For Direct Investors
(Class SD-D;
South Dakota
Residency Required)

CollegeAccess529
invest in your children

July 11, 2016

CollegeAccess 529 Plan Disclosure Statement and Participation Agreement

CollegeAccess 529 Plan is a Section 529 college savings plan sponsored by the State of South Dakota, and managed and distributed by Allianz Global Investors Distributors LLC, 1633 Broadway, New York, NY 10019, 1-866-529-7462.

NOTICE: CollegeAccess 529 Plan accounts are not insured by any state, and neither the principal deposited nor any investment return is guaranteed by any state. Furthermore, the accounts are not insured, nor the principal or any investment return guaranteed by the federal government, the Federal Deposit Insurance Corporation (the "FDIC") or any other federal agency.

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Allianz
Global Investors

CollegeAccess 529 Plan℠ Disclosure Statement

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IMPORTANT NOTICES

THIS PLAN DISCLOSURE DOCUMENT CONTAINS IMPORTANT INFORMATION TO BE CONSIDERED IN MAKING A DECISION TO PARTICIPATE IN AND CONTRIBUTE TO THE COLLEGEACCESS 529 PLAN, INCLUDING INFORMATION ABOUT RISKS.

INTERESTS IN THE PROGRAM HAVE NOT BEEN REGISTERED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION, NOR WITH ANY STATE SECURITIES COMMISSION. NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION (the “SEC”) NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED INTERESTS IN THE PROGRAM OR PASSED UPON THE ADEQUACY OF THIS PLAN DISCLOSURE STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

PARTICIPATION IN THE PROGRAM DOES NOT GUARANTEE THAT CONTRIBUTIONS AND THE INVESTMENT RETURN ON CONTRIBUTIONS, IF ANY, WILL BE ADEQUATE TO COVER FUTURE TUITION AND OTHER HIGHER EDUCATION EXPENSES OR THAT A DESIGNATED BENEFICIARY WILL BE ADMITTED TO OR PERMITTED TO CONTINUE TO ATTEND AN INSTITUTION OF HIGHER EDUCATION.

NEITHER THE PRINCIPAL CONTRIBUTED TO AN ACCOUNT, NOR EARNINGS THEREON, ARE GUARANTEED OR INSURED BY THE UNITED STATES, THE STATE OF SOUTH DAKOTA, ANY OTHER STATE, ANY AGENCY OR INSTRUMENTALITY THEREOF, THE SOUTH DAKOTA INVESTMENT COUNCIL (THE “COUNCIL”), ALLIANZ GLOBAL INVESTORS DISTRIBUTORS LLC OR ANY MEMBERS, OFFICERS OR EMPLOYEES OF ANY SUCH ENTITY. ACCOUNT OWNERS IN THE PROGRAM ASSUME ALL INVESTMENT RISK, INCLUDING THE POTENTIAL LOSS OF PRINCIPAL AND LIABILITY FOR ADDITIONAL TAXES LEVIED FOR NONQUALIFIED WITHDRAWALS.

NEITHER THE STATE OF SOUTH DAKOTA NOR THE COUNCIL SHALL HAVE ANY DEBT OR OBLIGATION TO ANY ACCOUNT OWNER, DESIGNATED BENEFICIARY OR ANY OTHER PERSON AS A RESULT OF THE ESTABLISHMENT OF THE PROGRAM, AND NEITHER THE STATE OF SOUTH DAKOTA NOR THE COUNCIL ASSUMES ANY RISK OR LIABILITY FOR FUNDS INVESTED IN THE PROGRAM. AS A CONDITION OF ESTABLISHING AN ACCOUNT, EACH ACCOUNT OWNER MUST AGREE THAT ANY CLAIM BY SUCH ACCOUNT OWNER OR HIS OR HER DESIGNATED BENEFICIARY AGAINST THE COUNCIL, THE STATE OF SOUTH DAKOTA OR THE MEMBERS, OFFICERS OR EMPLOYEES OF THE COUNCIL OR THE STATE OF SOUTH DAKOTA MAY BE MADE SOLELY AGAINST THE ASSETS IN SUCH ACCOUNT. EACH ACCOUNT OWNER ALSO MUST AGREE TO WAIVE AND RELEASE EACH OF THE COUNCIL AND THE STATE OF SOUTH DAKOTA AND EACH OF THE MEMBERS, OFFICERS AND EMPLOYEES OF THE COUNCIL AND THE STATE OF SOUTH DAKOTA, FROM ANY AND ALL LIABILITIES ARISING IN CONNECTION WITH RIGHTS OR OBLIGATIONS ARISING OUT OF THE OPERATIONS OF THE PROGRAM.

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

All or most states offer college savings or prepaid tuition plans intended to be qualified tuition programs under Section 529 of the Internal Revenue Code of 1986, as amended (the “Code”). Depending on the laws of the home state of the investor or Designated Beneficiary, favorable tax treatment or other benefits offered by such home state with respect to qualified tuition programs may be available only for investments in such home state’s program(s). Any state-based benefit offered with respect to a particular qualified tuition program should be one of many appropriately weighted factors to be considered in making an investment decision. Before investing in any qualified tuition program, an investor should consult with his or her financial, tax or other advisors to learn more about how state-based benefits (including any limitations) and other factors would apply to the investor’s specific circumstances, and the investor also may wish to contact his or her home state’s, or any other state’s, qualified tuition program(s), to learn more about the features, benefits and limitations of such program(s Neither the Program, the Trust, the Council nor the Program Manager has determined, or makes any representation as to, whether the Program is a suitable investment for any particular investor.

