NEST Direct College Savings Plan
Program Disclosure Statement dated April 19, 2024
Supplement Number Two dated April 1, 2025

This Supplement amends the Program Disclosure Statement dated April 19, 2024, as supplemented, (the "Program Disclosure Statement"). You should read this Supplement in conjunction with the Program Disclosure Statement and retain it for future reference.

Effective May 1, 2025, the hours for the NEST Direct College Savings Plan customer care service center will be 7:00 a.m. to 6:00 p.m. Central Time Monday through Friday.

All references to the customer care service center hours found throughout the Program Disclosure Statement are updated accordingly.

* * *

NEST Direct College Savings Plan
Program Disclosure Statement dated April 19, 2024
Supplement Number One dated January 1, 2025

This Supplement amends the Program Disclosure Statement dated April 19, 2024 (the "Program Disclosure Statement"). You should read this Supplement in conjunction with the Program Disclosure Statement and retain it for future reference.

Gift Tax Annual Exclusion Increase

Effective January 1, 2025, the federal gift tax exclusion increased to $19,000 per donee ($38,000 for a married couple that elects on a federal gift tax return to "split" gifts). This is an increase over 2024, when the exclusion was $18,000 per donee ($36,000 for a married couple that elects on a federal gift tax return to "split" gifts).

All references to the gift tax annual exclusion found throughout the Program Disclosure Statement are updated accordingly.

The first six paragraphs of the section titled "**Estate and gift tax**" on page 51 of the Program Disclosure Statement are replaced with the following:

Estate and gift tax
For federal gift and GST tax purposes, contributions to an account are considered a completed gift from the contributor to the Beneficiary. Accordingly, except as described below, if an account owner dies while there is a balance in the account, the value of the account is not includable in the account owner's estate for federal estate tax purposes. However, amounts in an account at the death of the Beneficiary are includable in the Beneficiary's gross estate.

An account owner's contributions to an account for a Beneficiary are eligible for the gift tax annual exclusion. Contributions that qualify for the gift tax annual exclusion are generally also excludible for purposes of the federal GST tax, unless an election is made on the federal gift tax return to the contrary. A donor's total contributions to an account for the Beneficiary in any given year (together with any other gifts made by the donor to the Beneficiary in the year) will not be considered taxable gifts and will generally be excludible for purposes of the GST tax if the gifts do not in total exceed the annual exclusion for the year. For 2025, the annual exclusion is $19,000 per donee ($38,000 for a married couple that elects on a federal gift tax return to "split" gifts). This means that in each calendar year you may contribute up to $19,000 to a Beneficiary's account without the contribution being considered a taxable gift, if you make no other gifts to the Beneficiary in the same year.

The annual exclusion is indexed for inflation and therefore is expected to increase over time.

Five-year election
In addition, if your total contributions to an account for a Beneficiary during a single year exceed the annual exclusion for that year, you may elect to have the amount you contributed that year treated as though you made one-fifth of the contribution that year, and one-fifth of the contribution in each of the next four calendar years. You must make this election on your federal gift tax return by filing IRS Form 709.

This means that you may contribute up to $95,000 in a single year to an account without the contribution being considered a taxable gift, provided that you make no other gifts to the Beneficiary in the same year in which the contribution is made and in any of the succeeding four calendar years. Moreover, a married contributor whose spouse elects on a federal gift tax return to have gifts treated as "split" with the contributor may contribute up to twice that amount ($190,000 effective January 1, 2025) without the contribution being considered a taxable gift, provided that neither spouse makes other gifts to the Beneficiary in the same year and in any of the succeeding four calendar years. **An election to have the contribution taken into account ratably over a five-year period must be made by the donor on a federal gift tax return.**

For example, an account owner who makes a $95,000 contribution to an account for a Beneficiary in 2025 may elect to have that contribution treated as a $19,000 gift in 2025 and a $19,000 gift in each of the following four years. If the account owner makes no other contributions or gifts to the Beneficiary before January 1, 2030, and has made no excess contributions treated as gifts subject to the one-fifth rule during any of the previous four years, the account owner will not be treated as making any taxable gifts to the Beneficiary during that five-year period. As a result, the $95,000 contribution will not be treated as a taxable gift and also will generally be excludible for purposes of the GST tax. However, if the account owner dies before the end of the five-year period, the portion of the contributions allocable to years after the year of death will be includable in the account owner's gross estate for federal estate tax purposes.

* * *

NEST® 529
EDUCATION SAVINGS

NEST Direct College Savings Plan

Program Disclosure Statement and Participation Agreement

April 19, 2024

NEBRASKA STATE TREASURER'S OFFICE
GREAT SEAL OF THE STATE OF NEBRASKA
MARCH 1ST 1867
PROGRAM TRUSTEE

UBT
Union Bank & Trust
Program Manager

Use of this Program Disclosure Statement

This Program Disclosure Statement is for use by persons investing in the Nebraska Educational Savings Trust Direct College Savings Plan ("NEST Direct Plan" or the "Plan"). This Program Disclosure Statement contains important information about establishing and maintaining an account with the Plan. Investing is an important decision. Investors should carefully read this Program Disclosure Statement in its entirety to understand and consider the Plan's investment objectives, risks, charges and expenses before opening an account and making an investment decision. No one is authorized to provide information that is different from the information contained in this Program Disclosure Statement. Please keep this Program Disclosure Statement and all updates for future reference.

About the Nebraska college savings plans

The Plan is one of four college savings plans issued by the Nebraska Educational Savings Plan Trust and administered by the Nebraska State Treasurer, who serves as trustee to each of the four plans. The four plans offer a series of investment options within the Nebraska Educational Savings Plan Trust. The four plans are intended to operate as qualified tuition programs, pursuant to Section 529 of the U.S. Internal Revenue Code.

This Program Disclosure Statement describes only accounts held through the Plan. The other plans in the Nebraska Educational Savings Plan Trust may offer different investment options, different benefits, different fees and/or different costs and sales commissions, if any, which may be more or less than those relative to accounts held in the Plan described in this Program Disclosure Statement. You can obtain information regarding the other plans in the Nebraska Educational Savings Plan Trust by contacting the Nebraska State Treasurer at 402.471.2455, or by visiting the Nebraska State Treasurer's website at treasurer.nebraska.gov/csp.

Accounts in the Plan have not been registered with the Securities and Exchange Commission (the "SEC") or with any state securities commission pursuant to exemptions from registration available for securities issued by a public instrumentality of a state. Neither the SEC nor any state securities commission has reviewed this Program Disclosure Statement.

No insurance and no guarantees

Opening an account in the Plan involves certain risks, including possible loss of the principal amount invested. These risks are highlighted in the Section of the Program Disclosure Statement, "Part 10 – Certain Risks to Consider."

Except as described herein for accounts invested in the Bank Savings Underlying Investment, accounts in the Plan are not insured by the Federal Deposit Insurance Corporation (FDIC). Accounts in the Plan are not guaranteed or insured by the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, Union Bank and Trust Company or its authorized agents or affiliates, or any other federal or state entity or person.

The value of your account may vary depending on market conditions, the performance of the Investment Options you select, the timing of purchases and fees. The value of your account could be more or less than the amount you contribute to your account. In short, you could lose money. Account owners should periodically assess and, if appropriate, adjust their investment choices with their time horizon, risk tolerance and investment objective in mind.

FDIC insurance is provided for the Bank Savings Underlying Investment only, which invests in an FDIC-insured omnibus savings account held in trust by the Nebraska Educational Saving Plan Trust at Union Bank and Trust Company and/or Nelnet Bank. Contributions to, and earnings on, the investments in the Bank Savings Underlying Investment are insured by the FDIC on a per participant, pass-through basis to each account owner up to the maximum limit established by federal law, which currently is $250,000.

Investments in the Vanguard Federal Money Market Fund are not bank deposits and are not insured by the FDIC.

Participation in the Plan does not guarantee that contributions and the investment earnings, if any, will be adequate to cover future tuition and other qualified education expenses or that a Beneficiary will be admitted to or permitted to continue to attend an accredited college or university or other eligible educational institution (an "Eligible Educational Institution").

For use only for Federal Qualified Higher Education Expenses

The Plan is intended to be used only to save for Federal Qualified Higher Education Expenses. The Plan and any tax information contained in this Program Disclosure Statement, are not intended to be used, nor should it be used, by any taxpayer for the purpose of evading federal or state taxes or tax penalties. Taxpayers may wish to seek tax advice from an independent tax advisor based on their own particular circumstances.

Nebraska state tax deduction

Contributions by an account owner who files a Nebraska state income tax return, including the principal and earnings portions of rollovers from an out-of-state 529 qualified tuition program, are deductible in computing the account owner's Nebraska taxable income for Nebraska income tax purposes in an amount not to exceed $10,000 ($5,000 for married taxpayers filing separate returns) in the aggregate for all contributions to all accounts within the Trust in any taxable year. Contributions by a custodian of an UGMA or UTMA account who is also the parent or guardian of the Beneficiary of an UGMA or UTMA account may claim this deduction. This deduction also applies to contributions to an account made by an account owner's employer. See "Part 14 – Federal and State Tax Considerations" for important additional information about state tax benefits.

Privacy policy

Except as otherwise required by law, information regarding a Plan account owner or Beneficiary will not be shared with anyone other than the account owner, an authorized representative, or those employees and/or service providers who access such information to provide services to the account owner or Beneficiary.

Conflicts with applicable law

This Program Disclosure Statement is for informational purposes only. In the event of any conflicts between the description of the Plan contained herein and any requirement of federal or Nebraska law applicable to matters addressed herein, such legal requirement would prevail over this Program Disclosure Statement and Participation Agreement.

Direct-sold plan

No broker, dealer, registered representative, salesperson or other person has been authorized to give any information or to make any representations other than those contained in this Program Disclosure Statement and, if any such other information is given or made, such other information or representations must not be relied upon as having been authorized by the Plan, the Nebraska State Treasurer, the Nebraska State Investment Officer or Union Bank and Trust Company.

Information is subject to change

Statements contained in this Program Disclosure Statement that involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact or guarantee of future performance.

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 described in this Program Disclosure Statement by any person in any jurisdiction in which it is unlawful for such person to make an offer, solicitation or sale.

This Program Disclosure Statement is designed to comply with the College Savings Plans Network Disclosure Principles, Statement No. 7, adopted on October 6, 2020. You should carefully read and understand this Program Disclosure Statement. Please keep this Program Disclosure Statement for future reference.

IMPORTANT INVESTOR INFORMATION

Before investing in the Plan, you should carefully consider the following:

1. **This Plan is open to the residents of any state of the United States;**
2. **Depending on the laws of your home state or that of your Beneficiary, favorable state tax treatment or other state benefits such as financial aid, scholarship funds and protection from creditors, offered by such home state for investing in 529 qualified tuition program may be available only if you invest in such home state's 529 qualified tuition program;**
3. **Any state-based benefit offered with respect to a particular 529 qualified tuition program should be one of many appropriately weighted factors you should consider in making an investment decision; and**
4. **You should consult with your financial, tax or other advisor to learn more about how state-based benefits (including any limitations) would apply to your specific circumstances. You may also wish to contact your home state or any other 529 qualified tuition program to learn more about the features, benefits and limitations of that state's 529 qualified tuition program.**

IMPORTANT LEGAL INFORMATION

THE PLAN AND ITS AUTHORIZED AGENTS OR AFFILIATES MAKE NO REPRESENTATIONS REGARDING THE SUITABILITY OF THE INVESTMENT OPTIONS DESCRIBED IN THIS PROGRAM DISCLOSURE STATEMENT FOR ANY PARTICULAR INVESTOR. OTHER TYPES OF INVESTMENTS AND OTHER TYPES OF COLLEGE SAVINGS VEHICLES MAY BE MORE APPROPRIATE DEPENDING ON YOUR PERSONAL CIRCUMSTANCES. YOU SHOULD CONSULT YOUR TAX ADVISOR OR INVESTMENT ADVISOR FOR MORE INFORMATION.

THE INFORMATION IN THIS PROGRAM DISCLOSURE STATEMENT IS SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER DELIVERY OF THIS PROGRAM DISCLOSURE STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE PLAN SINCE THE DATE OF THIS DOCUMENT.

Table of Contents

SUMMARY OF KEY FEATURES AND REFERENCE GUIDE 7

PART 1 - OVERVIEW 11

The Trust and the Plan 11
The Program Manager 11
Contributing to an account 11
Investment Options 12
Federal income tax benefits 12
Nebraska state tax deduction 12
Taxpayers and residents of other states 12

PART 2 - LEGAL DESCRIPTION OF THE PLAN 12

The Trust and the Plan 12
The Treasurer 12
The Nebraska Investment Council 13
The Program Manager 13
No insurance and no guarantees 13
The Plan is not a mutual fund 13

PART 3 - OPENING AND MAINTAINING AN ACCOUNT 13

Who can open an account 13
No limits on the number of accounts 13
Restrictions 13
Maximum limits on contributions 13
Completing and submitting an Enrollment Form 14
Required information 14
Choosing an Investment Option 14
Account ownership 14
Maintaining and reviewing your account 16
Program Manager's right to terminate, freeze, suspend or redeem your account 16
Account opening error 16
Documents must be in good order 16

PART 4 - BENEFICIARIES 16

Beneficiary 16
One Beneficiary 16
Infant Beneficiary 17
Scholarship account Beneficiary 17
UGMA or UTMA or minor-owned account Beneficiary 17
Changing the Beneficiary 17
Member of the Family 17
Death of a Beneficiary 17

PART 5 - CONTRIBUTING TO AN ACCOUNT 17

Contributions 17
Contribution restrictions 17
No contribution minimums 17
Limits on maximum contributions to an account 18
Excess contributions 18
Allocation of contributions 18
Systematic Exchange Program 18
Contributions by non-account owners 18
Contribution methods 19
Contributing electronically from your bank account 19
Checks 20
Wire transfer 20
Payroll direct deposit 20
Rollover 20
Coverdell Education Savings Account 20
Redemptions from certain U.S. Savings Bonds 21
Transfers within the Plan 21
UGMA or UTMA accounts 21
Contributions from NEST GiftED 21
Contribution date 22
Contribution pricing 22
Contribution errors 22

PART 6 - INVESTMENT OPTIONS OVERVIEW 22

Investment Options 22
26 Investment Options 22
No investment direction 23
Changing Investment Options 23

PART 7 - AGE-BASED INVESTMENT OPTIONS 23

6 Age-Based Investment Options 23
Description of the Underlying Investments 27

PART 8 - STATIC INVESTMENT OPTIONS 27

5 Static Investment Options 27
All Equity Static Investment Option 27
Growth Static Investment Option 27
Balanced Static Investment Option 27
Conservative Static Investment Option 28
Bank Savings Static Investment Option 28
Description of the Underlying Investments 28

PART 9 - INDIVIDUAL FUND INVESTMENT OPTIONS 28

15 Individual Fund Investment Options 28
Money Market 529 Investment Option 29
Fixed Income 529 Investment Options 29
Domestic (U.S.) Equity 529 Investment Options 29
International Equity 529 Investment Option 30
Real Estate 529 Investment Option 31

PART 10 - CERTAIN RISKS TO CONSIDER 31

Plan risks 31
Investment risks 33

PART 11 - PERFORMANCE 35

No ownership in Underlying Investments 36

Performance differences ... 36
Customized performance benchmarks ... 40
PART 12 - PLAN FEES AND EXPENSES ... 42
Program management fee ... 42
Negative return ... 42
State administration fee ... 42
Underlying Investment fee ... 42
Other account fees ... 42
Fee structure tables ... 43
Approximate cost of $10,000 investment ... 45
PART 13 - DISTRIBUTIONS FROM AN ACCOUNT ... 47
Requesting a distribution from an account ... 47
Temporary withdrawal restrictions ... 47
Systematic Withdrawal Program (SWP) ... 47
Federal Qualified Withdrawal ... 47
Eligible Educational Institution ... 47
Distribution of a Federal Qualified Withdrawal ... 47
Federal Non-Qualified Withdrawals ... 48
Nebraska Non-Qualified Withdrawals ... 48
Exceptions to the federal penalty tax ... 48
Refunds from an Eligible Educational Institution ... 48
Federal Qualified Rollover Distribution ... 48
Rollover to Roth IRA ... 49
PART 14 - FEDERAL AND STATE TAX CONSIDERATIONS ... 49
Qualified tuition program ... 49
Federal tax information ... 49
Nebraska tax information ... 49
Federal Qualified Withdrawals ... 49
Federal Qualified Higher Education Expenses ... 49
Federal Non-Qualified Withdrawal and Nebraska Non-Qualified Withdrawal ... 50
Federal penalty tax on Federal Non-Qualified Withdrawals ... 50
Exceptions to the federal penalty tax ... 50
Rollovers ... 50
Change of Beneficiary ... 50
Earnings portion ... 50
Earnings aggregation ... 50
Claiming a loss ... 51
Estate and gift tax ... 51
Coordination with education tax credits ... 52
Coverdell Education Savings Accounts (CESAs) ... 52
Lack of certainty ... 52
Nebraska state income tax deduction ... 52
Recapture of Nebraska income tax deduction ... 52
Nebraska state income tax ... 53
PART 15 - OTHER CONSIDERATIONS ... 53
Scholarships ... 53
Contests ... 53
Financial aid ... 53
Bankruptcy ... 53
Creditor protection ... 54
Audits ... 54
Quarterly statements ... 54
Additional information ... 54
PART 16 - GLOSSARY ... 54
ABLE Account ... 54
Age-Based Investment Option ... 54
Apprenticeship Program Expenses ... 54
Beneficiary ... 54
CESA ... 55
Code ... 55
Enrollment Form ... 55
Eligible Educational Institution ... 55
Federal Non-Qualified Withdrawal ... 55
Federal Qualified Higher Education Expenses ... 55
Federal Qualified Rollover Distribution ... 55
Federal Qualified Withdrawal ... 55
FINRA ... 55
Individual Fund Investment Option ... 55
Investment Option ... 56
K–12 Tuition Expenses ... 56
Maximum Contribution Limit ... 56
Member of the Family ... 56
Nebraska Non-Qualified Withdrawal ... 56
Nebraska Qualified Expenses ... 56
Participation Agreement ... 56
Plan ... 56
Program Management Agreement ... 56
Program Manager ... 56
Qualified Education Loan Payments ... 56
Roth IRA ... 56
Roth IRA Rollover ... 57
Static Investment Option ... 57
Trust ... 57
Trusted Contact ... 57
Trustee ... 57
UGMA ... 57
Underlying Investments ... 57
UTMA ... 57
EXHIBIT A – PARTICIPATION AGREEMENT ... 57
EXHIBIT B – INVESTMENT OPTIONS AND UNDERLYING INVESTMENTS / UNDERLYING INVESTMENTS ... 63
NEST DIRECT COLLEGE SAVINGS PLAN ADDITIONAL INFORMATION REGARDING FINANCIAL PRIVACY ... 89

SUMMARY OF KEY FEATURES AND REFERENCE GUIDE

This section is intended to provide a summary of key features of the Plan. Before investing you should read and understand the complete detailed information contained in this Program Disclosure Statement and Participation Agreement. The capitalized terms in "Description" are defined in Part 16 – Glossary.

PLAN STRUCTURE

Issuer: Nebraska Educational Savings Plan Trust

Trustee: Nebraska State Treasurer

Investment Oversight: Nebraska Investment Council

Program Manager: Union Bank and Trust Company

Contact Information: NEST Direct College Savings Plan
1248 O Street, Suite 200
Lincoln, NE 68508

Phone: 888.993.3746
7:00 a.m. to 7:00 p.m. Central Time
Monday through Friday
Web: NEST529.com

Topic	Description	Reference Page
Nebraska State Income Tax Benefits	• Nebraska tax benefits are available only to Nebraska taxpayers • Contributions by account owners, custodians of an UGMA or UTMA account where the custodian is the parent or guardian of the Beneficiary of the UGMA or UTMA account, and out-of-state rollovers into the Plan by account owners may be deductible up to $10,000 per tax return ($5,000 if married, filing separately) • Earnings grow tax-deferred from Nebraska state income tax • A withdrawal for Nebraska Qualified Expenses is not subject to Nebraska state income tax • The earnings and principal portions of a qualified rollover into the Plan from an out-of-state 529 qualified tuition program are exempt from Nebraska state income tax • Nebraska state tax deductions are subject to recapture if the account owner cancels a Participation Agreement, makes a partial or complete Nebraska Non-Qualified Withdrawal or rolls assets to an out-of-state 529 qualified tuition program or ABLE program. The earnings portion of a Nebraska Non-Qualified Withdrawal is also subject to Nebraska state income tax. Withdrawals for K–12 Tuition Expenses are Nebraska Non-Qualified Withdrawals.	12, 49, 52–53
Federal Tax Benefits	• Contributions are not deductible for federal income tax purposes • Earnings grow tax-deferred from federal income tax • A Federal Qualified Withdrawal is not subject to federal income tax • The earnings portion of a Federal Non-Qualified Withdrawal is subject to income tax and possibly a 10% penalty tax • For federal gift and estate tax purposes, contributions are generally considered completed gifts to the Beneficiary	12, 47–52
No Guarantees	• There are no guarantees that contributions and the investment earnings, if any, will be adequate to cover future tuition and other higher education expenses or that a Beneficiary will be admitted to or permitted to continue to attend an Eligible Educational Institution	2, 13, 31–35

SUMMARY OF KEY FEATURES AND REFERENCE GUIDE

Topic	Description	Reference Page
No Guarantees	• Except as described herein for accounts invested in the Bank Savings Underlying Investment, investments in the Plan are not insured by the FDIC • Investments in the Plan are not guaranteed or insured by the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, Union Bank and Trust Company or its authorized agents or affiliates, or any other federal or state entity or person. • The value of your account could be more or less than the amount you contribute to your account. In short, you could lose money.	2, 13, 31–35
Enrollment Form	• Enroll online at NEST529.com • Download from NEST529.com	14
Account Ownership	• Individuals, trusts, certain entities and custodial accounts • Must have a Social Security or taxpayer identification number and a U.S. residential street address • No joint account ownership	14–16
Beneficiary	• Must have a Social Security or taxpayer identification number • A Beneficiary can be of any age, need not be a resident of Nebraska, and does not need to be related to the account owner • Can be changed at any time without penalty to a Member of the Family	16–17, 50–52, 54-55
Contributions	• Contributions can be made by anyone, but the account owner retains ownership and control of the account and its assets • Can be made by check; Automatic Investment Plan; Electronic Funds Transfer; NEST GiftED; wire transfer; payroll direct deposit; rollover or transfer from an out-of-state 529 qualified tuition program; transfers within the Plan; amounts distributed from a Coverdell Education Savings Account or proceeds from a qualified U.S. Savings Bond, subject to certain limitations • No contribution minimum • Maximum Contribution Limit of $500,000 per Beneficiary for all accounts for the same Beneficiary in the Trust. Assets can grow beyond $500,000.	17–22
Investment Options	• 6 Age-Based Investment Options • 5 Static Investment • 15 Individual Fund Investment Options • If an account owner has multiple accounts in the Plan for the same Beneficiary, or multiple accounts among the Plan, the NEST Advisor Plan, the Bloomwell 529 Education Savings Plan or the State Farm 529 Savings Plan for the same Beneficiary, the account owner may change the Investment Options in all accounts without adverse tax consequences, so long as the changes to all of the accounts are made at the same time and no more frequently than twice per calendar year or upon a change of Beneficiary	22–35

SUMMARY OF KEY FEATURES AND REFERENCE GUIDE

Topic	Description	Reference Page
Investment Options	• An account owner can move funds from one Investment Option to another twice per calendar year for all accounts in the Trust or at any time when the Beneficiary is changed to a Member of the Family • Transferring assets from the Plan to another 529 qualified tuition program administered by the Nebraska State Treasurer for the same Beneficiary, or vice versa, is considered an Investment Option change	22–35
Mutual Fund Families	Vanguard, T. Rowe Price, DFA, MetWest, State Street, American Funds and Dodge & Cox	65–88
Risk Factors	Opening an account involves certain risks, including: • The risk that the value of your account may decrease, you could lose money, including the principal you invest; • The risk of state or federal tax law changes; • The risk of Plan changes, including changes in fees; • The risk that the Plan may add, terminate or merge Investment Options; • The risk that the Plan may change Underlying Investments or allocations; and • The risk that an investment in the Plan may adversely affect the account owner or Beneficiary's eligibility for financial aid or other benefits.	31–35
Performance	• Performance of the Investment Options	35–39
Plan Fees and Expenses	• No annual account fee • No enrollment, investment change, transfer or withdrawal fee • Program management fee: 0.08% • State administration fee: 0.02% **Investment Option all-in costs:** Age-Based Index Options — Range: 0.15% — Average Total Annual Asset Based Fee: 0.15% Age-Based Multi-Firm Options — Range: 0.20% – 0.29% — Average Total Annual Asset Based Fee: 0.26% Static Investment Options — Range: 0.10% – 0.29% — Average Total Annual Asset Based Fee: 0.24% Individual Fund Investment Options — Range: 0.12% – 0.65% — Average Total Annual Asset Based Fee: 0.26% *These costs include the Underlying Investment expenses, program management fee and state administration fee.*	42–46

SUMMARY OF KEY FEATURES AND REFERENCE GUIDE

Topic	Description	Reference Page
Federal Qualified Withdrawals	• Tuition, fees, books, supplies and equipment required for enrollment of, or attendance by, a Beneficiary at an Eligible Educational Institution; • Expenses for room and board (with certain limitations) incurred by students who are enrolled at least half-time; • Expenses for the purchase of computer or peripheral equipment, computer software or Internet access and related services if it is to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution; • Expenses for special needs services in the case of a special needs Beneficiary which are incurred in connection with enrollment or attendance at an Eligible Educational Institution; • K–12 Tuition Expenses; • Apprenticeship Program Expenses; • Qualified Education Loan Payments.	47–52
Nebraska Qualified Expenses	• Tuition, fees, books, supplies and equipment required for enrollment or attendance of a Beneficiary at an Eligible Educational Institution; • Expenses for room and board (with certain limitations) incurred by students who are enrolled at least half-time; • Expenses for the purchase of computer or certain peripheral equipment, computer software or Internet access and related services if it is to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution; and • Expenses for special needs services in the case of a special needs Beneficiary which are incurred in connection with enrollment or attendance at an Eligible Educational Institution; • Apprenticeship Program Expenses; and • Qualified Education Loan Payments.	48, 56

SUMMARY OF KEY FEATURES AND REFERENCE GUIDE

Topic	Description	Reference Page
Rollovers and Transfers	• Funds can be rolled over from an out-of-state 529 qualified tuition program to this Plan or from this Plan to an out-of-state 529 qualified tuition program once every 12 months for the same Beneficiary without being subject to federal tax. • Before January 1, 2026, funds can be rolled over from this Plan to an ABLE Account for the same Beneficiary , or another Beneficiary who is a Member of the Family of the current Beneficiary, without being subject to federal tax (subject to the contribution limits for ABLE Accounts). • A rollover to an out-of-state 529 qualified tuition program for another Beneficiary who is a Member of the Family of the current Beneficiary can take place at any time without federal income tax consequences. • Nebraska state tax deductions are subject to recapture if the account owner cancels a Participation Agreement, makes a partial or complete Nebraska Non-Qualified Withdrawal or rolls over assets to an out-of-state 529 qualified tuition program or ABLE program. • Liquidated assets from a CESA, UGMA/UTMA assets and certain U.S. Savings Bonds can be transferred to the Plan at any time. Restrictions and tax considerations may apply. • Beginning January 1, 2024, you may transfer certain assets from your account to a Roth IRA established for the Beneficiary of the 529 Account subject to certain limitations and requirements.	20–21, 48-49, 50–52, 55, 56-57

PART 1 — OVERVIEW

The Trust and the Plan

The Nebraska Educational Savings Plan Trust (the "Trust"), established on January 1, 2001, is designed to qualify as a tax-advantaged qualified tuition program under Section 529 of the Internal Revenue Code of 1986, as amended (the "Code"). Section 529 permits states and state agencies to sponsor qualified tuition programs under which you can contribute to an account for the benefit of any individual, including you (a "Beneficiary"). The Trust has a series of four plans, the Plan, the NEST Advisor College Savings Plan ("NEST Advisor Plan"), the Bloomwell 529 Education Savings Plan and the State Farm 529 Savings Plan.

The Plan provides a convenient and tax-advantaged way to save for qualified education expenses. Each account in the Plan represents an interest in the Trust and holds units of one or more underlying investment options (each an "Investment Option") in the Plan.

The Nebraska State Treasurer acts as trustee for the Trust (the "Trustee") and is responsible for the overall administration of the Plan.

The Nebraska Investment Council is responsible for the investment of the money in the Trust and the selection of all Investment Options.

The Program Manager

The Trustee entered into a Program Management Agreement with Union Bank and Trust Company (the "Program Manager"). The Program Management Agreement expires December 4, 2030. Under the Program Management Agreement, the Program Manager provides day-to-day administrative and marketing services to the Plan.

Contributing to an account

The Plan is open to residents of any state, not just residents of Nebraska. As long as you have a Social Security number or taxpayer identification number and a residential street address in the United States (including Puerto Rico, Guam or the U.S. Virgin Islands), you may open and contribute to an account regardless of your income or the age of the Beneficiary.

While there are no limits on the number of accounts an account owner can own, no additional contributions may be made for the benefit of a particular Beneficiary when the fair market value of all accounts owned by all account owners within the Trust for that Beneficiary equals or exceeds $500,000 (the "Maximum Contribution Limit"). If, however, the market value of such accounts falls below the Maximum Contribution Limit, additional contributions will be accepted. The $500,000 Maximum Contribution Limit applies to all accounts for the same Beneficiary in all plans administered by the Nebraska State Treasurer, including the NEST Advisor Plan, the Plan, the Bloomwell 529 Education Savings Plan and the State Farm 529 Savings Plan.

Investment Options
The Plan has 26 Investment Options from which to choose: six Age-Based Investment Options, five Static Investment Options and 15 Individual Fund Investment Options. The Age-Based Investment Options and Static Investment Options invest in specified allocations of domestic and international equity, real estate, fixed income and cash equivalent investments.

Account owners do not (1) own shares of the Underlying Investments or (2) in the case of the Bank Savings Underlying Investment, directly hold a savings account but, rather, own an interest in the Investment Options offered by the Plan. Account owners may not deposit directly into the savings account at Union Bank and Trust Company and/or Nelnet Bank. See "Part 6 – Investment Options Overview." The Investment Options have been reviewed and approved by the Nebraska Investment Council.

You can choose an Investment Option that is tailored to meet your investment risk and return profile.

Federal income tax benefits
Investment earnings on your contributions accumulate on a tax-deferred basis while in an account. Federal Qualified Withdrawals are exempt from federal income tax if they are used to pay for the Beneficiary's Federal Qualified Higher Education Expenses. Federal Qualified Withdrawals are also exempt from Nebraska state income tax if such withdrawals are used for Nebraska Qualified Expenses. Currently, Federal Qualified Higher Education Expenses include (i) tuition, fees, books, supplies and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution; (ii) subject to certain limits, the Beneficiary's room and board expenses if enrolled at least half-time; (iii) the purchase of computer or peripheral equipment, computer software or Internet access and related services if they are to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution; (iv) expenses for special needs services in the case of a special needs Beneficiary which are incurred in connection with enrollment or attendance at an Eligible Educational Institution; (v) K–12 Tuition Expenses; (vi) Apprenticeship Program Expenses; and (vii) Qualified Education Loan Payments.

The earnings portion (if any) of a Federal Non-Qualified Withdrawal will be treated as ordinary income to the recipient and may also be subject to an additional 10% federal tax.

Nebraska state tax deduction
Contributions by an account owner who files a Nebraska state income tax return, including the principal and earnings portions of rollovers from an out-of-state 529 qualified tuition program, are deductible in computing the account owner's Nebraska taxable income for Nebraska income tax purposes in an amount not to exceed $10,000 ($5,000 for married taxpayers filing separate returns) in the aggregate for all contributions to all accounts within the Trust in any taxable year. Contributions by a custodian of an UGMA or UTMA account who is also the parent or guardian of the Beneficiary of an UGMA or UTMA account may claim this deduction. This deduction also applies to contributions to an account made by an account owner's employer.

If a withdrawal is a Nebraska Non-Qualified Withdrawal, and a Nebraska tax deduction was previously taken for contributions to the account, part or all of the contributions portion of the withdrawal may be added back to Nebraska state income. Further, the earnings portion (if any) of a Nebraska Non-Qualified Withdrawal will be includable in income for Nebraska state income tax purposes. Consult with your financial, tax or other advisor before making a withdrawal from the Plan.

See "Part 14 – Federal and State Tax Considerations" for important additional information about state tax benefits.

Taxpayers and residents of other states
Investors should consider before investing whether their or their Beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds and protection from creditors that are only available for investments in such state's 529 qualified tuition program and should consult their tax advisor, attorney and/or other advisor regarding their specific legal, investment or tax situation.

PART 2 — LEGAL DESCRIPTION OF THE PLAN

The Trust and the Plan
The NEST Direct College Savings Plan is one of four college savings plans issued by the Nebraska Educational Savings Plan Trust. The Plan is authorized by the State of Nebraska and is designed to qualify as a tax-advantaged qualified tuition program under Code Section 529. The primary purpose of the Trust and Plan is to offer a convenient and tax-advantaged way to save for the cost of tuition and other qualified education expenses. Amounts contributed to the Plan are invested in the Trust. The Trust holds the assets of the Plan, including all contributions made to accounts established by account owners.

The Treasurer
The Plan is overseen by the Nebraska State Treasurer, as Trustee of the Trust. As Trustee, the Nebraska State Treasurer is responsible for the overall administration of the Plan. The Plan is subject to the rules and regulations established by the Nebraska State Treasurer. A copy of these rules and regulations is available upon request to the Program Manager.

The Nebraska Investment Council

The Nebraska Investment Council is responsible for investment oversight for the Trust and the Plan. The Nebraska Investment Council is responsible for the investment of money in the Trust and the selection of all Investment Options offered through the Plan.

The Program Manager

The Nebraska State Treasurer, as Trustee, has engaged the Program Manager to administer and market the Plan on behalf of the Trustee. The Program Manager works with the Treasurer to provide day-to-day administrative and marketing services to the Plan.

No insurance and no guarantees

Except as described herein for accounts invested in the Bank Savings Underlying Investment, accounts in the Plan are not insured by the FDIC. Accounts in the Plan are not guaranteed or insured by the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, the Program Manager or its authorized agents or affiliates, or any other federal or state entity or person.

The value of your account may vary depending on market conditions, the performance of the Investment Options you select, the timing of purchases and fees. The value of your account could be more or less than the amount you contribute to your account. In short, you could lose money.

FDIC insurance is provided for the Bank Savings Underlying Investment only, which invests in an FDIC-insured omnibus savings account held in trust by the Nebraska Educational Savings Plan Trust at Union Bank and Trust Company and/or Nelnet Bank. Contributions to and earnings on the investments in the Bank Savings Underlying Investment are insured by the FDIC on a per participant, pass-through basis to each account owner up to the maximum limit established by federal law, which currently is $250,000. The amount of FDIC insurance provided to an account owner is based on the total of: (1) the value of an account owner's investment in the Bank Savings Underlying Investment, and (2) the value of all other accounts held by the account owner at Union Bank and Trust Company and/or Nelnet Bank (including bank deposits), as determined in accordance with bank and FDIC rules and regulations. You are responsible for monitoring the total amount of your assets on deposit at Union Bank and Trust Company and/or Nelnet Bank, including amounts held directly by you at Union Bank and Trust Company and/or Nelnet Bank. All such deposits held in the same ownership capacity at Union Bank and Trust Company and/or Nelnet Bank are subject to aggregation and to the current FDIC insurance coverage limitation of $250,000. For more information, please visit www.fdic.gov.

The Plan is not a mutual fund

Neither the Plan nor your account is a mutual fund, and you do not own shares in the Underlying Investments held in the Investment Options offered through the Plan. Investments in the Plan are considered municipal fund securities, which are not registered with the SEC or any state securities commission.

PART 3 — OPENING AND MAINTAINING AN ACCOUNT

Who can open an account

An account may be opened by an individual, certain entities (including a partnership, corporation, estate or association that is domiciled in the United States), a custodian under a state's UGMA or UTMA statute or a trust to save for the Federal Qualified Higher Education Expenses of a Beneficiary. An account may also be established by a state or local government or a tax-exempt organization described in Code Section 501(c)(3) as part of a scholarship program operated by the government or organization without naming a specific Beneficiary when the account is opened. Each account owner must have a Social Security number or taxpayer identification number and a residential U.S. street address.

No limits on the number of accounts

A single account can include different Investment Options for the same Beneficiary. Separate accounts may be established for the same Beneficiary by the same account owner or different account owners. An account owner may open multiple accounts for different Beneficiaries. Joint or multiple account owners are not permitted.

All accounts with the same account owner and Beneficiary can be accessed with one set of login credentials on the Plan's website.

Restrictions

When an account owner, the address, or bank information is changed on an account, there is a 15-day hold before a withdrawal can be made. A withdrawal request must be signature guaranteed if the request is within 15 days of the change to have the withdrawal released before the hold period expires.

Maximum limits on contributions

While there are no limits on the number of accounts an account owner can own, no additional contributions may be made for the benefit of a particular Beneficiary when the fair market value of all accounts owned by all account owners within the Trust for that Beneficiary equals or exceeds the $500,000 Maximum Contribution Limit. If, however, the fair market value of such accounts falls below the Maximum Contribution Limit, additional contributions will be accepted. The Maximum Contribution Limit applies to all accounts for the same Beneficiary in the Trust.

Completing and submitting an Enrollment Form
To open an account, you must complete an Enrollment Form. By completing and submitting an Enrollment Form, you agree to be bound by the terms and conditions of the Program Disclosure Statement and Participation Agreement, which govern your rights, benefits and obligations as an account owner. The current version of the Participation Agreement is included as Exhibit A to this Program Disclosure Statement.

Any amendments to the Code, Nebraska law or regulations relating to the Plan may automatically amend the terms of your Participation Agreement, and the Trustee may amend your Participation Agreement at any time and for any reason by giving you written notice of such amendments.

You can obtain an Enrollment Form by:

Enrolling online at NEST529.com
Downloading the form at NEST529.com

Writing the Plan at:
1248 O Street, Suite 200
Lincoln, NE 68508

Calling the Plan at:
888.993.3746
7:00 a.m. – 7:00 p.m. Central Time
Monday – Friday

Required information
The Federal U.S.A. Patriot Act requires the Program Manager to obtain, verify and record information that identifies each person who opens an account. You are required to provide the account owner's name, street address, date of birth, citizenship status and Social Security or taxpayer identification number. Your account will not be opened if you do not provide the Program Manager with this information. If the Program Manager is unable to verify your identity, it reserves the right to close the account at the next calculated unit price following such determination, at your risk, or take other steps it deems reasonable.

Choosing an Investment Option
You must select an Investment Option(s) for your Beneficiary when you open an account. See "Part 6 – Investment Options Overview."

Account ownership
Individual account owner – An individual account owner who has reached the age of majority with a valid Social Security number or taxpayer identification number and a residential street address in the United States, Puerto Rico, Guam or the U.S. Virgin Islands can open an account. The account owner must register the account with a U.S. residential street address when an account is opened but may also designate a U.S. Post Office box to receive mail. There may only be one account owner – joint or multiple account ownership is not allowed. If an account owner changes his or her address on his or her account from a U.S. address to a foreign address contributions to the account will no longer be allowed.

