.

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*In the CollegeInvest Direct Portfolio College Savings Plan, the Colorado 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 the Portfolios may lose money by investing in the Colorado Short-Term Reserves Account, which invests in the Fund.*

CollegeInvest is the issuer of plan securities and is the trustee of The Plan in accordance with Colorado law. CollegeInvest also oversees the Managers' activities and provides certain administrative services, such as marketing, audit, and financial statements, in connection with The Plan.

Ascensus College Savings Recordkeeping Services, LLC, and Ascensus Broker Dealer Services, LLC, serve as Plan Managers for the CollegeInvest Direct Portfolio College Savings Plan and have overall responsibility for the day-to-day operations. The Vanguard Group, Inc., also serves as Plan Manager and Investment Manager for the CollegeInvest Direct Portfolio College Savings Plan, and Vanguard Marketing Corporation, an affiliate of The Vanguard Group, Inc., assists CollegeInvest with marketing and distributing the Plan. The Plan's Portfolios, although they invest in Vanguard mutual funds, are not mutual funds, and you could lose money by investing in The Plan.

Investments in The Plan are not insured or guaranteed by the Federal Deposit Insurance Corporation, the State of Colorado, CollegeInvest, Vanguard, or Ascensus. Account Owners assume all investment risks, including the potential for loss of principal, as well as responsibility for federal and state tax consequences. The Plan's issuer has no legal obligation to provide financial support to The Plan, and you should not expect that the issuer will provide financial support to The Plan at any time.



Vanguard Marketing Corporation, Distributor.



DPPDS 112022