PRIVACY

The CollegeAccess 529 Plan Cares about Your Privacy

The Program considers your privacy to be fundamental aspect of our relationship with you, and the Program strives to maintain the confidentiality, integrity and security of your non-public personal information (“Personal Information”). To ensure your privacy, we have developed policies that are designed to protect your Personal Information while allowing your needs to be served.

Information We May Collect

In the course of providing you with products and services, the Program may obtain Personal Information about you, which may come from sources such as account application enrollment and other Program forms, from other written, electronic, or verbal communications, from account transactions, from a brokerage or financial advisory firm, financial advisor or consultant, and/or from information you provide on the Program website.

You are not required to supply any of the Personal Information that the Program may request. However, failure to do so may result in our being unable to open and maintain your account, or to provide services to you.

How Your Information Is Shared

The Program does not disclose your Personal Information to anyone for marketing purposes. The Program discloses your Personal Information only to those service providers, affiliated and non-affiliated, who need the information for everyday business purposes, such as to respond to your inquiries, to perform Program services, and/or to service and maintain your account. This applies to all of the categories of Personal Information we collect about you. The affiliated and non-affiliated service providers who receive your Personal Information also may use it to process your Program transactions, provide you with Program materials (including preparing and mailing prospectuses and reports and gathering shareholder proxies), and provide you with Program account statements. These service providers provide services at the Program's direction, and under their agreements with the Program, are required to keep your Personal Information confidential and to use it only for providing the contractually required services. Our service providers may not use your Personal Information to market products and services to you except in conformance with applicable laws and regulations. We also may provide your Personal Information to your respective brokerage or financial advisory firm, custodian, and/or to your financial advisor or consultant.

In addition, the Program reserves the right to disclose or report Personal Information to non-affiliated third parties, in limited circumstances, where we believe in good faith that disclosure is required under law, to cooperate with regulators or law enforcement authorities or pursuant to other legal process, or to protect our rights or property, including to enforce our Privacy Policy or other agreements with you. Personal Information collected from the Program also may be transferred as part of a corporate sale, restructuring, bankruptcy, or other transfer of assets.

Security of Your Information

We maintain your Personal Information for as long as necessary for legitimate business purposes or otherwise as required by law. In maintaining this information, the Program has implemented appropriate procedures that are designed to restrict access to your Personal Information only to those who need to know that information in order to provide products and/or services to you. In addition, we have implemented physical, electronic and procedural safeguards to help protect your Personal Information.

Privacy and the Internet

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

- **Online Enrollment, Account Access and Transactions:** When you visit the Program website, you can visit pages that are open to the general public, or log into protected pages to enroll in the Program, access information about your account, or conduct certain transactions. Access to the secure pages of the Program website is permitted only after you have created a User ID and Password. The User ID and Password must be supplied each time you want to access your account information online. This information serves to verify your identity. When you enter Personal Information into the Program website (including your Social Security Number or Taxpayer Identification Number and your password) to enroll or access your account online, you will log into secure pages. By using the Program website, you consent to this Privacy Policy and to the use of your Personal Information in accordance with the practices described in this Policy. If you provide Personal Information to effect transactions on the Program website, a record of the transactions you have performed while on the site is retained by the Program. For additional terms and conditions governing your use of the Program website, please refer to the Investor Mutual Fund Access — Disclaimer which is incorporated herein by reference.
- **Cookies and Similar Technologies:** Cookies are small text files stored in your computer's hard drive when you visit certain web pages. Cookies and similar technologies help us to provide customized services and information. We use cookies on the Program website to improve our website and services, including to evaluate the effectiveness of the Program site, and to enhance the site user experience. Because an industry-standard Do-Not-Track protocol is not yet established, the Program website will continue to operate as described in this Privacy Policy and will not be affected by any Do-Not-Track signals from any browser.

Changes to Our Privacy Policy

The Program may modify this Privacy Policy from time-to-time to reflect changes in its related practices and procedures, or to the law. If we make changes, we will notify you on the Program website and the revised Policy will become effective immediately upon posting to the Program website. We also will provide account owners with a copy of our Privacy Policy annually. We encourage you to visit the Program website periodically to remain up to date on our Privacy Policy. You acknowledge that by using our website after we have posted changes to the Privacy Policy, you are agreeing to the terms of the Privacy Policy as modified.

Basic Questions and Answers: Key Features

What is the CollegeAccess 529 Plan?

The CollegeAccess 529 Plan (the "Program") is a college savings and investment program designed to enable individuals to save and invest for qualified higher educational expenses of a child or other beneficiary on a tax-favored basis. The Program has been established and is maintained by the South Dakota Investment Council (the "Council"), a state agency established under the laws of the State of South Dakota. The Program is currently managed by Allianz Global Investors Distributors LLC (the "Program Manager"), pursuant to an agreement that expires on December 1, 2021, unless sooner terminated or extended. This Disclosure Statement describes the investment options available to persons investing in the Program with the services of a financial advisor.

Under the Program you may set up investment accounts (each such account, an "Account") for the benefit of any individual you name (the "Designated Beneficiary"). Each Account will represent an interest in the South Dakota Higher Education Savings Trust (the "Trust") established by the Council to hold assets invested in the Program. Such interest will be limited to one or more series of the Trust established by the Council based on the investment portfolio(s) you select for the Account.