Change in ownership – You may change ownership of your account to another individual or entity that is eligible to be an account owner. When you transfer ownership of your account, you are not required to change the Beneficiary. A change of ownership of an account will only be effective if the assignment is irrevocable and transfers all ownership rights. To be effective, a transfer of ownership of your account also requires the current account owner and the new account owner to complete the Account Owner Change Form. By signing the Account Owner Change Form, the new account owner will be entering into a Participation Agreement and will be subject to the terms and conditions of the Plan's then-current Participation Agreement. The current account owner's signature on the Account Owner Change Form must be medallion signature guaranteed (a special certification stamp from a financial institution that guarantees the signature is genuine), or it will not be processed. You should consult your tax advisor regarding the potential gift and/or generation-skipping transfer ("GST") tax consequences of changing ownership of your account.

Trusted Contact – You may designate someone you trust who is at least 18 years of age (a "Trusted Contact") to act as a resource if we lose contact with you or believe you and/or your assets are at risk. By choosing to provide information about a Trusted Contact, you authorize us to contact this person and disclose information about your account to that person in the following circumstances: to address possible financial exploitation; to confirm the specifics of your current contact information, your health status or the identity of any legal guardian, executor, trustee or holder of a power of attorney; or as otherwise permitted by FINRA Rule 2165 (Financial Exploitation of Specified Adults). Designating a Trusted Contact does not mean you are authorizing him or her to act on your account. Instead, he or she can be a resource to protect your account from suspected fraud or if you are unable to speak for yourself. We will not release information beyond what is necessary to protect you and/or your assets from potential harm. To designate or change a Trusted Contact please call the Plan.

Death or legal incapacity of the account owner and successor account owner – On your Enrollment Form, you may designate a successor account owner to take ownership of your account in the event of your death or legal incapacity. A successor account owner can be an individual, entity or trust but cannot be a minor. If you have already established an account, you may designate a successor account owner or change your designation by completing and submitting the appropriate form which may be obtained on the Plan's website or by calling the Plan. If you do not designate a successor account owner, then the Beneficiary, rather than your estate, shall be named the account owner.

Before the successor account owner will be permitted to transact business in respect to your account, he or she will be required to provide a certified copy of the death certificate, in the case of the death of the account owner, or an acceptable medical authorization or court order in the case of the legal incapacity of the account owner, and execute an Account Owner Change Form, accepting the terms of the then-current Program Disclosure Statement and Participation Agreement. If the new account owner is an entity or trust, appropriate documentation may be required to accompany the Account Owner Change Form.

Custodial accounts – A custodian for a Beneficiary under a state UGMA or UTMA statute may use cash held in the UGMA or UTMA account to open an account in the Plan, subject to the laws of the state under which the UGMA or UTMA account was established. If the custodian of a UGMA or UTMA account establishes an account, the minor for whose benefit the assets are held must be designated as the Beneficiary of the account, and the custodian will not be permitted to change the Beneficiary of the account. When the Beneficiary reaches the relevant age under the applicable UGMA or UTMA statute and the custodianship terminates, the Beneficiary will become the sole account owner with complete control over the account. The custodian is required to notify the Program Manager and complete an Account Owner Change Form, when the minor attains the relevant age under the applicable UGMA or UTMA statute.

A custodian can be changed on a custodial account by providing supporting documentation in writing from the current custodian or submitting a valid court order appointing another person as the custodian. The new custodian must complete an Enrollment Form available for download from the Plan's website, or by calling the Plan.

The conversion of non-cash UGMA or UTMA assets to cash for contribution to an account may be a taxable transaction. Before liquidating assets in a UGMA or UTMA account in order to contribute them to an account, the custodian should review the potential tax and legal consequences with their tax and legal advisors.

None of the Program Manager or its agents or their affiliates, the Trustee, the Nebraska Investment Council or the State of Nebraska will assume responsibility to ensure, or will incur any liability for failing to ensure, that a custodian applies assets held under an UGMA or UTMA custodianship for proper purposes.

Accounts owned by minors – A minor may only be an account owner in the event of the death or legal incapacity of an account owner who did not designate a successor account owner. If at the time of the account owner's death or legal incapacity the Beneficiary is a minor, the minor will become both the account owner and the Beneficiary of the account. The parent or legal guardian of the minor Beneficiary must provide a letter of instruction, a certified copy of the account owner's death certificate or other proof of legal incapacitation and execute an Account Owner Change Form, accepting the terms of the then-current Program Disclosure Statement and Participation Agreement.

For all minor-owned accounts, the parent or legal guardian must assume account owner responsibilities until the Beneficiary reaches the age of majority as designated by his or her residential state. At the time the Beneficiary reaches the age of majority, the parent or legal guardian or the Beneficiary must submit a signature guaranteed letter of authorization, an Account Owner Change Form signed by the Beneficiary who has reached the age of majority accepting the terms of the then-current Program Disclosure Statement and Participation Agreement, and a certified copy of the Beneficiary's birth certificate.

As with UGMA or UTMA accounts, the parent or guardian of a minor account owner will not be permitted to change the account owner or Beneficiary of the account or transfer assets to another Beneficiary. If a parent or guardian wishes to withdraw funds from an account, the parent or guardian will be required to certify that the withdrawal is for the benefit of the Beneficiary.

Entity-owned accounts – If the account owner is a partnership, corporation or other entity, the entity must provide a valid taxpayer identification number and the name and title of a contact person authorized by the entity to act in its capacity. The entity must be domiciled in the U.S. including Puerto Rico, Guam or the U.S. Virgin Islands. The entity may be required to provide appropriate documentation to accompany the Enrollment Form.

When signing Plan forms or conducting a transaction, the person authorized to act on behalf of the entity will certify that he or she continues to be authorized to act on behalf of the entity. The Program Manager will presume that any entity documents provided are valid, effective to bind the entity, and will have no liability for defective documentations submitted by the authorized contact person.

Trust accounts – If the account owner is a trust, the trustee should consult with his or her legal and tax advisors before establishing an account. This Program Disclosure Statement does not attempt to address the income or transfer tax consequences of investments in the Plan made by a trust or the propriety of such an investment under state trust law. The trustee may be required to submit documents when an account is opened. Call the Plan for more information.

Accounts for infants – All Beneficiaries must have a Social Security number or taxpayer identification number. If you have an infant, you cannot open an account until you obtain a Social Security number or taxpayer identification number for that infant.

Maintaining and reviewing your account

The Plan will send you confirmation statements each time financial transactions are made (with the exception of age-band rolls, a systematic contribution through AIP, payroll direct deposit or systematic exchanges) as well as when there are changes to your account registration. The Plan will send account owners one mailing containing an account summary for all their accounts and an account statement that indicates the current account balance and financial transactions for the applicable accounts. You can check your account balance, transaction history and quarterly statements online at NEST529.com or by calling the Plan. All accounts with the same account owner and Beneficiary will use one set of login credentials on the Plan's website. Contributors who are not account owners will not receive any notification of a transaction nor will they have any right to the account or to receive information about the account. Account owners can request that an interested party receive duplicate statements.

Program Manager's right to terminate, freeze, suspend or redeem your account

The Program Manager can terminate the account if the account owner provided false or misleading information or if the account reaches a zero balance. In addition, if there has been no activity in the account and the Program Manager or its designee has not been able to contact the account owner for a period of at least five years, the account may be considered abandoned under Nebraska state law. If the account is considered abandoned, it may, without authorization from the account owner, be transferred to the Nebraska State Treasurer's Unclaimed Property Division. The Program Manager can freeze the account or suspend account services if the Program Manager reasonably believes there is a dispute regarding the assets in the account, that fraudulent transactions may have occurred, upon notification of the death of an account owner until the Program receives required documentation in good order and reasonably believes it is lawful to transfer account ownership to the successor account owner, or if there is suspicious conduct relating to the account.

Per FINRA Rule 2165 (Financial Exploitation of Specified Adults), the Plan may place a temporary hold on a disbursement of funds or securities from the account of a specified adult if the Plan has reason to believe that financial exploitation has occurred, is occurring or has been occurring. A "Specified Adult" is (a) a natural person age 65 and older; or (b) a natural person age 18 and older who the Plan believes has a mental or physical impairment that renders the individual unable to protect his or her own interests.

Account opening error

If the account owner believes that a new account's Investment Option was not what the account owner indicated on the Enrollment Form, or if the Beneficiary's age is incorrect, the Plan must be notified within 60 calendar days from the date the account opening confirmation was mailed. If you do not notify the Plan within 60 calendar days, you will be considered to have approved the information in the confirmation and to have released the State of Nebraska, the Nebraska Investment Council, the Trustee, the Nebraska State Investment Officer and the Program Manager or its authorized agents or their affiliates, of responsibility for all matters covered by the confirmation. After 60 calendar days, the assets will remain in the Investment Option until withdrawn or when the account owner requests an Investment Option change. The Program Manager may waive the 60-calendar-day notice requirement at its sole discretion in the event an error has occurred.

Documents must be in good order

In order to timely process any transaction, such as opening an account in or processing a contribution to the Plan, all necessary documents must be in good order. Documents are in good order when they are fully, properly and accurately completed, executed (where necessary) and received by the Program Manager or its authorized agents. For example, in order for an Enrollment Form or a contribution to be received in good order, certain information must be provided. Where information is missing, an Enrollment Form or a contribution is not received in good order and processing may be delayed or the Form or the contribution may be returned to you.

PART 4 — BENEFICIARIES

Beneficiary

The Beneficiary is the individual for whom Federal Qualified Higher Education Expenses are expected to be paid from the account. Any individual with a valid Social Security number or taxpayer identification number can be a Beneficiary. A Beneficiary can be of any age and need not be a resident of the State of Nebraska or of the United States.

An account owner does not have to be related to the Beneficiary. However, if you change the Beneficiary in the future, the new Beneficiary must be a Member of the Family of the former Beneficiary in order to avoid a taxable transaction.

One Beneficiary

Each account may have only one Beneficiary, but different account owners may establish different accounts for the same Beneficiary. An account owner may also name himself or herself as the Beneficiary.

Infant Beneficiary
All Beneficiaries must have a Social Security number or taxpayer identification number. An account cannot be opened until you can provide the Plan with the infant's Social Security number or taxpayer identification number.

Scholarship account Beneficiary
If an account is established by a state or local government (or agency or instrumentality thereof) or an organization described in Code Section 501(c)(3) as part of a scholarship program operated by the government or organization, the Beneficiary is not required to be identified on the Enrollment Form at the time the account is established. The government or organization shall designate the Beneficiary prior to any distributions for Federal Qualified Higher Education Expenses from the account.

UGMA or UTMA or minor-owned account Beneficiary
If the source of contributions to an account was a state UGMA or UTMA funds, or if the account is owned by a minor, the Beneficiary of the account may not be changed even if the new Beneficiary is a Member of the Family of the original Beneficiary of the account.

Changing the Beneficiary
Except as set forth below, an account owner may change the Beneficiary at any time without adverse federal income tax consequences if the new Beneficiary is a Member of the Family of the former Beneficiary. Upon a change in Beneficiary, the account owner may also change the Investment Options in which the account is invested.

However, upon a change of Beneficiary, the existing assets plus the assets moved to the new Beneficiary's account cannot result in the total account values in all accounts in the Trust for the new Beneficiary to exceed the Maximum Contribution Limit.

If the new Beneficiary is not a Member of the Family of the former Beneficiary, then the change is treated as a Federal Non-Qualified Withdrawal and Nebraska Non-Qualified Withdrawal that is subject to federal and state taxes and an additional 10% federal tax on any earnings, as well as partial recapture of any Nebraska state income tax deduction previously claimed.

You may change the Beneficiary of an account by completing and submitting the Beneficiary Change Form which may be obtained on the Plan's website or by calling the Plan.

An account owner may change the Beneficiary at any time without adverse federal income tax consequences if the new Beneficiary is a Member of the Family of the former Beneficiary.

A Beneficiary cannot be changed on an UGMA or UTMA or minor-owned account.

Member of the Family
A Member of the Family is defined as anyone who is related to the Beneficiary in one of the following ways:

- A son or daughter, or a descendant of either;
- A stepson or stepdaughter;
- A brother, sister, stepbrother or stepsister;
- The father or mother, or an ancestor of either;
- A stepfather or stepmother;
- A son or daughter of a brother or sister;
- A brother or sister of the father or mother;
- A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law;
- The spouse of the Beneficiary or the spouse of any of the foregoing individuals; or
- A first cousin of the Beneficiary.

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

Death of a Beneficiary
Upon the death of a Beneficiary, the account owner can change the Beneficiary on the account, transfer assets to another Beneficiary who is a Member of the Family of the former Beneficiary, or take a Federal Non-Qualified Withdrawal or Nebraska Non-Qualified Withdrawal. Some Federal Non-Qualified Withdrawals following the death of the Beneficiary are not subject to the additional 10% federal tax. See "Part 13 – Distributions from an Account."

PART 5 — CONTRIBUTING TO AN ACCOUNT

Contributions
Anyone can contribute to a Plan account but only the account owner can (1) control how the assets are invested and used, (2) designate a Beneficiary, and (3) claim tax benefits related to the account, regardless of who contributed to it.

Contribution restrictions
All contributions must be cash-equivalent and denominated in U.S. dollars. The Program Manager will hold all contributions up to seven business days before a withdrawal of those assets can occur.

No contribution minimums
There are no minimum contribution requirements and there is no minimum amount that must be maintained in a Plan account. The Program Manager reserves the right to close a zero-balance account.

Limits on maximum contributions to an account

Additional contributions to an account are not permitted when the fair market value of all accounts owned by all account owners within the Trust for that Beneficiary equals or exceeds the Maximum Contribution Limit. If, however, the market value of such accounts falls below the Maximum Contribution Limit, additional contributions will be accepted.

The $500,000 Maximum Contribution Limit applies to all accounts for the same Beneficiary in all plans administered by the Nebraska State Treasurer, including the Plan, the NEST Advisor Plan, the Bloomwell 529 Education Savings Plan and the State Farm 529 Savings Plan. The Nebraska State Treasurer may periodically adjust the Maximum Contribution Limit.

Excess contributions

The Program Manager will notify you if you attempt to make a contribution to an account that exceeds the Maximum Contribution Limit. The Program Manager will not knowingly accept and will reject contributions in excess of the Maximum Contribution Limit. Contributions will be deposited up to the Maximum Contribution Limit and the remainder will be refunded less any amounts attributable to market losses suffered between the date of the contribution and the date of the refund. If the Program Manager determines that a contribution in excess of the Maximum Contribution Limit has been accepted, the excess contributions and any earnings thereon will be promptly refunded less any amounts attributable to market losses suffered between the date of the contribution and the date of the refund. If a contribution is applied to an account and it is later determined that the contribution resulted in exceeding the Maximum Contribution Limit, the excess contribution and any earnings will be refunded to the account owner. Any refund of an excess contribution may be treated as a Federal Non-Qualified Withdrawal and a Nebraska Non-Qualified Withdrawal.

Allocation of contributions

At the time an account is established, you must select how you want the contributions allocated among the Investment Options you selected for future contributions ("Standing Allocation"). Additional contributions will be invested according to the Standing Allocation unless you provide different instructions.

You may reallocate assets to different Investment Options twice per calendar year and with a permissible change in the Beneficiary. You can change your Standing Allocation for the applicable account anytime by accessing the Plan's secure website, by downloading and submitting a form available on the Plan's website, or by calling the Plan.

Systematic Exchange Program

The Systematic Exchange Program allows the exchange of a minimum of $200 from one Investment Option to another Investment Option on a pre-scheduled basis ("Systematic Exchange").

In order to establish the Systematic Exchange Program, you must deposit a minimum contribution of at least $2,500 into a "source" Investment Option. When you establish a Systematic Exchange, you must select a preset dollar amount of $200 or more to be exchanged into each of one or more preselected "receiving" Investment Options over a preset period of time, either monthly or quarterly. Any Age-Based, Static or Individual Fund Investment Option can serve as the source Investment Option or receiving Investment Option.

Systematic Exchange does not ensure a profit or protect against loss in a declining market. Systematic Exchange commits you to a preset investment in the receiving Investment Option(s) selected regardless of fluctuating prices.

If Systematic Exchange is selected at the time that an account is opened or after an account is opened and is selected for new contributions, it will be considered the initial investment strategy for that account and not be counted toward the investment change limit for that Beneficiary for the calendar year.

If Systematic Exchange is selected for money already deposited into an account after an account is opened or if any changes to a current Systematic Exchange Program are made, that selection or change will be counted toward the investment change limit for that Beneficiary for the calendar year.

Contributions by non-account owners

Anyone can make contributions to an account. However, only the account owner and a custodian of an UGMA or UTMA account where the custodian is the parent or guardian of the Beneficiary of an UGMA or UTMA account, are eligible for a Nebraska state income tax deduction for contributions made by him or her. In addition, only the account owner maintains control over all contributions to an account regardless of their source, including the right to change Investment Options and make withdrawals from an account. For the purpose of an UGMA, UTMA or minor-owned account, the minor is the account owner.

Under current law, the gift and GST tax consequences of a contribution by anyone other than the account owner are unclear. Accordingly, if a person other than the account owner plans to make a contribution to an account, that person should consult his or her own tax or legal advisors as to the consequences of a contribution.

Contribution methods

Contributions can be made to an account by:

- Contributing electronically from your bank account
- Checks
- Wire transfer
- Payroll direct deposit
- Rollover from an out-of-state 529 qualified tuition program
- Coverdell Education Savings Account
- Redemption from certain U.S. Savings Bonds
- Transfers within the Plan
- UGMA or UTMA accounts
- NEST GiftED

Contributing electronically from your bank account

Account owners can authorize contributions from their checking or savings account at their bank into their Plan account for one-at-a-time contributions (an "Electronic Funds Transfer" or "EFT") or prescheduled, ongoing contributions ("Automatic Investment Plan" or "AIP"), subject to certain processing restrictions. The bank from which the contribution is drawn must be a member of the Automated Clearing House. You can authorize these instructions when you complete an Enrollment Form, or, after your account is opened, online by accessing the secure website, by downloading and submitting a form available on the Plan's website, or by calling the Plan (if you have previously submitted certain information about the bank account from which the money will be withdrawn).

For both EFT and AIP you must provide the Plan with your banking instructions. For AIP you must also indicate the amount and frequency you want the ongoing contributions to occur. If the account owner does not own the bank account, the bank account owner must authorize in writing the use of the other person's bank account. This can be accomplished on the Automatic Investment Plan/ Electronic Funds Transfer Form that establishes or changes bank account information for your account. The bank must be a U.S. bank and the contribution must be in U.S. dollars.

You can initiate EFT contributions, change your bank, stop AIP or change your AIP contribution amount or frequency online by accessing the secure website. You can also make changes by downloading and submitting a form available on the Plan's website or by calling the Plan.

If your EFT or AIP contribution cannot be processed because of insufficient funds or incomplete or inaccurate information, or if the transaction would violate processing restrictions, the Plan reserves the right to suspend future EFT or AIP contributions. The account owner will be responsible for any losses or expenses incurred by the Investment Option.

We do not charge a fee for EFT or AIP transactions.

Automatic Investment Plan (AIP)

When you contribute to your account through AIP you are authorizing us to receive periodic automated debits 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. Your AIP authorization will remain in effect until we have received notification of its termination from you and we have had a reasonable amount of time to act on it. AIP debits from your bank account will occur on the day you indicate, provided the day is a regular business day. Unless instructed otherwise in your AIP set up, if the day you indicate falls on a weekend or a holiday, the AIP debit will occur on the next business day ("debit date"). Quarterly AIP debits will be made on the day you indicate (or the next business day, if applicable). You will receive a trade date of the business day on which the bank debit occurs.

The start date for an AIP must be at least three business days from the date of submission of the AIP request. If a start date for an AIP is less than three business days from the date of the submission of the AIP request, the AIP will start on the requested day in the next succeeding period.

A program of regular investments cannot assure a profit or protect against a loss in a declining market.

Electronic Funds Transfer (EFT)

If you have identified a checking or savings account from which the money will be withdrawn, you may authorize us to withdraw funds by EFT for contributions into your account. EFT contributions can be made online or by calling the Plan. The Plan may place a limit on the total dollar amount per day you may contribute to an account by EFT. EFT purchase requests that are received in good order:

- Before 3:00 p.m. Central Time will be given a trade date of that business day and will be effective at that day's closing price for the applicable Investment Option. In such cases, the EFT debit from your bank account will occur on the next business day after the request is received; or
- After 3:00 p.m. Central Time will be given a trade date of the next business day after the date the request is received, and they will be effective at that day's closing price for the applicable Investment Option. In such cases, the EFT debit from your bank account will occur on the second business day after the request is received.

Checks

Checks should be made payable to "NEST Direct Plan." A contribution by mail coupon should accompany the check. Contribution by mail coupons are sent to you when an account is opened and in periodic mailings. You can also download a contribution coupon from NEST529.com. If a coupon is not available, include the account number(s) and name of the Beneficiary on the check or include separate written instructions. All checks must be in good order. Some checks that may not be accepted include: travelers checks, foreign checks, checks dated more than 180 days from the date of receipt, post-dated checks, checks with unclear instructions, starter checks or counter checks, credit card or bank courtesy checks, promotional checks, third-party personal checks over $10,000, instant loan checks and any other check we deem unacceptable. Money orders are not accepted. Third-party personal checks must be payable to you or the Beneficiary and be properly endorsed by you or the Beneficiary to the Plan.

The account owner is responsible for any losses or expenses incurred in the Investment Options in the event of a returned check.

Checks should be made payable to "NEST Direct Plan" and can be sent to the following address:

Mailing address:
NEST Direct Plan
P.O. Box 83529
Lincoln, NE 68501-3529

Overnight or courier address:
NEST Direct Plan
1248 O Street, Suite 200
Lincoln, NE 68508

Wire transfer

Wire transfers are initiated from the contributor's financial institution. Please call the Plan to obtain information regarding wire transfers.

Payroll direct deposit

Contributions can be made into a Plan account from a paycheck if the employer permits direct deposit. Payroll direct deposit is made with after-tax dollars. Account owners initiate payroll direct deposit and any changes directly with their employer. Mistakes made by the employer can only be remedied between the employee and the employer. The Plan will not take any responsibility for mistakes made by the employer or employee. You must complete payroll direct deposit instructions by logging into your account at NEST529.com, selecting the payroll direct deposit option and designating the contribution amount in the instructions. You will need to print these instructions and submit them to your employer. Please call the Plan for further instructions on establishing direct deposit from your paycheck.

Rollover

Contributions may also be made by a rollover or direct transfer of funds from another 529 qualified tuition program. Rollovers from another qualified tuition program are treated as a non-taxable distribution from the distributing qualified tuition program provided (1) it has been more than 12 months since any previous rollover for the Beneficiary, or (2) the Beneficiary of the account is changed to a Member of the Family of the current Beneficiary.

To initiate a rollover from another 529 qualified tuition program you must first open a Plan account. You have the option of withdrawing funds from the former account and, if that is the case, you must deposit the funds within 60 days into either (1) another account for the benefit of another Beneficiary who is a Member of the Family of the former Beneficiary, or (2) an account for the benefit of the same Beneficiary.

You may instruct the Plan to contact an out-of-state 529 qualified tuition program directly to request that funds from your account in that program be sent to the Plan. Check with the other 529 qualified tuition program first to determine the best approach for you to take. You can call the Plan for further instructions.

Under Internal Revenue Service (IRS) guidance, the Program Manager is required to assume that the entire amount of any contribution that is a rollover contribution from an out-of-state 529 qualified tuition program is earnings in the account receiving the contribution unless the Program Manager receives appropriate documentation showing the actual earnings portion of the rollover contribution.

Account owners who are Nebraska taxpayers who roll over funds into the Plan may be eligible for a Nebraska state income tax deduction. See "Part 14 – Federal and State Tax Considerations." The 529 qualified tuition program from which you are transferring funds may impose other restrictions on a rollover, such as the recapture of any state income tax deduction previously claimed, so you should investigate this option thoroughly before requesting a transfer.

Coverdell Education Savings Account

Contributions may also be made by a rollover or direct transfer of funds from a Coverdell Education Savings Account ("CESA") (formerly known as an Education IRA). Amounts distributed from a CESA and contributed to an account may be treated as non-taxable distributions from the CESA. Call the Plan for more information and instructions.

Under IRS guidance, the Program Manager is required to assume that the entire amount of any contribution that is a rollover contribution from a CESA is earnings in the account receiving the contribution unless the Program Manager receives appropriate documentation showing the actual earnings portion of the contribution.

Redemptions from certain U.S. Savings Bonds

Subject to certain limitations, redemption of certain qualified United States Savings Bonds may be tax-free if the proceeds are contributed to a Plan account. Certain rules and requirements must be met. For more information consult IRS Publication 970 and your financial, tax or legal advisor.

Under IRS guidance, the Program Manager is required to assume that the entire amount of any contribution that is a redemption of a qualified United States Savings Bond is earnings in the account receiving the contribution unless the Program Manager receives appropriate documentation showing the actual earnings portion of the contribution.

Transfers within the Plan

Funds can be transferred between existing Plan accounts that have different owners or Beneficiaries (or both). You can also transfer the entirety or a portion of an account's balance. To initiate a transfer to another account owner within the Plan, you must complete and submit an Account Owner Change Form available from the Plan's website or by calling the Plan. The total account assets for all accounts held on behalf of the Beneficiary to whom the money is being transferred cannot exceed the Maximum Contribution Limit.

Transfer to another account owner – The Plan permits a transfer of a portion or the entire amount of an account to another account owner. The current account owner must submit an Account Owner Change Form. You should consider consulting a tax advisor about the potential tax consequences of a change in account owner.

Transfer to another Beneficiary – The Plan permits the transfer of a portion or the entire amount of an account to another Beneficiary with either the same account owner or a different account owner. If 100% of the assets are being transferred to another Beneficiary for the same account owner, a Beneficiary Change Form must be completed. If a portion of the assets are being transferred to another Beneficiary for the same account owner, a Fund Transfer Form must be completed. The new Beneficiary must be a Member of the Family of the former Beneficiary to avoid certain adverse tax consequences.

Transferring accounts among Nebraska-issued 529 qualified tuition programs – Transferring a portion or the entire amount of a Plan account to another account within the Trust for the same account owner and Beneficiary is considered an Investment Option change and requires the account owner to complete an Incoming Rollover Form. This change counts toward the account owner's twice per calendar year Investment Option change limit.

Potential tax consequences of a transfer – Transfers within the Plan do not qualify for Nebraska state income tax deductions. Transferring funds to a Beneficiary who is not a Member of the Family of the former Beneficiary is considered a Federal Non-Qualified Withdrawal by the IRS and may be subject to federal and state income taxes and an additional 10% federal tax on the earnings portion of the transfer, as well as partial recapture of any Nebraska state income tax deduction previously claimed.

UGMA or UTMA accounts

A custodian for a minor under a state UGMA or UTMA statute may liquidate the assets held in the UGMA or UTMA account to contribute to an account in the Plan, subject to the laws of the state under which the UGMA or UTMA account was established. If the custodian of an UGMA or UTMA account establishes an account, the minor for whose benefit the assets are held must be designated as the account owner and Beneficiary of the account, and the custodian will not be permitted to change the Beneficiary of the account or transfer assets to another Beneficiary. The custodian will be required to certify on a withdrawal form stating that the distribution from the UGMA or UTMA account will be used for the benefit of the Beneficiary of the account.

When the Beneficiary reaches the relevant age under the applicable state UGMA or UTMA statute and the custodianship terminates, the Beneficiary will become the sole account owner with complete control over the account. **The custodian is required to notify the Program Manager and submit an Account Owner Change Form, when the minor attains the relevant age under the applicable state UGMA or UTMA statute.**

All contributions once made to an UGMA or UTMA account, regardless of their source, become subject to the limitations described above at the time of their contribution into an UGMA or UTMA account.

The conversion of non-cash UGMA or UTMA assets to cash for contribution to a Plan account may be a taxable transaction. Before liquidating assets in an UGMA or UTMA account in order to contribute them to an account, you should review the potential tax and legal consequences with your tax and legal advisors. Moreover, none of the Treasurer, the Program Manager or the Plan assumes responsibility to ensure, or will incur any liability for failing to ensure, that a custodian applies assets held under an UGMA or UTMA custodianship for proper purposes.

Contributions from NEST GiftED

You may invite family and friends to contribute to your account through NEST GiftED. After your account is established, log in to your account at NEST529.com and select "GiftED." Follow the online instructions to send e-mail invitations to family and friends. Any gift contributions will be invested according to your Standing Allocation for the applicable account.

The individual making the gift contribution does not maintain any control over the contribution after the funds have been contributed.

Contribution date

Contributions are considered received on the date the contribution is reviewed and processed by the Program Manager. Contributions to an account that are received in good order before the market close (typically 3:00 p.m. Central Time) on any day the New York Stock Exchange (NYSE) is open for business are generally processed on that day for the Investment Options you selected. Contributions to an account that are received in good order after market close, or on a day the NYSE is closed for business, generally will be processed on the next business day.

Contributions sent by U.S. mail that are postmarked on or before December 31 will be treated as having been made in that year even if the check was actually received by the Program Manager in the next year, provided the checks are subsequently cleared. For EFT contributions, for tax purposes, the contributions will be considered in that year if the EFT was initiated on or before December 31 of such year, provided the funds are successfully deducted from your checking or savings account by your financial institution.

Regardless of the calendar year for which a contribution is deductible, the trade date of the contribution (and thus the price of the units purchased with the contribution) will be determined based on the day the contribution is received by the Program Manager in good order, and with respect to AIP contributions you will receive the trade date of the business day on which the debit occurs. For EFT contributions, the following applies:

- Before 3:00 p.m. Central Time will be given a trade date of that business day and will be effective at that day's closing price for the applicable Investment Option. In such cases, the EFT debit from your bank account will occur on the next business day after the request is received; or
- After 3:00 p.m. Central Time will be given a trade date of the next business day after the date the request is received, and they will be effective at that day's closing price for the applicable Investment Option. In such cases, the EFT debit will occur on the second business day after the request is received.

Contribution pricing

The unit price for each Investment Option is calculated at the close of regular trading on the NYSE each day the NYSE is open for trading. The unit price is calculated by dividing the value of the Investment Option's net assets by the total number of units in the Investment Option outstanding. The unit price is based on the value of the Investment Option Underlying Investments as well as expenses and fees for administering and managing the Plan. See "Part 12 – Plan Fees and Expenses."

Contribution errors

If the account owner believes an error was made regarding his or her contribution, the Program Manager must be notified within 60 calendar days. If you do not notify the Plan within 60 days, you will be considered to have approved the information in the confirmation and to have released the State of Nebraska, the Nebraska Investment Council, the Trustee, the Nebraska State Investment Officer and the Program Manager and its authorized agents or their affiliates of responsibility for all matters covered by the confirmation. The Program Manager may waive the 60-calendar-day notice requirement at its sole discretion.

PART 6 — INVESTMENT OPTIONS OVERVIEW

Investment Options

Contributions to an account will be invested in the Investment Option(s) you select on the Enrollment Form. The Investment Options invest in one or more investments, trust accounts or other investment vehicles as designed by the Nebraska Investment Council. The Investment Options described in this Program Disclosure Statement allow account owners to direct funds to specific investment categories and strategies approved by the Nebraska Investment Council. These may include Investment Options investing in domestic and international equity, real estate, fixed income and cash equivalent investments.

You do not (1) own shares in the Underlying Investments or (2) in the case of the Bank Savings Underlying Investment, directly hold a savings account but, rather, own an interest in the Investment Options offered by the Plan. However, you can request a copy of the current prospectus, the Statement of Additional Information or the most recent semiannual or annual report of the underlying mutual fund by contacting the underlying mutual fund company. "**Exhibit B – Investment Options and Underlying Investments**" includes limited information from the prospectus of each underlying mutual fund.

26 Investment Options

There are 26 separate Investment Options. The following Investment Options are available:

- 3 Age-Based Index Investment Options
- 3 Age-Based Multi-Firm Investment Options
- 5 Static Investment Options
- 15 Individual Fund Investment Options

The Age-Based Investment Options are designed to become more conservative the closer the Beneficiary gets to college.

The Static Investment Options keep the same asset allocation between domestic and international equity, real estate, fixed income and cash equivalent investments over the life of your account.

The Individual Fund Investment Options each invest in a single mutual fund.

No investment direction

Under federal law, neither you nor your Beneficiary may exercise investment discretion, directly or indirectly, over contributions to an account or any earnings on those contributions. As a result, you are not able to select the securities in which your account is invested. Instead, contributions are invested according to the percentage you indicate into the Investment Option(s) you select on the Enrollment Form. The percentage can be changed online by accessing the Plan's secure website, by submitting an Investment Option Change Form available on the Plan's website, or by calling the Plan.

The Nebraska Investment Council may change the Investment Options, the asset allocation within each of the Investment Options and the Underlying Investments in which each of the Investment Options invest at any time without notice to you. Any such change in Investment Options, allocations within an Investment Option, or change in Underlying Investments within an Investment Option made by the Nebraska Investment Council is not considered a change in investment direction by an account owner.

Changing Investment Options

Generally, an account owner may only change the Investment Options in which their account is invested twice per calendar year or upon a change of Beneficiary. Therefore an account owner should carefully make their investment selection at the time they complete the Enrollment Form. You can change the way you want to invest future contributions any time by changing your Standing Allocation. See Page 18, "Allocation of contributions."

If an account owner has multiple accounts in the Plan for the same Beneficiary, or multiple accounts among the Plan, the NEST Advisor Plan, the Bloomwell 529 Education Savings Plan or the State Farm 529 Savings Plan for the same beneficiary, the account owner may change the Investment Options in all accounts without tax consequences, so long as the changes to all of the accounts are made prior to closing on the same trading day and no more frequently than twice per calendar year or upon a change of Beneficiary.

Investment Options in which an account is invested can be changed online by accessing the secure website, by submitting an Investment Option Change Form available on the Plan's website, or by calling the Plan.

PART 7 — AGE-BASED INVESTMENT OPTIONS

6 Age-Based Investment Options

You may choose from six Age-Based Investment Options:

- Age-Based Index Investment Options (invest in Vanguard mutual funds)
  - Age-Based Index Aggressive Investment Option
  - Age-Based Index Moderate Investment Option
  - Age-Based Index Conservative Investment Option
- Age-Based Multi-Firm Investment Options (invest in index and actively managed investments)
  - Age-Based Aggressive Investment Option
  - Age-Based Moderate Investment Option
  - Age-Based Conservative Investment Option

Age-Based Index Investment Options

The Age-Based Index Investment Options are designed to generate returns that closely mirror the performance of major market indices over the long term. These Investment Options are able to keep transaction costs and other expenses low because they are primarily passively managed, meaning that the securities currently held in the benchmark index determine the holdings in the Underlying Investments.

Age-Based Multi-Firm Investment Options

The Age-Based Multi-Firm Investment Options offer a combination of index and actively managed investments in one portfolio in order to take advantage of the potential outperformance of actively managed investments, which are designed to attempt to beat the performance of a major market index over the long term.

The Age-Based Multi-Firm Investment Options generally invest in a mix of domestic and international equity, real estate, fixed income and cash equivalent investments allocated based on the age of the Beneficiary. The Age-Based Multi-Firm Investment Options adjust over time so that as the Beneficiary nears college age each Age-Based Multi-Firm Investment Option's allocation becomes more conservative relative to the allocation in earlier years. For each Age-Based Multi-Firm Investment Option, the Plan will automatically exchange assets from one Investment Option to another during the ten days following the Beneficiary's birth date, as set forth in the following table.

Within the Age-Based Multi-Firm Investment Options, you may choose from an aggressive, moderate or conservative asset allocation based on, among other factors, your investment goals and objectives and your tolerance for market volatility and investment risk. The Aggressive Age-Based Multi-Firm Investment Option is intended for account owners with a higher tolerance for investment risk and market volatility, relative to the moderate and

conservative asset allocations, but with the potential for higher returns. The Moderate Age-Based Multi-Firm Investment Option is intended for account owners with a moderate tolerance for investment risk and market volatility, but with the potential for higher returns relative to the conservative allocation. The Conservative Age-Based Multi-Firm Investment Option, in comparison to the Aggressive and Moderate Age-Based Multi-Firm Investment Options, is intended for account owners with the lowest tolerance for investment risk and market volatility. For example, the Aggressive Age-Based Multi-Firm Investment Option is invested primarily in equity investment funds when the Beneficiary is young.

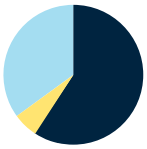
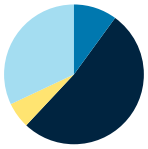
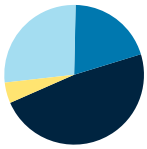
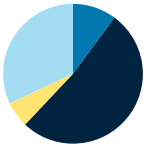
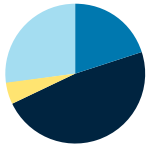
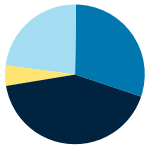
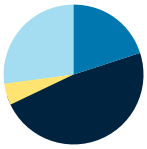
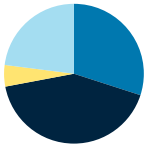
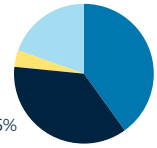
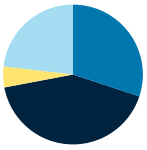
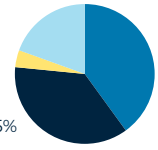
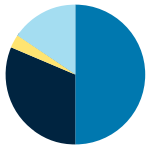
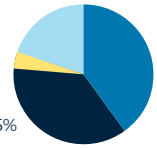
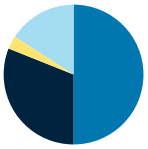
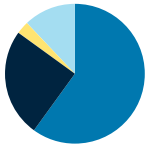
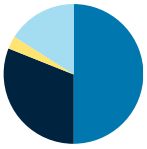
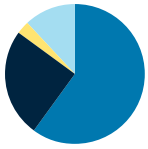
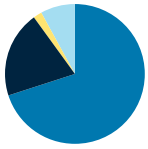
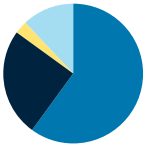
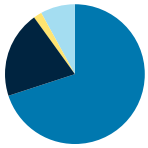
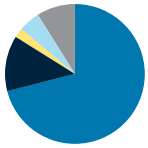
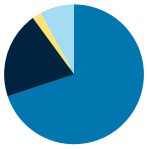
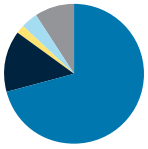
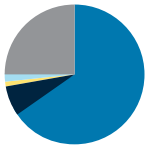
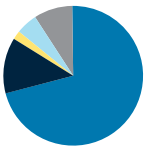
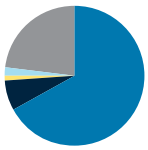
Regardless of the Age-Based Investment Option selected, each adjusts over time so that as the Beneficiary nears college enrollment age the allocation between domestic and international equity, real estate, fixed income and cash equivalent investments becomes more conservative relative to the allocation in earlier years.