Amounts contributed to an Account are invested in one or more investment portfolios you select ("Investment Portfolios"). There are multiple Investment Portfolios to choose from, including Age-Based Investment Portfolios, Individual Investment Portfolios, and a Static Investment Portfolio. The Investment Portfolios you select, invest the contributions you make to your Account(s) in mutual funds that are recommended by Allianz Global Investors U.S. LLC ("AGI U.S."), a registered investment adviser under the Investment Advisers Act of 1940, and an affiliate of the Program Manager, and approved by the Council. You own interests in the Investment Portfolio(s) you select; you do not have a direct beneficial interest in the underlying mutual funds in which the Investment Portfolios invest. As such, you do not have the rights of a shareholder of such mutual funds.

An investment in the Investment Portfolios is subject to investment risks. You can lose money, including the principal you invest. See "RISK FACTORS."

How do I open an account?

You (the "Account Owner") may open an Account by contacting the Program Manager directly. An Account is established when the Program Manager accepts a completed Program application form in which you agree to the terms of a participation agreement with the Council, in its capacity as a Trustee of the Trust, and the Program Manager, and which is attached to this Plan Disclosure Statement (the application and the participation agreement together are referred to herein as the "Participation Agreement").

Call, toll-free, **1-866-529-7462,** to speak to a CollegeAccess 529 Plan investor services representative, or visit the Plan's Web site — **www.collegeaccess529.com** — where you can download the necessary forms.

You may open more than one Account, but, except in limited circumstances you may open only one Account for each Designated Beneficiary. (Other people may also open their own Accounts for the same Designated Beneficiary.) Account donors must be U.S. citizens or legal U.S. residents for U.S. tax purposes.

The minimum initial contribution to open an Account is $250, with a minimum contribution of $250 per Investment Portfolio. Lower minimums are applicable if you contribute through payroll deduction or through an automatic investment plan (also known as "Auto-Invest").

Who can be a beneficiary?

When you establish an Account, except in very limited circumstances, you must name an individual person as the Designated Beneficiary. You may name as a Designated Beneficiary any person who is a U.S. citizen or legal U.S. resident, including yourself. Such person may be your child, your grandchild, your spouse, another relative, or even someone not related to you. The Designated Beneficiary may be of any age. However, the Designated Beneficiary must be an individual person; the Designated Beneficiary cannot be a trust or other entity. A Designated Beneficiary must be specified for all Accounts, other than those opened by state or local government organizations and tax-exempt organizations described in Section 501(c)(3) of the Code as part of a scholarship program.

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How can I use the money in my account?
You can use the money in the Account when needed to pay for the "qualified higher education expenses," as defined in the Code, of the person who is the Designated Beneficiary of the Account at the time you withdraw money from the Account. You also can withdraw all or any portion of the money in the Account at any time for any other purpose, but the earnings portion of any withdrawals used for purposes other than paying a Designated Beneficiary's qualified higher education expenses generally will be subject to applicable federal and state income tax and a federal 10% additional tax.

What if all the account assets are not used for the beneficiary's college costs?
You can use the funds for the Designated Beneficiary's graduate or professional school expenses, designate a new beneficiary who is a member of the Designated Beneficiary's family or, subject to the potential imposition of federal and state income taxes and a federal 10% additional tax on any earnings, withdraw some or all the funds. You also may leave the Account open until you determine the proper course of action.

How do I make additional investments?
You may send money by check directly to the address listed on the application form, or ask your Advisor to do so, along with instructions on how to invest the contribution. You also may choose to make periodic contributions online or by automatic transfers from your bank account or through payroll deduction if offered by your employer.

Can anyone else contribute to my account?
Yes. Anyone else may make contributions to your Account(s), although the investment of the contribution will be directed in accordance with your instructions. Another contributor will not retain any control over, or rights to, his or her contribution (or any other portion of the Account) after the contribution is made. The other contributor will not receive any statements or other information with respect to the contribution or the Account. Any such contribution may have income, gift, estate or generation-skipping transfer tax consequences.

How are my contributions invested?
The Program has established multiple Investment Portfolios, including five Age-Based Investment Portfolios, one Static Investment Portfolio, and two Individual Investment Portfolios. Investment Portfolios may be modified or discontinued and additional Investment Portfolios may be established in the future. At the time you establish an Account, and at any time a subsequent contribution is made to the Account, you may select one or more of the Investment Portfolios and designate what portion of the contribution should be invested in each selected Investment Portfolio. Account Owners can only change how previous contributions (and any earnings thereon) are allocated among the Investment Portfolios for all Accounts for the same Designated Beneficiary twice per calendar year or upon a change of the Designated Beneficiary.