Because securities markets are constantly in flux and because contributions to and withdrawals from the Plan are made on a daily basis, the target allocations described below may not be able to be achieved with precision; however, the Program Manager will manage cash flows to the targeted allocations and rebalance the weightings in each Investment Option on a periodic basis.

Each Age-Based Investment Option has nine age bands (ages 0-2; ages 3-5; ages 6-8; ages 9-10; ages 11-12; ages 13-14; ages 15-16; ages 17-18; ages 19 and over). For the detailed asset allocation, mix of underlying funds and the age ranges for each of the Investment Options, see "**Exhibit B – Investment Options and Underlying Investments**." The current targeted asset allocation of each Age-Based Investment Options is set forth in the following table.

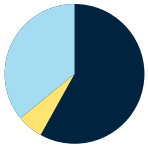
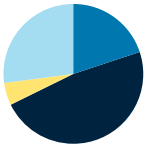
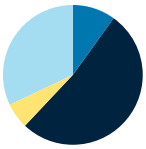
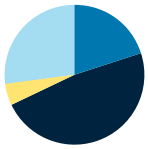
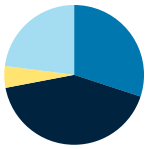
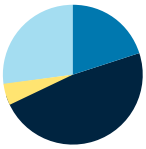
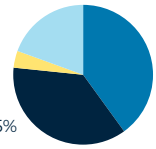
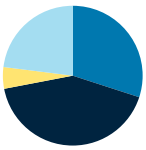
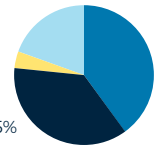
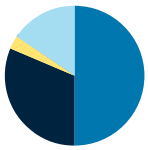
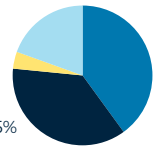
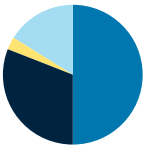
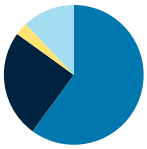
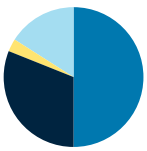
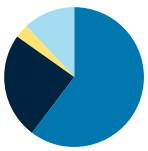
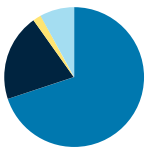
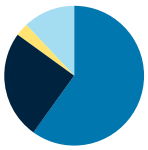
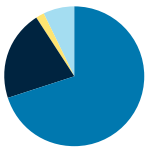
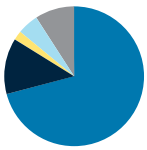
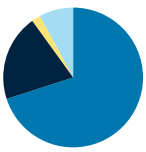
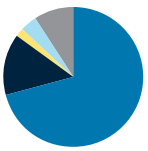
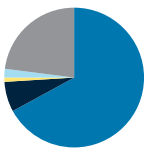
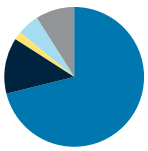
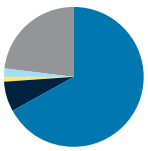
The Age-Based Investment Options are designed on the understanding that assets in an account will be used to pay for a Beneficiary's Federal Qualified Higher Education Expenses beginning at or after college age. Consequently, Age-Based Investment Options are probably not an appropriate investment choice for Beneficiaries using the amounts in an Account before reaching college age. If an account owner concludes, after consulting an independent tax advisor, that an account can be used to pay for K–12 Tuition Expenses without incurring adverse tax consequences and such account owner intends to use the account for such purpose, then the account owner should carefully weigh whether an Age-Based Investment Option would be an appropriate investment choice for the account.

NEST DIRECT AGE-BASED — INDEX STRATEGY

Beneficiary Age	Age-Based Index Aggressive	Age-Based Index Moderate	Age-Based Index Conservative
0–2 Years	Domestic Equity 58% Real Estate 6% International Equity 36% 	Fixed Income 10% Domestic Equity 52% Real Estate 6% International Equity 32% 	Fixed Income 20% Domestic Equity 48% Real Estate 5% International Equity 27% 
3–5 Years	Fixed Income 10% Domestic Equity 52% Real Estate 6% International Equity 32% 	Fixed Income 20% Domestic Equity 48% Real Estate 5% International Equity 27% 	Fixed Income 30% Domestic Equity 42% Real Estate 5% International Equity 23% 
6–8 Years	Fixed Income 20% Domestic Equity 48% Real Estate 5% International Equity 27% 	Fixed Income 30% Domestic Equity 42% Real Estate 5% International Equity 23% 	Fixed Income 40% Domestic Equity 36.5% Real Estate 4% International Equity 19.5% 
9–10 Years	Fixed Income 30% Domestic Equity 42% Real Estate 5% International Equity 23% 	Fixed Income 40% Domestic Equity 36.5% Real Estate 4% International Equity 19.5% 	Fixed Income 50% Domestic Equity 31% Real Estate 3% International Equity 16% 
11–12 Years	Fixed Income 40% Domestic Equity 36.5% Real Estate 4% International Equity 19.5% 	Fixed Income 50% Domestic Equity 31% Real Estate 3% International Equity 16% 	Fixed Income 60% Domestic Equity 25% Real Estate 3% International Equity 12% 
13–14 Years	Fixed Income 50% Domestic Equity 31% Real Estate 3% International Equity 16% 	Fixed Income 60% Domestic Equity 25% Real Estate 3% International Equity 12% 	Fixed Income 70% Domestic Equity 20% Real Estate 2% International Equity 8% 
15–16 Years	Fixed Income 60% Domestic Equity 25% Real Estate 3% International Equity 12% 	Fixed Income 70% Domestic Equity 20% Real Estate 2% International Equity 8% 	Cash Equivalents 9% Fixed Income 71% Domestic Equity 13% Real Estate 2% International Equity 5% 
17–18 Years	Fixed Income 70% Domestic Equity 20% Real Estate 2% International Equity 8% 	Cash Equivalents 9% Fixed Income 71% Domestic Equity 13% Real Estate 2% International Equity 5% 	Cash Equivalents 23% Fixed Income 67% Domestic Equity 7% Real Estate 1% International Equity 2% 
19 and over	Cash Equivalents 9% Fixed Income 71% Domestic Equity 13% Real Estate 2% International Equity 5% 	Cash Equivalents 23% Fixed Income 67% Domestic Equity 7% Real Estate 1% International Equity 2% 	Cash Equivalents 50% Fixed Income 50%

FIXED INCOME DOMESTIC EQUITY INTERNATIONAL EQUITY REAL ESTATE CASH EQUIVALENTS

NEST DIRECT AGE-BASED — MULTI-FIRM STRATEGY

Beneficiary Age	Age-Based Aggressive	Age-Based Moderate	Age-Based Conservative
0–2 Years	Domestic Equity 58% Real Estate 6% International Equity 36% 	Fixed Income 10% Domestic Equity 52% Real Estate 6% International Equity 32%	Fixed Income 20% Domestic Equity 48% Real Estate 5% International Equity 27% 
3–5 Years	Fixed Income 10% Domestic Equity 52% Real Estate 6% International Equity 32% 	Fixed Income 20% Domestic Equity 48% Real Estate 5% International Equity 27% 	Fixed Income 30% Domestic Equity 42% Real Estate 5% International Equity 23% 
6–8 Years	Fixed Income 20% Domestic Equity 48% Real Estate 5% International Equity 27% 	Fixed Income 30% Domestic Equity 42% Real Estate 5% International Equity 23%	Fixed Income 40% Domestic Equity 36.5% Real Estate 4% International Equity 19.5% 
9–10 Years	Fixed Income 30% Domestic Equity 42% Real Estate 5% International Equity 23% 	Fixed Income 40% Domestic Equity 36.5% Real Estate 4% International Equity 19.5% 	Fixed Income 50% Domestic Equity 31% Real Estate 3% International Equity 16% 
11–12 Years	Fixed Income 40% Domestic Equity 36.5% Real Estate 4% International Equity 19.5% 	Fixed Income 50% Domestic Equity 31% Real Estate 3% International Equity 16% 	Fixed Income 60% Domestic Equity 25% Real Estate 3% International Equity 12% 
13–14 Years	Fixed Income 50% Domestic Equity 31% Real Estate 3% International Equity 16% 	Fixed Income 60% Domestic Equity 25% Real Estate 3% International Equity 12% 	Fixed Income 70% Domestic Equity 20% Real Estate 2% International Equity 8% 
15–16 Years	Fixed Income 60% Domestic Equity 25% Real Estate 3% International Equity 12% 	Fixed Income 70% Domestic Equity 20% Real Estate 2% International Equity 8% 	Cash Equivalents 9% Fixed Income 71% Domestic Equity 13% Real Estate 2% International Equity 5% 
17–18 Years	Fixed Income 70% Domestic Equity 20% Real Estate 2% International Equity 8% 	Cash Equivalents 9% Fixed Income 71% Domestic Equity 13% Real Estate 2% International Equity 5% 	Cash Equivalents 23% Fixed Income 67% Domestic Equity 7% Real Estate 1% International Equity 2% 
19 and over	Cash Equivalents 9% Fixed Income 71% Domestic Equity 13% Real Estate 2% International Equity 5% 	Cash Equivalents 23% Fixed Income 67% Domestic Equity 7% Real Estate 1% International Equity 2% 	Cash Equivalents 50% Fixed Income 50%

FIXED INCOME DOMESTIC EQUITY INTERNATIONAL EQUITY REAL ESTATE CASH EQUIVALENTS

Description of the Underlying Investments

The Underlying Investments that comprise the Age-Based Investment Options (as shown above in the table) are described in detail, along with the risks associated with each, in "**Exhibit B – Investment Options and Underlying Investments**."

It is important to remember that none of the Nebraska State Treasurer, the Nebraska Investment Council, the Nebraska State Investment Officer, the State of Nebraska or its officials/employees, or the Program Manager or its authorized agents or any of their affiliates can guarantee a minimum rate of return. Except as described herein for accounts invested in the Bank Savings Underlying Investment, accounts in the Plan are not insured by the FDIC. Accounts are not guaranteed or insured by the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, the Program Manager or its authorized agents or their affiliates, or any other party. See "Part 10 – Certain Risks to Consider."

PART 8 — STATIC INVESTMENT OPTIONS

5 Static Investment Options

The Static Investment Options invest in a fixed mix of domestic and international equity, real estate, fixed income and cash equivalent investments. The asset allocations do not change as the Beneficiary gets older. Although the target asset allocations for the Static Investment Options are not expected to vary, the Underlying Investments in which the Investment Options invest will be reviewed on an ongoing basis and may change. None of the Static Investment Options is designed to provide a particular total return over any particular time period or investment time horizon.

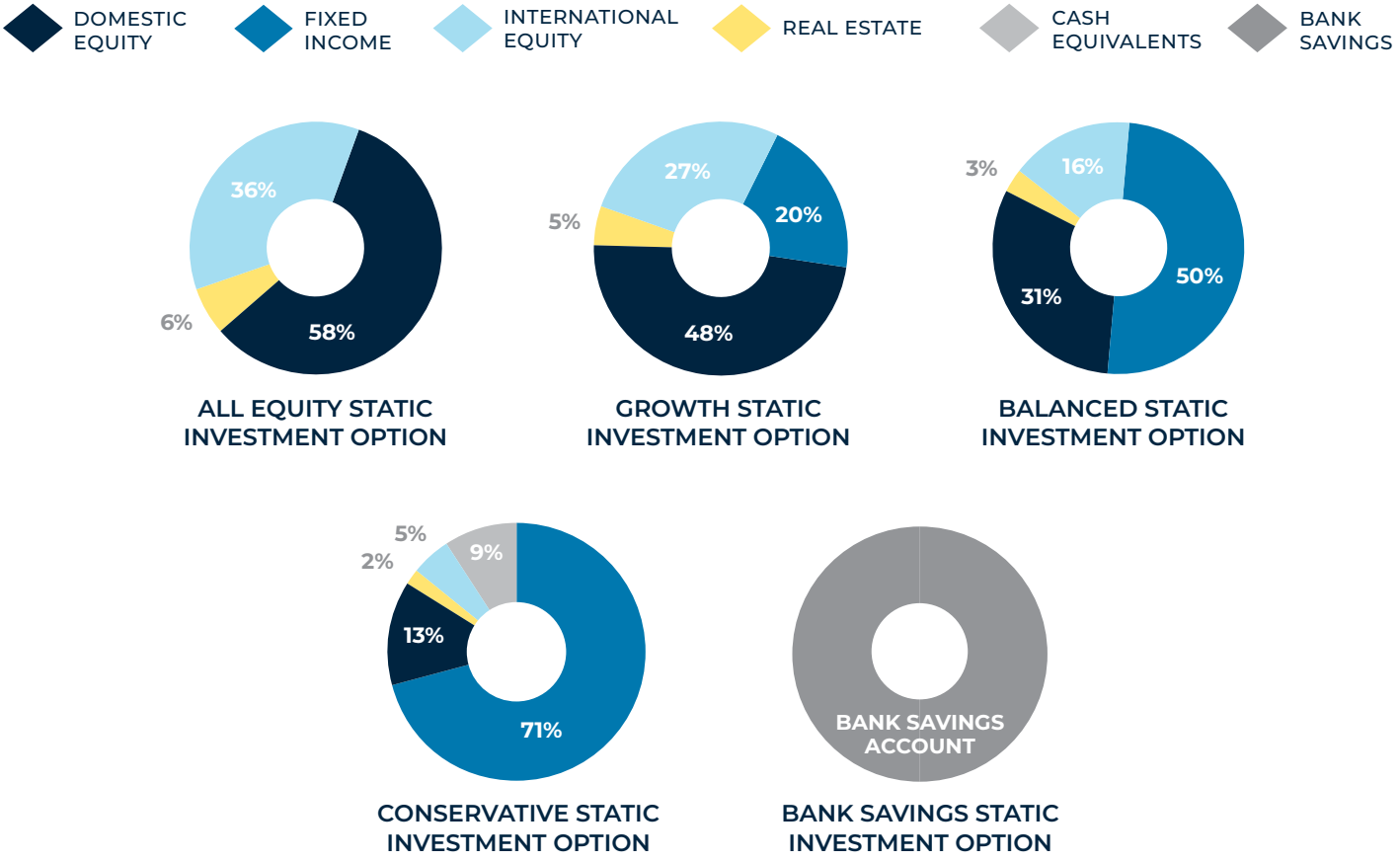
The five Static Investment Options, including their target asset allocations and ranging from the most aggressive to most conservative, are briefly described below. For a detailed asset allocation and the composition of the Underlying Investments, see "**Exhibit B – Investment Options and Underlying Investments**."

You may choose from five Static Investment Options:

- All Equity Static Investment Option
- Growth Static Investment Option
- Balanced Static Investment Option
- Conservative Static Investment Option
- Bank Savings Static Investment Option

The Static Investment Options offer a combination of index and actively managed investments in one Investment Option.

- **All Equity Static Investment Option** seeks long-term capital appreciation by investing 100% of its net assets in equity investments. This Investment Option has a target allocation of 58% domestic equity, 6% real estate and 36% international equity. It is the most aggressive of the Static Investment Options.
- **Growth Static Investment Option** invests in a combination of equity and fixed income investments in order to seek capital appreciation and income. This Investment Option seeks moderate growth by investing in an asset allocation weighted between equity and fixed income investments. This Investment Option has a target allocation of 48% domestic equity, 27% international equity, 5% real estate and 20% fixed income.
- **Balanced Static Investment Option** invests in a combination of equity and fixed income investments in order to seek capital appreciation and income. This Investment Option seeks moderate growth by investing in a balanced asset allocation weighted between equity and fixed income investments. This Investment Option has a target allocation of 31% domestic equity, 16% international equity, 3% real estate and 50% fixed income.



- **Conservative Static Investment Option** seeks current income and some growth by investing primarily in investment-grade bonds, U.S. government securities and cash equivalents. This Investment Option has a target allocation of 71% fixed income, 9% cash equivalents, 13% domestic equity, 5% international equity and 2% real estate.
- **Bank Savings Static Investment Option** invests solely in a Union Bank and Trust Company and/or Nelnet Bank omnibus savings account. This Investment Option seeks income consistent with preservation of principal. It is the most conservative of the Static Investment Options.

Description of the Underlying Investments

The Underlying Investments that comprise the five Static Investment Options (as shown above in the table) are described in detail, along with the risks associated with each Underlying Investment, in "**Exhibit B – Investment Options and Underlying Investments.**"

It is important to remember that none of the Nebraska State Treasurer, the Nebraska Investment Council, the Nebraska State Investment Officer, the State of Nebraska or its officials/employees, or the Program Manager or any of its affiliates can guarantee a minimum rate of return. Except as described herein for accounts invested in the Bank Savings Underlying Investment, accounts in the Plan are not insured by the FDIC. Accounts are not guaranteed or insured by the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, the Program Manager or its authorized agents or their affiliates, or any other party. See "Part 10 – Certain Risks to Consider."

PART 9 — INDIVIDUAL FUND INVESTMENT OPTIONS

This Part 9 describes the Underlying Investments that are offered as Individual Fund Investment Options. Additional information discussing the risks of investing in each of these Investment Options may be found in the underlying fund prospectus which is available by contacting the underlying mutual fund company. "**Exhibit B – Investment Options and Underlying Investments**" includes limited information from the prospectus of each underlying mutual fund. Also see "Part 10 – Certain Risks to Consider."

15 Individual Fund Investment Options

The Plan offers 15 Individual Fund Investment Options. Each Individual Fund Investment Option invests solely in shares of a single underlying mutual fund. You may allocate the amounts in your account among one or more Individual Fund Investment Options according to your investment objective and risk tolerance. As a result, the performance of each Individual Fund Investment Option is based solely on the performance of the individual

underlying mutual fund in which such Individual Fund Investment Option invests. Such performance, therefore, may be more volatile than that of the Age-Based or Static Investment Options.

The Individual Fund Investment Options are briefly described as follows:

Money Market 529 Investment Option

Vanguard Federal Money Market 529 Investment Option – invests solely in the Vanguard Federal Money Market Fund

Investment objective: The fund seeks to provide current income while maintaining liquidity and a stable share price of $1.

Principal risks: The fund is designed for investors with a low tolerance for risk; however, the fund is subject to the following risks, which could affect the fund's performance and the level of risk may vary based on market conditions: income risk, manager risk and credit risk.

Fixed Income 529 Investment Options

Vanguard Short-Term Inflation-Protected Securities Index 529 Investment Option – invests solely in the Vanguard Short-Term Inflation-Protected Securities Index Fund

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

Principal risks: The fund is designed for investors with a low tolerance for risk, but you could still lose money by investing in it. The fund is subject to the following risks, which could affect the fund's performance, and the level of risk may vary based on market conditions: income fluctuations and real interest rate risk.

Vanguard Short-Term Bond Index 529 Investment Option – invests solely in the Vanguard Short-Term Bond Index Fund

Investment objective: The fund seeks to track the performance of a market-weighted bond index with a short-term dollar-weighted average maturity.

Principal risks: The fund is designed for investors with a low tolerance for risk, but you could still lose money by investing in it. The fund is subject to the following risks, which could affect the fund's performance, and the level of risk may vary based on market conditions: income risk, interest rate risk, call risk, credit risk, index sampling risk and liquidity risk.

Vanguard Total Bond Market Index 529 Investment Option – invests solely in the Vanguard Total Bond Market Index Fund

Investment objective: The fund seeks to track the performance of a broad, market-weighted bond index.

Principal risks: An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance, and the level of risk may vary based on market conditions: interest rate risk, income risk, prepayment risk, extension risk, call risk, credit risk, index sampling risk and liquidity risk.

MetWest Total Return Bond 529 Investment Option – invests solely in the MetWest Total Return Bond Fund

Investment objective: The Total Return Bond Fund seeks to maximize long-term total return.

Principal risks: The principal risks affecting the fund that can cause a decline in value include: debt securities risk, market risk, interest rate risk, credit risk, inflation risk, mortgage-backed securities risk, asset-backed securities risk, prepayment risk, extension risk, price volatility risk, issuer risk, liquidity risk, frequent trading risk, junk bond risk, unrated securities risk, below investment grade mortgage-backed securities risk, mezzanine securities risk, future contracts risk, distressed and defaulted securities risk, securities selection risk, valuation risk, derivatives risk, swap agreements risk, leverage risk, U.S. Treasury obligations risk, U.S. government securities risk, foreign investing risk, foreign currency risk, emerging markets risk, portfolio management risk and counterparty risk.

DFA World ex U.S. Government Fixed Income 529 Investment Option – invests solely in the DFA World ex U.S. Government Fixed Income Portfolio

Investment objective: The investment objective of the DFA World ex U.S. Government Fixed Income Portfolio is to seek to maximize total returns from the universe of debt securities in which the portfolio invests. Total return is comprised of income and capital appreciation.

Principal risks: The following is a list of principal risks of investing in the portfolio: market risk, foreign securities and currencies risk, foreign government debt risk, interest rate risk, non-diversification risk, credit risk, income risk, call risk, derivatives risk, liquidity risk, securities lending risk, operational risk and cybersecurity risk.

Domestic (U.S.) Equity 529 Investment Options

State Street Equity 500 Index 529 Investment Option – invests solely in the State Street Equity 500 Index Fund

Investment objective: The investment objective of the State Street Equity 500 Index Fund is to replicate as closely as possible, before expenses, the performance of the Standard & Poor's 500 Index.

Principal risks: The fund is subject to the following principal risks: market risk, equity investing risk, information technology sector risk, indexing strategy/index tracking risk, counterparty risk, derivatives risk, financial sector risk, health care sector risk, large-capitalization securities risk, large shareholder risk, liquidity risk, master/feeder structure risk, risk of investment in other pools and unconstrained sector risk.

Vanguard Total Stock Market Index 529 Investment Option – invests solely in the Vanguard Total Stock Market Index Fund

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

Principal risks: An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance: stock market risk and index sampling risk.

Vanguard Equity Income 529 Investment Option – invests solely in the Vanguard Equity Income Fund

Investment objective: The fund seeks to provide an above-average level of current income and reasonable long-term capital appreciation.

Principal risks: An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance: stock market risk, investment style risk, and manager risk.

T. Rowe Price Large-Cap Growth 529 Investment Option – invests solely in the T. Rowe Price Large-Cap Growth Fund

Investment objective: The fund seeks to provide long-term capital appreciation through investments in common stocks of growth companies.

Principal risks: As with any fund, there is no guarantee that the fund will achieve its objective(s). The fund's share price fluctuates, which means you could lose money by investing in the fund. The principal risks of investing in this fund, which may be even greater in bad or uncertain market conditions, are listed as follows: growth investing, market conditions, stock investing, nondiversification, large-cap stocks, sector exposure, information technology sector, convertible securities, private placements and IPOs, liquidity, active management and cybersecurity breaches.

Vanguard Extended Market Index 529 Investment Option – invests solely in the Vanguard Extended Market Index Fund

Investment objective: The fund seeks to track the performance of a benchmark index that measures the investment return of small- and mid-capitalization stocks.

Principal risks: An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance: stock market risk, investment style risk and index sampling risk.

Vanguard Explorer 529 Investment Option – invests solely in the Vanguard Explorer Fund

Investment objective: The fund seeks to provide long-term capital appreciation.

Principal risks: An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance: stock market risk, investment style risk and manager risk.

DFA U.S. Small Cap Value 529 Investment Option – invests solely in the DFA U.S. Small Cap Value Portfolio

Investment objective: The investment objective of the portfolio is to achieve long-term capital appreciation.

Principal risks: Because the value of your investment in the portfolio will fluctuate, there is the risk that you will lose money. An investment in the portfolio is not a deposit of a bank and is not insured or guaranteed by the FDIC or any other government agency. The principal risks of investing in the portfolio are: equity market risk, small company risk, value investment risk, profitability investment risk, derivatives risk, securities lending risk, operational risk and cybersecurity risk.

International Equity 529 Investment Option

Vanguard Total International Stock Index 529 Investment Option – invests solely in the 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.

Principal risks: An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance: stock market risk, investment style risk, country/regional risk, currency risk, emerging markets risk and index replicating risk.

Real Estate 529 Investment Option

Vanguard Real Estate Index 529 Investment Option – invests solely in the Vanguard Real Estate Index Fund

Investment objective: The fund seeks to provide a high level of income and moderate long-term capital appreciation by tracking the performance of a benchmark index that measures the performance of publicly traded equity REITs and other real estate-related investments.

Principal risks: An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance: industry concentration risk, interest rate risk, stock market risk, asset concentration risk, investment style risk, non-diversification risk and index replicating risk.

The descriptions above are taken from the most recent prospectuses (dated on or prior to March 15, 2024) of the relevant funds and are intended to provide general information regarding the mutual funds' respective investment objectives and strategies. You should consult each mutual fund's prospectus for more complete information. You can obtain the prospectus for any of the funds from the underlying mutual fund company and at NEST529.com.

It is important to remember that none of the Nebraska State Treasurer, the Nebraska Investment Council, the Nebraska State Investment Officer, the State of Nebraska or its officials and employees, or the Program Manager or its authorized agents or their affiliates can guarantee a minimum rate of return. Except for accounts invested in the Bank Savings Underlying Investment, funds deposited in an account are not insured by the FDIC. Furthermore, funds deposited in an account are not guaranteed or insured by the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, the Program Manager or its authorized agents or their affiliates, or any other party. The value of your account may vary depending on market conditions, the performance of the Investment Option you select, timing of purchases and fees. The value of your account could be more or less than the amount you contribute to your account. In short, you could lose money. See "Part 10 – Certain Risks to Consider."

PART 10 — CERTAIN RISKS TO CONSIDER

Opening an account involves certain risks. Among other things discussed in this Program Disclosure Statement, you should carefully consider the following risks before completing an Enrollment Form. You also should read this Program Disclosure Statement carefully before making a decision to open an account.

Plan risks

The value of your account may decline

As with many investment programs, there can be no assurance that the value of your account will grow at any particular rate or that it will not decline. The value of the securities in which the Investment Options invest will change due to a number of factors, most of which will not be in the control of the Trust or the Program Manager. If the value of these securities declines, you may lose some or all of the principal balance in your account.

Your account is not insured or guaranteed

Balances in your account are not guaranteed or insured by the State of Nebraska or any instrumentality of the State of Nebraska, the Trust, the Treasurer, the Nebraska Investment Council, the Program Manager or any of its affiliates, the FDIC (except as provided elsewhere in this Program Disclosure Statement solely with respect to investments in the Bank Savings Underlying Investment), or any other party. You could lose money (including amounts contributed to your account) or not make money, if you participate in the Plan.

Not a direct investment in mutual funds and Underlying Investments risks

Although money contributed to accounts will be invested in Investment Options that hold mutual funds (among other types of investments), none of the Trust, the Plan or any of the Plan's Investment Options is a mutual fund, and an investment in the Plan is not an investment in shares of any mutual fund. When you invest money in an Investment Option, you will receive Investment Option units. Your money will be used to purchase shares of Underlying Investments.

The settlement date for the Investment Option's purchase of shares of an Underlying Investment typically will be one to three business days after the trade date for your purchase of Investment Option units. Depending on the amount of cash flow into or out of the Investment Option and whether the underlying fund is going up or down in value, this timing difference will likely cause the Investment Option's performance either to trail or exceed the Underlying Investments' performance.

An investment in the Plan is an investment in municipal fund securities that are issued and offered by the Trust. These securities are not registered with the SEC or any state, nor are the Trust, the Plan or the Investment Options registered as investment companies with the SEC or any state. The Investment Options invest in Underlying Investments so the Investment Option's investment performance and risks are directly related to the performance and risks of the Underlying Investments. The accounts will indirectly bear the expenses charged by the Underlying Investments.

Laws governing 529 qualified tuition programs may change

There is a risk that federal and state laws and regulations governing 529 qualified tuition programs could change in the future.

The proposed Treasury regulations that have been issued under Code Section 529 provide guidance and requirements for the establishment and operation of the Plan but do not provide guidance on all aspects of the Plan. Final regulations or other administrative guidance or court decisions might be issued that could adversely impact the federal tax consequences or requirements with respect to the Plan or contributions to or withdrawals from your account. In addition, Code Section 529 or other federal law could be amended in a manner that materially changes the federal tax treatment of contributions to and withdrawals from your account.

You should understand that changes in the law governing the federal and/or state tax consequences described in this Program Disclosure Statement might necessitate material changes to the Trust and the Plan for the anticipated tax consequences to apply. No representation is made nor assurance given that any such changes may or will be made or that such changes can be made in a manner to allow an account owner or Beneficiary to utilize those changes.

Further, the Plan has been established pursuant to Nebraska law, the Code and applicable securities laws. Changes to any of those laws or regulations may also affect the operation and tax treatment of the Plan.

Limitation on Investment Option changes
An account owner may only change the Investment Options for an account twice per calendar year, or upon a change in Beneficiary. If an account owner has accounts in the Plan and in any other 529 qualified tuition program in the Trust for the same Beneficiary, the account owner may change the Investment Options in all such accounts without adverse tax consequences, so long as the changes to all of the accounts are made prior to closing on the same trading day and no more frequently than twice per calendar year, or upon a change of Beneficiary.

Limited use of withdrawals without penalties
Other than payment of a Beneficiary's Federal Qualified Higher Education Expenses, the circumstances under which a withdrawal may be made from an account without a penalty or adverse tax consequences are limited. See "Part 14 – Federal and State Tax Considerations."

Limited operating history of Investment Options
The Plan's Investment Options have a limited operating history. Although the Underlying Investments have longer operating histories, past performance of an Investment Option's Underlying Investment(s) should not be viewed as a future prediction of that Investment Option's or its Underlying Investment's future performance.

Fee changes
The Plan's fees and expenses and the Underlying Investments' fees and expenses may change from time to time. There is no assurance that these fees and expenses will not increase in the future.

Change in Program Manager
A new program manager may be appointed either upon expiration of the Program Management Agreement or earlier in the event the Trustee, the Nebraska Investment Council or the Program Manager terminates the agreement prior to the end of the term. In such case, the Plan's fee structure and/or Investment Options may differ.

Illiquidity of account
Funds in your account will be subject to the terms and conditions of the Plan and the Participation Agreement. These provisions may limit your ability to withdraw funds or to transfer these funds. Under no circumstances may any interest in an account or the Plan be used as security for a loan.

Acceptance to an Eligible Educational Institution is not guaranteed
An account will not have any effect on whether a Beneficiary will be admitted to or permitted to continue to attend any college or other Eligible Educational Institution or any other institution.

Educational expenses may exceed the balance in your account
Even if your account reaches the Maximum Contribution Limit, it may be insufficient to cover the Beneficiary's Federal Qualified Higher Education Expense.

Age-Based Investment Options not designed for K–12 Tuition
The Age-Based Investment Options are not designed to assist you in reaching your K–12 tuition savings goals. Specifically, the Age-Based Investment Options are designed for account owners seeking to automatically invest in progressively more conservative investments as their Beneficiary approaches college age. The Age-Based Investment Options' time horizons and withdrawal periods may not match those needed to meet your K–12 savings goals, which may be significantly shorter. You should consult a qualified advisor about investing in the Plan in light of your personal circumstances.

Securities laws
Shares held by the accounts in the Plan are generally considered municipal fund securities. The shares will not be registered as securities with the SEC or any state securities regulator. In addition, the Investment Options will not be registered as investment companies under the Investment Company Act of 1940. Neither the SEC nor any state securities commission has approved or disapproved the shares or passed upon the adequacy of the Program Disclosure Statement.

Tax considerations
The federal and certain state tax consequences associated with participating in the Plan can be complex. Please see "Part 14 – Federal and State Tax Considerations." You should consult a tax advisor regarding the application of tax laws to your particular circumstances.

Plan contributions do not create Nebraska residency

Contributions to the Plan do not create Nebraska residency for you or a Beneficiary for purposes of determining the rate of tuition charged by a Nebraska educational institution or any other purpose.

Impact on the Beneficiary's ability to receive financial aid

The Beneficiary's eligibility for financial aid may depend upon the circumstances of the Beneficiary's family at the time the Beneficiary enrolls in an Eligible Educational Institution, as well as on the policies of the governmental agencies, schools or private organizations to which the Beneficiary and/or the Beneficiary's family applies for financial assistance. Because saving for college will increase the financial resources available to the Beneficiary and the Beneficiary's family, it most likely will have some effect on the Beneficiary's eligibility for financial aid. These policies vary and can change over time. Therefore, no person or entity can say with certainty how the federal aid programs, or the school to which the Beneficiary applies, will treat your account for these purposes.

Medicaid and other federal and state benefits

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

Other investment alternatives

Neither the Trust nor the Program Manager make any representations regarding the appropriateness of the Plan or any Investment Option of the Plan as an investment alternative. Other 529 qualified tuition programs and other education savings and investment programs, including CESAs, are currently available to prospective account owners. These programs may offer benefits, including state tax benefits, other investment options and investment control, to you or your beneficiaries that are not available under the Plan. These programs may also have lower fees and expenses than the Plan.

Prospective account owners should also consider whether investing directly in the Underlying Investments would be a better option than investing in the Plan, especially if they are considering investing in the Individual Fund Investment Options. A direct investment in the Underlying Investments may involve lower fees and expenses than are available under the Plan. A direct investment in the Underlying Investments would not, however, be eligible for certain tax benefits available under the Plan.

Possible changes to the Plan

The Nebraska State Treasurer and the Nebraska Investment Council reserve the right, in their sole discretion, to discontinue or change any aspect of the Plan. For example, the Nebraska State Treasurer and the Nebraska Investment Council may change the Plan's fees; add, subtract or merge Investment Options; close an Investment Option to new investors; or change the Underlying Investment(s) of an Investment Option. Depending on the nature of the change, account owners may be required to participate in, or be prohibited from participating in, the change with respect to accounts established before the change. Union Bank and Trust Company may not continue as Program Manager indefinitely.

Investment risks

Each Investment Option has risks

Each of the Investment Options are subject to certain risks that may affect Investment Option performance. Set forth below is a list of the major risks applicable to the Investment Options. Such list is not an exhaustive list and there are other risks which are not defined below. See "**Exhibit B – Investment Options and Underlying Investments**" and the respective prospectuses of the Underlying Investments for a description of the risks associated with the Underlying Investments in which the Investment Options invest.

Market risk. Market risk is the risk that the prices of securities will decline overall. Securities markets tend to move in cycles, with periods of rising and falling prices. Securities prices change every business day, based on investor reactions to economic, political, market, industry, corporate and other developments. At times, these price changes may be rapid and dramatic. Some factors may affect the market as a whole, while others affect particular industries, firms or sizes or types of securities.

Interest rate risk. Interest rate risk is the risk that securities prices will decline due to rising interest rates. A rise in interest rates typically causes bond prices to fall. Bonds with longer maturities and lower credit quality tend to be more sensitive to changes in interest rates, as are mortgage-backed bonds. Short- and long-term interest rates do not necessarily move the same amount or in the same direction. Money market investments are also affected by interest rates, particularly short-term rates, but in the opposite way: when short-term interest rates fall, money market yields usually fall as well. Bonds that can be paid off before maturity, such as mortgage-backed and other asset-backed securities, tend to be more volatile than other types of debt securities with respect to interest rate changes.

Income risk. Income risk is the chance that a fund's income will decline because of falling interest rates. Income risk is generally high for short-term bond funds, so investors should expect the fund's monthly income to fluctuate.

Income fluctuations. Income distributions on the inflation-protected funds are likely to fluctuate considerably more than the income distributions of a typical bond fund. Income fluctuations associated with changes in interest rates are expected to be low; however, income fluctuations associated with changes in inflation are expected to be high. Overall, investors can expect income fluctuations to be high for an inflation-protected fund.

Foreign investment risk. Investment in foreign stocks and bonds may be more risky than investments in domestic stocks and bonds. Foreign stocks and bonds tend to be more volatile, and may be less liquid, than their U.S. counterparts. The reasons for such volatility can include greater political and social instability, lower market liquidity, higher costs, less stringent investor protections, and inferior information on issuer finances. In addition, the dollar value of most foreign currencies changes daily. All these risks tend to be higher in emerging markets than in developed markets.

Asset-backed securities risk. An Investment Option's performance could suffer to the extent the Underlying Investments are exposed to asset-backed securities, including mortgage-backed securities. Asset-backed securities are subject to early amortization due to amortization or payout events that cause the security to payoff prematurely. Under those circumstances, an Underlying Investment may not be able to reinvest the proceeds of the payoff at a yield that is as high as that which the asset-backed security paid. In addition, asset-backed securities are subject to fluctuations in interest rates that may affect their yield or the prepayment rates on the underlying assets.

Derivatives risk. Certain of the Underlying Investments may utilize derivatives. There are certain investment risks in using derivatives, including futures contracts, options on futures, interest rate swaps and structured notes. If an Underlying Investment incorrectly forecasts interest rates in using derivatives, the Underlying Investment and any Investment Option invested in it could lose money. Price movements of a futures contract, option or structured notes may not be identical to price movements of portfolio securities or a securities index, resulting in the risk that, when an underlying investment fund buys a futures contract or option as a hedge, the hedge may not be completely effective. The use of these management techniques also involves the risk of loss if the advisor to an Underlying Investment is incorrect in its expectation of fluctuations in securities prices, interest rates or currency prices. Investments in derivatives may be illiquid, difficult to price and result in leverage so that small changes may produce disproportionate losses for the Underlying Investment. Investments in derivatives may be subject to counterparty risk to a greater degree than more traditional investments. Please see the Underlying Investments prospectus for complete details.

Concentration risk. To the extent that an Underlying Investment or an Investment Option is exposed to securities of a single country, region, industry, structure or size, its performance may be unduly affected by factors common to the type of securities involved.

Index sampling risk. Index sampling risk is the chance that the securities selected for an Underlying Investment, in the aggregate, will not provide investment performance matching that of the Underlying Investment's target index.

Issuer risk. Changes in an issuer's business prospects or financial condition, including those resulting from concerns over accounting or corporate governance practices, could significantly affect an Investment Option's performance if the Investment Option has sufficient exposure to those securities.

Credit risk. The value or yield of a bond or money market security could fall if its credit backing deteriorates. In more extreme cases, default or the threat of default could cause a security to lose most or all of its value. Credit risks are higher in high-yield bonds.

Management risk. An Investment Option's performance could suffer if the investment fund or funds in which it invests underperform.

Call risk. This is the chance 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 Investment 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 Investment's income. Such redemptions and subsequent reinvestments would also increase the Underlying Investment's portfolio turnover rate.

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

Emerging markets risk. Underlying Investments that invest in foreign securities may also be subject to emerging markets risk, which is the chance 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, regulatory and accounting systems; and greater political, social and economic instability than developed markets.

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

Prepayment risk. This is the chance 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 an Underlying Investment. The Underlying Investment would then lose any price appreciation above the mortgage's principal and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the Underlying Investment's income. Such prepayments and subsequent reinvestments would also increase the Underlying Investment's portfolio turnover rate.

Individual Fund Investment Options not as diversified as Age-Based and Static Investment Options

The Individual Fund Investment Options are designed to invest in a single Underlying Investment. Individual Fund Investment Options, by design, are not as diverse as the Age-Based and Static Investment Options which invest in a number of Underlying Investments. Since each Individual Fund Investment Option is invested in one Underlying Investment, the performance of the Individual Fund Investment Option is dependent on the performance of the Underlying Investment. Consequently, the performance of each of the Individual Fund Investment Options may be more volatile than the Age-Based and Static Investment Options.