Each Investment Portfolio invests its assets in one or more mutual funds recommended by AGI U.S. and approved by the Council in accordance with the Council's investment policy (the "Investment Policy"). The percentage allocations and mutual funds in which the Investment Portfolios are invested (the "Underlying Funds") are subject to change from time to time in accordance with the Investment Policy. **The performance of the Investment Portfolio(s) in which the assets in your Account(s) are invested, less applicable fees and expenses, will determine whether your Account will be worth more or less than what you invest. (For information on the investment performance of the Investment Portfolios, please see "Historical Performance of Investment Portfolios" in the Addendum.)**

Can I contribute to multiple Investment Portfolios?
Yes, each time you contribute to your Account, you can choose how your contribution will be allocated among the Investment Portfolios. For example, you could choose to invest 100% of your contribution in an Age-Based Investment Portfolio, the Static Investment Portfolio, or one of the Individual Investment Portfolios, or you could choose to invest a percentage of your contribution in each of these Portfolios. The only restrictions are: (i) your initial contribution be at least $250 and your allocation to each Portfolio be at least $250 (unless you are participating through an automatic investment or payroll deduction program), and (ii) each subsequent contribution must be at least $50 per Portfolio. Your choice on how to allocate your contributions between these Portfolios will affect the relative risks and reward potential of your overall investment. For example, the Diversified Bond Investment Portfolio, which has underlying mutual funds that are invested primarily in fixed income securities, is generally expected to have lower risk, and offer lower potential returns, than those Age-Based Investment Portfolios which hold mutual funds invested primarily in equity securities. Please review the "Investment Portfolios Addendum" for additional information about the asset allocations and underlying Funds included in each of the Investment Portfolios.

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Can I change how my account is invested?

For each contribution that is made to your Account, you can elect how such contribution should be allocated among the Investment Portfolios. You may reallocate the assets in your Account to one or more other Investment Portfolios twice every calendar year. In addition, you may reallocate whenever you change the Account's Designated Beneficiary.

What expenses are involved?

The mutual funds in which the Investment Portfolios invest each charge investment management fees and other expenses which will be assessed against the net assets of the Underlying Funds. See the Investment Portfolios Addendum to this Plan Disclosure Statement for a listing of the recent expenses of such Underlying Funds.

What if neither I nor my Designated Beneficiary is a South Dakota resident?

The investment options described in this Disclosure Statement are available *only* to Accounts whose Account Owner or Designated Beneficiary is a South Dakota resident. Employees of Allianz (defined below), Allianz affiliates and approved service providers who are not residents of South Dakota but who already have an open account containing Class SD-D Units may continue to hold such Units and/or exchange such Units for Class SD-D Units of different Investment Portfolios as long as that account remains open, but are not eligible to purchase Class SD-D Units of the Program. Fees, expenses and investment options vary for Account Owners and Designated Beneficiaries who are not South Dakota residents, as well as South Dakota residents who participate in the Program through a qualified broker or financial advisor. If neither you nor your Designated Beneficiary is a South Dakota resident or you wish to open an Account with the services of a financial advisor, you should not rely on this Plan Disclosure Statement, and should contact the Program Manager at **1-866-529-7462** to obtain a separate Plan Disclosure Statement for Investors Using a Financial Advisor.

Does the State of South Dakota or the Council make any guarantees?

Neither the State of South Dakota nor the Council makes any guarantees of any type in connection with the Program, and neither the principal deposited nor any investment return is guaranteed or insured by the United States, the State of South Dakota, any other state, any agency or instrumentality of any of the foregoing, the Council, the Program Manager, AGI U.S. or the members, officers or employees of any such entity, any Advisor or any other consultant or advisor retained by the Trust. The State of South Dakota's full faith and credit do not back any of the investments in your Account, nor do the Council's general assets or revenues. Neither the State of South Dakota nor the Council promises that your Account will increase in value or achieve any rate of return, or that your Account will not decrease in value, or that the assets in your Account will be sufficient to pay the qualified higher education expenses of your Designated Beneficiary.

Neither the State of South Dakota nor the Council guarantees that your Designated Beneficiary will be accepted at any institution of higher learning, or that, if your Designated Beneficiary is accepted, he or she will be able to attend, that he or she will graduate, or that he or she will be considered a resident of any particular state for tuition purposes.

As a condition of establishing an Account, each Account Owner must agree (as provided in the relevant Participation Agreement) that any claim by such Account Owner or his or her Designated Beneficiary against the Council, the State of South Dakota or the members, officers and employees of the Council or the State of South Dakota may be made solely against the assets in such Account. In addition, each Account Owner must agree (as provided in the relevant Participation Agreement) to waive and release the Council and the State of South Dakota and each of the members, officers and employees of the Council and the State of South Dakota from any and all liabilities arising in connection with rights and obligations arising out of the operations of the Participation Agreement or the Account.

Will the money contributed to my account be protected from creditors?

Funds contributed to an Account at least 365 days prior to a bankruptcy filing will be excluded from the debtor's bankruptcy estate and may thus be protected from creditor claims if the Designated Beneficiary was a child, stepchild, grandchild, or step grandchild of the debtor for the year of contribution. This exclusion from the bankruptcy estate will be subject to (i) a maximum of $6,425 for funds contributed to the Program for the Designated Beneficiary between 365 and 720 days prior to the bankruptcy filing and (ii) a general limitation to an aggregate amount not exceeding the total contributions to the Program permitted under Section 529 for the Designated Beneficiary (which may potentially be interpreted to mean the Maximum Balance Limit at the time of the bankruptcy filing), as adjusted for changes in the cost of education under a specified index.

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In addition, under current South Dakota law, assets in an Account are generally protected from claims of creditors of the Account Owner, any other contributor, and the Designated Beneficiary, except to the extent that funds are contributed to the Account within one year prior to the filing of a bankruptcy petition by the Account Owner or other contributor.

Other states may also protect assets in an Account from creditor claims in those states. A qualified attorney or other advisor should be consulted to determine the applicability and consequences of the new federal bankruptcy law and relevant South Dakota or other state law with respect to any specific circumstances.