Suitability of Plan for account owner

An investment in the Plan will not be an appropriate investment for all investors. Some Investment Options entail more risk than other Investment Options and may not be suitable for all account owners, or for the entire balance of an account. This is particularly true for Individual Fund Investment Options which are invested in a single Underlying Investment. No Individual Fund Investment Options should be considered a complete investment program, but should be a part of an account owner's overall investment strategy designed in light of an account owner's particular needs, circumstances and risk tolerance.

You should evaluate the Plan and the Investment Option(s) you select in the context of your overall financial situation, investment goals, tax status, other resources and needs (such as liquidity) and other investments, including other college savings strategies.

While there is no guarantee that the Plan is or will be an appropriate investment for anyone, in particular, if you consider yourself an especially aggressive or conservative investor, you may want to save for higher education by making investments in addition to, or other than, through the Plan to seek to achieve the investment result that is appropriate for you. Because neither the Plan, the Trust, the Nebraska State Treasurer, the Nebraska Investment Council, the State of Nebraska nor the Program Manager are providing you any recommendations on any investments in the Plan, you are urged to consult a financial advisor if you are unsure whether or how much to invest in the Plan or which Investment Options are suitable for you.

Cybersecurity risk

The Plan places significant reliance on the computer systems of its service providers and partners. Thus, the Plan may be susceptible to operational and information security risks resulting from cyber threats and cyber-attacks which may adversely affect your account and cause it to lose value. For example, cyber threats and cyber-attacks may interfere with your ability to make contributions to, exchanges within or distributions from your accounts. Cyber threats and cyber-attacks may also impede trading and/or result in the collection and use of personally identifiable information of an account owner, Beneficiary or others.

Cybersecurity risks include security or privacy incidents such as human error, unauthorized release, theft, misuse, corruption and destruction of account data maintained by the Plan online or in digital form. Cybersecurity risks also include denial of service, viruses, malware, hacking, bugs, security vulnerabilities in software, attacks on technology operations and other disruptions that could impede the Plan's ability to maintain routine operations. Although the Plan's service providers and partners undertake efforts to protect their computer systems from cyber threats and cyber-attacks, there are no guarantees that the Plan or your account will avoid losses due to cyber threats or cyber-attacks.

PART 11 — PERFORMANCE

The performance chart below includes performance for investments in the Plan as of March 31, 2024. Performance data for the most recent month-end is available on the Plan's website. Please keep in mind, past performance — especially short-term past performance — is not a guarantee of future results. Investment returns and

principal values will fluctuate, so that account owners' interests in an Investment Option may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited.

No ownership in Underlying Investments

Account owners do not own shares in the Underlying Investments directly or, in case of the Bank Savings Underlying Investment, directly hold a savings account, but rather own interests in the Investment Options. As a result, the performance of the Investment Options will differ from the performance of the Underlying Investments, even in circumstances where an Investment Option invests in a single, individual fund. This is due in part to the differences in the expense ratios of the Underlying Investments and the Investment Options.

Performance differences

Performance differences between an Investment Option and its Underlying Investments may also result from differences in the timing of purchases and fees. On days when contributions are made to an account, the Investment Options will not use that money to purchase shares of an Underlying Investment until the next business day. This timing difference, depending on how the markets are moving, will cause the Investment Option's performance to either trail or exceed the Underlying Investment's performance.

When you invest money in an Investment Option, you will receive units in the Investment Option as of the trade date. Your money will be used by the Trust to purchase shares of an Underlying Investment. However, the settlement date for the purchase of shares of an Underlying Investment typically will be one to three business days after the trade date for your purchase of units. Depending on the value, this timing difference and fees will cause the Investment Option's performance either to trail or exceed the Underlying Investment's performance.

Performance as of March 31, 2024

Investment Option Name *Benchmark*[1]	Average Annualized Total Returns					Inception Date[3]
	1 Year	3 Years	5 Years	10 Years	Since Inception[2]	
Age-Based Index Investment Options						
Age-Based Index Aggressive 0-2	23.08%	6.85%	-	-	8.56%	12/4/20
NEST Benchmark 0-2 yr Index Aggressive	*23.36%*	*7.06%*	-	-		
Age-Based Index Aggressive 3-5	20.97%	5.96%	-	-	7.36%	12/4/20
NEST Benchmark 3-5 yr Index Aggressive	*21.35%*	*6.31%*	-	-		
Age-Based Index Aggressive 6-8	18.82%	5.22%	-	-	6.38%	12/4/20
NEST Benchmark 6-8 yr Index Aggressive	*19.17%*	*5.43%*	-	-		
Age-Based Index Aggressive 9-10	16.52%	4.33%	-	-	5.35%	12/4/20
NEST Benchmark 9-10 yr Index Aggressive	*16.90%*	*4.51%*	-	-		
Age-Based Index Aggressive 11-12	14.41%	3.58%	-	-	4.46%	12/4/20
NEST Benchmark 11-12 yr Index Aggressive	*14.92%*	*3.80%*	-	-		
Age-Based Index Aggressive 13-14	12.58%	2.94%	-	-	3.36%	12/4/20
NEST Benchmark 13-14 yr Index Aggressive	*12.95%*	*3.04%*	-	-		
Age-Based Index Aggressive 15-16	10.60%	2.30%	-	-	2.71%	12/4/20
NEST Benchmark 15-16 yr Index Aggressive	*10.81%*	*2.36%*	-	-		
Age-Based Index Aggressive 17-18	8.61%	1.74%	-	-	2.06%	12/4/20
NEST Benchmark 17-18 yr Index Aggressive	*8.92%*	*1.79%*	-	-		
Age-Based Index Aggressive 19+	6.76%	1.08%	-	-	1.19%	12/4/20
NEST Benchmark 19+ yr Index Aggressive	*7.08%*	*1.21%*	-	-		
Age-Based Index Moderate 0-2	20.97%	5.96%	-	-	7.36%	12/4/20
NEST Benchmark 0-2 yr Index Moderate	*21.35%*	*6.31%*	-	-		
Age-Based Index Moderate 3-5	18.82%	5.22%	-	-	6.38%	12/4/20
NEST Benchmark 3-5 yr Index Moderate	*19.17%*	*5.43%*	-	-		
Age-Based Index Moderate 6-8	16.57%	4.38%	-	-	5.45%	12/4/20
NEST Benchmark 6-8 yr Index Moderate	*16.90%*	*4.51%*	-	-		
Age-Based Index Moderate 9-10	14.44%	3.65%	-	-	4.19%	12/4/20
NEST Benchmark 9-10 yr Index Moderate	*14.92%*	*3.80%*	-	-		
Age-Based Index Moderate 11-12	12.64%	3.06%	-	-	3.47%	12/4/20
NEST Benchmark 11-12 yr Index Moderate	*12.95%*	*3.04%*	-	-		
Age-Based Index Moderate 13-14	10.50%	2.20%	-	-	2.68%	12/4/20
NEST Benchmark 13-14 yr Index Moderate	*10.81%*	*2.36%*	-	-		
Age-Based Index Moderate 15-16	8.72%	1.84%	-	-	2.03%	12/4/20
NEST Benchmark 15-16 yr Index Moderate	*8.92%*	*1.79%*	-	-		
Age-Based Index Moderate 17-18	6.76%	1.11%	-	-	1.16%	12/4/20
NEST Benchmark 17-18 yr Index Moderate	*7.08%*	*1.21%*	-	-		
Age-Based Index Moderate 19+	5.02%	0.76%	-	-	0.66%	12/4/20
NEST Benchmark 19+ yr Index Moderate	*5.40%*	*0.97%*	-	-		
Age-Based Index Conservative 0-2	16.77%	4.53%	8.07%	7.14%	7.72%	12/17/10
NEST Benchmark 0-2 yr Index Conservative	*16.90%*	*4.51%*	*8.21%*	*7.26%*		
Age-Based Index Conservative 3-5	14.61%	3.65%	6.92%	-	6.50%	7/20/18
NEST Benchmark 3-5 yr Index Conservative	*14.92%*	*3.80%*	*7.26%*	-		
Age-Based Index Conservative 6-8	12.66%	2.93%	5.86%	5.39%	5.86%	12/17/10
NEST Benchmark 6-8 yr Index Conservative	*12.95%*	*3.04%*	*6.10%*	*5.60%*		
Age-Based Index Conservative 9-10	10.51%	2.22%	4.83%	-	4.72%	7/20/18
NEST Benchmark 9-10 yr Index Conservative	*10.81%*	*2.36%*	*5.16%*	-		
Age-Based Index Conservative 11-12	8.74%	1.67%	3.88%	3.71%	4.02%	12/17/10
NEST Benchmark 11-12 yr Index Conservative	*8.92%*	*1.79%*	*4.16%*	*3.97%*		
Age-Based Index Conservative 13-14	6.82%	1.11%	2.79%	2.65%	2.42%	12/17/10
NEST Benchmark 13-14 yr Index Conservative	*7.08%*	*1.21%*	*3.06%*	*2.98%*		
Age-Based Index Conservative 15-16	5.24%	0.87%	1.73%	1.59%	1.39%	12/17/10
NEST Benchmark 15-16 yr Index Conservative	*5.40%*	*0.97%*	*2.05%*	*1.89%*		
Age-Based Index Conservative 17-18	4.11%	1.19%	0.95%	-	1.06%	7/20/18
NEST Benchmark 17-18 yr Index Conservative	*4.16%*	*1.27%*	*1.18%*	-		
Age-Based Index Conservative 19+	5.30%	2.59%	1.84%	-	1.85%	7/20/18
NEST Benchmark 19+ yr Index Conservative	*5.52%*	*2.70%*	*2.07%*	-		

Performance as of March 31, 2024

Investment Option Name *Benchmark*[1]	Average Annualized Total Returns					
	1 Year	3 Years	5 Years	10 Years	Since Inception[2]	Inception Date[3]
Age-Based Multi-Firm Investment Options						
Age-Based Aggressive 0-2	22.83%	6.57%	10.94%	-	9.71%	7/20/18
NEST Benchmark 0-2 yr Aggressive	*22.43%*	*6.88%*	*11.30%*	-		
Age-Based Aggressive 3-5	20.88%	5.77%	10.15%	9.22%	9.73%	12/17/10
NEST Benchmark 3-5 yr Aggressive	*20.44%*	*6.09%*	*10.35%*	*9.30%*		
Age-Based Aggressive 6-8	18.83%	4.93%	9.14%	8.40%	9.06%	12/17/10
NEST Benchmark 6-8 yr Aggressive	*18.44%*	*5.33%*	*9.36%*	*8.50%*		
Age-Based Aggressive 9-10	16.51%	3.96%	8.01%	-	7.36%	7/20/18
NEST Benchmark 9-10 yr Aggressive	*16.20%*	*4.35%*	*8.30%*	-		
Age-Based Aggressive 11-12	14.46%	3.26%	7.07%	6.75%	7.30%	12/17/10
NEST Benchmark 11-12 yr Aggressive	*14.25%*	*3.56%*	*7.24%*	*6.72%*		
Age-Based Aggressive 13-14	12.54%	2.53%	5.98%	-	5.68%	7/20/18
NEST Benchmark 13-14 yr Aggressive	*12.45%*	*2.93%*	*6.30%*	-		
Age-Based Aggressive 15-16	10.39%	1.83%	5.01%	5.02%	5.49%	12/17/10
NEST Benchmark 15-16 yr Aggressive	*10.36%*	*2.18%*	*5.20%*	*5.08%*		
Age-Based Aggressive 17-18	8.60%	1.39%	4.15%	-	4.12%	7/20/18
NEST Benchmark 17-18 yr Aggressive	*8.64%*	*1.75%*	*4.40%*	-		
Age-Based Aggressive 19+	6.74%	0.79%	3.20%	3.35%	3.73%	12/17/10
NEST Benchmark 19+ yr Aggressive	*6.84%*	*1.11%*	*3.36%*	*3.52%*		
Age-Based Moderate 0-2	20.78%	5.92%	10.00%	8.83%	9.38%	12/17/10
NEST Benchmark 0-2 yr Moderate	*20.44%*	*6.09%*	*10.34%*	*8.99%*		
Age-Based Moderate 3-5	18.89%	4.94%	8.83%	-	8.08%	7/20/18
NEST Benchmark 3-5 yr Moderate	*18.44%*	*5.33%*	*9.35%*	-		
Age-Based Moderate 6-8	16.46%	3.96%	7.68%	7.05%	7.53%	12/17/10
NEST Benchmark 6-8 yr Moderate	*16.20%*	*4.35%*	*8.13%*	*7.16%*		
Age-Based Moderate 9-10	14.52%	3.26%	6.68%	-	6.29%	7/20/18
NEST Benchmark 9-10 yr Moderate	*14.25%*	*3.56%*	*7.18%*	-		
Age-Based Moderate 11-12	12.57%	2.53%	5.58%	5.31%	5.71%	12/17/10
NEST Benchmark 11-12 yr Moderate	*12.45%*	*2.93%*	*6.05%*	*5.50%*		
Age-Based Moderate 13-14	10.35%	1.82%	4.61%	-	4.53%	7/20/18
NEST Benchmark 13-14 yr Moderate	*10.36%*	*2.18%*	*5.11%*	-		
Age-Based Moderate 15-16	8.63%	1.37%	3.75%	3.61%	3.93%	12/17/10
NEST Benchmark 15-16 yr Moderate	*8.64%*	*1.75%*	*4.15%*	*3.92%*		
Age-Based Moderate 17-18	6.65%	0.78%	2.64%	-	2.76%	7/20/18
NEST Benchmark 17-18 yr Moderate	*6.84%*	*1.11%*	*3.08%*	-		
Age-Based Moderate 19+	5.12%	0.64%	1.61%	-	1.78%	7/20/18
NEST Benchmark 19+ yr Moderate	*5.34%*	*1.01%*	*2.07%*	-		
Age-Based Conservative 0-2	16.68%	4.00%	-	-	5.08%	12/4/20
NEST Benchmark 0-2 yr Conservative	*16.20%*	*4.35%*	-	-		
Age-Based Conservative 3-5	14.58%	3.32%	-	-	4.78%	12/4/20
NEST Benchmark 3-5 yr Conservative	*14.25%*	*3.56%*	-	-		
Age-Based Conservative 6-8	12.72%	1.65%	-	-	2.54%	12/4/20
NEST Benchmark 6-8 yr Conservative	*12.45%*	*2.93%*	-	-		
Age-Based Conservative 9-10	10.49%	2.00%	-	-	2.71%	12/4/20
NEST Benchmark 9-10 yr Conservative	*10.36%*	*2.18%*	-	-		
Age-Based Conservative 11-12	8.50%	0.99%	-	-	2.03%	12/4/20
NEST Benchmark 11-12 yr Conservative	*8.64%*	*1.75%*	-	-		
Age-Based Conservative 13-14	7.10%	1.02%	-	-	1.13%	12/4/20
NEST Benchmark 13-14 yr Conservative	*6.84%*	*1.11%*	-	-		
Age-Based Conservative 15-16	5.34%	0.83%	-	-	0.72%	12/4/20
NEST Benchmark 15-16 yr Conservative	*5.34%*	*1.01%*	-	-		
Age-Based Conservative 17-18	4.13%	1.09%	-	-	0.89%	12/4/20
NEST Benchmark 17-18 yr Conservative	*4.15%*	*1.27%*	-	-		
Age-Based Conservative 19+	5.35%	2.60%	-	-	2.34%	12/4/20
NEST Benchmark 19+ yr Conservative	*5.52%*	*2.70%*	-	-		

Performance as of March 31, 2024

Investment Option Name *Benchmark*[1]	Average Annualized Total Returns					Inception Date[3]
	1 Year	3 Years	5 Years	10 Years	Since Inception[2]	
Static Investment Options						
All Equity Static	23.02%	6.52%	10.93%	-	9.70%	7/20/18
NEST Benchmark All Equity Static	*22.43%*	*6.88%*	*11.30%*	-		
Growth Static	18.90%	4.90%	9.10%	8.39%	9.05%	12/17/10
NEST Benchmark Growth Static	*18.44%*	*5.33%*	*9.36%*	*8.50%*		
Balanced Static	12.65%	2.45%	5.95%	-	5.65%	7/20/18
NEST Benchmark Balanced Static	*12.45%*	*2.93%*	*6.30%*	-		
Conservative Static	6.74%	0.77%	3.19%	3.34%	3.73%	12/17/10
NEST Benchmark Conservative Static	*6.84%*	*1.11%*	*3.36%*	*3.52%*		
Bank Savings Static[4]	5.43%	2.82%	2.08%	1.37%	1.21%	10/17/11
FTSE 3-Month T-Bill	*5.52%*	*2.70%*	*2.07%*	*1.39%*		
Individual Investment Options						
Vanguard Federal Money Market 529[5]	5.15%	2.57%	-	-	2.31%	12/4/20
FTSE 3 Month US T-Bill	*5.52%*	*2.70%*	-	-		
Vanguard Short-Term Inflation-Protected Securities Index 529	3.00%	2.12%	2.98%	-	2.30%	4/29/16
Bloomberg U.S. 0-5 Year TIPS Index	*3.20%*	*2.25%*	*3.20%*	-		
Vanguard Short-Term Bond Index 529	2.97%	-0.51%	1.03%	1.13%	1.22%	12/17/10
Bloomberg U.S. 1-5 Year Government/Credit Float Adj Index	*3.16%*	*-0.38%*	*1.24%*	*1.40%*		
Vanguard Total Bond Market Index 529	1.60%	-2.49%	0.24%	1.30%	1.81%	12/17/10
Bloomberg U.S. Aggregate Float Adjusted Bond Index	*1.77%*	*-2.39%*	*0.43%*	*1.57%*		
MetWest Total Return Bond 529	1.48%	-3.06%	0.37%	-	1.01%	2/6/15
Bloomberg U.S. Aggregate Bond Index	*1.70%*	*-2.46%*	*0.36%*	-		
DFA World ex U.S. Government Fixed Income 529	5.64%	-3.94%	-1.43%	-	0.57%	4/29/16
FTSE Non-USD World Govt Bond Index (hedged to USD)	*4.66%*	*-2.01%*	*0.15%*	-		
State Street Equity 500 Index 529	29.66%	11.20%	14.79%	12.66%	13.32%	12/17/10
S&P 500 Index	*29.88%*	*11.49%*	*15.05%*	*12.96%*		
Vanguard Total Stock Market Index 529	29.18%	9.52%	14.05%	12.03%	12.88%	12/17/10
CRSP U.S. Total Market Index	*29.33%*	*9.64%*	*14.25%*	*12.28%*		
Vanguard Equity Income 529	18.51%	9.75%	10.99%	10.02%	11.81%	6/22/12
FTSE High Dividend Yield Index	*18.43%*	*9.63%*	*10.67%*	*10.18%*		
T. Rowe Price Large-Cap Growth 529	44.41%	8.23%	15.36%	15.11%	15.57%	12/17/10
Russell 1000 Growth Index	*39.00%*	*12.50%*	*18.52%*	*15.98%*		
Vanguard Extended Market Index 529	26.51%	0.86%	9.93%	8.75%	10.49%	12/17/10
S&P Completion Index	*26.34%*	*0.79%*	*9.97%*	*8.85%*		
Vanguard Explorer 529	19.94%	2.40%	-	-	5.80%	12/4/20
Russell 2500 Growth Index	*21.12%*	*-0.81%*	-	-		
DFA U.S. Small Cap Value 529	24.73%	9.91%	-	-	17.75%	12/4/20
Russell 2000 Value Index	*18.75%*	*2.22%*	-	-		
Vanguard Total International Stock Index 529	12.93%	1.81%	-	-	3.58%	12/4/20
FTSE Global All Cap ex US Fair Value Index	*13.90%*	*2.37%*	-	-		
Vanguard Real Estate Index 529	8.47%	1.65%	3.57%	6.00%	7.67%	12/17/10
MSCI U.S. Investable Market Real Estate 25/50 Index[6]	*7.41%*	*0.79%*	*2.74%*	*5.68%*		

The performance chart above includes performance as of March 31, 2024. Performance data for the most recent month-end is available at NEST529.com or by calling the Plan at 888.993.3746, representatives are available 7 a.m. – 7 p.m. Central, Monday through Friday. Please keep in mind, past performance — especially short-term past performance — is not a guarantee of future results. Investment returns and principal values will fluctuate, so that account owners' interests in an Investment Option may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. Performance is net of the Underlying Investment expenses.

[1] Each benchmark is not managed. Therefore, its performance does not reflect management fees, expenses or the imposition of sales charges. The Age-Based and Static blended benchmark calculations include the prior program manager's blended benchmarks through 9/30/2020 and utilize a 10/1/2020 transition date to the current Program Manager's blended benchmarks thereafter.

[2] Since Inception Returns for less than one year are not annualized.

[3] The current Program Manager resumed managing the Plan 3pm CT December 4, 2020. Share price and performance information prior to December 4, 2020 was provided by the previous program manager as the true, accurate and complete program records and has not been independently audited by the current Program Manager.

[4] The underlying omnibus bank accounts annual percentage yield is 5.53% as of March 1, 2024. This rate is variable and subject to change at any time. There is no minimum balance required to obtain this rate. Interest earnings realized by participants will be reduced by the program management fee and state administrative fee.

[5] You could lose money by investing in this Investment Option. Although the money market fund in which your investment option invests (the underlying fund) seeks to preserve the value at $1.00 per share, it cannot guarantee it will do so. An investment in this Investment Option is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The sponsor has no legal obligation to provide financial support to the underlying fund, and you should not expect that the sponsor will provide financial support to the underlying fund at any time.

[6] MSCI US REIT Index through February 1, 2018; MSCI US Investable Market Real Estate 25/50 Transition Index through July 24, 2018: MSCI US Investable Market Real Estate 25/50 Index thereafter.

Customized performance benchmarks

The benchmarks for the Age-Based and the Static Investment Options represent customized composites of market indices for the available Underlying Investments weighted by its relative target allocation. Investors cannot directly invest in the compilation of the benchmark indices.

Index Investment Options

Age-Based Investment Options	Age of Beneficiary										
Age-Based Index Aggressive	0–2	3–5	6–8	9–10	11–12	13–14	15–16	17–18	19 plus		
Age-Based Index Moderate		0–2	3–5	6–8	9–10	11–12	13–14	15–16	17–18	19 plus	
Age-Based Index Conservative			0–2	3–5	6–8	9–10	11–12	13–14	15–16	17–18	19 plus
FTSE 3-Month US T-Bill Index									4.5%	11.5%	25.0%
FTSE 3-Month US T-Bill Index									4.5%	11.5%	25.0%
Bloomberg U.S. 0-5 Year TIPS Index					2.0%	4.0%	9.0%	11.0%	11.0%	14.0%	15.0%
Bloomberg U.S. 1-5 Year Government/Credit Float Adjusted Index		2.0%	3.0%	4.0%	8.0%	11.0%	14.0%	22.0%	25.0%	22.0%	20.0%
Bloomberg U.S. Aggregate Float Adjusted Bond Index		7.0%	14.5%	22.0%	25.5%	30.0%	31.5%	31.5%	29.5%	26.5%	13.0%
Bloomberg Global Aggregate Credit TR Hedged		1.0%	2.5%	4.0%	4.5%	5.0%	5.5%	5.5%	5.5%	4.5%	2.0%
CRSP U.S. Total Market Index	58.0%	52.0%	48.0%	42.0%	36.5%	31.0%	25.0%	20.0%	13.0%	7.0%	
FTSE Global All Cap ex U.S. Fair Value Index	36.0%	32.0%	27.0%	23.0%	19.5%	16.0%	12.0%	8.0%	5.0%	2.0%	
MSCI US Investable Market Real Estate 25/50 Index	6.0%	6.0%	5.0%	5.0%	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%	
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Multi-Firm Investment Options

Age-Based Investment Options	Age of Beneficiary											
Age-Based Aggressive	0–2	3–5	6–8	9–10	11–12	13–14	15–16	17–18	19 plus			
Age-Based Moderate		0–2	3–5	6–8	9–10	11–12	13–14	15–16	17–18	19 plus		
Age-Based Conservative			0–2	3–5	6–8	9–10	11–12	13–14	15–16	15–16	19 plus	
Static Investment Options	**All Equity**		**Growth**			**Balanced**			**Conservative**			**Bank Savings**
FTSE 3-Month US T-Bill Index									4.5%	11.5%	25.0%	
FTSE 3-Month US T-Bill Index									4.5%	11.5%	25.0%	100.0%
Bloomberg U.S. 0-5 Year TIPS Index					2.0%	4.0%	9.0%	11.0%	11.0%	14.0%	15.0%	
Bloomberg U.S. 1-5 Year Government/Credit Float Adjusted Index		2.0%	3.0%	4.0%	8.0%	11.0%	14.0%	22.0%	25.0%	22.0%	20.0%	
Bloomberg U.S. Aggregate Float Adjusted Bond Index		3.5%	7.5%	11.0%	12.5%	15.0%	16.0%	16.0%	15.0%	13.5%	6.5%	
Bloomberg U.S. Aggregate Bond Index		3.5%	7.5%	11.0%	12.5%	15.0%	15.5%	15.5%	15.0%	13.0%	6.0%	
Bloomberg Gbl Agg Credit TR Hdg		1.0%	2.0%	4.0%	5.0%	5.0%	5.5%	5.5%	5.0%	4.5%	2.5%	
CRSP U.S. Total Market Index	33.0%	30.0%	27.0%	24.0%	20.5%	18.0%	14.0%	11.0%	8.0%	4.0%		
FTSE High Dividend Yield Index	10.0%	9.0%	8.5%	7.5%	6.5%	5.5%	4.5%	3.5%	2.5%	1.5%		
Russell 1000 Growth Index	10.0%	9.0%	8.5%	7.5%	6.5%	5.5%	4.5%	3.5%	2.5%	1.5%		
Russell 2500 Growth Index	2.5%	2.0%	2.0%	1.5%	1.5%	1.0%	1.0%	1.0%				
Russell 2000 Value Index	2.5%	2.0%	2.0%	1.5%	1.5%	1.0%	1.0%	1.0%				
FTSE Global All Cap ex U.S. Fair Value Index	23.0%	20.0%	16.0%	14.0%	12.5%	10.0%	7.0%	5.0%	3.0%	2.0%		
MSCI ACWI Ex USA NR	6.5%	6.0%	5.5%	4.5%	3.5%	3.0%	2.5%	1.5%	1.0%			
MSCI EAFE NR	6.5%	6.0%	5.5%	4.5%	3.5%	3.0%	2.5%	1.5%	1.0%			
MSCI US Investable Market Real Estate 25/50 Index	6.0%	6.0%	5.0%	5.0%	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%		
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

PART 12 — PLAN FEES AND EXPENSES

Program management fee

The Program Manager receives a management fee equal to 0.08% of the average daily net assets in each Investment Option. This fee accrues daily and will be deducted from each Investment Option. This fee is not reflected as a direct charge against your account on your account statements, but rather is reflected as an expense in the daily NAV calculation for each Investment Option. Under certain circumstances, the Program Manager, in its sole discretion, may waive a portion of its program management fee with respect to an Investment Option. Any such waiver would be voluntary and may be discontinued at any time.

The Program Manager's ability to recommend investment of portfolio assets is limited by the Program Management Agreement and is subject to review by the Nebraska Investment Council and the Treasurer. The Program Manager may receive from one or more Underlying Investments an amount to compensate the Program Manager for performing certain administrative or other shareholder services associated with maintaining an investment in such Underlying Investment.

Negative return

The Program Manager will endeavor to maintain a positive or zero return on the Vanguard Federal Money Market 529 Investment Option by waiving a portion of its program management fee earned on that Investment Option. However, the Program Manager cannot guarantee any return on the Vanguard Federal Money Market 529 Investment Option or that the return on this Investment Option will not be negative. Any such waiver would be voluntary and may be discontinued at any time.

State administration fee

An administration fee equal to 0.02% of the average daily net assets in each Investment Option will be allocated to the state's costs to administer, market and distribute the Plan. This fee accrues daily as a percentage of average daily net assets and is deducted from each Investment Option. This fee is not reflected as a direct charge against your account on your account statements, but rather is reflected as an expense in the daily NAV calculation for each Investment Option. This fee will reduce the value of an account.

Underlying Investment fee

Each Investment Option will also indirectly bear its pro rata share of the fees and expenses of the underlying mutual funds. Although these expenses and fees are not charged to the accounts, they will reduce the investment returns realized by each Investment Option.

Other account fees

There are no account opening fees and no other annual or quarterly fees associated with the Plan.

Fee or Charge Type	Amount
Enrollment/Account opening	**None**
Cancellation/Withdrawal	**None**
Change in Beneficiary	**None**
Change in Investment Options	**None**

The Program Manager reserves the right to charge: a returned check fee of up to $25; a rejected or returned ACH or EFT fee of up to $25; a statement retrieval fee of $10 per hour with respect to requests for data which are more than five years old; and, a wire fee of up to $25. However, none of these fees will be assessed initially. The Program Manager will monitor these activities and provide notice to the Nebraska State Treasurer if it intends to implement any of these charges at a future date. Any such charges would be deducted from the account owner's account. All accounts with the same account owner and Beneficiary will be treated as a single account for purposes of calculating other account fees.

Fee structure tables

Specific fees and expenses are outlined in the tables below.

FEE & EXPENSE TABLE: AGE-BASED INVESTMENT OPTIONS

Age-Based Investment Options	Estimated Underlying Investment Expenses[1]	State Fee	Program Management Fee	Total Annual Asset-Based Fee
Age-Based Index Aggressive				
0–2 yrs	0.05%	0.02%	0.08%	0.15%
3–5 yrs	0.05%	0.02%	0.08%	0.15%
6–8 yrs	0.05%	0.02%	0.08%	0.15%
9–10 yrs	0.05%	0.02%	0.08%	0.15%
11–12 yrs	0.05%	0.02%	0.08%	0.15%
13–14 yrs	0.05%	0.02%	0.08%	0.15%
15–16 yrs	0.05%	0.02%	0.08%	0.15%
17–18 yrs	0.05%	0.02%	0.08%	0.15%
19+ yrs	0.05%	0.02%	0.08%	0.15%
Age-Based Index Moderate				
0–2 yrs	0.05%	0.02%	0.08%	0.15%
3–5 yrs	0.05%	0.02%	0.08%	0.15%
6–8 yrs	0.05%	0.02%	0.08%	0.15%
9–10 yrs	0.05%	0.02%	0.08%	0.15%
11–12 yrs	0.05%	0.02%	0.08%	0.15%
13–14 yrs	0.05%	0.02%	0.08%	0.15%
15–16 yrs	0.05%	0.02%	0.08%	0.15%
17–18 yrs	0.05%	0.02%	0.08%	0.15%
19+ yrs	0.05%	0.02%	0.08%	0.15%
Age-Based Index Conservative				
0–2 yrs	0.05%	0.02%	0.08%	0.15%
3–5 yrs	0.05%	0.02%	0.08%	0.15%
6–8 yrs	0.05%	0.02%	0.08%	0.15%
9–10 yrs	0.05%	0.02%	0.08%	0.15%
11–12 yrs	0.05%	0.02%	0.08%	0.15%
13–14 yrs	0.05%	0.02%	0.08%	0.15%
15–16 yrs	0.05%	0.02%	0.08%	0.15%
17–18 yrs	0.05%	0.02%	0.08%	0.15%
19+ yrs	0.05%	0.02%	0.08%	0.15%
Age-Based Aggressive				
0–2 yrs	0.19%	0.02%	0.08%	0.29%
3–5 yrs	0.19%	0.02%	0.08%	0.29%
6–8 yrs	0.19%	0.02%	0.08%	0.29%
9–10 yrs	0.19%	0.02%	0.08%	0.29%
11–12 yrs	0.18%	0.02%	0.08%	0.28%
13–14 yrs	0.17%	0.02%	0.08%	0.27%
15–16 yrs	0.16%	0.02%	0.08%	0.26%
17–18 yrs	0.15%	0.02%	0.08%	0.25%
19+ yrs	0.13%	0.02%	0.08%	0.23%
Age-Based Moderate				
0–2 yrs	0.19%	0.02%	0.08%	0.29%
3–5 yrs	0.19%	0.02%	0.08%	0.29%
6–8 yrs	0.19%	0.02%	0.08%	0.29%
9–10 yrs	0.18%	0.02%	0.08%	0.28%
11–12 yrs	0.17%	0.02%	0.08%	0.27%
13–14 yrs	0.16%	0.02%	0.08%	0.26%
15–16 yrs	0.15%	0.02%	0.08%	0.25%
17–18 yrs	0.13%	0.02%	0.08%	0.23%
19+ yrs	0.10%	0.02%	0.08%	0.20%
Age-Based Conservative				
0–2 yrs	0.19%	0.02%	0.08%	0.29%
3–5 yrs	0.19%	0.02%	0.08%	0.29%
6–8 yrs	0.18%	0.02%	0.08%	0.28%
9–10 yrs	0.17%	0.02%	0.08%	0.27%
11–12 yrs	0.16%	0.02%	0.08%	0.26%
13–14 yrs	0.15%	0.02%	0.08%	0.25%
15–16 yrs	0.13%	0.02%	0.08%	0.23%
17–18 yrs	0.10%	0.02%	0.08%	0.20%
19+ yrs	0.07%	0.02%	0.08%	0.17%

FEE & EXPENSE TABLE: STATIC INVESTMENT OPTIONS

Static Investment Options	Estimated Underlying Investment Expenses[1]	State Fee	Program Management Fee	Total Annual Asset-Based Fee
All Equity Static	0.19%	0.02%	0.08%	0.29%
Growth Static	0.19%	0.02%	0.08%	0.29%
Balanced Static	0.17%	0.02%	0.08%	0.27%
Conservative Static	0.13%	0.02%	0.08%	0.23%
Bank Savings Static	0.00%	0.02%	0.08%	0.10%

FEE & EXPENSE TABLE: INDIVIDUAL FUND INVESTMENT OPTIONS

Individual Fund Investment Options	Estimated Underlying Investment Expenses[1]	State Fee	Program Management Fee	Total Annual Asset-Based Fee
Vanguard Federal Money Market 529 Portfolio	0.11%	0.02%	0.08%	0.21%
Vanguard Short-Term Inflation-Protected Securities Index 529 Portfolio	0.04%	0.02%	0.08%	0.14%
Vanguard Short-Term Bond Index 529 Portfolio	0.04%	0.02%	0.08%	0.14%
Vanguard Total Bond Market Index 529 Portfolio	0.03%	0.02%	0.08%	0.13%
MetWest Total Return Bond 529 Portfolio	0.37%	0.02%	0.08%	0.47%
DFA World ex U.S. Government Fixed Income 529 Portfolio	0.20%	0.02%	0.08%	0.30%
State Street Equity 500 Index 529 Portfolio	0.02%	0.02%	0.08%	0.12%
Vanguard Total Stock Market Index 529 Portfolio	0.02%	0.02%	0.08%	0.12%
Vanguard Equity Income 529 Portfolio	0.18%	0.02%	0.08%	0.28%
T. Rowe Price Large-Cap Growth 529 Portfolio	0.55%	0.02%	0.08%	0.65%
Vanguard Extended Market Index 529 Portfolio	0.04%	0.02%	0.08%	0.14%
Vanguard Explorer 529 Portfolio	0.34%	0.02%	0.08%	0.44%
DFA U.S. Small Cap Value 529 Portfolio	0.31%	0.02%	0.08%	0.41%
Vanguard Total International Stock Index 529 Portfolio	0.08%	0.02%	0.08%	0.18%
Vanguard Real Estate Index 529 Portfolio	0.10%	0.02%	0.08%	0.20%

[1]For registered mutual funds, in the absence of a change that would materially affect the information, based on the expense ratio reported in the applicable fund's most recent prospectus dated prior to March 15, 2024, and for Investment Options invested in multiple Underlying Investments, based on a weighted average of each fund's total annual operating expenses, in accordance with the Portfolio's asset allocation as of the date of this Program Disclosure Statement.

Approximate cost of $10,000 investment

The following table compares the approximate cost of investing in the Plan over different periods of time. This hypothetical is not intended to predict or project investment performance. Past performance is no guarantee of future performance. Your actual cost may be higher or lower. The tables are based on the following assumptions:

- A $10,000 contribution is invested for the time periods shown;
- A 5% annually compounded rate of return on the amount invested throughout the period;
- The account is redeemed at the end of the period shown to pay for Federal Qualified Higher Education Expenses (the table does not consider the impact of any potential state or federal taxes on the redemption nor any potential recapture of a state tax deduction previously taken); and
- The total estimated annual asset based fees remain the same as those shown in the fee structure tables.

This hypothetical does not reflect actual expenses or performance from the past or future. Actual expenses may be higher or lower than those shown.

APPROXIMATE COST OF A $10,000 INVESTMENT

Age-Based Investment Options	1 Year	3 Years	5 Years	10 Years
Age-Based Index Aggressive				
0–2 yrs	$15	$48	$85	$192
3–5 yrs	$15	$48	$85	$192
6–8 yrs	$15	$48	$85	$192
9–10 yrs	$15	$48	$85	$192
11–12 yrs	$15	$48	$85	$192
13–14 yrs	$15	$48	$85	$192
15–16 yrs	$15	$48	$85	$192
17–18 yrs	$15	$48	$85	$192
19+ yrs	$15	$48	$85	$192
Age-Based Index Moderate				
0–2 yrs	$15	$48	$85	$192
3–5 yrs	$15	$48	$85	$192
6–8 yrs	$15	$48	$85	$192
9–10 yrs	$15	$48	$85	$192
11–12 yrs	$15	$48	$85	$192
13–14 yrs	$15	$48	$85	$192
15–16 yrs	$15	$48	$85	$192
17–18 yrs	$15	$48	$85	$192
19+ yrs	$15	$48	$85	$192
Age-Based Index Conservative				
0–2 yrs	$15	$48	$85	$192
3–5 yrs	$15	$48	$85	$192
6–8 yrs	$15	$48	$85	$192
9–10 yrs	$15	$48	$85	$192
11–12 yrs	$15	$48	$85	$192
13–14 yrs	$15	$48	$85	$192
15–16 yrs	$15	$48	$85	$192
17–18 yrs	$15	$48	$85	$192
19+ yrs	$15	$48	$85	$192
Age-Based Aggressive				
0–2 yrs	$30	$93	$163	$369
3–5 yrs	$30	$93	$163	$369
6–8 yrs	$30	$93	$163	$369
9–10 yrs	$30	$93	$163	$369
11–12 yrs	$29	$90	$158	$356
13–14 yrs	$28	$87	$152	$344
15–16 yrs	$27	$84	$146	$331
17–18 yrs	$26	$81	$141	$318
19+ yrs	$24	$74	$130	$293

APPROXIMATE COST OF A $10,000 INVESTMENT (CONT.)

Age-Based Investment Options	1 Year	3 Years	5 Years	10 Years
Age-Based Moderate				
0–2 yrs	$30	$93	$163	$369
3–5 yrs	$30	$93	$163	$369
6–8 yrs	$30	$93	$163	$369
9–10 yrs	$29	$90	$158	$356
11–12 yrs	$28	$87	$152	$344
13–14 yrs	$27	$84	$146	$331
15–16 yrs	$26	$81	$141	$318
17–18 yrs	$24	$74	$130	$293
19+ yrs	$21	$64	$113	$255
Age-Based Conservative				
0–2 yrs	$30	$93	$163	$369
3–5 yrs	$30	$93	$163	$369
6–8 yrs	$29	$90	$158	$356
9–10 yrs	$28	$87	$152	$344
11–12 yrs	$27	$84	$146	$331
13–14 yrs	$26	$81	$141	$318
15–16 yrs	$24	$74	$130	$293
17–18 yrs	$21	$64	$113	$255
19+ yrs	$17	$55	$96	$217

APPROXIMATE COST OF A $10,000 INVESTMENT: STATIC INVESTMENT OPTIONS

Static Investment Options	1 Year	3 Years	5 Years	10 Years
All Equity Static	$30	$93	$163	$369
Growth Static	$30	$93	$163	$369
Balanced Static	$28	$87	$152	$344
Conservative Static	$24	$74	$130	$293
Bank Savings Static	$10	$32	$57	$128

APPROXIMATE COST OF A $10,000 INVESTMENT: INDIVIDUAL FUND INVESTMENT OPTIONS

Individual Fund Investment Options	1 Year	3 Years	5 Years	10 Years
Vanguard Federal Money Market 529	$22	$68	$118	$268
Vanguard Short-Term Inflation-Protected Securities Index 529	$14	$45	$79	$179
Vanguard Short-Term Bond Index 529	$14	$45	$79	$179
Vanguard Total Bond Market Index 529	$13	$42	$73	$167
MetWest Total Return Bond 529	$48	$151	$264	$592
DFA World ex U.S. Government Fixed Income 529	$31	$97	$169	$381
State Street Equity 500 Index 529	$12	$39	$68	$154
Vanguard Total Stock Market Index 529	$12	$39	$68	$154
Vanguard Equity Income 529	$29	$90	$158	$356
T. Rowe Price Large Cap Growth 529	$67	$209	$363	$812
Vanguard Extended Market Index 529	$14	$45	$79	$179
Vanguard Explorer 529	$45	$142	$247	$555
DFA U.S. Small Cap Value 529	$42	$132	$230	$518
Vanguard Total International Stock Index 529	$18	$58	$102	$230
Vanguard Real Estate Index 529	$21	$64	$113	$255

PART 13 —DISTRIBUTIONS FROM AN ACCOUNT

Requesting a distribution from an account

There is no Beneficiary age or other deadline by which distributions from your account must begin. Distribution requests may be made online, by completing a Withdrawal Request Form, or by telephone. If the withdrawal request is in good order, the Plan typically will process the withdrawal and initiate payment within two business days of receipt. During periods of market volatility and at year-end, however, withdrawal requests may take up to five business days to process. When requesting a withdrawal please allow seven to ten days for the proceeds to reach you. Withdrawal requests received on a non-business day or after 3:00 p.m. Central Time of a business day will not be effective until the next business day after the date the request is received.

Although the Program Manager will report the earnings portion of a withdrawal to the IRS, it is solely the responsibility of the person receiving the withdrawal to calculate and report any resulting tax liability.

An account owner may establish telephone and Internet transaction privileges for an account through the Plan's website (NEST529.com) or by calling 888.993.3746, representatives are available 7 a.m. – 7 p.m. Central, Monday through Friday. The Program Manager employs procedures it considers to be reasonable to confirm that instructions communicated by telephone or Internet are genuine, including requiring certain personally identifiable information prior to acting on telephone or Internet instructions. None of the Program Manager, the Plan, the Trust or the Treasurer will be liable for following telephone or Internet instructions that the Program Manager reasonably believed to be genuine.

Temporary withdrawal restrictions

Contributions made by check, recurring contribution or EFT will not be available for withdrawal for seven business days. If you make a change to the account owner, mailing address, or to your banking information, or if you add a new bank account, no withdrawals may be made for 15 days following the change, unless you provide a medallion signature guarantee on the Withdrawal Request Form.

Systematic Withdrawal Program (SWP)

You may choose to establish periodic, pre-scheduled withdrawals for Federal Qualified Higher Education Expenses from your Plan account(s). The Plan will file IRS Form 1099-Q annually for distributions taken for all withdrawals, including those using systematic withdrawals. You can have up to two SWPs on a single account. If the balance in your Investment Option is less than the SWP amount specified, the SWP instructions will be stopped. A SWP distribution will be held for up to seven business days for contributions that have not yet cleared, 15 business days if the account owner or address has been changed on the account and the SWP is within 10 business days of that change. The distribution will be released when the specified waiting period has been satisfied.

Federal Qualified Withdrawal

A Federal Qualified Withdrawal is a withdrawal to pay for Federal Qualified Higher Education Expenses. These generally include:

- tuition, fees, books, supplies, and equipment required for enrollment of, or attendance by, a Beneficiary at an Eligible Educational Institution;
- certain room and board expenses incurred by students who are enrolled at least half-time at an Eligible Educational Institution;
- expenses for special needs services in the case of a special needs Beneficiary that are incurred in connection with enrollment or attendance at an Eligible Educational Institution;
- expenses for the purchase of computer or certain peripheral equipment, computer software or Internet access and related services, if such equipment, software or services are to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution;
- K–12 Tuition Expenses;
- Apprenticeship Program Expenses; and
- Qualified Education Loan Payments.

Federal Qualified Withdrawals are generally free from federal income tax and penalties. However, if a Federal Qualified Withdrawal is also a Nebraska Non-Qualified Withdrawal, the withdrawal may be subject to recapture of Nebraska state income tax deductions previously taken, and the earnings portion of the withdrawal may be included in your gross income for Nebraska state income tax purposes.

Eligible Educational Institution

An Eligible Educational Institution is an institution that is eligible to participate in federal student aid programs under Title IV of the Higher Education Act of 1965 (20 U.S.C. Section 1088). These are generally any accredited college or university, including trade and technical schools, in the United States and abroad that participates in federal financial aid programs. To check if a specific school is an Eligible Educational Institution go to the U.S. Department of Education Website at www.studentaid.gov.

Distribution of a Federal Qualified Withdrawal

A Federal Qualified Withdrawal may be distributed as follows:

- To the account owner
- To the account owner's bank account
- To the Beneficiary
- Directly to the Eligible Educational Institution

Because money in your account may be withdrawn free from federal income tax only if it is used to pay the Beneficiary's Federal Qualified Higher Education

Expenses, you should retain documentation of all of the Beneficiary's Federal Qualified Higher Education Expenses for your records. The account owner or Beneficiary, not the Plan nor the Program Manager, is solely responsible for determining if a withdrawal is Federal Qualified Withdrawal or Federal Non-Qualified Withdrawal and whether a federal penalty applies.

Federal Non-Qualified Withdrawals

A Federal Non-Qualified Withdrawal is a withdrawal not used for Federal Qualified Higher Education Expenses and not a Federal Qualified Rollover Distribution.

In general, a Federal Non-Qualified Withdrawal is includable in your income for federal income tax purposes and subject to an additional 10% federal tax. The account owner or the Beneficiary is responsible for determining whether a withdrawal is a Federal Non-Qualified Withdrawal and, if so, making the appropriate filings with the IRS and paying the additional 10% federal tax on earnings.

To the extent a withdrawal is a Federal Non-Qualified Withdrawal, any earnings portion of such Federal Non-Qualified Withdrawal will also be includable in your income for state income tax purposes and subject to partial recapture of any Nebraska state income tax deduction previously claimed.

More information is available in "Part 14 – Federal and State Tax Considerations" about how the earnings portion of a Federal Non-Qualified Withdrawal is calculated and the other tax consequences of a Federal Non-Qualified Withdrawal.

Nebraska Non-Qualified Withdrawals

Nebraska law does not treat the following Federal Qualified Higher Education Expenses as Nebraska Qualified Expenses: K–12 Tuition Expenses. Therefore, if a withdrawal is made for such purposes, although it is a Federal Qualified Withdrawal, it will be treated as a Nebraska Non-Qualified Withdrawal and may result in the recapture of a previously claimed Nebraska state income tax deduction, and the earnings portion will be subject to Nebraska state income tax.

Exceptions to the federal penalty tax

The additional 10% federal tax does not apply to Federal Non-Qualified Withdrawals if:

- Paid to the estate of the Beneficiary on or after the death of the Beneficiary;
- Made because the Beneficiary is disabled. A person is considered to be disabled if he or she shows proof that he or she cannot do any substantial gainful activity because of his or her physical or mental condition. A physician must determine that his or her condition can be expected to result in death or to be of long-continued and indefinite duration;
- Included in income because the Beneficiary received a tax-free scholarship, up to the amount of scholarship received by the Beneficiary;
- Made on account of the attendance of the Beneficiary at a U.S. military academy (such as the United States Naval Academy at Annapolis). This exception applies only to the extent that the amount of the distribution does not exceed the costs of advanced education (as defined in Section 2005(d)(3) of Title 10 of the U.S. Code) attributable to such attendance; or
- Included in income only because the Federal Qualified Higher Education Expenses were taken into account in determining the American Opportunity and Lifetime Learning Tax Credits.

You should consult your own tax advisor regarding the application of any of the above exceptions.

Refunds from an Eligible Educational Institution

Refunds of any Federal Qualified Higher Education Expense from an Eligible Educational Institution, to the extent that the portion of the refund is from a previous Federal Qualified Withdrawal, must be recontributed back into the Beneficiary's account within 60 days of receipt of the refund otherwise the refund is considered a Federal Non-Qualified Withdrawal.

Federal Qualified Rollover Distribution

Federal Qualified Rollover Distribution means a Roth IRA Rollover (that is a direct trustee-to-trustee transfer) or a distribution or transfer from an account that is deposited within 60 days of the distribution or transfer to:

- An out-of-state 529 qualified tuition program for the benefit of the Beneficiary, provided the transfer does not occur within 12 months of the date of a previous transfer for the benefit of the Beneficiary.
- An out-of-state 529 qualified tuition program for the benefit of an individual who is a Member of the Family of the Beneficiary; or
- An ABLE Account of the Beneficiary or a Member of the Family of the Beneficiary, subject to the contribution limits for ABLE Accounts (effective for periods prior to January 1, 2026).

Transfers between the Plan and another 529 qualified tuition program in the Trust for the same Beneficiary are treated as Investment Option changes, rather than rollovers. Transfers between the Plan and another 529 qualified tuition program in the Trust for a different beneficiary are treated as a change of beneficiaries, rather than rollovers. If you roll over money in your Plan account to any 529 qualified tuition program outside the Trust, the earnings portion of the rollover will be subject to Nebraska state income tax. In addition, the rollover will be subject to recapture of any Nebraska state income tax deduction previously claimed by the account owner.

You may transfer money in your Plan account to an Enable Savings Plan account (or any ABLE program issued by the State of Nebraska) without adverse tax

consequences, provided the transfer is a Federal Qualified Rollover Distribution. However, if you roll over money in your Plan account to any ABLE program not issued by the State of Nebraska, the earnings portion of the rollover will be subject to Nebraska state income tax. In addition, the rollover will be subject to recapture of any Nebraska state income tax deduction previously claimed by the account owner. Not all ABLE program sponsors may accept rollovers from a 529 qualified tuition program; you should contact your tax advisor for more information.

Rollover to a Roth IRA

Effective January 1, 2024, in certain circumstances, you may rollover the assets in your Account to a Roth IRA account maintained for the benefit of the Beneficiary of your Account, subject to the following requirements:

- The NEST Direct College Savings Plan Account must have been maintained for the 15-year period ending on the date of the Roth IRA Rollover;
- The amount of the Roth IRA Rollover may not exceed the aggregate amount contributed to the NEST Direct College Savings Plan Account (and earnings attributable thereto) before the 5-year period ending on the date of the IRA Rollover;
- The Roth IRA Rollover must be made in a direct trustee-to-trustee transfer to a Roth IRA maintained for the benefit of the Beneficiary of the NEST Direct College Savings Plan Account;
- Each year, the 529-to-Roth IRA Rollover will be subject to annual IRA contribution limits, minus all other IRA contributions made during the year for the same designated beneficiary (for 2024 the limit is $7,000). All contributions made during the year to individual retirement accounts for the Beneficiary count towards this limit;
- The aggregate amount for all years of Roth IRA Rollovers for the same Beneficiary from all 529 qualified tuition programs may not exceed $35,000.

The IRS may issue guidance that may impact a rollover from a NEST Direct College Savings Plan Account to a Roth IRA. Additional restrictions may apply under federal Roth IRA rules and guidance. Account owners and Beneficiaries should consult a financial professional or tax advisor regarding the applicability of these rollovers to their personal situations.

PART 14 — FEDERAL AND STATE TAX CONSIDERATIONS

Qualified tuition program

The Plan is designed to be a qualified tuition program under Code Section 529.

Federal tax information

Contributions to a 529 qualified tuition program are not deductible for federal income tax purposes.

There are two primary federal income tax advantages to investing in a 529 qualified tuition program, such as the Plan:

- Investment earnings on the money you invest in the Plan will not be subject to federal income tax until they are distributed since they are not includable in the federal gross income of either the account owner or the Beneficiary until funds are withdrawn, in whole or in part, from an account; and
- If the investment earnings are distributed as part of a Federal Qualified Withdrawal, they are free from federal income tax.

The federal tax treatment of a withdrawal from an account will vary depending on the nature of the withdrawal, that is, whether the withdrawal is a Federal Qualified Withdrawal or a Federal Non-Qualified Withdrawal.

Nebraska tax information

There are three main Nebraska income tax advantages to investing in the Plan:

- Nebraska taxpayers may claim a Nebraska income tax deduction for contributions of up to $10,000 per year ($5,000 per year if married, filing separately);
- Investment earnings will not be subject to state income tax until they are distributed; and
- The earnings portion of a withdrawal for Nebraska Qualified Expenses is free from Nebraska state income tax.

Federal Qualified Withdrawals

A Federal Qualified Withdrawal is a withdrawal that is solely used to pay the Federal Qualified Higher Education Expenses of the Beneficiary.

If a Federal Qualified Withdrawal is made from an account, no portion of the distribution is includable in the federal gross income of the account owner or the Beneficiary. If a Federal Qualified Withdrawal is also used for Nebraska Qualified Expenses, no portion of the distribution is subject to state income tax.

Federal Qualified Higher Education Expenses

Federal Qualified Higher Education Expenses include: (i) tuition, fees, books, supplies and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution; (ii) subject to certain limits, the Beneficiary's room and board expenses if enrolled at least half-time; (iii) the purchase of computer or peripheral equipment, computer software or Internet access and related services if they are to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution; (iv) expenses for special needs services in the case of a special needs Beneficiary which are incurred in connection with enrollment or attendance at an Eligible Educational Institution; (v) K–12 Tuition Expenses; (vi) Apprenticeship Program Expenses; and (vii) Qualified Education Loan Payments.

Federal Non-Qualified Withdrawal and Nebraska Non-Qualified Withdrawal

A Federal Non-Qualified Withdrawal is always a Nebraska Non-Qualified Withdrawal. If a Federal Non-Qualified Withdrawal is made from an account, the earnings portion is includible in the recipient's income for federal and state income tax purposes.

For Nebraska taxpayers, the amount included in income for federal income tax purposes will also be included in income for Nebraska income tax purposes. If a withdrawal is a Federal Qualified Withdrawal and a Nebraska Non-Qualified Withdrawal (i.e., a withdrawal for K–12 Tuition Expenses), the earnings portion of such withdrawal is includible in the recipient's income for Nebraska state income tax purposes.

The earnings portion of a Federal Non-Qualified Withdrawal will be ordinary income to the recipient; no part of such earnings will be treated as capital gain. As of the date of this Program Disclosure Statement, the tax rates on ordinary income are generally greater than the tax rates on capital gain.

Federal penalty tax on Federal Non-Qualified Withdrawals

Additionally, to the extent a distribution is a Federal Non-Qualified Withdrawal, the federal income tax liability of the recipient will be increased by an amount equal to 10% of any earnings portion of the withdrawal distribution.

Exceptions to the federal penalty tax

The additional 10% federal tax will not apply to Federal Non-Qualified Withdrawals if:

- Paid to the estate of a Beneficiary on or after the death of the Beneficiary;
- Made on account of the disability of the Beneficiary. A person is considered to be disabled if he or she shows proof that he or she cannot do any substantial gainful activity because of his or her physical or mental condition. A physician must determine that his or her condition can be expected to result in death or to be of long-continued and indefinite duration;
- Included in income because the Beneficiary received a tax-free scholarship, up to the amount of the scholarship received by the Beneficiary;
- Made on account of the attendance of the Beneficiary at a U.S. military academy (such as the United States Naval Academy at Annapolis). This exception applies only to the extent that the amount of the distribution does not exceed the costs of advanced education (as defined in Section 2005(d)(3) of Title 10 of the U.S. Code) attributable to such attendance; or
- Included in income only because the Federal Qualified Higher Education Expenses were taken into account in determining the American Opportunity and Lifetime Learning Tax Credits.

You should consult your own tax advisor regarding the application of any of the above exceptions.

Rollovers

If a rollover is a Federal Qualified Rollover Distribution, the earnings portion of the rollover is not includible in the gross income of the account owner or Beneficiary for federal income purposes. If the rollover is not a Federal Qualified Rollover Distribution, the earnings portion is includible in the account owner's gross income for federal income tax purposes.

For Nebraska taxpayers, if you roll over money in your account to an out-of-state 529 qualified tuition program or to an ABLE program that is not issued by the State of Nebraska, even if such rollover is a Federal Qualified Rollover Distribution, the earnings portion of the rollover will be subject to Nebraska state income tax. In addition, the rollover will be subject to recapture of any Nebraska state income tax deduction previously claimed by the account owner.

Change of Beneficiary

A change of Beneficiary is not treated as a distribution if the new Beneficiary is a Member of the Family of the former Beneficiary. However, if the new Beneficiary is not a Member of the Family of the former Beneficiary, the change is treated as a Federal Non-Qualified Withdrawal by the account owner.

A change of the Beneficiary of an account or a transfer to an account for another Beneficiary may have federal gift tax or GST tax consequences.

Earnings portion

If there are earnings in an account, each distribution from an account consists of two parts. One part is a return of the contributions to the account. The other part is a distribution of earnings in the account. A pro rata calculation is made as of the date of the distribution of the earnings portion and the contributions portion of the distribution.

For any year in which there is a withdrawal from an account, the Program Manager will issue Form 1099-Q. This form will set forth the total amount of the withdrawal and identify the earnings portion and the contribution portion of any withdrawal.

Earnings aggregation

All Plan accounts for the benefit of a single Beneficiary and having the same account owner, must be treated as a single account for purposes of calculating the earnings portion of each withdrawal. Therefore, if more than one account is established for a Beneficiary that has the same account owner and a Federal Non-Qualified Withdrawal is made from one or more of those accounts, the amount includable in taxable income must be calculated based on the earnings portion of all such accounts.

Thus, the amount withdrawn from an account may carry with it a greater or lesser amount of income than the earnings portion of that account alone, depending on the

earnings portion of all other accounts for that Beneficiary with the same account owner. In the case of a Federal Non-Qualified Withdrawal, this aggregation rule may result in an account owner being taxed upon more or less income than that directly attributable to the earnings portion of the account from which the withdrawal was made.

Claiming a loss

A loss can only be claimed when all funds in an account have been withdrawn and the total distributions from that account are less than the total contributions made to that account. If there is a loss on an account, those losses are not capital losses but claimed as a miscellaneous itemized deduction, subject to a two percent (2%) of adjusted gross income limit for federal income tax purposes. Please consult with your own tax advisor regarding any loss on an account.

Estate and gift tax

For federal gift and GST tax purposes, contributions to an account are considered a completed gift from the contributor to the Beneficiary. Accordingly, except as described below, if an account owner dies while there is a balance in the account, the value of the account is not includable in the account owner's estate for federal estate tax purposes. However, amounts in an account at the death of the Beneficiary are includable in the Beneficiary's gross estate.

An account owner's contributions to an account for a Beneficiary are eligible for the gift tax annual exclusion. Contributions that qualify for the gift tax annual exclusion are generally also excludible for purposes of the federal GST tax, unless an election is made on the federal gift tax return to the contrary. A donor's total contributions to an account for the Beneficiary in any given year (together with any other gifts made by the donor to the Beneficiary in the year) will not be considered taxable gifts and will generally be excludible for purposes of the GST tax if the gifts do not in total exceed the annual exclusion for the year. For 2024, the annual exclusion is $18,000 per donee ($36,000 for a married couple that elects on a federal gift tax return to "split" gifts). This means that in each calendar year you may contribute up to $18,000 to a Beneficiary's account without the contribution being considered a taxable gift, if you make no other gifts to the Beneficiary in the same year.

The annual exclusion is indexed for inflation and therefore is expected to increase over time.

Five-year election

In addition, if your total contributions to an account for a Beneficiary during a single year exceed the annual exclusion for that year, you may elect to have the amount you contributed that year treated as though you made one-fifth of the contribution that year, and one-fifth of the contribution in each of the next four calendar years. You must make this election on your federal gift tax return by filing IRS Form 709.

This means that you may contribute up to $90,000 in a single year to an account without the contribution being considered a taxable gift, provided that you make no other gifts to the Beneficiary in the same year in which the contribution is made and in any of the succeeding four calendar years. Moreover, a married contributor whose spouse elects on a federal gift tax return to have gifts treated as "split" with the contributor may contribute up to twice that amount ($180,000 effective January 1, 2024) without the contribution being considered a taxable gift, provided that neither spouse makes other gifts to the Beneficiary in the same year and in any of the succeeding four calendar years. **An election to have the contribution taken into account ratably over a five-year period must be made by the donor on a federal gift tax return.**

For example, an account owner who makes a $90,000 contribution to an account for a Beneficiary in 2024 may elect to have that contribution treated as a $18,000 gift in 2024 and a $18,000 gift in each of the following four years. If the account owner makes no other contributions or gifts to the Beneficiary before January 1, 2029, and has made no excess contributions treated as gifts subject to the one-fifth rule during any of the previous four years, the account owner will not be treated as making any taxable gifts to the Beneficiary during that five-year period. As a result, the $90,000 contribution will not be treated as a taxable gift and also will generally be excludible for purposes of the GST tax. However, if the account owner dies before the end of the five-year period, the portion of the contributions allocable to years after the year of death will be includable in the account owner's gross estate for federal estate tax purposes.

Change of Beneficiary

The changing of an account's Beneficiary is not treated as a withdrawal if the new Beneficiary is a Member of the Family of the replaced Beneficiary. However, if the new Beneficiary is not a Member of the Family of the replaced Beneficiary, the change is treated as a Federal Non-Qualified Withdrawal by the account owner. A change of Beneficiary or a transfer to an account for another Beneficiary may also have federal gift tax or GST tax consequences. A change or transfer will be considered a GST if the new Beneficiary is two or more generations younger than the replaced Beneficiary.

If the new Beneficiary is a Member of the Family assigned to a younger generation (as determined under the federal GST tax rules) than the replaced Beneficiary, the change will be treated for federal gift tax purposes as a gift from the replaced Beneficiary to the new Beneficiary. If the new Beneficiary is not a descendant of the replaced Beneficiary, the new Beneficiary will be considered to be in a younger generation than the replaced Beneficiary if the new Beneficiary is more than 12 ½ years younger than the replaced Beneficiary.

Moreover, even if the new Beneficiary is in the same generation as (or in an older generation than) the replaced Beneficiary, the change or transfer may be treated as a gift from the replaced Beneficiary to the new Beneficiary if the new Beneficiary is not a Member of the Family of the replaced Beneficiary. Any change or transfer treated as a gift to the new Beneficiary may cause the replaced Beneficiary or the account owner to be liable for federal gift tax or cause other undesirable tax consequences. Accordingly, account owners should consult their own tax advisors for guidance when considering a change of Beneficiary.

Change of account owner

A change of account ownership may also have gift and/or GST tax consequences. Accordingly, account owners should consult their own tax advisors for guidance when considering a change of account ownership.

Coordination with education tax credits

Either an American Opportunity or a Lifetime Learning Tax Credit may be taken in the same year that funds from your Plan account are withdrawn. The use will not affect participation in or receipt of benefits from a Plan account as long as any distribution from the Plan account is not used for the same expenses for which the credit was claimed. Please consult your own tax or legal advisor if you plan to claim these tax credits.

Coverdell Education Savings Accounts (CESAs)

An individual may contribute money to, or withdraw money from, both a Plan account and a CESA in the same year. The same expenses, however, cannot count both as "qualified education expenses" for education savings account purposes and Federal Qualified Higher Education Expenses for Plan purposes. Accordingly, to the extent the total withdrawals from both programs exceed the amount of the adjusted qualified education expenses incurred that qualifies for tax-free treatment under Code Section 529, the recipient must allocate his or her Federal Qualified Higher Education Expenses between both such withdrawals in order to determine how much may be treated as tax-free under each program. Please consult your tax or legal advisor for further details.

Lack of certainty

As of the date of this Program Disclosure Statement, proposed regulations have been issued under Code Section 529 upon which taxpayers may rely at least until final regulations are issued. The proposed regulations do not, however, provide guidance on various aspects of the Plan. It is uncertain when final regulations will be issued. Therefore, there can be no assurance that the federal tax consequences described herein for account owners and Beneficiaries are applicable. Code Section 529 or other federal law could be amended in a manner that would materially change or eliminate the federal tax treatment described above. The Program Manager and Trustee intend to modify the Plan within the constraints of applicable law for the Plan to meet the requirements of Code Section 529.

Nebraska state income tax deduction

Contributions by an account owner who files a Nebraska state income tax return, including the principal and earnings portions of rollovers from an out-of-state 529 qualified tuition program, are deductible in computing the account owner's Nebraska taxable income for Nebraska income tax purposes in an amount not to exceed $10,000 ($5,000 for married taxpayers filing separate returns) in the aggregate for all contributions to all accounts within the Trust in any taxable year. Contributions by a custodian of an UGMA or UTMA account who is also the parent or guardian of the Beneficiary of an UGMA or UTMA account may claim this deduction. Minors filing a Nebraska state income tax return are eligible to take deductions for his or her contributions to his or her UGMA or UTMA account or to his or her minor-owned account. Contributions to an account made by an individual's employer are deductible in an amount not to exceed $10,000 ($5,000 for married taxpayers filing separate returns).

For contributions to be deductible for a given calendar year, they must be postmarked prior to the end of that year (for contributions sent by U.S. mail, the contribution must be postmarked prior to the end of that year).

The following contributions are not eligible for the Nebraska state tax deduction:

- A parent or guardian's contribution into a minor-owned account
- Contributions by a custodian of an UGMA or UTMA account who is not the parent or guardian of the Beneficiary of an UGMA or UTMA account
- Contributions by any other person who is not the account owner, except for eligible contributions made by an employer.
- Contributions by any other person who is not the account owner or parent or guardian custodian of an UGMA or UTMA account of the Beneficiary of an UGMA or UTMA account
- Contributions to an account from NEST GiftED

Recapture of Nebraska income tax deduction

Nebraska law currently provides for the partial recapture of the Nebraska state income tax deduction if a Participation Agreement is cancelled, when a Nebraska Non-Qualified Withdrawal is made, or if funds are rolled over to a 529 qualified tuition program or ABLE program sponsored by another state or entity. Additionally, to the extent that a distribution constitutes a Nebraska Non-Qualified Withdrawal, the Nebraska Department of Revenue will subject the distribution to partial recapture of the Nebraska state income tax deduction claimed in prior years.

In general, an account owner or a custodian of an UGMA or UTMA account where the custodian is the parent or guardian of the Beneficiary of an UGMA or UTMA account, must increase his or her Nebraska taxable income by the amount of the cancellation distribution, rollover to another state's 529 qualified tuition program or ABLE program, or Nebraska Non-Qualified Withdrawal but only to the extent previously deducted. Before cancelling a Participation Agreement, rolling funds to another state's 529 qualified tuition program or ABLE program or requesting a Nebraska Non-Qualified Withdrawal, you should consult with your own tax or legal advisor.

Nebraska state income tax

The earnings credited to an account will not be includable in computing the Nebraska taxable income of either the account owner or the Beneficiary of the account so long as the earnings remain in the account. There are no Nebraska state income taxes due on investment earnings paid out for Nebraska Qualified Expenses or included in a rollover to an ABLE program issued by the State of Nebraska.

However, there are Nebraska state income taxes due on investment earnings paid out as a Nebraska Non-Qualified Withdrawal or included in a rollover to a 529 qualified tuition program or ABLE program not issued by the State of Nebraska. For Nebraska Non-Qualified Withdrawals distributed to the Beneficiary, the Beneficiary is responsible for Nebraska state income tax on the earnings. For Non-Qualified Withdrawals distributed to the account owner, the account owner is responsible for the Nebraska state income tax on the earnings.

The account owner or Beneficiary will not be required to include any amount in computing Nebraska taxable income as a result of: (1) a permissible change of a qualifying Beneficiary of an account; or (2) a transfer of amounts from an account of a Beneficiary to the account of a different qualifying Beneficiary, provided that in each case the new Beneficiary is a "Member of the Family" of the replaced Beneficiary and that the transfers occur either directly or by deposit to the new account within 60 days of the withdrawal from the prior account.

Before investing in the Plan, you should carefully consider the following:

- **Investors should consider before investing whether their or their beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds and protection from creditors that are only available for investments in such state's 529 qualified tuition program;**
- **Any state-based benefit offered with respect to a particular 529 qualified tuition program should be one of many appropriately weighted factors to be considered in making an investment decision; and**
- **You should consult with your financial, tax or other advisor to learn more about how state-based benefits (including any limitations) would apply to your specific circumstances. You may also wish to contact your home state or any other 529 qualified tuition program to learn more about the features, benefits and limitations of that state's 529 qualified tuition program.**

PART 15 — OTHER CONSIDERATIONS

Scholarships

If the Beneficiary of your account receives a scholarship, all of the funds in that Beneficiary's account may not be needed to pay his or her Federal Qualified Higher Education Expenses. If you choose to withdraw funds from the account, any earnings portion of the withdrawal will be includable in your federal gross income, but the portion of the withdrawal up to the amount of the scholarship will not be subject to the additional 10% federal tax.

You may also change the Beneficiary on your account to cover the Federal Qualified Higher Education Expenses of the new Beneficiary without adverse federal income tax consequences if the new Beneficiary is a Member of the Family of the former Beneficiary.

Contests

The Plan may periodically participate in scholarship contests which award Plan contributions to contest winners. In some circumstances, contest participation may be limited to account owners who physically reside in Nebraska. In other instances, that scholarship contest may be open to all account owners nationwide.

Financial aid

The eligibility of the Beneficiary for financial aid may depend upon the circumstances of the Beneficiary's family at the time the Beneficiary enrolls in an Eligible Educational Institution, as well as on the policies of the governmental agencies, school or private organizations to which the Beneficiary and/or the Beneficiary's family applies for financial assistance. These policies vary at different institutions and can change over time. Therefore, no person or entity can say with certainty how aid programs, or the school to which the Beneficiary applies, will treat your account. However, financial aid programs administered by agencies of the State of Nebraska will not take your account balance into consideration, except as may be otherwise provided by federal law. For federal financial aid purposes, your account balance will be included in the calculation of your expected family contribution but only to a maximum of approximately 5.64% of qualified assets.

Bankruptcy

The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 protects many Code Section 529 accounts in federal bankruptcy proceedings. Your account

will be protected if the Beneficiary is your child, stepchild, grandchild or step grandchild (including a child, stepchild, grandchild or step grandchild through adoption or foster care) subject to the following limits:

- Contributions made to all Code Section 529 accounts for the same Beneficiary more than 720 days before a federal bankruptcy filing are completely protected;
- Contributions made to all Code Section 529 accounts for the same Beneficiary during the period between 365 days and 720 days before a federal bankruptcy filing are protected up to $7,575; and
- Contributions made to all Code Section 529 accounts for the same Beneficiary 365 days before a federal bankruptcy filing are not protected against creditor claims in federal bankruptcy proceedings.

Your own state law may offer additional creditor protections. You should consult your legal advisor regarding the effect of any bankruptcy filing on your account.

Creditor protection
The legislation establishing the Trust is interpreted in accordance with Nebraska law. Nebraska law generally provides that any amount credited to an account is not susceptible to any levy, execution, judgment or other operation of law, garnishment or other judicial enforcement, and that an amount is not an asset or property of either the Beneficiary or the account owner for purposes of any state insolvency or inheritance tax laws.

As of the date of this Program Disclosure Statement, courts have yet to interpret, apply or rule on matters involving an interpretation of the Nebraska legislation. None of the Trust, the Nebraska State Treasurer, the Nebraska Investment Council, the Nebraska State Investment Officer or the Program Manager makes any representations or warranties regarding protection from creditors. You should consult your legal advisor regarding this law and your circumstances.

Audits
Nebraska law requires the Trust to be audited by a certified public accountant or the Nebraska State Auditor. The Trust's audited financial statements may be viewed or downloaded at treasurer.nebraska.gov/csp/annual-audit.aspx.

Quarterly statements
The Program Manager will maintain separate records for your account and will provide quarterly statements to you showing:

- Contributions;
- Change in account value for the period;
- Withdrawals; and
- The total value of the account at the end of that time period.

Carefully review all confirmations and account statements to verify the accuracy of the transactions. Any discrepancies must be reported to the Program Manager within 60 days of the date of the confirmation or statement. If you fail to notify us of any error, you will be considered to have approved the transaction.

To reduce the amount of duplicate mail that is sent to a household, the Program Manager will combine account statements that have the same account owner and mailing address. The Program Manager will send one copy of the Program Disclosure Statement and other Plan communications to account owners at each respective household address. The Plan periodically matches and updates addresses of record against the U.S. Postal Service's change of address database to minimize undeliverable items.

You can view quarterly statements online at NEST529.com. You will need to create an online user name, password and credentials to access your account information.

Information including prospectuses and other disclosures of all fees and expenses associated with the mutual funds and other investments made by the Plan is available at NEST529.com.

Additional information
To answer your questions or request an Enrollment Form, please contact the Program Manager by calling 888.993.3746, representatives are available 7 a.m. – 7 p.m. Central, Monday through Friday, or by writing to: NEST Direct College Savings Plan, P.O. Box 83529, Lincoln, NE 68501.

PART 16 — GLOSSARY

ABLE Account means an account under a qualified ABLE program under Code Section 529A, as further defined in Code Section 529A(e)(6).

Age-Based Investment Option means an Investment Option that invests in a mix of domestic and international equity, real estate, fixed income and cash equivalent Underlying Investments based on the age of the Beneficiary. Contributions and earnings are typically more heavily weighted in equity investments when the Beneficiary is younger and more towards fixed income and cash equivalents as the Beneficiary nears college age. See "Part 7 – Age-Based Investment Options" and "Exhibit B – Investment Options and Underlying Investments."

Apprenticeship Program Expenses means fees, books, supplies and equipment required for the Beneficiary's participation in a program registered and certified with the Secretary of Labor under Section 1 of the National Apprenticeship Act (29 U.S.C. Section 50).

Beneficiary means the individual designated in the Enrollment Form as the Beneficiary of an account at the time the account is established, or the individual designated as the new Beneficiary if the account owner changes the Beneficiary of an account. The Beneficiary must be a U.S. citizen or resident alien with a Social Security number or

taxpayer identification number. A Beneficiary may be of any age. In the case of an account established by a state or local government or a Section 501(c)(3) organization as part of a scholarship program, the Beneficiary is any individual receiving benefits accumulated in the account as a scholarship. See "Part 4 – Beneficiaries."

CESA means Coverdell Education Savings Account, formerly known as an Education IRA.

Code means the Internal Revenue Code of 1986, as amended from time to time.

Enrollment Form means the Nebraska Educational Savings Trust Direct College Savings Plan Enrollment Form signed by an account owner establishing an account and agreeing to be bound by the terms of the Program Disclosure Statement and Participation Agreement. A separate Enrollment Form is required for each account.

Eligible Educational Institution means an eligible educational institution, as defined in Code Section 529. This generally includes any accredited post-secondary educational institution in the United States offering credit toward a bachelor's degree, an associate's degree, a graduate level or professional degree or another recognized post-secondary credential. Certain proprietary institutions, post-secondary vocational institutions and foreign schools also are Eligible Educational Institutions. These institutions must be eligible to participate in U.S. Department of Education student aid programs provided by Title IV of the Higher Education Act of 1965. For a list of eligible schools, visit studentaid.gov and search "Federal School Code Search".

Federal Non-Qualified Withdrawal means any distribution from an account to the extent it is not a Federal Qualified Withdrawal or a Federal Qualified Rollover Distribution. The earnings portion of a Federal Non-Qualified Withdrawal will generally be treated as income subject to federal and state income tax and a 10% federal penalty tax.

Federal Qualified Higher Education Expenses, as defined in Code Section 529, includes:

- tuition, fees, books, supplies and equipment required for enrollment of, or attendance by, a Beneficiary at an Eligible Educational Institution;
- certain room and board expenses incurred by students who are enrolled at least half-time at an Eligible Educational Institution. The expense for room and board qualifies only to the extent that it isn't more than the greater of the following two amounts:

  (i) the allowance for room and board, as determined by the Eligible Educational Institution, that was included in the cost of attendance (for federal financial aid purposes) for a particular academic period and living arrangement of the student; or

  (ii) the actual amount charged if the student is residing in housing owned or operated by the Eligible Educational Institution. You may need to contact the Eligible Educational Institution for qualified room and board costs;
- expenses for special needs services in the case of a special needs Beneficiary that are incurred in connection with enrollment or attendance at an Eligible Educational Institution;
- expenses for the purchase of computer or certain peripheral equipment, computer software or Internet access and related services, if such equipment, software or services are to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution. This does not include expenses for computer software for sports, games or hobbies unless the software is predominately educational in nature;
- K–12 Tuition Expenses;
- Apprenticeship Program Expenses; and
- Qualified Education Loan Payments.

Federal Qualified Rollover Distribution means a Roth IRA Rollover (that is a direct trustee-to-trustee transfer) or a distribution or transfer from an account that is deposited within 60 days of the distribution or transfer to:

- An out-of-state 529 qualified tuition program for the benefit of the Beneficiary, provided the transfer does not occur within 12 months of the date of a previous transfer for the benefit of the Beneficiary.
- An out-of-state 529 qualified tuition program for the benefit of an individual who is a Member of the Family of the Beneficiary; or
- An ABLE Account of the Beneficiary or a Member of the Family of the Beneficiary, subject to the contribution limits for ABLE Accounts (effective for periods prior to January 1, 2026).

Federal Qualified Withdrawal means a withdrawal from an account that is used to pay the Federal Qualified Higher Education Expenses of the Beneficiary.

FINRA means the Financial Industry Regulatory Authority, Inc.

Individual Fund Investment Option means an Investment Option that invests in a single Underlying Investment. Account owners do not own shares of the Underlying Investment but, rather, own an interest in the Investment Option offered by the Plan. You can choose to allocate your contributions among one or more Individual Fund Investment Options according to your investment objectives and risk tolerance.

The performance of the Individual Fund Investment Options is dependent on the performance of the individual Underlying Investments, plus the timing of the purchases,

and applicable fees. As a result, their performance may be more volatile than the other available Investment Options in the Plan. See "Part 9 – Individual Fund Investment Options."

Investment Option means any of the Investment Options available under the Plan. An account owner must designate an Investment Option or Options on the Enrollment Form for each account. The Plan currently has Age-Based, Static and Individual Fund Investment Options. See "Part 6 – Investment Options Overview."