What are the federal income tax advantages of the Program?

There are two main federal income tax advantages to the Program.

First, any earnings on the money you invest in your Account will not be subject to federal income taxes before they are distributed.

Second, there is special federal income tax treatment for money that is used to pay for the Designated Beneficiary's qualified higher education expenses. Any amounts in the Account that are withdrawn to pay for the Designated Beneficiary's qualified higher education expenses will not be subject to federal income tax. In general, tuition, fees, books, supplies and equipment necessary to attend an institution of higher education, certain room and board costs for a Designated Beneficiary enrolled at least half-time at an "eligible educational institution" as defined in the Code, as well as computer or peripheral equipment, computer software, and Internet access and related services if such equipment, software, or services are used primarily by the Designated Beneficiary during any of the years enrolled at an eligible educational institution are considered qualified higher education expenses. Qualified higher education expenses also include expenses of a special needs beneficiary that are necessary in connection with his or her enrollment or attendance at an eligible educational institution.

Any earnings on your Account that are subject to federal income tax upon withdrawal (e.g., earnings withdrawn but not used to pay for the Designated Beneficiary's qualified higher education expenses) will be taxed to the Account Owner or Designated Beneficiary as ordinary income, rather than as capital gains, and may be subject to a federal 10% additional tax, if not otherwise exempted from such additional tax.

Earnings withdrawn for payment of a Designated Beneficiary's qualified higher education expenses generally are not excludable from gross income to the extent other federal tax credits and incentives are used for the same expenses. You are encouraged to consult your accountant, financial or tax advisor for a better understanding as to how the specific application of these tax rules apply to your particular circumstances. See "TAX INFORMATION."

What about state income taxes?

South Dakota does not have a state income tax; therefore, accounts are not subject to income tax in South Dakota. State tax treatment of the Program may differ from the federal tax treatment based on the state or states in which you pay income taxes. **All or most states offer college savings or prepaid tuition plans intended to be qualified tuition programs under Section 529, some of which offer state tax benefits for their residents and other taxpayers participating in their own respective programs, such as allowing contributions to be deducted from income. You are encouraged to become familiar with the program offered by your state. You should consult with your accountant, financial or tax adviser about state or local taxes and consider tax treatment and other benefits, if any, before making an investment decision. See "TAX INFORMATION — Other State Programs".**

What are the gift tax advantages of an account?

Contributions to an Account are treated as a completed gift to the Designated Beneficiary under federal gift and estate tax law. Normally, a gift of more than $14,000 to a single person in one year is subject to federal gift tax. With the Program, an individual can potentially contribute up to $70,000 (and married couples electing to split gifts can potentially contribute up to a total of $140,000) to an Account for a particular Designated Beneficiary in one year without triggering the tax. To do this the contributor must elect to treat the entire gift as a series of five equal annual gifts. The five-year prorating is elected by filing a gift tax return for the year in which the gift is made. See "TAX INFORMATION." You should consult with a tax advisor regarding the gift and estate tax consequences of contributing to (or making any other transaction with respect to) an Account.

How much can I invest in an account?

Federal income tax law applicable to the Program requires that the Program prohibit contributions in excess of what is necessary to provide for the qualified higher education expenses of the Designated Beneficiary. An additional contribution may not be made to your Account to the extent that the amount of the contribution, when added to the balance of all accounts for the same Designated Beneficiary (regardless of Account Owner)

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under the CollegeAccess Plan or any other 529 plan sponsored by the State of South Dakota, would exceed the maximum balance limit then in effect. The maximum balance limit in effect as of the date of this Plan Disclosure Statement is $350,000, and this amount will be adjusted periodically. The Program Manager reserves the right to change the limit and the method of calculating the maximum balance limit.

Can I use my account to pay for any college?

You can get the full benefits from the Program if your Designated Beneficiary attends any eligible educational institution or accredited institution of higher education that is eligible to participate in certain federal student aid programs. This might be a college or graduate or professional school, or a post-secondary vocational or trade school, private or public, in your state or out-of-state. You should be certain that the school is accredited. If you use the money to pay for costs associated with a non-accredited institution, you will not qualify for favorable tax treatment, and the earnings portion of your withdrawal for such purpose will be subject to applicable federal and state income tax and a federal 10% additional tax.

How much do I need to open an account?

The minimum amount of your initial investment is $250 in total and $250 per Investment Portfolio chosen. For each subsequent investment to an Account, the minimum contribution is $50 per Investment Portfolio chosen.

If you sign up for automatic periodic transfers from your bank account ("Auto-Invest"), the minimum amount of your initial contribution is $50 per Investment Portfolio, with a required minimum monthly contribution of $50 per Investment Portfolio. You may terminate your participation in the automatic transfer program only at such time as you have contributed $250 in total to the Account.

There is no initial investment required for Account Owners participating through a payroll deduction program or other company-sponsored program, and the minimum monthly contribution amount is $50 per Investment Portfolio ($25 per pay period for those employees who are paid semi-monthly).

These minimum contribution amounts may be adjusted by the Program Manager from time to time.

How do I know my Account balance?

You can call the toll-free number **1-866-529-7462,** Monday – Friday, 7:30am – 5:00pm Central Time, or visit the CollegeAccess 529 Plan Web site — **www.collegeaccess529.com**. Account balances are updated each day that the New York Stock Exchange (the "NYSE") is open for regular trading. You will also be sent an Account statement at least once each quarter with a description of your Account activity and the value of your Account.