K–12 Tuition Expenses means expenses incurred after 2017 for tuition in connection with enrollment or attendance at an elementary or secondary school, whether public, private or religious, up to $10,000 per year from all 529 qualified tuition programs.

Maximum Contribution Limit means no additional contributions may be made for the benefit of a particular Beneficiary when the fair market value of all accounts owned by all account owners within the Trust for that Beneficiary equals or exceeds $500,000. If, however, the market value of such accounts falls below the Maximum Contribution Limit, additional contributions will be accepted. The $500,000 Maximum Contribution Limit applies to all accounts for the same Beneficiary in all plans administered by the Nebraska State Treasurer, including the Plan, the NEST Advisor Plan, the Bloomwell 529 Education Savings Plan and the State Farm 529 Savings Plan.

Member of the Family means an individual who is related to the Beneficiary in any of the following ways:

- A son or daughter, or a descendant of either;
- A stepson or stepdaughter;
- A brother, sister, stepbrother or stepsister;
- The father or mother, or an ancestor of either;
- A stepfather or stepmother;
- A son or daughter of a brother or sister;
- A brother or sister of the father or mother;
- A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law;
- The spouse of the Beneficiary or the spouse of any of the foregoing individuals; or
- A first cousin of the Beneficiary.

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

Nebraska Non-Qualified Withdrawal means any withdrawal from an account to the extent it (i) is not used for Nebraska Qualified Expenses, or (ii) rolls over to an out-of-state 529 qualified tuition program or ABLE program not issued by the State of Nebraska. See "Part 14 – Federal and State Tax Considerations."

Nebraska Qualified Expenses means:

- tuition, fees, books, supplies and equipment required for enrollment of, or attendance by, a Beneficiary at an Eligible Educational Institution;
- certain room and board expenses incurred by students who are enrolled at least half-time at an Eligible Educational Institution. The expense for room and board qualifies only to the extent that it isn't more than the greater of the following two amounts:

  (i) the allowance for room and board, as determined by the Eligible Educational Institution, that was included in the cost of attendance (for federal financial aid purposes) for a particular academic period and living arrangement of the student;

  (ii) the actual amount charged if the student is residing in housing owned or operated by the Eligible Educational Institution. You may need to contact the Eligible Educational Institution for qualified room and board costs;
- expenses for special needs services in the case of a special needs Beneficiary that are incurred in connection with enrollment or attendance at an Eligible Educational Institution
- expenses for the purchase of computer or certain peripheral equipment, computer software or Internet access and related services, if such equipment, software or services are to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution. This does not include expenses for computer software for sports, games or hobbies unless the software is predominately educational in nature;
- Apprenticeship Program Expenses; and
- Qualified Education Loan Payments.

Nebraska Qualified Expenses do not include K–12 Tuition Expenses.

Participation Agreement means the legally binding contract between an account owner and the Trust. However, the Trustee may amend the Participation Agreement at any time.

Plan means the Nebraska Educational Savings Trust Direct College Savings Plan. See "Part 1 – Overview."

Program Management Agreement means the Program Management Agreement by and between the Trustee, the Nebraska Investment Council and the Program Manager.

Program Manager means Union Bank and Trust Company. See "Part 1 – Overview."

Qualified Education Loan Payments means payments on qualified education loans, as defined in Code Section 221(d), of the Beneficiary or the Beneficiary's sibling, provided distributions from all 529 qualified tuition programs to any individual do not exceed the federal lifetime limit of $10,000.

Roth IRA means an individual retirement account established under Section 408A of the Code.

Roth IRA Rollover means a direct trustee-to-trustee transfer from an Account to a Roth IRA on or after January 1, 2024, that meets the following requirements:

- The NEST Direct College Savings Plan Account must have been maintained for the 15-year period ending on the date of the Roth IRA Rollover;
- The amount of the Roth IRA Rollover may not exceed the aggregate amount contributed to the NEST Direct College Savings Plan Account (and earnings attributable thereto) before the 5-year period ending on the date of the IRA Rollover;
- The Roth IRA Rollover must be made in a direct trustee-to-trustee transfer to a Roth IRA maintained for the benefit of the Beneficiary of the NEST Direct College Savings Plan Account;
- Each year, the 529-to-Roth IRA Rollover will be subject to annual IRA contribution limits, minus all other IRA contributions made during the year for the same designated beneficiary (for 2024 the limit is $7,000). All contributions made during the year to individual retirement accounts for the Beneficiary count towards this limit;
- The aggregate amount for all years of Roth IRA Rollovers for the same Beneficiary from all 529 qualified tuition programs may not exceed $35,000.

The IRS may issue guidance that may impact a rollover from a NEST Direct College Savings Plan Account to a Roth IRA. Additional restrictions may apply under federal Roth IRA rules and guidance. Account owners and Beneficiaries should consult a financial professional or tax advisor regarding the applicability of these rollovers to their personal situations.

Static Investment Option means an Investment Option that can invest in a mix of domestic and international equity, real estate, fixed income and cash equivalent Underlying Investments. Unlike the Age-Based Investment Options, the Static Investment Options' asset allocations do not adjust as the Beneficiary gets older. See "Part 8 – Static Investment Options."

Trust means the Nebraska Educational Savings Plan Trust. See "Part 1 – Overview."

Trusted Contact means someone you trust who is at least 18 years of age who acts as a resource if we lose contact with you or believe you and/or your assets are at risk. See "Part 3 – Opening and Maintaining an Account."

Trustee means the Nebraska State Treasurer. See "Part 1 – Overview."

UGMA means Uniform Gifts to Minors Act.

Underlying Investments means the underlying investment funds that the Investment Options invest in and include mutual funds, bank savings accounts, separately managed accounts and other investment vehicles. Account owners do not own shares of the Underlying Investment directly, but rather own shares in an Investment Option.

UTMA means Uniform Transfers to Minors Act.

EXHIBIT A — PARTICIPATION AGREEMENT

Pursuant to the terms and conditions of this Participation Agreement for the Nebraska Educational Savings Trust Direct College Savings Plan (the "Plan"), the account owner, by completing and signing an Enrollment Form, hereby requests the Nebraska Educational Savings Plan Trust (the "Trust") to open (or in the case of a successor account owner, to maintain) an account for the Beneficiary on the Enrollment Form.

SECTION 12 OF THIS PARTICIPATION AGREEMENT IS AN ARBITRATION PROVISION. YOU SHOULD READ THE ARBITRATION PROVISION CAREFULLY. IT MAY HAVE A SUBSTANTIAL IMPACT ON YOUR RIGHTS.

The Participant ("you"), the Trust, which holds the assets for the Plan, the Nebraska State Treasurer ("Trustee") and Union Bank and Trust Company, as the Program Manager ("Program Manager"), and its authorized agents agree as follows:

Section 1. Accounts and Beneficiaries.

(a) **Opening account.** The purpose of this Participation Agreement is to establish an account for the Federal Qualified Higher Education Expenses of the Beneficiary named in the Enrollment Form.

(b) **Separate accounts.** The Trust will maintain a separate account for each Beneficiary. Each account is governed by a Participation Agreement. All assets held in your account are held for the exclusive benefit of you and the Beneficiary as provided by applicable law.

(c) **Naming and changing Beneficiaries.** You will name the Beneficiary in the Enrollment Form. You can change the Beneficiary at any time, subject to limitations imposed by federal and state law. To avoid adverse income tax consequences, the new Beneficiary must be a "Member of the Family" of the former Beneficiary, as that term is defined under Section 529(e)(2) of the Internal Revenue Code of 1986, as amended, or any other corresponding provision of future law (the "Code"). The designation of the new Beneficiary will be effective upon receipt of the appropriate form, properly completed.

(d) **Choice of Investment Option.** Money invested in an account is invested in the Investment Option or Options designated in the Enrollment Form by you. The account owner may change the Investment Option or Options in which money is invested twice every calendar year or upon a change of Beneficiary.

If an account owner has multiple accounts for the same Beneficiary, or multiple accounts in the Trust, the account owner may change the Investment Options in all such accounts without tax consequences, so long as the changes to all of the accounts are made prior to closing on the same trading day and no more frequently than twice per calendar year, or upon a change of the Beneficiary.

Section 2. Contributions.

(a) **Contributions to be in cash equivalents.** Cash equivalents mean only (i) checks, (ii) payroll direct deposits through your employer, (iii) electronic funds transfers from your bank, (iv) automatic investment plan, (v) NEST GiftED contributions, (vi) wire transfers, or (vii) a rollover or transfer from an out-of-state 529 qualified tuition program, CESA or qualified U.S. Savings Bond.

(b) **Minimum contributions.** A contribution need not be made every year. The Plan has no minimum initial or subsequent required contributions.

(c) **Additional contributions.** You may make additional contributions at any time, subject to the Maximum Contribution Limit.

(d) **Maximum Contribution Limit.** The Trustee will set a Maximum Contribution Limit for the Trust. You may not make additional contributions to any account for a Beneficiary when the fair market value of all accounts owned by all account owners within the Trust for a Beneficiary equals or exceeds the Maximum Contribution Limit. If, however, the fair market value of such account falls below the Maximum Contribution Limit, additional contributions will be accepted. The Trust will inform you of the Maximum Contribution Limit for each year. Currently, the Maximum Contribution Limit is $500,000. The $500,000 Maximum Contribution Limit applies to all accounts for the same Beneficiary in all plans administered by the Trustee, including the Plan, the NEST Advisor Plan, the Bloomwell 529 Education Savings Plan and the State Farm 529 Savings Plan.

Section 3. Distribution from Accounts. You may direct the Trustee to distribute part or all of the money in an account at any time.

(a) You must complete the appropriate form or follow such other procedures for the withdrawal of money in an account as the Program Manager may designate. The Program Manager may change the form or modify the procedures for withdrawing money from an account from time to time.

(b) You acknowledge the earnings portion of a Federal Non-Qualified Withdrawal, as defined in the Program Disclosure Statement, will be included in your income for federal and state income tax purposes and may be subject to a 10% federal tax as well as partial recapture of any Nebraska state income tax deduction previously claimed.

You also acknowledge that to the extent a withdrawal is a Nebraska Non-Qualified Withdrawal, as defined in the Program Disclosure Statement, there may be recapture of any Nebraska state income tax benefits and the earnings portion of the withdrawal may be subject to Nebraska state income tax.

(c) Notwithstanding any other provision of this Participation Agreement, the Trustee or the Program Manager may terminate an account at any time upon a determination that you or the Beneficiary have provided false or misleading information to the Trust, the Program Manager or an Eligible Educational Institution. The Trustee will pay you the balance remaining in the account, less any fees, if applicable.

(d) If you cancel your Participation Agreement, you will receive the remaining assets (including any earnings). The withdrawal may be subject to applicable federal and state taxes or penalties on Federal Non-Qualified Withdrawals or Nebraska Non-Qualified Withdrawals

Section 4. Your Representations and Acknowledgments. You hereby represent and warrant to, and agree with, the Trust, the Trustee and the Program Manager as follows:

(a) You acknowledge and agree that the creation of an account subjects your account and contributions to ongoing fees as described in the Program Disclosure Statement.

(b) You have received and read the Plan's Program Disclosure Statement and have carefully reviewed all the information contained therein, including information provided by or with respect to the Trust and the Program Manager. You have been given an opportunity, within a reasonable time prior to the date of this Participation Agreement, to ask questions and receive answers concerning (i) an investment in the Trust; (ii) the terms and conditions of the Trust; and (iii) this Participation Agreement and to obtain such additional information necessary to verify the accuracy of any information furnished. You also agree you have had the opportunity to review and hereby approve and consent to all compensation paid or received by any party connected with the Trust or any of its investments as disclosed in the Program Disclosure Statement.

(c) You acknowledge and agree that if the Program Disclosure Statement is in any way amended, modified or supplemented after you enter into this Participation Agreement, the terms of the Program Disclosure Statement, as amended, modified or supplemented, will be automatically incorporated into this Participation Agreement.

(d) You acknowledge and agree that the value of your account will increase or decrease based on the investment performance of the Investment Option(s) in which the account invests. YOU UNDERSTAND THAT THE VALUE OF ANY ACCOUNT MAY BE MORE OR LESS THAN THE AMOUNT INVESTED IN THE ACCOUNT. You agree that all underlying investment decisions will be made by the Nebraska Investment Council or any other adviser hired by the Trust, and

that you will not direct the investment of any funds invested in the Trust, either directly or indirectly. You also acknowledge and agree that neither the State of Nebraska, the Nebraska Investment Council, the Trust, the Trustee, the Program Manager, nor any other advisor or consultant retained by or on behalf of the Trust makes any guarantee that you will not suffer a loss of the amount invested in any account.

(e) You understand that so long as Union Bank and Trust Company serves as Program Manager for the Plan and is performing services for the Trust, it may follow the directives of the Trustee and Nebraska Investment Council. When acting in such capacity, Union Bank and Trust Company will have no liability to you or any other beneficiary of this Participation Agreement.

(f) You acknowledge and agree that participation in the Plan does not guarantee that any Beneficiary: (i) will be accepted as a student by an Eligible Educational Institution; (ii) if accepted, will be permitted to continue as a student; (iii) will be treated as a state resident of any state for tuition purposes; (iv) will graduate from any Eligible Educational Institution; or (v) will achieve any particular treatment under applicable state or federal financial aid program. You also acknowledge and agree that neither the State of Nebraska, the Trust, the Trustee, the Treasurer, the Program Manager, nor any other advisor or consultant retained by or on behalf of the Trust makes any such representation or guarantee.

(g) You acknowledge and agree that no account will be used as collateral for any loan. Any attempted use of an account as collateral for a loan will be void.

(h) You acknowledge and agree that the Trust will not loan any assets to you or the Beneficiary.

(i) You agree and acknowledge that the Trust was established and maintained under Nebraska law with the intent that it will qualify as a qualified tuition program under Internal Revenue Code Section 529. You further acknowledge that such federal and state laws are subject to change, sometimes with retroactive effect, and that neither the State of Nebraska, the Trust, the Trustee, the Treasurer, the Program Manager, nor any advisor or consultant retained by the Trust makes any representation that such state or federal laws will not be changed or repealed.

(j) You acknowledge that the Trust is the record owner of the shares of the Underlying Investments in which each Investment Option is invested and that you will have no right to vote, or direct the voting of, any proxy with respect to such shares.

(k) If you are establishing an account as a custodian for a minor under an UGMA/UTMA, you understand and agree that you assume any responsibility for any adverse consequences resulting from the establishment of an account.

(l) If you are not, or your Beneficiary is not, a Nebraska resident, you understand that if your or your Beneficiary's state of residence offers a 529 qualified tuition program, it may offer tax advantages or other benefits that may not be available to you or your Beneficiary under the Plan and that you are responsible for determining which 529 qualified tuition program is best suited to your investment needs based on your investment objectives, time horizon, tax status and other investment holdings.

(m) You understand that with respect to Nebraska taxpayers, contributions to your account may be entitled to a Nebraska state income tax deduction and that the earnings portion of a distribution from an account for Federal Qualified Higher Education Expenses will not be subject to federal income tax and your participation in the Plan generally will have the Nebraska income tax consequences described in the Program Disclosure Statement. Such Nebraska tax laws are subject to change, sometimes with retroactive effect.

(n) If the account owner is a trust or other entity, then the account owner represents and warrants that (i) the trust or other entity is duly organized, validly existing and in good standing under the laws of its state of organization and has the power and authority to enter into this Participation Agreement; (ii) the execution, delivery and performance of this Participation Agreement by the account owner have been duly authorized by all necessary action on the part of the account owner; and (iii) this Participation Agreement constitutes the legal, valid and binding obligation of the account owner, enforceable against the account owner in accordance with its terms.

(o) You understand and agree that your account and this Participation Agreement are subject to the rules and regulations as the State Treasurer may promulgate in accordance with Nebraska law. You also understand and agree that all decisions and interpretations by the Trustee, the Nebraska Investment Council or the Program Manager in connection with the Plan shall be final and binding on you and your Beneficiary and any successors.

Section 5. Fees and Expenses. The Trust will make certain charges against each account in order to provide for the costs of administration of the accounts and such other purposes as the Trustee shall determine appropriate.

(a) **Program management fee.** Each Investment Option is subject to a program management fee at an annual rate of 0.08% of the average daily net assets, which is accrued daily and reflected in the price of each Investment Option. Under certain circumstances, the

Program Manager, in its sole discretion, may waive a portion of its program management fee with respect to an Investment Option. Any such waiver would be voluntary and may be discontinued at any time.

(b) **Investment management fees.** You acknowledge and agree that each of the Underlying Investments also may have investment management fees and other expenses, which will be disclosed or made available on an annual basis.

(c) **State administration fee.** Each Investment Option is subject to a state administration fee at an annual rate of 0.02% of the average daily net assets, which is accrued daily and reflected in the NAV of each Investment Option.

(d) **Change in fees.** You acknowledge and agree that the charges described above may be increased or decreased as the Trustee and the Nebraska Investment Council shall determine to be appropriate.

Section 6. Necessity of Qualification. The Trust intends to qualify for favorable federal tax treatment under Code Section 529. You agree and acknowledge that qualification under Code Section 529 is vital and agree that the Trustee may amend this Participation Agreement upon a determination that such an amendment is required to maintain such qualification.

Section 7. Audit. Nebraska law requires the Trust and its assets to be audited at least annually by a certified public accountant or the Nebraska State Auditor. A copy of the audited financial statements can be viewed or downloaded at treasurer.nebraska.gov.

Section 8. Reporting. The Plan, through the Program Manager, will provide quarterly reports of account activity and the value of each account. Account information can also be obtained via the Plan's secure website.

Section 9. Account Owner's Indemnity. You recognize that each account will be established based upon your statements, agreements, representations and warranties set forth in this Participation Agreement and the Enrollment Form. You agree to indemnify and to hold harmless the Trust, the Trustee, the Nebraska Investment Council, the Nebraska State Investment Officer, the Program Manager and its affiliates, and any representatives of the Trust from and against any and all loss, damage, liability or expense, including costs of reasonable attorneys' fees to which they may be put or which they may incur by reason of, or in connection with, any breach by you of your acknowledgments, representations or warranties or any failure of you to fulfill any covenants or agreements set forth herein. You agree that all statements, representations and warranties will survive the termination of your account.

Section 10. Amendment and Termination. Nothing contained in the Trust or this Participation Agreement shall constitute an agreement or representation by the Trustee or anyone else that the Trust will continue in existence. At any time, the Trustee may amend this Participation Agreement or suspend or terminate the Trust by giving written notice of such action to the account owner, so long as, after the action, the assets in your account are still held for the exclusive benefit of you and your Beneficiary.

Section 11. Governing Law. This Participation Agreement shall be governed and interpreted in accordance with the laws of the State of Nebraska. Except as set forth in section 12 below, all parties agree that exclusive venue and jurisdiction for any legal proceedings related to this Participation Agreement or Plan shall be in the State of Nebraska.

Section 12. Arbitration. YOU SHOULD READ THIS ARBITRATION PROVISION CAREFULLY. IT MAY HAVE A SUBSTANTIAL IMPACT ON YOUR RIGHTS.

(a) **Agreement to arbitrate:** Unless prohibited by applicable law, any legal dispute between you and us will be resolved by binding arbitration. In arbitration, a dispute is resolved by an arbitrator instead of a judge or jury. Arbitration procedures are simpler and more limited than court procedures.

(b) **Coverage and definitions:** As used in this Arbitration Provision, the following terms have the following meanings:

(i) "You," "your" and "yours" refer to the account owner and any successor account owner, acting on the account owner's own behalf or on behalf of the Beneficiary and any successor Beneficiary.

(ii) "We," "us," "our" and "ours" refer to: (A) the Program Manager, the State of Nebraska and the Trustee; (B) any company that owns or controls the Program Manager (a "Parent Company"); and (C) any company that is controlled by a Parent Company or the Program Manager. Also, if either you or we elect to arbitrate any Claim you bring against us, the persons who may benefit by this Arbitration Provision include any other persons or companies you make a Claim against in the same proceeding.

(iii) "Claim" means any legal dispute between you and us that relates to, arises out of or has anything at all to do with: (A) this Participation Agreement, this Arbitration Provision, the Plan or the Trust; or (B) any related advertising, promotion, disclosure or notice. This includes a dispute about whether this Arbitration Provision or this Participation Agreement is valid or enforceable, about when this Arbitration Provision applies and/or about whether a dispute is arbitrable. It includes disputes about constitutional provisions, statutes, ordinances and regulations, compliance with contracts and wrongful acts of every type (whether intentional, fraudulent, reckless or negligent). This Arbitration Provision applies to actions, omissions and events prior to, on or after the date of this Participation Agreement. It applies

to disputes involving requests for injunctions, other equitable relief and/or declaratory relief. However, notwithstanding any language in this Arbitration Provision to the contrary, the term "Claim" does not include any dispute that is asserted by a party on a class basis; unless and until any such dispute is finally resolved to be inappropriate for class treatment in court, such dispute shall not constitute a "Claim" hereunder, and any such dispute shall be resolved by a court and not by an arbitrator or arbitration administrator.

(iv) "Administrator" means JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamsadr.com; the American Arbitration Association (the "AAA"), 1633 Broadway, 10th Floor, New York, NY 10019, www.adr.org; or any other company selected by mutual agreement of the parties. If both JAMS and AAA cannot or will not serve and the parties are unable to select an Administrator by mutual consent, the Administrator will be selected by a court. You may select the Administrator if you give us written notice of your selection with your notice that you are electing to arbitrate any Claim or within 20 days after we give you notice that we are electing to arbitrate any Claim (or, if you oppose in court our right to arbitrate a matter, within 20 days after the court determination). If you do not select the Administrator on time, we will select the Administrator.

(c) **Important notice: IF YOU OR WE ELECT TO ARBITRATE A CLAIM, YOU AND WE WILL NOT HAVE THE RIGHT TO PURSUE THAT CLAIM IN COURT OR HAVE A JURY DECIDE THE CLAIM. ALSO, YOUR AND OUR ABILITY TO OBTAIN INFORMATION AND TO APPEAL IS MORE LIMITED IN AN ARBITRATION THAN IN A LAWSUIT. OTHER RIGHTS THAT YOU AND WE WOULD HAVE IN A LAWSUIT IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.**

(d) **Prohibition against certain proceedings: (i) NO PARTY MAY PARTICIPATE IN A CLASS-WIDE ARBITRATION, EITHER AS A PLAINTIFF, DEFENDANT OR CLASS MEMBER; (ii) NO PARTY MAY ACT AS A PRIVATE ATTORNEY GENERAL IN ANY ARBITRATION; (iii) CLAIMS BROUGHT BY OR AGAINST YOU MAY NOT BE JOINED OR CONSOLIDATED WITH CLAIMS BROUGHT BY OR AGAINST ANY OTHER PERSON IN ANY ARBITRATION; AND (iv) THE ARBITRATOR SHALL HAVE NO AUTHORITY TO CONDUCT A CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ARBITRATION OR MULTIPLE-PARTY ARBITRATION.**

(e) **Initiating arbitration proceedings:** A party asserting a Claim must first comply with Section 12(k), regarding "Notice and Cure." Additionally, a party electing arbitration must give written notice of an intention to initiate or require arbitration. This notice can be given after the beginning of a lawsuit and can be given in the papers filed in the lawsuit. If such notice is given, unless prohibited by applicable law any Claim shall be resolved by arbitration under this Arbitration Provision and, to the extent consistent with this Arbitration Provision, the applicable rules of the Administrator that are in effect at the time the Claim is filed with the Administrator. A party who has asserted a Claim in a lawsuit may still elect arbitration with respect to any Claim that is later asserted in the same lawsuit by any other party (and in such case either party may also elect to arbitrate the original Claim). The arbitrator will be selected in accordance with the Administrator's rules. However, unless both you and we agree otherwise, the arbitrator must be a lawyer with more than 10 years of experience or a retired judge. We promise that we will not elect to arbitrate an individual Claim that you bring in small claims court or an equivalent court. However, we may elect to arbitrate a Claim that is transferred, removed or appealed to any different court.

(f) **Arbitration location and costs:** Any arbitration hearing that you attend will take place in a reasonably convenient location for you. If the amount in controversy is less than $10,000 and you object to the fees charged by the Administrator and/or arbitrator, we will consider in good faith any reasonable written request for us to bear the fees charged by the Administrator and/or arbitrator. Also, we will pay any fees or expenses we are required to pay by law or are required to pay so that a court will enforce this Arbitration Provision. Each party must pay for that party's own attorneys, experts and witnesses, provided that we will pay all such reasonable fees and costs you incur if required by applicable law and/or the Administrator's rules or if you are the prevailing party and we are required to bear such fees and costs so that a court will enforce this Arbitration Provision.

(g) **Applicable law:** You and we agree that this Participation Agreement and this Arbitration Provision involve interstate commerce, and this Arbitration Provision is governed by the Federal Arbitration Act ("FAA"), 9 U.S.C. § 1, et seq. The arbitrator must follow, to the extent applicable: (i) the substantive law related to any Claim; (ii) statutes of limitations; and (iii) claims of privilege recognized at law, and shall be authorized to award all remedies available in an individual lawsuit under applicable substantive law, including, without limitation, compensatory, statutory and punitive damages (which shall be governed by the constitutional standards applicable in judicial proceedings), declaratory, injunctive and other equitable relief and attorneys' fees and costs. Upon the timely request of any party to an arbitration proceeding, the arbitrator

must provide a brief written explanation of the basis for the award. The arbitrator will determine the rules of procedure and evidence to apply, consistent with the arbitration rules of the Administrator and this Arbitration Provision. In the event a conflict between this Arbitration Provision, on the one hand, and any other Arbitration Provision between you and us or the rules or policies of the Administrator, on the other hand, this Arbitration Provision shall govern. The arbitrator will not be bound by federal, state or local rules of procedure and evidence or by state or local laws concerning arbitration proceedings.

(h) **Getting information:** In addition to the parties' rights to obtain information under the Administrator's rules, any party may submit a written request to the arbitrator seeking more information. A copy of such request must be provided to the other parties. Those parties will then have the right to object in writing within 30 days. The objection must be sent to the arbitrator and the other parties. The arbitrator will decide the issue in his or her sole discretion within 20 days thereafter.

(i) **Effect of arbitration award:** Any court with jurisdiction may enter judgment upon the arbitrator's award. The arbitrator's decision will be final and binding, except for any appeal right under the FAA and except for Claims involving more than $100,000. For these Claims, any party may appeal the award within 30 days to a three-arbitrator panel appointed pursuant to the Administrator's rules. That panel will reconsider from the start any aspect of the initial award that any party asserts was incorrectly decided. The decision of the panel shall be by majority vote and will be final and binding, except for any appeal right under the FAA. Unless applicable law (or Section 12(j), regarding "Corrective Action; Survivability and Severability of Terms") requires otherwise, the costs of an appeal to an arbitration panel will be borne by the appealing party, regardless of the outcome of the appeal. However, we will pay any fees or expenses we are required to pay so that a court will enforce this Arbitration Provision.

(j) **Corrective action; survivability and severability of terms:** A party must be given written notice and a reasonable opportunity of at least 30 days to remedy any circumstance that might preclude arbitration of a Claim. This Arbitration Provision shall survive: (i) termination of the Trust; and (ii) the bankruptcy of any party. If any portion of this Arbitration Provision is deemed invalid or unenforceable, the remaining portions shall nevertheless remain in force. This Arbitration Provision can only be modified by written amendment to this Participation Agreement expressly approved by the Trustee and the Program Manager.

(k) **Arbitration notices.** Any notice to us under this Arbitration Provision must be sent to us by registered or certified mail or by a messenger service such as Federal Express at NEST Direct College Savings Plan, 1248 O Street, Suite 200, Lincoln, NE 68508. Any such notice must be signed by you and must provide your name, address and telephone number. Any notice to you under this Arbitration Provision must be sent to you by registered or certified mail or by a messenger service such as Federal Express, at the most recent address for you we have in our records.

Section 13. Other Matters Relating to Claims by Participant.

(a) **Notice and cure:** Prior to initiating litigation or arbitration regarding a Claim, the party asserting the Claim (the "Claimant") shall give the other party or parties written notice of the Claim (a "Claim Notice") and a reasonable opportunity, not less than 30 days, to cure the Claim. Any Claim Notice must explain the nature of the Claim and the relief that is demanded. The Claimant must reasonably cooperate in providing any information about the Claim that the other party or parties reasonably request.

(b) **No recourse.** For any obligation or liability arising pursuant to this Participation Agreement, no recourse may be had for such obligation or liability of the Trustee or any employee or official of the State of Nebraska in his or her personal or individual capacity. You hereby waive all such obligations and liabilities of the Treasurer and any such employee or official.

(c) **Sovereign immunity.** You acknowledge that the Trustee and the State of Nebraska reserve all immunities, defenses, rights or actions arising out of their status as a sovereign state or entity, including those under the Eleventh Amendment to the United States Constitution, and that no waiver of any such immunities, defenses, rights or actions will be implied or otherwise deemed to exist as a result of this Participation Agreement.

EXHIBIT B — INVESTMENT OPTIONS AND UNDERLYING INVESTMENTS

The following tables show the target investment allocations for the Index and Multi-Firm Age-Based and Static Investment Options. These target allocations were designed by the Nebraska Investment Council in consultation with the Program Manager, AON, and Wilshire. The Program Manager rebalances the Investment Options on an ongoing basis. The Nebraska Investment Council may amend or supplement the Investment Policy Statement at any time which may change the Investment Options, the asset allocation within the Investment Options, and the Underlying Investments in which the Investment Options invest, including the Underlying Investments in which the Individual Fund Investment Options invest.

Index Investment Options

Age-Based Index Investment Options	Age of Beneficiary										
Age-Based Index Aggressive	0–2	3–5	6–8	9–10	11–12	13–14	15–16	17–18	19 plus		
Age-Based Index Moderate		0–2	3–5	6–8	9–10	11–12	13–14	15–16	17–18	19 plus	
Age-Based Index Conservative			0–2	3–5	6–8	9–10	11–12	13–14	15–16	17–18	19 plus
Underlying Investments											
Vanguard Federal Money Market Fund									4.5%	11.5%	25.0%
Union Bank/Nelnet Bank Savings									4.5%	11.5%	25.0%
Vanguard Short-Term Inflation-Protected Securities Index Fund					2.0%	4.0%	9.0%	11.0%	11.0%	14.0%	15.0%
Vanguard Short-Term Bond Index Fund		2.0%	3.0%	4.0%	8.0%	11.0%	14.0%	22.0%	25.0%	22.0%	20.0%
Vanguard Total Bond Market Index Fund		7.0%	14.5%	22.0%	25.5%	30.0%	31.5%	31.5%	29.5%	26.5%	13.0%
Vanguard Global Credit Bond Fund		1.0%	2.5%	4.0%	4.5%	5.0%	5.5%	5.5%	5.5%	4.5%	2.0%
Vanguard Total Stock Market Index Fund	58.0%	52.0%	48.0%	42.0%	36.5%	31.0%	25.0%	20.0%	13.0%	7.0%	
Vanguard Total International Stock Index Fund	36.0%	32.0%	27.0%	23.0%	19.5%	16.0%	12.0%	8.0%	5.0%	2.0%	
Vanguard Real Estate Index Fund	6.0%	6.0%	5.0%	5.0%	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%	
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Multi-Firm Investment Options

Age-Based Investment Options	Age of Beneficiary											
Age-Based Aggressive	0–2	3–5	6–8	9–10	11–12	13–14	15–16	17–18	19 plus			
Age-Based Moderate		0–2	3–5	6–8	9–10	11–12	13–14	15–16	17–18	19 plus		
Age-Based Conservative			0-2	3–5	6–8	9–10	11–12	13–14	15–16	17–18	19 plus	
Static Investment Options	All Equity		Growth			Balanced			Conservative			Bank Savings
Vanguard Federal Money Market Fund									4.5%	11.5%	25.0%	
Union Bank/Nelnet Bank Savings									4.5%	11.5%	25.0%	100.0%
Vanguard Short-Term Inflation-Protected Securities Index Fund					2.0%	4.0%	9.0%	11.0%	11.0%	14.0%	15.0%	
Vanguard Short-Term Bond Index Fund		2.0%	3.0%	4.0%	8.0%	11.0%	14.0%	22.0%	25.0%	22.0%	20.0%	
Vanguard Total Bond Market Index Fund		3.5%	7.5%	11.0%	12.5%	15.0%	16.0%	16.0%	15.0%	13.5%	6.5%	
MetWest Total Return Bond Fund		3.5%	7.5%	11.0%	12.5%	15.0%	15.5%	15.5%	15.0%	13.0%	6.0%	
Vanguard Global Credit Bond Fund		1.0%	2.0%	4.0%	5.0%	5.0%	5.5%	5.5%	5.0%	4.5%	2.5%	
Vanguard Total Stock Market Index Fund	33.0%	30.0%	27.0%	24.0%	20.5%	18.0%	14.0%	11.0%	8.0%	4.0%		
Vanguard Equity-Income Fund	10.0%	9.0%	8.5%	7.5%	6.5%	5.5%	4.5%	3.5%	2.5%	1.5%		
T. Rowe Price Large-Cap Growth Fund	10.0%	9.0%	8.5%	7.5%	6.5%	5.5%	4.5%	3.5%	2.5%	1.5%		
Vanguard Explorer Fund	2.5%	2.0%	2.0%	1.5%	1.5%	1.0%	1.0%	1.0%				
DFA U.S. Small Cap Value Portfolio	2.5%	2.0%	2.0%	1.5%	1.5%	1.0%	1.0%	1.0%				
Vanguard Total International Stock Index Fund	23.0%	20.0%	16.0%	14.0%	12.5%	10.0%	7.0%	5.0%	3.0%	2.0%		
American Funds EuroPacific Growth Fund	6.5%	6.0%	5.5%	4.5%	3.5%	3.0%	2.5%	1.5%	1.0%			
Dodge & Cox International Stock Fund	6.5%	6.0%	5.5%	4.5%	3.5%	3.0%	2.5%	1.5%	1.0%			
Vanguard Real Estate Index Fund	6.0%	6.0%	5.0%	5.0%	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%		
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

EXHIBIT B — UNDERLYING INVESTMENTS

Set forth on the following pages are summary descriptions of the funds, selected by the Nebraska Investment Council in consultation with the Program Manager, AON, and Wilshire, which make up the Age-Based, Static, and Individual Fund Investment Options. The descriptions are taken from the most recent prospectuses of the fund dated prior to March 15, 2024, and are intended to summarize their respective investment objectives and policies.

For more complete information regarding any fund, you may request a prospectus by visiting the website for the respective fund or contacting the Program Manager. All investments carry some degree of risk which will affect the value of the fund's investments, investment performance, and price of its shares. It is possible to lose money by investing in the funds. For complete information please see the fund's Prospectus.

All information regarding the investments and underlying investments is obtained from the prospectus, fund company, and other public information of the fund, and neither Union Bank and Trust Company, nor the Nebraska Investment Council, nor Treasurer guarantee the accuracy of such information.

BANK SAVINGS

Investment Objective

The Bank Savings Underlying Investment invests solely in a Union Bank and Trust Company and/or Nelnet Bank omnibus deposit account. It seeks income consistent with preservation of principal. The Bank Savings Underlying investment is an omnibus deposit account pursuant to a fiduciary, custodial and/or agency relationship on behalf of the 529 Plan participants and is insured by the FDIC in the manner and up to the limits described below.

Investments in the Bank Savings Underlying Investment will earn varying rates of interest. The interest rate generally will be equivalent to short-term deposit rates. Interest on the deposit account will be compounded daily based on the actual number of days in a year (typically 365 days, except for 366 days in leap years) and will be credited to the deposit account on a monthly basis. The interest on the deposit account is expressed as an annual percentage yield ("APY"). The APY on the deposit account will be reviewed on a periodic basis and may be recalculated as needed at any time. The minimum interest rate is 0.50% as of the date of this Program Disclosure Statement. To see the current Bank Savings Static Investment Option APY please go to NEST529.com or call 888.993.3746, representatives are available 7 a.m. – 7 p.m. Central, Monday through Friday.

FDIC Insurance Coverage

Subject to the application of bank and FDIC rules and regulations to each account owner, contributions and earnings in the Bank Savings Underlying Investment will be subject to FDIC insurance. By contrast, no other Underlying Investment is insured by the FDIC (or by any other government agency or branch). Contributions to and earnings on the investments in the Bank Savings Underlying Investment have been structured in order to be insured by the FDIC on a per participant, pass-through basis with respect to each account owner up to the maximum limit established by federal law, which currently is $250,000. The amount of FDIC insurance provided to an account owner is based on the total of: (1) the value of an account owner's investment in the Bank Savings Underlying Investment, and (2) the value of all other accounts held by the account owner at Union Bank and Trust Company and/or Nelnet Bank (including bank deposits), as determined in accordance with applicable FDIC rules and regulations. You are responsible for monitoring the total amount of your assets on deposit at Union Bank and Trust Company and/or Nelnet Bank, including amounts held directly at Union Bank and Trust Company and/or Nelnet Bank. All such deposits held in the same ownership capacity at Union Bank and Trust Company and/or Nelnet Bank are subject to aggregation and to the current FDIC insurance coverage limitation of $250,000. Each account owner should determine whether the amount of FDIC insurance available to the account owner is sufficient to cover the total of the account owner's investment in the Bank Savings Underlying Investment plus the account owner's other deposits at Union Bank and Trust Company and/or Nelnet Bank. Deposits held in different ownership capacities, as provided in FDIC rules, are insured separately. None of the Plan, the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, the Program Manager, or any of their respective affiliates are responsible for determining the amount of FDIC insurance provided to an account owner. For more information, please visit www.fdic.gov.

The Bank Savings Underlying Investment does not provide a guarantee of any level of performance or return or offer any additional guarantees. Like all Investment Options, neither the contributions into the Bank Savings Underlying Investment, nor any investment return earned on the contributions are guaranteed by the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, the Program Manager, Union Bank and Trust Company and/or Nelnet Bank or any of their respective authorized agents or affiliates or any other federal or state entity or person.

Investment Risks

The following is a summary of investment risks associated with the Bank Savings Underlying Investment.

- *FDIC insurance risk* – Although your interest in the assets of the Bank Savings Underlying Investment on deposit at Union Bank and Trust Company and/or Nelnet Bank, together with any other deposits you may have at Union Bank and Trust Company and/or Nelnet Bank, are eligible

for FDIC insurance, subject to applicable federal deposit insurance limits, the units of the Investment Options (including the Bank Savings Static Investment Option), themselves are not insured or guaranteed by the FDIC or any other government agency or branch. You are responsible for monitoring the total amount of your assets on deposit (including amounts in other accounts held in the same right and legal capacity) in order to determine the extent of FDIC deposit insurance coverage available to you on those deposits, including your Bank Savings Underlying Investment and Bank Savings Static Investment Option deposits.