How will investments in the Program affect my Designated Beneficiary's eligibility for receiving financial aid?

Being the Account Owner or Designated Beneficiary of an Account may adversely affect eligibility for financial aid. The Program has not sought guidance from the U.S. Department of Education on the impact of the Program on eligibility for federal financial aid. However, pursuant to the College Cost Reduction and Access Act of 2007, for federal financial aid purposes, beginning July 1, 2009, Account assets will be considered (i) assets of a student's parent, if the student is a dependent student and the owner of the account is the parent or the student, or (ii) assets of the student, if the student is the owner of the account and not a dependent student. In addition, the treatment of Section 529 qualified tuition programs may differ substantially from the federal treatment above with respect to financial aid programs offered by educational institutions, states, and other non-federal sources. You should consult with your own financial aid advisor (and/or the educational institution, state, or other non-federal source offering a particular financial aid program) for further information based on your particular circumstances. Neither the Council, the Program, nor the Program Manager can be responsible for determining how an Account may affect any person's eligibility for financial aid.

What are the principal risks of the Program?

Accounts in the Program are subject to various risks, including risks of (i) investment losses, (ii) federal and state tax law changes, (iii) changes to the Program (including changes in fees and other expenses), and (iv) adverse effects on the eligibility of the Account Owner or Designated Beneficiary for financial aid or other benefits.

Amounts invested in the Program are subject to the investment risks of the Underlying Funds that the Investment Portfolio has chosen to invest in, among other risks. The value of the Account will vary with the investment return generated under the Investment Portfolio(s) you select, less any applicable fees and expenses. Both the performance of the applicable Underlying Fund(s) and the allocation among the Underlying Fund(s) will affect the value of the Account. There is no assurance that any Investment Portfolio will have any particular level of return or will not suffer losses, and none of the Council, the State of South Dakota, the Program Manager, any Advisor, nor any other person or entity provides any guarantee with respect to the amount of assets available in the Account.

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The principal risks relating to the Program are described in "Risk Factors" beginning on page 18 and the principal risks relating to particular Underlying Funds are described in "Underlying Fund Risks" in the Addendum.

How can I obtain additional information about the Program?

The list of questions above provides only a summary of the Program. You should read the entire Plan Disclosure Statement carefully for detailed information about the Program and its features.

If you have questions regarding your Account, or opening an Account, please consult your Advisor or contact the Program Manager at **1-866-529-7462.** Questions and requests can also be sent in writing by regular mail to: **CollegeAccess 529 Plan, P.O. Box 55769, Boston, MA 02205-5769** and by overnight mail to: CollegeAccess 529 Plan c/o Boston Financial Data Service, 30 Dan Road, Canton, MA 02021-2809. You can also learn more about the CollegeAccess 529 Plan by visiting our Web site at **www.collegeaccess529.com.**

PROSPECTUSES FOR THE MUTUAL FUNDS IN WHICH THE PROGRAM'S INVESTMENT PORTFOLIOS ARE INVESTED ARE AVAILABLE UPON REQUEST BY CALLING **1-866-529-7462.** THESE PROSPECTUSES ARE ALSO AVAILABLE AT THE WEB SITE OF THE SEC AT WWW.SEC.GOV.

Opening and Maintaining Your Account

OPENING AN ACCOUNT

Any individual, or two individuals as joint owners, each of whom is at least 18 years of age and a U.S. citizen or resident alien, is eligible to establish an Account. A custodian for a minor under the Uniform Transfers to Minors Act ("UTMA") or Uniform Gifts to Minors Act ("UGMA"), or a trustee under a trust situated in any U.S. state, may also open an Account. A corporation, partnership, or other entity situated in any U.S. state may also open an Account. An Account Owner may be a resident of any state. The state income tax treatment of, and state tax benefits associated with, the Program may differ depending on the state of residency of the Account Owner or the Designated Beneficiary. See "TAX INFORMATION." State or local government organizations and tax-exempt organizations described in Section 501(c)(3) of the Code may also open Accounts as part of a scholarship program. Special rules exist for custodians establishing an Account for a beneficiary under a UGMA or UTMA. You should consult with your Advisor prior to proceeding with that type of Account ownership. See "UGMA/UTMA Contributions," below.

To open an Account you must complete an Account application and deliver it to the Program Manager directly. By signing the Account application, you agree that the Account is subject to the terms and conditions of the Participation Agreement attached to this Plan Disclosure Statement. You must specify in your Account application how you want your initial contribution invested among the available Investment Portfolios, and which class of Units you wish to select. You may select any one or a combination of the available Investment Portfolios. If you elect to contribute to more than one Investment Portfolio, you must specify how you want your contributions to be allocated among those Investment Portfolios. For information as to how to revise your Investment Portfolio elections in the future, see "CHANGES TO AN ACCOUNT — Selecting and Revising Investment Portfolios for Future Contributions" and "CHANGES TO AN ACCOUNT — Reallocation Among Investment Portfolios for Amounts in Your Account."

Your contribution will be credited to your Account on the day it is received by the Program Manager if it is received before the close of trading on the NYSE. Any contribution received after the close of trading or on a day when the NYSE is not open for trading will be credited to your Account on the next day of trading on the NYSE. Contributions will be credited to your Account only if the documentation received from you is complete and in good order.