- *Interest rate risk* – The interest rate paid by Union Bank and Trust Company and/or Nelnet Bank is based on a number of factors, including general economic and business conditions. The rate of interest will vary over time and can change daily without notice to you. The interest rate paid on the Bank Savings Underlying Investment and Bank Savings Static Investment Option may not be sufficient to meet your investment objectives and may be more or less than the investment returns available in other Investment Options.
- *Ownership risk* – You own units of the Underlying Investment. You do not have an ownership interest or any other rights as an owner or shareholder of the Bank Savings Underlying Investment in which the Investment Options invest. You cannot access or withdraw your money from the Bank Savings Static Investment Option by contacting Union Bank and Trust Company and/ or Nelnet Bank directly. You must contact the Program Manager to perform any such transactions in your Account. The assets in the Bank Savings Underlying Investment on deposit at Union Bank and Trust Company and/or Nelnet Bank are subject to legal process such as a levy or garnishment delivered to the Program Manager to the same extent as if those assets were invested in any other investment option.
- *Regulatory risk* – The status of the FDIC regulations applicable to 529 college savings plans are subject to change at any time. It is not possible to predict the impact any such change in the regulations would have on the Bank Savings Underlying Investment, or the Bank Savings Static Investment Option.

Fees & Expenses

Total Annual Fund Operating Expenses 0.00%

VANGUARD FEDERAL MONEY MARKET FUND

Investment objective

The fund seeks to provide current income while maintaining liquidity and a stable share price of $1.

Principal investment strategies

The fund invests primarily in high-quality, short-term money market instruments. Under normal circumstances, at least 80% of the fund's assets are invested in securities issued by the U.S. government and its agencies and instrumentalities, including repurchase agreements that are collateralized solely by U.S. government securities or cash. Although these securities are high-quality, some 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.

Government money market funds are required to invest at least 99.5% of their total assets in cash, U.S. government securities, and/or repurchase agreements that are collateralized solely by U.S. government securities or cash (collectively, government securities). The fund generally invests 100% of its assets in U.S. government securities and therefore satisfies the 99.5% requirement for designation as a government money market fund.

Principal risks

The fund is designed for investors with a low tolerance for risk; however, the fund is subject to the following risks, which could affect the fund's performance and the level of risk may vary based on market conditions:

- *Income risk* – which is the chance that the fund's income will decline because of falling interest rates. Because the fund's income is based on short-term interest rates—which can fluctuate significantly over short periods—income risk is expected to be high. A low or negative interest rate environment will adversely affect the fund's return. Low or negative interest rates, depending on their duration and severity, could prevent the fund from, among other things, providing a positive yield and/or maintaining a stable share price of $1.
- *Manager risk* – which is the chance that poor security selection will cause the fund to underperform relevant benchmarks or other funds with a similar investment objective.
- *Credit risk* – which is the chance that the issuer of a security will fail to pay interest or principal in a timely manner or that negative perceptions of the issuer's ability to make such payments will cause the price of that security to decline. Credit risk should be very low for the fund because it invests primarily in securities that are considered to be of high quality.

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other

government agency. The fund's sponsor is not required to reimburse the fund for losses, and you should not expect that the sponsor will provide financial support to the fund at any time, including during periods of market stress.

Fees & Expenses
(Based on the prospectus dated December 22, 2023)

Total Annual Fund Operating Expenses..... 0.11%

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.

Principal investment strategies

The fund employs an indexing investment approach designed to track the performance of the Bloomberg U.S. 0-5 Year Treasury Inflation-Protected Securities (TIPS) Index (the "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 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 index. As of September 30, 2023, the dollar-weighted average maturity of the index was 2.6 years.

Principal risks

The fund is designed for investors with a low tolerance for risk, but you could still lose money by investing in it. The fund is subject to the following risks, which could affect the fund's performance, and the level of risk may vary based on market conditions:

- *Income fluctuations* – the 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 fund may not have any income to distribute. Income fluctuations associated with changes in interest rates are expected to be low; however, income fluctuations associated with changes in inflation are expected to be high. Overall, investors can expect income fluctuations to be high for the fund.
- *Real interest rate risk* – which is the chance that the value of a bond will fluctuate because of a change in the level of real, or after inflation, interest rates. Although inflation-indexed bonds seek to provide inflation protection, their prices may decline when real interest rates rise and vice versa. Because 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, real interest rate risk is expected to be low for the fund.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Fees & Expenses
(Based on the prospectus dated January 31, 2024)

Total Annual Fund Operating Expenses..... 0.04%

VANGUARD SHORT-TERM BOND INDEX FUND

Investment objective

The fund seeks to track the performance of a market-weighted bond index with a short-term dollar-weighted average maturity.

Principal investment strategies

The fund employs an indexing investment approach designed to track the performance of the Bloomberg U.S. 1–5 Year Government/Credit Float Adjusted Index. This index includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities between 1 and 5 years and are publicly issued.

The fund invests by sampling the index, meaning that it holds a range of securities that, in the aggregate, approximates the full index in terms of key risk factors and other characteristics. All of the fund's investments will be selected through the sampling process, and at least 80% of the fund's assets will be invested in bonds held in the index. The fund seeks to maintain a dollar-weighted average maturity consistent with that of the index. As of December 31, 2022, the dollar-weighted average maturity of the index was 3 years. The fund also seeks to maintain an average duration consistent with that of the index. As of December 31, 2022, the average duration of the index was 3 years.

Principal risks

The fund is designed for investors with a low tolerance for risk, but you could still lose money by investing in it. The fund is subject to the following risks, which could affect the fund's performance, and the level of risk may vary based on market conditions:

- *Income risk* – which is the chance that the fund's income will decline because of falling interest rates. Income risk is generally high for short-term bond funds, so investors should expect the fund's monthly income to fluctuate accordingly.

- *Interest rate risk* – which is the chance that bond prices overall will decline because of rising interest rates. Interest rate risk should be low for the fund because it invests primarily in short-term bonds, whose prices are less sensitive to interest rate changes than are the prices of longer-term bonds.
- *Call risk* – which is the chance that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupon rates or interest rates before their maturity dates. The 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 fund's income. Such redemptions and subsequent reinvestments would also increase the fund's portfolio turnover rate.
- *Credit risk* – which is the chance that a bond issuer will fail to pay interest or 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. Credit risk should be low for the fund because it purchases only bonds that are of investment-grade quality.
- *Index sampling risk* – which is the chance that the securities selected for the fund, in the aggregate, will not provide investment performance matching that of the fund's target index. Index sampling risk for the fund is expected to be low.
- *Liquidity risk* – which is the chance that the fund may not be able to sell a security in a timely manner at a desired price.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Fees & Expenses
(Based on the prospectus dated April 28, 2023)

Total Annual Fund Operating Expenses..... 0.04%

VANGUARD TOTAL BOND MARKET INDEX FUND

Investment objective

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

Principal investment strategies

The fund employs an indexing investment approach designed to track the performance of the Bloomberg U.S. Aggregate Float Adjusted Index. This index measures the performance of a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—all with maturities of more than 1 year.

The fund invests by sampling the index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full index in terms of key risk factors and other characteristics. All of the fund's investments will be selected through the sampling process, and at least 80% of the fund's assets will be invested in bonds held in the index. The fund seeks to maintain a dollar-weighted average maturity consistent with that of the index. As of December 31, 2022, the dollar-weighted average maturity of the index was 9 years. The fund also seeks to maintain an average duration consistent with that of the index. As of December 31, 2022, the average duration of the index was 6 years.

Principal risks

An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance, and the level of risk may vary based on market conditions:

- *Interest rate risk* – which is the chance that bond prices overall will decline because of rising interest rates. Interest rate risk should be moderate for the fund because it invests primarily in short- and intermediate-term bonds, whose prices are less sensitive to interest rate changes than are the prices of long-term bonds.
- *Income risk* – which is the chance that the fund's income will decline because of falling interest rates. Income risk is generally high for short-term bond funds and moderate for intermediate-term bond funds, so investors should expect the fund's monthly income to fluctuate accordingly.
- *Prepayment risk* – which is the chance 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 fund. The fund would then lose any price appreciation above the mortgage's principal and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the fund's income. Such prepayments and subsequent reinvestments would also increase the fund's portfolio turnover rate. Prepayment risk should be moderate for the fund.
- *Extension risk* – which is the chance that during periods of rising interest rates, certain debt securities will be paid off substantially more slowly than originally anticipated, and the value of those securities may fall. This will lengthen the duration or average life of those securities and delay a fund's ability to reinvest proceeds at higher interest rates, making a fund more sensitive to changes in interest rates. For funds that invest in mortgage-backed securities, there is a chance that

during periods of rising interest rates, homeowners will repay their mortgages at slower rates. Extension risk should be moderate for the fund.

- *Call risk* – which is the chance that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupon rates or interest rates before their maturity dates. The 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 fund's income. Such redemptions and subsequent reinvestments would also increase the fund's portfolio turnover rate. Call risk should be low for the fund because it invests only a small portion of its assets in callable bonds.
- *Credit risk* – which is the chance that a bond issuer will fail to pay interest or 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. Credit risk should be low for the fund because it purchases only bonds that are of investment-grade quality.
- *Index sampling risk* – which is the chance that the securities selected for the fund, in the aggregate, will not provide investment performance matching that of the fund's target index. Index sampling risk for the fund is expected to be low.
- *Liquidity risk* – which is the chance that the fund may not be able to sell a security in a timely manner at a desired price.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Fees & Expenses
(Based on the prospectus dated April 28, 2023)

Total Annual Fund Operating Expenses.....0.03%

METWEST TOTAL RETURN BOND FUND

Investment objective

The Total Return Bond Fund seeks to maximize long-term total return.

Principal investment strategies

The fund pursues its objective by investing, under normal circumstances, at least 80% of its net assets in investment grade fixed income securities or unrated securities determined by the adviser to be of comparable quality. Up to 20% of the fund's net assets may be invested in securities rated below investment grade (commonly known as "junk bonds") or unrated securities determined by the adviser to be of comparable quality. The fund also invests, under normal circumstances, at least 80% of its net assets, plus any borrowings for investment purposes, in fixed income securities it regards as bonds. A bond is a security or instrument having one or more of the following characteristics: a fixed-income security, a security issued at a discount to its face value, a security that pays interest or a security with a stated principal amount that requires repayment of some or all of that principal amount to the holder of the security. The term "bond" is interpreted broadly by the adviser as an instrument or security evidencing a promise to pay some amount rather than evidencing the corporate ownership of equity, unless that equity represents an indirect or derivative interest in one or more bonds. Under normal circumstances, the fund's portfolio duration is two to eight years and the fund's dollar-weighted average maturity ranges from two to fifteen years.

Duration is a measure of the expected life of a fixed income security that is used to determine the sensitivity of a security to changes in interest rates.

The fund invests in the U.S. and abroad, including emerging markets, and may purchase securities of varying maturities issued by domestic and foreign corporations and governments. The fund may invest up to 25% of its assets in foreign securities that are denominated in U.S. dollars. The fund may invest up to 15% of its assets in securities of foreign issuers that are not denominated in U.S. dollars. The fund may invest up to 10% of its assets in emerging market securities. The adviser focuses the fund's portfolio holdings in areas of the bond market that the adviser believes to be relatively undervalued, based on its analysis of quality, sector, coupon or maturity, and that the adviser believes offer attractive prospective risk-adjusted returns compared to other segments of the bond market.

The fund's investments include various types of bonds and debt securities, including corporate bonds, notes, mortgage-related and asset-backed securities (including collateralized debt obligations, which in turn include collateralized bond obligations and collateralized loan obligations), bank loans, U.S. and non-U.S. money market securities, municipal securities, derivatives including credit default swaps and other swaps, futures, options and currency forward contracts, defaulted debt securities, private placements and restricted securities. The fund's fixed income investments may have interest rates that are fixed, variable or floating.

Derivatives are used in an effort to hedge investments, for risk management, or to increase income or gains for the fund. The fund may also seek to obtain market exposure to the securities in which it invests by entering into a series of purchase and sale contracts or by using other investment techniques. The fund may engage in active and frequent trading of portfolio securities to achieve its primary investment strategies.

The fund may normally short sell up to 25% of the value of its total assets.

Principal risks

Because the fund holds securities with fluctuating market prices, the value of the fund's shares will vary as its portfolio securities increase or decrease in value. Therefore, the value of your investment the fund could go down as well as up. You can lose money by investing in the fund.

The principal risks affecting the fund that can cause a decline in value are:

- *Debt securities risk* – the risk that the value of a debt security may increase or decrease as a result of various factors, including changes in interest rates, actual or perceived inability or unwillingness of issuers to make principal or interest payments, market fluctuations and illiquidity in the debt securities market.
- *Market risk* – the risk that returns from the securities in which the fund invests may underperform returns from the general securities markets or other types of securities.
- *Interest rate risk* – the risk that debt securities may decline in value because of changes in interest rates.
- *Credit risk* – the risk that an issuer may default in the payment of principal and/or interest on a security.
- *Inflation risk* – the risk that the value of the fund's investments may not keep up with price increases from inflation.
- *Mortgage-backed securities risk* – the risk of investing in mortgage-backed securities, including prepayment risk and extension risk. Mortgage-backed securities react differently to changes in interest rates than other bonds, and some mortgage-backed securities are not backed by the full faith and credit of the U.S. government.
- *Asset-backed securities risk* – the risk of investing in asset-backed securities, including the risk of loss as a result of the impairment of the value of the underlying financial assets, prepayment risk and extension risk. Issuers of asset-backed securities may have limited ability to enforce the security interest in the underlying assets, and credit enhancements provided to support the asset-backed securities, if any, may be inadequate to protect investors in the event of default.
- *Prepayment risk* – the risk that in times of declining interest rates, the fund's higher yielding securities may be prepaid, and the fund may have to replace them with securities having a lower yield.
- *Extension risk* – the risk that in times of rising interest rates borrowers may pay off their debt obligations more slowly causing securities considered short- or intermediate-term to become longer-term securities that fluctuate more widely in response to changes in interest rates than shorter-term securities.
- *Price volatility risk* – the risk that the value of the fund's investment portfolio will change as the prices of its investments go up or down.
- *Issuer risk* – the risk that the value of a security may decline for reasons directly related to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.
- *Liquidity risk* – the risk that lack of a ready market or restrictions on resale may limit the ability of the fund to sell a security at an advantageous time or price. In addition, the fund, by itself or together with other accounts managed by the adviser, may hold a position in a security that is large relative to the typical trading volume for that security, which can make it difficult for the fund to dispose of the position at an advantageous time or price. Over recent years, the fixed-income markets have grown more than the ability of dealers to make markets, which can further constrain liquidity and increase the volatility of portfolio valuations. High levels of redemptions in bond funds in response to market conditions could cause greater losses as a result. Regulations such as the Volcker Rule or future regulations may further constrain the ability of market participants to create liquidity particularly in times of increased market volatility. The liquidity of the fund's assets may change over time.
- *Frequent trading risk* – the risk that frequent trading may lead to increased portfolio turnover and higher transaction costs, which may reduce the fund's performance and may cause higher levels of current liability to shareholders of the fund.
- *Junk bond risk* – the risk that junk bonds have a higher degree of default risk and may be less liquid and subject to greater price volatility than investment grade bonds.
- *Unrated securities risk* – the risk that unrated securities may be less liquid than comparable rated securities, and the risk that the adviser may not accurately evaluate the security's comparative credit rating.
- *Below investment grade mortgage-backed securities risk* – the fund's investments in residential mortgage-backed securities ("RMBS") and commercial mortgage-backed securities ("CMBS") that are rated below investment grade generally carry greater liquidity risk than their investment grade counterparts. Historically, the markets for such below investment grade securities, and for below investment grade asset-backed securities in general, have been characterized at times by less liquidity than the market for analogous investment grade securities particularly during the financial crisis of 2007 and 2008.

- *Mezzanine securities risk* – the risk of investing in mezzanine securities, which generally are rated below investment grade or unrated and present many of the same risks as senior loans, second lien loans and non-investment grade bonds. Mezzanine securities present additional risks because they typically are the most subordinated debt obligation in an issuer's capital structure and are often unsecured. Mezzanine securities are also expected to be a highly illiquid investment.
- *Futures contracts risk* – the risk of investing in futures contracts, which includes (1) the imperfect correlation between a futures contract and the change in market value of the underlying instrument held by the fund (2) a high degree of leverage because of the low collateral deposits normally involved in futures trading (3) possible lack of a liquid secondary market for a futures contract and the resulting inability to close a futures contract when desired; (4) losses caused by unanticipated market movements, which are potentially unlimited; and (5) the inability of the fund to execute a trade because of the maximum permissible price movements exchanges may impose on futures contracts.
- *Distressed and defaulted securities risk* – the risk that the repayment of defaulted securities and obligations of distressed issuers is subject to significant uncertainties.
- *Securities selection risk* – the risk that the securities held by the fund may underperform those held by other funds investing in the same asset class or included in benchmarks that are representative of the same asset class because of the portfolio managers' choice of securities.
- *Valuation risk* – the risk that the portfolio instruments may be sold at prices different from the values established by the fund, particularly for investments that trade in low volume, in volatile markets or over the counter or that are fair valued.
- *Derivatives risk* – the risk of investing in derivative instruments, which includes liquidity, interest rate, market, credit and management risks as well as risks related to mispricing or improper valuation. Changes in the value of a derivative may not correlate perfectly with the underlying asset, reference rate or index, and the fund could lose more than the principal amount invested. These investments can create investment leverage and may create additional risks that may subject the fund to greater volatility and less liquidity than investments in more traditional securities.
- *Swap agreements risk* – the risk of investing in swaps which, in addition to risks applicable to derivatives generally, includes: (1) the inability to assign a swap contract without the consent of the counterparty (2) potential default of the counterparty to a swap for those not traded through a central counterparty (3) absence of a liquid secondary market for any particular swap at any time; and (4) possible inability of the fund to close out a swap transaction at a time that otherwise would be favorable for it to do so.
- *Leverage risk* – the risk that leverage may result from certain transactions, including the use of derivatives and borrowing. This may impair the fund's liquidity, cause it to liquidate positions at an unfavorable time, increase its volatility or otherwise cause it not to achieve its intended result. To the extent required by applicable law or regulation, the fund will reduce leverage risk by either segregating an equal amount of liquid assets or "covering" the transactions that introduce such risk.
- *U.S. treasury obligations risk* – the risk that the value of U.S. Treasury obligations may decline as a result of changes in interest rates, certain political events in the U.S., and strained relations with certain foreign countries.
- *U.S. government securities risk* – the risk that debt securities issued or guaranteed by certain U.S. government agencies, instrumentalities, and sponsored enterprises are not supported by the full faith and credit of the U.S. government, and as a result, investments in their securities or obligations issued by such entities involve credit risk greater than investments in other types of U.S. government securities.
- *Foreign investing risk* – the risk that fund share prices may fluctuate with market conditions, currency exchange rates and the economic and political climates of the foreign countries in which the fund invests or has exposure. Investments in foreign securities may involve greater risks than investing in U.S. securities due to, among other factors, less publicly available information, less stringent and less uniform accounting auditing and financial reporting standards, less liquid and more volatile markets, higher transaction and custody costs, additional taxes, less investor protection, delayed or less frequent settlement political or social instability, civil unrests of terrorism regional economic volatility, and the imposition of sanctions, confiscations, trade restrictions (including tariffs) and other government restrictions by the United States and/or other governments. In addition, Russia's recent military incursions in Ukraine have led to, and may lead to additional sanctions being levied by the United States European Union and other countries against Russia. Russia's military incursion and the resulting sanctions could adversely affect global energy and financial markets and thus could affect the value of the fund's investments.
- *Foreign currency risk* – the risk that foreign currencies may decline in value relative to the U.S. dollar and affect the fund's investments in foreign currencies, in securities that are denominated, trade and or receive revenues in foreign currencies, or in derivatives that provide exposure to foreign currencies.

- *Emerging markets risk* – the risk of investing in emerging market countries, which is substantial due to, among other factors, higher brokerage costs in certain countries different accounting standards; thinner trading markets as compared to those in developed countries; less publicly available and reliable information about issuers as compared to developed markets; the possibility of currency transfer restrictions and the risk of expropriation nationalization or other adverse political economic or social developments.
- *Portfolio management risk* – the risk that an investment strategy may fail to produce the intended results.
- *Counterparty risk* – the risk that the other party to a contract, such as a derivatives contract, may not fulfill its contractual obligations.

Please see Principal Risks" and "Other Risks" for a more detailed description of the risks of investing in the fund.

Your investment in the fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, entity, or person.

Fees & Expenses
(Based on the prospectus dated July 29, 2023)

Total Annual Fund Operating Expenses 0.37%

VANGUARD GLOBAL CREDIT BOND FUND

Investment objective

The fund seeks to provide a moderate and sustainable level of current income.

Principal investment strategies

The fund will invest in securities issued in a number of countries throughout the world, including issuers located in emerging markets, and denominated in global currencies. The fund will normally invest at least 80% of its assets in debt securities, primarily investing in investment-grade debt securities that the advisor believes will generate a moderate and sustainable level of current income. These debt securities include corporate and non-corporate obligations with an average rating equivalent to Baa3 and above by Moody's Investor Services, Inc. or another independent rating agency, or, if unrated, that the fund's advisor determines to be of comparable quality. The fund may invest up to 10% of its total assets in below-investment-grade bonds. The fund will attempt to hedge a majority of its foreign currency exposure, primarily through the use of foreign currency exchange forward contracts, in an effort to manage the currency risk associated with investing in securities denominated in currencies other than the U.S. dollar.

Principal risks

An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance, and the level of risk may vary based on market conditions:

- *Country/regional risk* – which is the chance 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.
- *Interest rate risk* – which is the chance that bond prices overall will decline because of rising interest rates.
- *Income risk* – which is the chance that the fund's income will decline because of falling interest rates.
- *Call risk* – which is the chance that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupon rates or interest rates before their maturity dates. The 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 fund's income. Such redemptions and subsequent reinvestments would also increase the fund's portfolio turnover rate.
- *Extension risk* – which is the chance that during periods of rising interest rates, certain debt securities will be paid off substantially more slowly than originally anticipated, and the value of those securities may fall.
- *Counterparty risk* – which is the chance that the counterparty to a derivatives contract, or other investment vehicle, with the fund is unable or unwilling to meet its financial obligations.
- *Credit risk* – which is the chance that a financial asset issuer will fail to pay interest or principal in a timely manner or that negative perceptions of the issuer's ability to make such payments will cause the price of that financial asset to decline.
- *Currency risk* – which is the chance 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.
- *Currency hedging risk* – which is the chance that the currency hedging transactions entered into by the fund may not perfectly offset the fund's foreign currency exposure.
- *Liquidity risk* – which is the chance that the fund may not be able to sell a security in a timely manner at a desired price.
- *Manager risk* – which is the chance that poor security selection will cause the fund to underperform

relevant benchmarks or other funds with a similar investment objective.

- *Derivatives risk* – the fund may invest in derivatives, which may involve risks different from, and possibly greater than, those of investments directly in the underlying securities or assets.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Fees & Expenses
(Based on the prospectus dated February 27, 2024)

Total Annual Fund Operating Expenses 0.25%

DFA WORLD EX U.S. GOVERNMENT FIXED INCOME PORTFOLIO

Investment objective

The investment objective of the DFA World ex U.S. Government Fixed Income Portfolio (the "World ex U.S. Government Portfolio" or the "portfolio") is to seek to maximize total returns from the universe of debt securities in which the portfolio invests. Total return is comprised of income and capital appreciation.

Principal investment strategies

The World ex U.S. Government Portfolio seeks its investment objective by investing in a universe of obligations issued or guaranteed primarily by non-U.S. government issuers, their agencies and instrumentalities and supranational organizations having investment grade credit ratings at the time of purchase (e.g., rated AAA to BBB - by S&P Global Ratings ("S&P") or Fitch Ratings Ltd. ("Fitch") or Aaa to Baa3 by Moody's Investor's Service, Inc. ("Moody's")). The advisor expects that the portfolio will primarily invest in the obligations of issuers that are in developed countries. The advisor selects the portfolio's foreign country and currency compositions based on an evaluation of various factors, including, but not limited to, relative interest rates and exchange rates. As a non-fundamental policy, under normal circumstances, the portfolio will invest at least 80% of its net assets in fixed income securities issued or guaranteed by foreign governments or their authorities, agencies, instrumentalities or political subdivisions.

Generally, the World ex U.S. Government Portfolio will purchase fixed income securities that mature between five and fifteen years from the date of settlement. Under normal circumstances, the portfolio will generally maintain a weighted average duration of no more than one quarter year greater than, and no less than one year below, the weighted average duration of the FTSE Non-USD World Government Bond Index, Currency-Hedged in USD Terms, which was approximately 8.19 years as of December 31, 2023. From time to time, the portfolio may deviate from this duration range when the advisor determines it to be appropriate under the circumstances. Duration is a measure of the sensitivity of a security's price to changes in interest rates. The longer a security's duration, the more sensitive it will be to changes in interest rates.

Because many of the World ex U.S. Government Portfolio's investments may be denominated in foreign currencies, the portfolio may also enter into foreign currency forward contracts to attempt to protect against uncertainty in the level of future foreign currency rates, to hedge against fluctuations in currency exchange rates or to transfer balances from one currency to another. The portfolio may also invest in money market funds. The portfolio may purchase or sell futures contracts and options on futures contracts, to hedge its currency exposure or to hedge its interest rate exposure or for non-hedging purposes, such as a substitute for direct investment or to increase or decrease market exposure based on actual or expected cash inflows to or outflows from the portfolio.

The World ex U.S. Government Portfolio is "non-diversified," which means that the portfolio may invest its assets in a smaller number of issuers than a diversified fund.

The World ex U.S. Government Portfolio may lend its portfolio securities to generate additional income.

Principal risks

Because the value of your investment in the World ex U.S. Government Portfolio will fluctuate, there is the risk that you will lose money. An investment in the portfolio is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The following is a description of principal risks of investing in the portfolio.

- *Market risk* – even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities, and the portfolio that owns them, to rise or fall.
- *Foreign securities and currencies risk* – foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. Investors holding these securities may also be exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar or that a foreign government will convert, or be forced to convert, its currency to another currency, changing its value against the U.S. dollar). The portfolio hedges foreign currency risk.
- *Foreign government debt risk* – the risk that: (a) the governmental entity that controls the repayment of government debt may not be willing or able to repay the principal and/or to pay the interest when it becomes due, due to factors such as political considerations, the relative size of the governmental entity's debt

position in relation to the economy, cash flow problems, insufficient foreign currency reserves, the failure to put in place economic reforms required by the International Monetary Fund or other multilateral agencies, and/or other national economic factors; (b) governments may default on their debt securities, which may require holders of such securities to participate in debt rescheduling; and (c) there is no legal or bankruptcy process by which defaulted government debt may be collected in whole or in part.

- *Interest rate risk* – fixed income securities are subject to interest rate risk because the prices of fixed income securities tend to move in the opposite direction of interest rates. When interest rates rise, fixed income security prices fall. During periods of very low or negative interest rates, a fund may be subject to a greater risk of rising interest rates. When interest rates fall, fixed income security prices rise. In general, fixed income securities with longer maturities are more sensitive to changes in interest rates.
- *Non-diversification risk* – the risk that a fund may be more volatile than a diversified fund because a fund invests its assets in a smaller number of issuers. The gains or losses on a single security, therefore, may have a greater impact on the fund's net asset value.
- *Credit risk* – credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value, and thus, impact the performance of a fund holding such securities. Government agency obligations have different levels of credit support and, therefore, different degrees of credit risk. Securities issued by agencies and instrumentalities of the U.S. Government that are supported by the full faith and credit of the United States, such as the Federal Housing Administration and Ginnie Mae, present little credit risk. Other securities issued by agencies and instrumentalities sponsored by the U.S. Government, that are supported only by the issuer's right to borrow from the U.S. Treasury, subject to certain limitations, and securities issued by agencies and instrumentalities sponsored by the U.S. Government that are sponsored by the credit of the issuing agencies, such as Freddie Mac and Fannie Mae, are subject to a greater degree of credit risk. U.S. government agency securities issued or guaranteed by the credit of the agency may still involve a risk of non-payment of principal and/or interest.
- *Income risk* – income risk is the risk that falling interest rates will cause a fund's income to decline because, among other reasons, the proceeds from maturing short-term securities in its portfolio may be reinvested in lower-yielding securities.
- *Call risk* – call risk is the risk that during periods of falling interest rates, an issuer will call or repay a higher-yielding fixed income security before its maturity date, forcing a fund to reinvest in fixed income securities with lower interest rates than the original obligations.
- *Derivatives risk* – derivatives are instruments, such as futures contracts, and options thereon, and foreign currency forward contracts, whose value is derived from that of other assets, rates or indices. Derivatives can be used for hedging (attempting to reduce risk by offsetting one investment position with another) or non-hedging purposes. Hedging with derivatives may increase expenses, and there is no guarantee that a hedging strategy will work. While hedging can reduce or eliminate losses, it can also reduce or eliminate gains or cause losses if the market moves in a manner different from that anticipated by a fund or if the cost of the derivative outweighs the benefit of the hedge. In regard to currency hedging, it is generally not possible to precisely match the foreign currency exposure of such foreign currency forward contracts to the value of the securities involved due to fluctuations in the market values of such securities and cash flows into and out of a fund between the date a foreign currency forward contract is entered into and the date it expires. The use of derivatives for non-hedging purposes may be considered to carry more risk than other types of investments. When a fund uses derivatives, the fund will be directly exposed to the risks of those derivatives. Derivative instruments are subject to a number of risks including counterparty, settlement, liquidity, interest rate, market, credit and management risks, as well as the risk of improper valuation. Changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index, and a fund could lose more than the principal amount invested.
- *Liquidity risk* – liquidity risk exists when particular portfolio investments are difficult to purchase or sell. To the extent that a fund holds illiquid investments, the fund's performance may be reduced due to an inability to sell the investments at opportune prices or times. Liquid portfolio investments may become illiquid or less liquid after purchase by a fund due to low trading volume, adverse investor perceptions and/or other market developments. Liquidity risk includes the risk that a fund will experience significant net redemptions at a time when it cannot find willing buyers for its portfolio securities or can only sell its portfolio securities at a material loss or at increased costs. Liquidity risk can be more pronounced in periods of market turmoil or in situations where ownership of shares of a fund are concentrated in one or a few investors.
- *Securities lending risk* – securities lending involves the risk that the borrower may fail to return the securities

in a timely manner or at all. As a result, a fund may lose money and there may be a delay in recovering the loaned securities. A fund could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain adverse tax consequences.

- *Operational risk* – operational risks include human error, changes in personnel, system changes, faults in communication, and failures in systems, technology, or processes. Various operational events or circumstances are outside a fund's or its advisor's control, including instances at third parties. A fund and its advisor seek to reduce these operational risks through controls and procedures. However, measures that seek to reduce these operational risks through controls and procedures may not address every possible risk and may be inadequate to address these risks.
- *Cyber security risk* – A fund's and its service providers' use of internet, technology and information systems may expose the fund to potential risks linked to cyber security breaches of those technological or information systems. Cyber security breaches, amongst other things, could allow an unauthorized party to gain access to proprietary information, customer data, or fund assets, or cause the fund and/or its service providers to suffer data corruption or lose operational functionality.

Fees & Expenses
(Based on the prospectus dated February 28, 2024)

Total Annual Fund Operating Expenses.....0.20%

STATE STREET EQUITY 500 INDEX FUND

Investment objective

The investment objective of the State Street Equity 500 Index Fund (the "Equity 500 Index Fund" or sometimes referred to in context as the "fund") is to replicate as closely as possible, before expenses, the performance of the Standard & Poor's 500 Index (the "S&P 500" or sometimes referred to in context as the "index").

Principal investment strategies

The fund uses a passive management strategy designed to track the performance of the S&P 500. The index is a well-known stock market index that includes common stocks of 500 companies from a number of sectors and that measures the performance of the large-cap sector of the U.S. equities market. As of February 28, 2023, a significant portion of the index comprised companies in the information technology, health care and financials sectors, although this may change from time to time.

The fund is not managed according to traditional methods of "active" investment management, which involve the buying and selling of securities based upon economic, financial and market analysis and investment judgment. Instead, the fund, using a "passive" or "indexing" investment approach, seeks to provide investment results that, before expenses, correspond generally to the total return of the S&P 500.

The fund generally intends to invest in all stocks comprising the S&P 500 in approximate proportion to their weightings in the index. However, under various circumstances, it may not be possible or practicable to purchase all stocks in those weightings. In those circumstances, the fund may purchase a sample of the stocks in the index in proportions expected by SSGA Funds Management, Inc. ("SSGA FM" or the "adviser"), the investment adviser to the fund, to match generally the performance of the index as a whole. In addition, from time to time, stocks are added to or removed from the index. The fund may sell securities that are represented in the index, or purchase securities that are not yet represented in the index, in anticipation of their removal from or addition to the index. Under normal market conditions, the fund will not invest less than 80% of its total assets in stocks in the index. Shareholders will receive sixty (60) days' notice prior to a change in the 80% investment policy. For this purpose, "total assets" means net assets plus borrowings, if any. The notional value of the fund's investments in derivatives or other synthetic instruments that provide exposures comparable, in the judgment of the adviser, to investments in the index may be counted toward satisfaction of this 80% policy. In addition, the fund may invest in equity securities that are not included in the index, cash and cash equivalents or money market instruments, such as repurchase agreements and money market funds (including money market funds advised by the adviser).

The fund may at times purchase or sell futures contracts, or options on those futures, in lieu of investing directly in the stocks making up the index. The fund might do so, for example, in order to increase its investment exposure pending investment of cash in the stocks comprising the index. Alternatively, the fund might use futures or options on futures to reduce its investment exposure in situations where it intends to sell a portion of the stocks in its portfolio but the sale has not yet been completed. The fund may also enter into other derivatives transactions, including the use of options or swap transactions, in lieu of investing directly in the stocks making up the index. The fund may also, to the extent permitted by applicable law, invest in shares of other mutual funds whose investment objectives and policies are similar to those of the fund (including funds advised by the adviser).

The fund seeks to achieve its investment objective by investing substantially all of its investable assets in the Equity 500 Index II Portfolio, which has substantially similar

investment policies to the fund. When the fund invests in this "masterfeeder" structure, the fund's only investments are shares of the portfolio, and it participates in the investment returns achieved by the portfolio. Descriptions in this section of the investment activities of the "fund" also generally describe the expected investment activities of the portfolio.

Principal risks

The fund is subject to the following principal risks. You could lose money by investing in the fund. Certain risks relating to instruments and strategies used in the management of the fund are placed first. The significance of any specific risk to an investment in the fund will vary over time, depending on the composition of the fund's portfolio, market conditions, and other factors. You should read all of the risk information presented below carefully, because any one or more of these risks may result in losses to the fund. **An investment in the fund is subject to investment risks, including possible loss of principal, is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.** The fund may not achieve its investment objective. The fund is not intended to be a complete investment program, but rather is intended for investment as part of a diversified investment portfolio. Investors should consult their own advisers as to the role of the fund in their overall investment programs.

- *Market risk* – the fund's investments are subject to changes in general economic conditions, general market fluctuations and the risks inherent in investment in securities markets. Investment markets can be volatile and prices of investments can change substantially due to various factors including, but not limited to, economic growth or recession, changes in interest rates, inflation, changes in the actual or perceived creditworthiness of issuers, and general market liquidity. The fund is subject to the risk that geopolitical events will disrupt securities markets and adversely affect global economies and markets. Local, regional or global events such as war, military conflicts, acts of terrorism, natural disasters, the spread of infectious illness or other public health issues, or other events could have a significant impact on the fund and its investments.
- *Equity investing risk* – the market prices of equity securities owned by the fund may go up or down, sometimes rapidly or unpredictably. The value of a security may decline for a number of reasons that may directly relate to the issuer and also may decline due to general industry or market conditions that are not specifically related to a particular company. In addition, equity markets tend to move in cycles, which may cause stock prices to fall over short or extended periods of time.
- *Information technology sector risk* – market or economic factors impacting information technology companies could have a major effect on the value of the fund's investments. The value of stocks of information technology companies is particularly vulnerable to rapid changes in technology product cycles, rapid product obsolescence, government regulation and competition, both domestically and internationally, including competition from foreign competitors with lower production costs. Like other technology companies, information technology companies may have limited product lines, markets, financial resources or personnel. Stocks of technology companies and companies that rely heavily on technology, especially those of smaller, less-seasoned companies, tend to be more volatile than the overall market. Information technology companies are heavily dependent on patent and intellectual property rights, the loss or impairment of which may adversely affect profitability. Additionally, companies in the information technology sector may face dramatic and often unpredictable changes in growth rates and competition for the services of qualified personnel.
- *Indexing strategy/index tracking risk* – the fund is managed with an indexing investment strategy, attempting to track the performance of an unmanaged index of securities, regardless of the current or projected performance of the index or of the actual securities comprising the index. This differs from an actively-managed fund, which typically seeks to outperform a benchmark index. As a result, the fund's performance may be less favorable than that of a portfolio managed using an active investment strategy. The structure and composition of the index will affect the performance, volatility, and risk of the index and, consequently, the performance, volatility, and risk of the fund. While the adviser seeks to track the performance of the index (i.e., achieve a high degree of correlation with the index), the fund's return may not match the return of the index. The fund incurs a number of operating expenses not applicable to the index, and incurs costs in buying and selling securities. In addition, the fund may not be fully invested at times, generally as a result of cash flows into or out of the fund or reserves of cash held by the fund to meet redemptions. The adviser may attempt to replicate the index return by investing in fewer than all of the securities in the index, or in some securities not included in the index, potentially increasing the risk of divergence between the fund's return and that of the index.
- *Counterparty risk* – the fund will be subject to credit risk with respect to the counterparties with which the fund enters into derivatives contracts, repurchase agreements, reverse repurchase agreements, and other transactions. If a counterparty fails to meet its contractual

obligations, the fund may be unable to terminate or realize any gain on the investment or transaction, or to recover collateral posted to the counterparty, resulting in a loss to the fund. If the fund holds collateral posted by its counterparty, it may be delayed or prevented from realizing on the collateral in the event of a bankruptcy or insolvency proceeding relating to the counterparty.