NAMING A DESIGNATED BENEFICIARY

Generally, your Designated Beneficiary must be an individual person .Almost anyone who is a U.S. citizen or legal U.S. resident, including the Account Owner, can be a Designated Beneficiary. You must open a separate Account for each Designated Beneficiary. Except in limited circumstances, you cannot open more than one Account for the same Designated Beneficiary, but others can open Accounts for the Designated Beneficiary you have named. State or local government organizations and tax-exempt organizations described in Section 501(c)(3) of the Code are not required to name a specific Designated Beneficiary for Accounts established as part of a scholarship program.

METHOD OF PAYMENT (CONTRIBUTION)

Contributions can generally be made by check, cashier's check, electronic funds transfer or through a "Rollover Distribution" from another qualified tuition program as defined in Section 529. The Program Manager reserves the right to require payment by wire or U.S. Bank Check. The Program Manager generally does not accept payments made by cash, temporary/starter checks, third party checks, credit cards, traveler's checks, credit card checks, or checks drawn on non-U.S. banks (even if payment may be effected through a U.S. bank). Checks should be made payable to CollegeAccess 529 Plan.

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Systematic contributions can be made by periodic deductions from a bank account (via ACH) through an automatic contribution plan ("Auto-Invest"). The Auto-Invest plan can be selected by providing the appropriate information on the Account application form. Systematic contributions can also be made through payroll deduction for Account Owners whose employers participate in the Program's payroll deduction option.

All contributions (made by either check or electronic funds transfer) must be drawn on a banking institution located in the U.S. and must be denominated in U.S. dollars.

MINIMUM CONTRIBUTIONS

The minimum initial contribution to your Account is $250 in total and per Investment Portfolio chosen. If you indicate at the time establishing an Account that you plan to contribute through automatic transfer from your bank account, the minimum initial contribution amount is $50 per Investment Portfolio chosen. The minimum contribution amounts for Account Owners participating through a payroll deduction program will be established by the Program Manager from time to time.

Account Owner or any other contributor may make additional cash contributions from time to time in any amounts sufficient to purchase Units of a portfolio, subject to the maximum balance limitation set forth below.

MAXIMUM BALANCE LIMIT

By law, additional contributions may not be made to your Account to the extent that the proposed contribution, together with the aggregate account balances of all accounts across all Section 529 plans sponsored by the State of South Dakota (including the Program) for the same Designated Beneficiary (regardless of Account Owner), would exceed a certain level (the "Maximum Balance Limit"). The Maximum Balance Limit may be increased or decreased by the Program Manager from time to time as the Program Manager deems necessary or advisable.

The Maximum Balance Limit in effect as of the date of this Plan Disclosure Statement is $350,000. Contributions for any Designated Beneficiary shall not be accepted by the Program Manager and shall instead be returned to the contributor thereof to the extent that an intended contribution to an Account for a Designated Beneficiary, plus the aggregate balance on the date of such intended contributions of all Accounts for the same Designated Beneficiary (regardless of Account Owner) under Section 529 plans sponsored by the State of South Dakota, would exceed the Maximum Balance Limit. The Maximum Balance Limit applies no matter which Investment Portfolio or combination of Investment Portfolios you select for your Account.

If the Account Owner is a state or local government organization or tax-exempt organization described in Section 501(c)(3) of the Code and the Account is maintained as part of a scholarship program operated by the Account Owner, the Account Owner is not required to identify a Designated Beneficiary, and the Maximum Balance Limit will be applied only to that Account, without reference to any other Account, so long as no Designated Beneficiary is specified for the Account.

No assurance can be given that the amount held in an Account or Accounts for any Designated Beneficiary will be sufficient to pay the qualified higher education expenses of the Designated Beneficiary, even if the Account balance reaches the Maximum Balance Limit.

ROLLOVER CONTRIBUTION INFORMATION

You may establish an Account through (or a subsequent contribution may consist of) a rollover from another qualified tuition plan, a Coverdell education savings account (formerly an Education IRA) or redeemed qualified U.S. savings bonds. In the case of any such contribution, the Program Manager must receive documentation showing the earnings portion of the contribution. To the extent such documentation is not received, the Program is required to treat the entire amount of such rollover contribution as earnings, which may have adverse tax consequences. You should consult with your Advisor about your particular circumstances. See "CHANGES TO AN ACCOUNT — Transferring Funds To and From Other Qualified Tuition Plans (Rollover)," for important additional information.

UGMA/UTMA CONTRIBUTIONS

In the case of an Account of which the Account Owner is a custodian for a minor under the UTMA, UGMA, or similar act of any U.S. state, (i) such minor shall be the Designated Beneficiary of such Account upon its establishment and the custodian Account Owner may not select a new Designated Beneficiary of the Account, (ii) the Account Owner of the Account may be changed from such custodian (or any successor custodian) only to another custodian for such minor or (if the minor has reached the age of eighteen) to the minor, (iii) such minor shall have all the rights of an Account Owner upon reaching the age of eighteen (regardless of whether a different age of majority is specified under the particular UTMA, UGMA, or similar act and regardless of whether Account Owner is changed to the minor), and (iv) upon the death of such minor while Account Owner is a custodian for such minor (regardless of whether such minor has reached the age of eighteen), the Account shall be disposed of as part of such minor's estate, and such minor's estate (or a beneficiary thereof entitled to the beneficial interest

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in the Account, as may be determined by the Council and the Program Manager in their sole discretion) shall become the successor Account Owner, notwithstanding any designation of Successor Account Owner (as provided below) to the contrary.