- *Derivatives risk* – derivative transactions can create investment leverage and may have significant volatility. It is possible that a derivative transaction will result in a much greater loss than the principal amount invested, that changes in the value of a derivative transaction may not correlate perfectly with the underlying asset, and that the fund may not be able to close out a derivative transaction at a favorable time or price. The counterparty to a derivatives contract may be unable or unwilling to make timely settlement payments, return the fund's margin, or otherwise honor its obligations. A derivatives transaction may not behave in the manner anticipated by the adviser or may not have the effect on the fund anticipated by the adviser.
- *Financial sector risk* – financial services companies are subject to extensive governmental regulation, which may limit both the amounts and types of loans and other financial commitments they can make, the interest rates and fees they can charge, the scope of their activities, the prices they can charge and the amount of capital they must maintain. Profitability is largely dependent on the availability and cost of capital funds and can fluctuate significantly when interest rates change or due to increased competition. In addition, deterioration of the credit markets generally may cause an adverse impact in a broad range of markets, including U.S. and international credit and interbank money markets generally, thereby affecting a wide range of financial institutions and markets. Certain events in the financial sector may cause an unusually high degree of volatility in the financial markets, both domestic and foreign, and cause certain financial services companies to incur large losses. Securities of financial services companies may experience a dramatic decline in value when such companies experience substantial declines in the valuations of their assets, take action to raise capital (such as the issuance of debt or equity securities), or cease operations. Credit losses resulting from financial difficulties of borrowers and financial losses associated with investment activities can negatively impact the sector. Insurance companies may be subject to severe price competition. Adverse economic, business or political developments could adversely affect financial institutions engaged in mortgage finance or other lending or investing activities directly or indirectly connected to the value of real estate.
- *Health care sector risk* – companies in the health care sector are subject to extensive government regulation and their profitability can be significantly affected by restrictions on government reimbursement for medical expenses, rising costs of medical products and services, pricing pressure (including price discounting), limited product lines and an increased emphasis on the delivery of healthcare through outpatient services. Companies in the health care sector are heavily dependent on obtaining and defending patents, which may be time consuming and costly, and the expiration of patents may also adversely affect the profitability of these companies. Health care companies are also subject to extensive litigation based on product liability and similar claims. In addition, their products can become obsolete due to industry innovation, changes in technologies or other market developments. Many new products in the health care sector require significant research and development and may be subject to regulatory approvals, all of which may be time consuming and costly with no guarantee that any product will come to market.
- *Large-capitalization securities risk* – returns on investments in securities of large companies could trail the returns on investments in securities of smaller and mid-sized companies. Larger companies may be unable to respond as quickly as smaller and mid-sized companies to competitive challenges or to changes in business, product, financial, or other market conditions. Larger companies may not be able to maintain growth at the high rates that may be achieved by well-managed smaller and mid-sized companies.
- *Large shareholder risk* – to the extent a large proportion of the shares of the portfolio are held by a small number of shareholders (or a single shareholder), including funds or accounts over which the adviser has investment discretion, the portfolio is subject to the risk that these shareholders will purchase or redeem portfolio shares in large amounts rapidly or unexpectedly, including as a result of an asset allocation decision made by the adviser. These transactions could adversely affect the ability of the portfolio to conduct its investment program.
- *Liquidity risk* – lack of a ready market, stressed market conditions, or restrictions on resale may limit the ability of the fund to sell a security at an advantageous time or price or at all. Illiquid investments may trade at a discount from comparable, more liquid investments and may be subject to wide fluctuations in market value. Illiquidity of the fund's holdings may also limit the ability of the fund to obtain cash to meet redemptions on a timely basis. In addition, the fund, due to limitations on investments in any illiquid investments and/or the difficulty in purchasing and selling such investments, may be unable to achieve its desired level of exposure to a certain market or sector.

- *Master/feeder structure risk* – the fund pursues its objective by investing substantially all of its assets in another pooled investment vehicle (a "master fund"). The ability of the fund to meet its investment objective is directly related to the ability of the master fund to meet its investment objective. The adviser serves as investment adviser to the master fund, leading to potential conflicts of interest. The fund will bear its pro rata portion of the expenses incurred by the master fund. Substantial redemptions by other investors in a master fund may affect the master fund's investment program adversely and limit the ability of the master fund to achieve its objective.
- *Risk of investment in other pools* – if the fund invests in another pooled investment vehicle, it is exposed to the risk that the other pool will not perform as expected and is exposed indirectly to all of the risks applicable to an investment in such other pool. The investment policies of the other pool may not be the same as those of the fund; as a result, an investment in the other pool may be subject to additional or different risks than those to which the fund is typically subject. The fund bears its proportionate share of the fees and expenses of any pool in which it invests. The adviser or an affiliate may serve as investment adviser to a pool in which the fund may invest, leading to potential conflicts of interest. It is possible that other clients of the adviser or its affiliates will purchase or sell interests in a pool sponsored or managed by the adviser or its affiliates at prices and at times more favorable than those at which the fund does so.
- *Unconstrained sector risk* – the fund may invest a substantial portion of its assets within one or more economic sectors or industries, which may change from time to time. Greater investment focus on one or more sectors or industries increases the potential for volatility and the risk that events negatively affecting such sectors or industries could reduce returns, potentially causing the value of the fund's shares to decrease, perhaps significantly.

Fees & Expenses
(Based on the prospectus dated April 30, 2023)

Total Annual Fund Operating Expenses.....0.02%

VANGUARD TOTAL STOCK MARKET INDEX FUND

Investment objective

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

Principal investment strategies

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 and Nasdaq. The fund invests by sampling the index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full index in terms of key characteristics. These key characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield.

Principal risks

An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance:

- *Stock market risk* – which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. In addition, the fund's target index may, at times, become focused in stocks of a particular market sector, which would subject the fund to proportionately higher exposure to the risks of that sector.
- *Index sampling risk* – which is the chance that the securities selected for the fund, in the aggregate, will not provide investment performance matching that of the fund's target index.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Fees & Expenses
(Based on the prospectus dated April 28, 2023)

Total Annual Fund Operating Expenses.....0.02%

VANGUARD EQUITY INCOME FUND

Investment objective

The fund seeks to provide an above-average level of current income and reasonable long-term capital appreciation.

Principal investment strategies

The fund invests mainly in common stocks of mid-size and large companies whose stocks typically pay above-average levels of dividend income and are, in the opinion of the purchasing advisor, undervalued relative to similar stocks. In addition, the advisors generally look for companies that they believe are committed to paying dividends consistently. Under normal circumstances, the fund will invest at least 80% of its assets in equity securities. The fund uses two investment advisors. Each advisor independently selects and maintains a portfolio of common stocks for the fund.

Principal risks

An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance:

- *Stock market risk* – which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- *Investment style risk* – which is the chance that returns from mid- and large-capitalization dividend-paying value stocks will trail returns from the overall stock market. Mid-cap, large-cap, and value stocks all tend to go through cycles of doing better or worse than other segments of the stock market or the stock market in general. These periods have, in the past, lasted for as long as several years. Historically, mid-cap stocks have been more volatile in price than large-cap stocks. The stock prices of mid-size companies tend to experience greater volatility because, among other things, these companies tend to be more sensitive to changing economic conditions.
- *Manager risk* – which is the chance that poor security selection will cause the fund to underperform relevant benchmarks or other funds with a similar investment objective.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Fees & Expenses

(Based on the prospectus dated January 31, 2024)

Total Annual Fund Operating Expenses.....0.18%

T. ROWE PRICE LARGE-CAP GROWTH FUND

Investment objective

The fund seeks to provide long-term capital appreciation through investments in common stocks of growth companies.

Principal investment strategies

The fund will normally invest at least 80% of its net assets (including any borrowings for investment purposes) in the securities of large-cap companies. The fund defines a large-cap company as one whose market capitalization is larger than the median market capitalization of companies in the Russell 1000® Growth Index, a widely used benchmark of the largest U.S. growth stocks. As of December 31, 2022, the unweighted median market capitalization of companies in the Russell 1000® Growth Index was approximately $14.07 billion. The market capitalizations of the companies in the fund's portfolio and the Russell index change over time; the fund will not automatically sell or cease to purchase stock of a company it already owns just because the company's market capitalization falls below the median market capitalization of companies in the Russell index.

The fund uses a growth style of investing. Accordingly, the adviser looks for companies with an above-average rate of earnings and cash flow growth and a lucrative niche in the economy that gives them the ability to sustain earnings momentum even during times of slow economic growth.

At times, the fund may have a significant portion of its assets invested in the same economic sector, such as the information technology sector.

The fund may, to a limited extent, invest in privately held companies and companies that only recently began to trade publicly.

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

Principal risks

As with any fund, there is no guarantee that the fund will achieve its objective(s). The fund's share price fluctuates, which means you could lose money by investing in the fund. The principal risks of investing in this fund, which may be even greater in bad or uncertain market conditions, are summarized as follows:

- *Growth investing* – the fund's growth approach to investing could cause it to underperform other stock funds that employ a different investment style. Growth stocks tend to be more volatile than certain other types of stocks and their prices may fluctuate more dramatically than the overall stock market. A stock with growth characteristics can have sharp price declines due to decreases in current or expected earnings and may lack dividends that can help cushion its share price in a declining market.
- *Market conditions* – the value of the fund's investments may decrease, sometimes rapidly or unexpectedly, due to factors affecting an issuer held by the fund, particular industries, or the overall securities markets. A variety of factors can increase the volatility of the fund's holdings and markets generally, including political or regulatory developments, recessions, inflation, rapid interest rate changes, war, military conflict, or acts of terrorism, natural disasters, and outbreaks of infectious illnesses or other widespread public health issues such as the coronavirus pandemic and related governmental and public responses (including sanctions). Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others. Government intervention in markets may impact interest rates, market volatility, and security pricing.

These adverse developments may cause broad declines in market value due to short-term market movements or for significantly longer periods during more prolonged market downturns.

- *Stock investing* – stocks generally fluctuate in value more than bonds and may decline significantly over short time periods. There is a chance that stock prices overall will decline because stock markets tend to move in cycles, with periods of rising and falling prices. The value of stocks held by the fund may decline due to general weakness or volatility in the stock markets in which the fund invests or because of factors that affect a particular company or industry.
- *Nondiversification* – as a nondiversified fund, the fund has the ability to invest a larger percentage of its assets in the securities of a smaller number of issuers than a diversified fund. As a result, poor performance by a single issuer could adversely affect fund performance more than if the fund were invested in a larger number of issuers. The fund's share price can be expected to fluctuate more than that of a similar fund that is more broadly diversified.
- *Large-cap stocks* – securities issued by large-cap companies tend to be less volatile than securities issued by small- and mid-cap companies. However, large-cap companies may not be able to attain the high growth rates of successful small- and mid-cap companies, especially during strong economic periods, and may be unable to respond as quickly to competitive challenges.
- *Sector exposure* – at times, the fund may have a significant portion of its assets invested in securities of issuers conducting business in a broadly related group of industries within the same economic sector. Issuers in the same economic sector may be similarly affected by economic or market events, making the fund more vulnerable to unfavorable developments in that economic sector than funds that invest more broadly.
- *Information technology sector* – information technology companies face intense competition, both domestically and internationally, which may have an adverse effect on their profit margins. Like other technology companies, information technology companies may have limited product lines, markets, financial resources, or personnel. The products of information technology companies may face obsolescence due to rapid technological developments, frequent new product introduction, unpredictable changes in growth rates, and competition for the services of qualified personnel. Companies in the information technology sector are heavily dependent on patent and intellectual property rights. The loss or impairment of these rights may adversely affect the profitability of these companies.
- *Convertible securities* – convertible securities are subject to risks associated with both equity and fixed income securities, including market risk, credit risk, and interest rate risk. In addition, convertible securities may be called back by the issuer prior to maturity at a price that is disadvantageous to the fund.
- *Private placements and IPOs* – investments in the stocks of privately held companies and in companies that only recently began to publicly trade, such as initial public offerings or IPOs, involve greater risks than investments in stocks of companies that have traded publicly on an exchange for extended time periods. There is significantly less information available about these companies' business models, quality of management, earnings growth potential, and other criteria that are normally considered when evaluating the investment prospects of a company. Private placements and other restricted securities held by the fund are typically considered to be illiquid and tend to be difficult to value since there are no market prices and less overall financial information available. The adviser evaluates a variety of factors when assigning a value to these holdings, but the determination involves some degree of subjectivity and the value assigned for the fund may differ from the value assigned by other mutual funds holding the same security.
- *Liquidity* – a particular investment or an entire market segment may become less liquid or even illiquid, sometimes abruptly, which could limit the fund's ability to purchase or sell holdings in a timely manner at a desired price. An inability to sell a portfolio holding can adversely affect the fund's overall value or prevent the fund from being able to take advantage of other investment opportunities. Liquidity risk may be magnified during periods of substantial market volatility and unexpected episodes of illiquidity may limit the fund's ability to pay redemption proceeds without selling holdings at an unfavorable time or at a suitable price. Large redemptions may also have a negative impact on the fund's overall liquidity.
- *Active management* – the fund's overall investment program and holdings selected by the fund's investment adviser may underperform the broad markets, relevant indices, or other funds with similar objectives and investment strategies.
- *Cybersecurity breaches* – the fund could be harmed by intentional cyberattacks and other cybersecurity breaches, including unauthorized access to the fund's assets, customer data and confidential shareholder information, or other proprietary information. In addition, a cybersecurity breach could cause one of the fund's service providers or financial intermediaries to suffer unauthorized data access, data corruption, or loss of operational functionality.

Fees & Expenses
(Based on the prospectus dated May 1, 2023)

Total Annual Fund Operating Expenses..... 0.55%

VANGUARD EXTENDED MARKET INDEX FUND

Investment objective

The fund seeks to track the performance of a benchmark index that measures the investment return of small- and mid-capitalization stocks.

Principal investment strategies

The fund employs an indexing investment approach designed to track the performance of the Standard & Poor's Completion Index, a broadly diversified index of stocks of small and mid-size U.S. companies. The S&P Completion Index contains all of the U.S. common stocks regularly traded on the New York Stock Exchange, Cboe, and the Nasdaq over-the-counter market, except those stocks included in the S&P 500 Index. The fund invests by sampling the index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full index in terms of key characteristics. These characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield.

Principal risks

An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance:

- *Stock market risk* – which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The fund's target index tracks a subset of the U.S. stock market, which could cause the fund to perform differently from the overall stock market. In addition, the fund's target index may, at times, become focused in stocks of a particular market sector, which would subject the fund to proportionately higher exposure to the risks of that sector.
- *Investment style risk* – which is the chance that returns from small- and mid-capitalization stocks will trail returns from the overall stock market. Historically, small- and mid-cap stocks have been more volatile in price than the large-cap stocks that dominate the overall market, and they often perform quite differently. The stock prices of small and mid-size companies tend to experience greater volatility because, among other things, these companies tend to be more sensitive to changing economic conditions.
- *Index sampling risk* – which is the chance that the securities selected for the fund, in the aggregate, will not provide investment performance matching that of the fund's target index. Index sampling risk for the fund is expected to be low.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Fees & Expenses
(Based on the prospectus dated April 28, 2023)

Total Annual Fund Operating Expenses..... 0.04%

VANGUARD EXPLORER FUND

Investment objective

The fund seeks to provide long-term capital appreciation.

Principal investment strategies

The fund invests mainly in the stocks of small and mid-size companies, choosing stocks considered by the fund's advisors to have superior growth potential. These companies often provide little or no dividend income. The fund uses multiple investment advisors. Each advisor independently selects and maintains a portfolio of common stocks for the fund.

Principal risks

An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance:

- *Stock market risk* – which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- *Investment style risk* – which is the chance that returns from small- and mid- capitalization growth stocks will trail returns from the overall stock market. Historically, small- and mid-cap stocks have been more volatile in price than the large-cap stocks that dominate the overall market, and they often perform quite differently. The stock prices of small and mid-size companies tend to experience greater volatility because, among other things, these companies tend to be more sensitive to changing economic conditions.
- *Manager risk* – which is the chance that poor security selection will cause the fund to underperform relevant benchmarks or other funds with a similar investment objective. In addition, significant investments in the industrials, health care, and information technology sectors subject the fund to proportionately higher exposure to the risks of these sectors.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Fees & Expenses
(Based on the prospectus dated February 27, 2024)

Total Annual Fund Operating Expenses.....0.34%

DFA U.S. SMALL CAP VALUE PORTFOLIO

Investment objective

The investment objective of the U.S. Small Cap Value Portfolio (the "portfolio") is to achieve long-term capital appreciation.

Principal investment strategies

To achieve the U.S. Small Cap Value Portfolio's investment objective, Dimensional Fund Advisors LP (the "advisor") implements an integrated investment approach that combines research, portfolio design, portfolio management, and trading functions. As further described below, the portfolio's design emphasizes long-term drivers of expected returns identified by the advisor's research, while balancing risk through broad diversification across companies and sectors. The advisor's portfolio management and trading processes further balance those long-term drivers of expected returns with shorter-term drivers of expected returns and trading costs.

The U.S. Small Cap Value Portfolio, using a market capitalization weighted approach, is designed to purchase a broad and diverse group of the readily marketable securities of U.S. small cap companies that the advisor determines to be value stocks. A company's market capitalization is the number of its shares outstanding times its price per share. Under a market capitalization weighted approach, companies with higher market capitalizations generally represent a larger proportion of the portfolio than companies with relatively lower market capitalizations.

The U.S. Small Cap Value Portfolio may emphasize certain stocks, including smaller capitalization companies, lower relative price stocks, and/or higher profitability stocks as compared to their representation in the small-cap value segment of the U.S. market. An equity issuer is considered to have a low relative price (i.e., a value stock) primarily because it has a low price in relation to its book value. In assessing relative price, the advisor may consider additional factors such as price to cash flow or price to earnings ratios. An equity issuer is considered to have high profitability because it has high earnings or profits from operations in relation to its book value or assets. The criteria the advisor uses for assessing relative price and profitability are subject to change from time to time.

As a non-fundamental policy, under normal circumstances, the U.S. Small Cap Value Portfolio will invest at least 80% of its net assets in securities of small cap U.S. companies. As of the date of this prospectus, for purposes of the portfolio, the advisor considers small cap companies to be companies whose market capitalizations are generally in the lowest 10% of total market capitalization or companies whose market capitalizations are smaller than the 1,000th largest U.S. company, whichever results in the higher market capitalization break. Total market capitalization is based on the market capitalization of eligible U.S. operating companies listed on a securities exchange in the United States that is deemed appropriate by the advisor. Under the advisor's market capitalization guidelines described above, based on market capitalization data as of December 31, 2023, the market capitalization of a small cap company would be below $9,960 million. This threshold will change due to market conditions.

The advisor may also increase or reduce the U.S. Small Cap Value Portfolio's exposure to an eligible company, or exclude a company, based on shorter-term considerations, such as a company's price momentum, short-run reversals, and investment characteristics. In assessing a company's investment characteristics, the advisor considers ratios such as recent changes in assets divided by total assets. The criteria the advisor uses for assessing a company's investment characteristics are subject to change from time to time. In addition, the advisor seeks to reduce trading costs using a flexible trading approach that looks for opportunities to participate in the available market liquidity, while managing turnover and explicit transaction costs.

The U.S. Small Cap Value Portfolio may purchase or sell futures contracts and options on futures contracts for U.S. equity securities and indices to increase or decrease equity market exposure based on actual or expected cash inflows to or outflows from the portfolio.

The U.S. Small Cap Value Portfolio may lend its portfolio securities to generate additional income.

Principal risks

Because the value of your investment in the U.S. Small Cap Value Portfolio will fluctuate, there is the risk that you will lose money. An investment in the portfolio is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The following is a description of principal risks of investing in the portfolio.

- *Equity market risk* – even a long-term investment approach cannot guarantee a profit. Economic, market, political, and issuer-specific conditions and events will cause the value of equity securities, and the fund that owns them, to rise or fall. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- *Small company risk* – securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks

may fluctuate relatively more in price. In general, smaller capitalization companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

- *Value investment risk* – value stocks may perform differently from the market as a whole and an investment strategy purchasing these securities may cause a fund to at times underperform equity funds that use other investment strategies. Value stocks can react differently to political, economic, and industry developments than the market as a whole and other types of stocks. Value stocks also may underperform the market for long periods of time.
- *Profitability investment risk* – high relative profitability stocks may perform differently from the market as a whole and an investment strategy purchasing these securities may cause a fund to at times underperform equity funds that use other investment strategies.
- *Derivatives risk* – derivatives are instruments, such as futures contracts, and options thereon, whose value is derived from that of other assets, rates or indices. The use of derivatives for non-hedging purposes may be considered to carry more risk than other types of investments. When a fund uses derivatives, the fund will be directly exposed to the risks of those derivatives. Derivative instruments are subject to a number of risks including counterparty, liquidity, interest rate, market, credit and management risks, as well as the risk of improper valuation. Changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index, and a fund could lose more than the principal amount invested.
- *Securities lending risk* – securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, a fund may lose money and there may be a delay in recovering the loaned securities. A fund could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain adverse tax consequences.
- *Operational risk* – operational risks include human error, changes in personnel, system changes, faults in communication, and failures in systems, technology, or processes. Various operational events or circumstances are outside a fund's or its advisor's control, including instances at third parties. A fund and its advisor seek to reduce these operational risks through controls and procedures. However, measures that seek to reduce these operational risks through controls and procedures may not address every possible risk and may be inadequate to address these risks.
- *Cyber security risk* – a fund and its service providers' use of internet, technology and information systems may expose the fund to potential risks linked to cyber security breaches of those technological or information systems. Cyber security breaches, amongst other things, could allow an unauthorized party to gain access to proprietary information, customer data, or fund assets, or cause the fund and/or its service providers to suffer data corruption or lose operational functionality.

Fees & Expenses
(Based on the prospectus dated February 28, 2024)

Total Annual Fund Operating Expenses..... 0.31%

VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND

Investment objective

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

Principal investment strategies

The 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 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.

Principal risks

An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance:

- *Stock market risk* – which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The fund's investments in foreign stocks can be riskier than U.S. stock investments. Foreign stocks may be more volatile and less liquid than U.S. stocks. The prices of foreign stocks and the prices of U.S. stocks may move in opposite directions. In addition, the fund's target index may, at times, become focused in stocks of a particular market sector, which would subject the fund to proportionately higher exposure to the risks of that sector.

- *Investment style risk* – which is the chance that returns from non-U.S. small and mid-capitalization stocks will trail returns from global stock markets. Historically, non-U.S. small- and mid-cap stocks have been more volatile in price than the large-cap stocks that dominate the global markets, and they often perform quite differently.
- *Country/regional risk* – which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of securities issued by companies in foreign countries or regions. Because the fund may invest a large portion of its assets in securities of companies located in any one country or region, the fund's performance may be hurt disproportionately by the poor performance of its investments in that area. Country/regional risk is especially high in emerging markets. In particular, the fund's investments in Chinese issuers may subject the fund to risks associated with that region, including considerable degrees of social, legal, regulatory, political, and economic uncertainty.
- *Currency risk* – which is the chance 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.
- *Emerging markets risk* – which is the chance 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.
- *Index replicating risk* – which is the chance that the fund may be prevented from holding one or more securities in the same proportion as in its target index.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Fees & Expenses
(Based on the prospectus dated February 27, 2024)

Total Annual Fund Operating Expenses.....0.08%

AMERICAN FUNDS EUROPACIFIC GROWTH FUND

Investment objective

The fund's investment objective is to provide you with long-term growth of capital.

Principal investment strategies

The fund invests primarily in common stocks of issuers in Europe and the Pacific Basin that the investment adviser believes have the potential for growth. Growth stocks are stocks that the investment adviser believes have the potential for above-average capital appreciation.

Normally the fund will invest at least 80% of its net assets in securities of issuers in Europe and the Pacific Basin. A country will be considered part of Europe if it is part of the MSCI European indexes, and part of the Pacific Basin if any of its borders touches the Pacific Ocean. In determining the domicile of an issuer, the fund's investment adviser will generally look to the domicile determination of a leading provider of global indexes, such as MSCI Inc. (MSCI) for equity securities and Bloomberg or J.P. Morgan for debt securities. However, the adviser in its discretion also may take into account additional factors such as where the issuer's securities are listed, where the issuer is legally organized, maintains principal corporate offices, conducts its principal operations, generates revenues and/or has credit risk exposure, and, for issuers of debt securities, the countries to which such securities are tied economically. In determining whether a security is tied economically to a particular country, the fund's investment adviser will generally look to the country determination of a leading provider of global indexes, such as Bloomberg or J.P. Morgan. Where appropriate within the adviser's discretion, the adviser may also take into account additional factors such as those described above and the source of guarantees (if any) of a particular security. The fund may invest a portion of its assets in common stocks and other securities of companies in emerging markets.

The investment adviser uses a system of multiple portfolio managers in managing the fund's assets. Under this approach, the portfolio of the fund is divided into segments managed by individual managers.

The fund relies on the professional judgment of its investment adviser to make decisions about the fund's portfolio investments. The basic investment philosophy of the investment adviser is to seek to invest in attractively valued companies that, in its opinion, represent good, long-term investment opportunities. Securities may be sold when the investment adviser believes that they no longer represent relatively attractive investment opportunities.

Principal risks

This section describes the principal risks associated with investing in the fund. You may lose money by investing in the fund. The likelihood of loss may be greater if you invest for a shorter period of time. Investors in the fund should have a long-term perspective and be able to tolerate potentially sharp declines in value.

- *Market conditions* – the prices of, and the income generated by, the common stocks and other securities held by the fund may decline – sometimes rapidly or unpredictably – due to various factors, including events

or conditions affecting the general economy or particular industries or companies; overall market changes; local, regional or global political, social or economic instability; governmental, governmental agency or central bank responses to economic conditions; and currency exchange rate, interest rate and commodity price fluctuations.

Economies and financial markets throughout the world are highly interconnected. Economic, financial or political events, trading and tariff arrangements, wars, terrorism, cybersecurity events, natural disasters, public health emergencies (such as the spread of infectious disease), bank failures and other circumstances in one country or region, including actions taken by governmental or quasi-governmental authorities in response to any of the foregoing, could have impacts on global economies or markets. As a result, whether or not the fund invests in securities of issuers located in or with significant exposure to the countries affected, the value and liquidity of the fund's investments may be negatively affected by developments in other countries and regions.

- *Issuer risks* – the prices of, and the income generated by, securities held by the fund may decline in response to various factors directly related to the issuers of such securities, including reduced demand for an issuer's goods or services, poor management performance, major litigation, investigations or other controversies related to the issuer, changes in the issuer's financial condition or credit rating, changes in government regulations affecting the issuer or its competitive environment and strategic initiatives such as mergers, acquisitions or dispositions and the market response to any such initiatives.
- *Investing in growth-oriented stocks* – growth-oriented common stocks and other equity-type securities (such as preferred stocks, convertible preferred stocks and convertible bonds) may involve larger price swings and greater potential for loss than other types of investments. These risks may be even greater in the case of smaller capitalization stocks.
- *Investing outside the United States* – securities of issuers domiciled outside the United States or with significant operations or revenues outside the United States and securities tied economically to countries outside the United States, may lose value because of adverse political, social, economic or market developments (including social instability, regional conflicts, terrorism and war) in the countries or regions in which the issuers are domiciled, operate or generate revenue or to which the securities are tied economically. These securities may also lose value due to changes in foreign currency exchange rates against the U.S. dollar and/or currencies of other countries. Issuers of these securities may be more susceptible to actions of foreign governments, such as nationalization, currency blockage or the imposition of price controls, sanctions, or punitive taxes, each of which could adversely impact the value of these securities. Securities markets in certain countries may be more volatile and/or less liquid than those in the United States. Investments outside the United States may also be subject to different regulatory, legal, accounting, auditing, financial reporting and recordkeeping requirements, and may be more difficult to value, than those in the United States. In addition, the value of investments outside the United States may be reduced by foreign taxes, including foreign withholding taxes on interest and dividends. Further, there may be increased risks of delayed settlement of securities purchased or sold by the fund, which could impact the liquidity of the fund's portfolio. The risks of investing outside the United States may be heightened in connection with investments in emerging markets.
- *Investing in emerging markets* – investing in emerging markets may involve risks in addition to and greater than those generally associated with investing in the securities markets of developed countries. For instance, emerging market countries tend to have less developed political, economic and legal systems than those in developed countries. Accordingly, the governments of these countries may be less stable and more likely to intervene in the market economy, for example, by imposing capital controls, nationalizing a company or industry, placing restrictions on foreign ownership and on withdrawing sale proceeds of securities from the country, and/or imposing punitive taxes that could adversely affect the prices of securities. Information regarding issuers in emerging markets may be limited, incomplete or inaccurate, and such issuers may not be subject to regulatory, accounting, auditing, and financial reporting and recordkeeping standards comparable to those to which issuers in more developed markets are subject. The fund's rights with respect to its investments in emerging markets, if any, will generally be governed by local law, which may make it difficult or impossible for the fund to pursue legal remedies or to obtain and enforce judgments in local courts. In addition, the economies of these countries may be dependent on relatively few industries, may have limited access to capital and may be more susceptible to changes in local and global trade conditions and downturns in the world economy. Securities markets in these countries can also be relatively small and have substantially lower trading volumes. As a result, securities issued in these countries may be more volatile and less liquid, and may be more difficult to value, than securities issued in countries with more developed economies and/or markets. Less

certainty with respect to security valuations may lead to additional challenges and risks in calculating the fund's net asset value. Additionally, emerging markets are more likely to experience problems with the clearing and settling of trades and the holding of securities by banks, agents and depositories that are less established than those in developed countries.

- *Management* – the investment adviser to the fund actively manages the fund's investments. Consequently, the fund is subject to the risk that the methods and analyses, including models, tools and data, employed by the investment adviser in this process may be flawed or incorrect and may not produce the desired results. This could cause the fund to lose value or its investment results to lag relevant benchmarks or other funds with similar objectives.

Your investment in the fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency, entity or person. You should consider how this fund fits into your overall investment program.

Fees & Expenses
(Based on the prospectus dated June 1, 2023)

Total Annual Fund Operating Expenses.....0.47%

DODGE & COX INTERNATIONAL STOCK FUND

Investment objective

The fund seeks long-term growth of principal and income.

Principal investment strategies

The fund invests primarily in a diversified portfolio of equity securities issued by non-U.S. companies from at least three different countries, which may include emerging market countries. The fund is not required to allocate its investments in set percentages in particular countries and may invest in emerging markets without limit. Under normal circumstances, the fund will invest at least 80% of its total assets in equity securities of non-U.S. companies, including common stocks, depositary receipts evidencing ownership of common stocks, certain preferred stocks, securities convertible into common stocks, and securities that carry the right to buy common stocks (e.g., rights and warrants). The fund may enter into currency forward contracts, currency swaps, or currency futures contracts to hedge direct and/or indirect currency exposure or currency risk. The fund may use equity options or total return swaps referencing single stocks or stock indices to create or hedge equity exposure. The fund may also use futures referencing stock indices to equitize, or create equity market exposure, approximately equal to some or all of its cash and cash equivalents, receivables, and similar non-equity assets, or to hedge against a general downturn in the equity markets.

The fund typically invests in medium-to-large well-established companies based on standards of the applicable market. In selecting investments, the fund typically invests in companies that, in Dodge & Cox's opinion, appear to be temporarily undervalued by the stock market but have a favorable outlook for long-term profit growth. The fund also focuses on the underlying financial condition and prospects of individual companies, including future earnings, cash flow, and dividends. Various other factors, including financial strength, economic condition, competitive advantage, quality of the business franchise, financially material environmental, social, and governance (ESG) issues, and the reputation, experience, and competence of a company's management are weighed against valuation in selecting individual securities. The fund also considers the economic and political stability of the country where the issuer is located and the protections provided to shareholders.

Principal risks

You could lose money by investing in the fund, and the fund could underperform other investments. You should expect the fund's share price and total return to fluctuate within a wide range. The fund's performance could be hurt by:

- *Equity risk* – equity securities can be volatile and may decline in value because of changes in the actual or perceived financial condition of their issuers or other events affecting their issuers.
- *Market risk* – investment prices may increase or decrease, sometimes suddenly and unpredictably, due to general market conditions. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, inflation, or other events could also have a significant impact on the fund and its investments and potentially increase the risks described herein.
- *Manager risk* – Dodge & Cox's opinion about the intrinsic worth or creditworthiness of a company or security may be incorrect or the market may continue to undervalue the company or security. Depending on market conditions, Dodge & Cox's investing style may perform better or worse than portfolios with a different investment style. Dodge & Cox may not make timely purchases or sales of securities for the fund. The fund may underperform the broad market, relevant indices, or other funds with similar objectives and investment strategies.
- *Non-U.S. investment risk* – securities of non-U.S. issuers (including ADRs, ADSs, GDRs and other securities that represent interests in a non-U.S. issuer's securities) may be more volatile, harder to value, and have lower overall liquidity than U.S. securities. Non-U.S. issuers may be subject to political, economic, or market instability, or unfavorable government action in their local

jurisdictions or economic sanctions or other restrictions imposed by U.S. or foreign regulators. There may be less information publicly available about non-U.S. issuers and their securities, and those issuers may be subject to lower levels of government regulation and oversight. Non-U.S. stock markets may decline due to conditions specific to an individual country, including unfavorable economic conditions relative to the United States. The fund generally holds non-U.S. securities and cash in foreign banks and securities depositories, which may be recently organized or new to the foreign custody business and may be subject to only limited or no regulatory oversight. There may be increased risk of delayed transaction settlement. These risks may be higher when investing in emerging and frontier markets. Certain of these elevated risks may also apply to securities of U.S. issuers with significant non-U.S. operations.

- *Emerging markets risk* – emerging market securities may present issuer, market, currency, liquidity, volatility, valuation, legal, political, and other risks different from, and potentially greater than, the risks of investing in securities of issuers in more developed markets. Emerging markets may have less established legal, accounting, and financial reporting systems than those in more developed markets, which may reduce the scope or quality of financial information available to investors. In addition, companies in emerging markets may be subject to less stringent standards on disclosure, accounting and financial reporting, and recordkeeping, which may affect the fund's ability to evaluate potential and current investments. Governments in emerging market countries may be less stable and more likely to take extralegal action with respect to companies, industries, assets, or foreign ownership than those in more developed markets. Moreover, investor protection regimes may be more limited in emerging markets. For example, it may be more difficult for shareholders to bring derivative litigation or for U.S. regulators to bring enforcement actions against issuers in emerging markets. Emerging market securities may also be more volatile, more difficult to value, and have lower overall liquidity than securities economically tied to U.S. or developed non-U.S. markets.
- *Non-U.S. currency risk* – non-U.S. currencies may decline relative to the U.S. dollar, which reduces the unhedged value of securities denominated in or otherwise exposed to those currencies. Dodge & Cox may not hedge or may not be successful in hedging the fund's currency exposure and may not be able to determine accurately the extent to which a security or its issuer is exposed to currency risk.
- *Liquidity risk* – the fund may not be able to purchase or sell a security in a timely manner or at desired prices or achieve its desired weighting in a security.
- *Derivatives risk* – investing with derivatives, such as currency forward contracts, currency swaps, and equity options, equity index futures and total return swaps, involves risks additional to and possibly greater than those associated with investing directly in securities. The value of a derivative may not correlate to the value of the underlying instrument to the extent expected. A derivative can create leverage because it can result in exposure to an amount of a security, index, or other underlying investment (a "notional amount") that is substantially larger than the derivative position's market value. Often, the upfront payment required to enter into a derivative is much smaller than the potential for loss, which for certain types of derivatives may be unlimited. The fund may not be able to close a derivatives position at an advantageous time or price. As a result, the fund may be required to continue making required margin and settlement payments and, if the fund has insufficient cash on hand to meet such requirements, it may have to sell securities from its portfolio at a time when it may be disadvantageous to do so. For over-the-counter derivatives transactions, the counterparty may be unable or unwilling to make required payments and deliveries, especially during times of financial market distress. Derivatives also can create operational and legal risk. Changes in regulation relating to a mutual fund's use of derivatives and related instruments may make derivatives more costly, limit the availability of derivatives, or otherwise adversely affect the value or performance of derivatives and the fund.
- *Geographic risk* – from time to time the fund may invest a substantial amount of its assets in issuers located in a single country or a limited number of countries. If the fund focuses its investments in this manner, risks relating to economic, political and social conditions in those countries will have a significant impact on its investment performance. The fund's investment performance may be more volatile if it focuses its investments in certain countries, especially emerging market or frontier market countries.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Fees & Expenses
(Based on the prospectus dated May 1, 2023)

Total Annual Fund Operating Expenses 0.62%

VANGUARD REAL ESTATE INDEX FUND

Investment objective
The fund seeks to provide a high level of income and moderate long-term capital appreciation by tracking the performance of a benchmark index that measures the

performance of publicly traded equity REITs and other real estate-related investments.

Investment objective

The fund employs an indexing investment approach designed to track the performance of the MSCI US Investable Market Real Estate 25/50 Index, an index that is made up of stocks of large, mid-size, and small U.S. companies within the real estate sector, as classified under the Global Industry Classification Standard (GICS). The GICS real estate sector is composed of equity real estate investment trusts (known as REITs), which include specialized REITs, and real estate management and development companies.

The fund attempts to track the index by investing all, or substantially all, of its assets—either directly or indirectly through a wholly owned subsidiary (the underlying fund), which is itself a registered investment company—in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index. The fund may invest a portion of its assets in the underlying fund.

Principal risks

An investment in the fund could lose money over short or long periods of time. You should expect the fund's share price and total return to fluctuate within a wide range. The fund is subject to the following risks, which could affect the fund's performance:

- *Industry concentration risk* – which is the chance that the stocks of REITs and other real estate-related investments will decline because of adverse developments affecting the real estate industry and real property values. Because the fund concentrates its assets in these stocks, industry concentration risk is high.
- *Interest rate risk* – which is the chance that REIT stock prices overall will decline and that the cost of borrowing for REITs will increase because of rising interest rates. Interest rate risk is high for the fund.
- *Stock market risk* – which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The fund's target index may, at times, become focused in stocks of a limited number of companies, which could cause the fund to underperform the overall stock market.
- *Asset concentration risk* – which is the chance that, because the fund's target index (and therefore the fund) tends to be heavily weighted in its ten largest holdings, the fund's performance may be hurt disproportionately by the poor performance of relatively few stocks.
- *Investment style risk* – which is the chance that returns from the stocks of REITs and other real estate-related investments—which typically are small- or mid-capitalization stocks—will trail returns from the overall stock market. Historically, these stocks have performed quite differently from the overall market.
- *Nondiversification risk* – which is the chance that the fund may invest a greater percentage of its assets in a particular issuer or group of issuers or may own larger positions of an issuer's voting stock than a diversified fund.
- *Index replicating risk* – which is the chance that the fund may be prevented from holding one or more securities in the same proportion as in its target index.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Fees & Expenses

(Based on the prospectus dated May 25, 2023)

Total Annual Fund Operating Expenses.....0.10%

NEST Direct College Savings Plan Additional Information Regarding Financial Privacy

Offering excellent service along with protecting your privacy is important to the NEST Direct College Savings Plan ("Plan").

When you do business with the Plan you are asked to provide us with personal information. This information is important because it helps us to effectively process your transactions and helps efforts to prevent access to personal financial information by unauthorized persons. We also gather certain information to comply with laws and regulations that govern the financial services industry.

Union Bank and Trust Company, as the Program Manager of the Plan, provides the day-to-day administrative services of the Plan, including the gathering of personal information to effectively serve our customers. We may disclose information we have collected to companies who help us maintain and service your account. For example, we may share information with other companies and professionals who need information to process your account and provide other record keeping services. Each company with whom we share information has agreed to abide by the following and is strictly prohibited from disclosing or using the information for any purpose other than the purposes for which it is provided to them.

As an account owner, this policy details how we use and safeguard the information you provide to us.

If you have any questions about Union Bank and Trust Company's Financial Privacy Policy, please contact the Plan at 888.993.3746, representatives are available 7 a.m. – 7 p.m. Central, Monday through Friday.

THE INFORMATION WE COLLECT

We collect information about you from the following sources:

- Information you give us on applications or other forms
- Information about your transactions with us

DISCLOSURE OF INFORMATION

The Plan does not disclose the personal information of current or former account owners and/or Beneficiaries to any other person outside the Plan, unless you consent or it is permitted under applicable federal and state laws. The Plan may also disclose your personal information if it is allowed or required by its contract with the State of Nebraska or as requested by the Trustee. With your consent or if allowed by law, we will provide your personal information to the financial advisor you designate.

CONFIDENTIALITY AND SECURITY

We restrict access to information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic and procedural safeguards to protect this information.

OUTSIDE SERVICE PROVIDERS/MARKETERS

We may disclose all of the information we collect, as described above, to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements.

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Nebraska Educational Savings Trust
Direct College Savings Plan
Program Disclosure Statement