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

A UGMA or UTMA custodian who is an Account Owner in that capacity may also be the Account Owner of a separate Account for the same Designated Beneficiary, in an individual, non-custodial capacity, to hold assets in the Program that are not subject to the UGMA or UTMA. Neither the Program, the Council, nor the Program Manager will be liable for any consequences related to a custodian's proper or improper use, transfer or characterization of custodial funds.

PERSONAL INFORMATION

Establishment of an Account is subject to acceptance by the Program Manager, including the verification of an Account Owner's identity and other information in compliance with the requirements of the USA PATRIOT Act and other applicable law. If an Account Owner does not provide the information as requested on the Account Application the Program Manager may refuse to open an Account for the Account Owner. If reasonable efforts to verify this information are unsuccessful, the Program Manager may take certain actions regarding the Account without prior notice to the Account Owner, including, but not limited to, rejecting contributions and withdrawal and transfer requests, suspending Account services, or closing the Account. Units redeemed as a result of closing an Account will be valued at the Units' net asset value next calculated after the Program Manager closes the Account. The risk of market loss, tax implications, and any other expenses, as a result of the liquidation, will be borne solely by the Account Owner.

COMMUNITY PROPERTY LAWS

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

PROHIBITION ON PLEDGES, ASSIGNMENTS AND LOANS

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

RULES AND REGULATIONS

Your Account and your Participation Agreement are subject to all rules, regulations, guidelines and procedures adopted by the Council from time to time. Copies of the Council's applicable regulations, rules, guidelines and procedures are generally described and summarized herein and are available from the Program Manager.

Changes to an Account: Limitations

GENERAL

You can change your Designated Beneficiary, transfer funds to and from other Accounts under the Program, or transfer funds to and from accounts in other qualified tuition programs by completing forms for these transactions and following instructions provided by the Program Manager. Generally, these changes or transfers will not have federal income tax consequences if there is a change in Designated Beneficiary and the new Designated Beneficiary (of your Account or the other account, as the case may be) is a member of the family, as defined in the Code (a "Member of the Family"), of the immediately preceding Designated Beneficiary. You may also transfer funds to or from an account in another qualified tuition program for the benefit of the same Designated Beneficiary without federal income tax consequences, so long as such transfer does not occur within 12 months from the date of a previous transfer to any qualified tuition program for the same Designated Beneficiary. In addition, if you intend to withdraw and transfer funds to or from accounts in other qualified tuition programs, the withdrawn funds must be deposited to the new account within 60 days of withdrawal in order for the transaction not to have federal income tax consequences. You may also reallocate your assets among Investment Portfolios twice during each calendar year or whenever you change your Account's Designated Beneficiary. See "Changing a Designated Beneficiary" below. When making a reallocation of an existing Investment Portfolio to an Age-Based Investment Portfolio that Age-based Portfolio must match the actual age of the Designated Beneficiary.

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Various restrictions apply to all of these transactions in addition to the limitation on contributions discussed under "OPENING AND MAINTAINING YOUR ACCOUNT — Maximum Balance Limit." See "TAX INFORMATION — Federal Tax Treatment, Federal Gift, Estate and Generation-Skipping Transfer Taxes" for possible adverse gift, estate and generation-skipping transfer tax consequences of changes to an Account.

MEMBER OF THE FAMILY

The term "Member of the Family" is defined in Section 529 of the Code ("Section 529"). Under current law, a Member of the Family of a Designated Beneficiary is a person related to the Designated Beneficiary as follows:
(i) a son or daughter, or a descendant of either;
(ii) a stepson or stepdaughter or a descendant of either;
(iii) a brother, sister, stepbrother or stepsister;
(iv) the father or mother, or an ancestor of either;
(v) a stepfather or stepmother;
(vi) a son or daughter of a brother or sister;
(vii) a brother or sister of the father or mother;
(viii) a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law;
(ix) the spouse of the Designated Beneficiary or of any of the other foregoing individuals; or
(x) any first cousin of the Designated Beneficiary.

For this purpose, a child includes a legally adopted or foster child and a brother or sister includes a half-brother or half-sister.

CHANGING A DESIGNATED BENEFICIARY

You can change the Designated Beneficiary of your Account, but in order to avoid federal income tax consequences the new Designated Beneficiary of your Account must be a Member of the Family of the prior Designated Beneficiary. You may not change the Designated Beneficiary to the extent that such change would cause the aggregate Account balance of all Accounts (regardless of Account Owner) for the new Designated Beneficiary to exceed the Maximum Balance Limit for the new Designated Beneficiary.

TRANSFER OF ACCOUNT FUNDS WITHIN THE PROGRAM

You may also transfer all or a portion of your Account balance to an Account in the Program for a different Designated Beneficiary. As is the case with changing Designated Beneficiaries, in order to avoid federal income tax consequences, the Designated Beneficiary of the Account receiving the transferred funds must be a Member of the Family of the Designated Beneficiary of the Account from which the funds are transferred. You may not transfer the funds to the extent such transfer would cause the aggregate Account balance of all Accounts (regardless of Account Owner) for the new Designated Beneficiary under the CollegeAccess Plan and any other Section 529 plan sponsored by the State of South Dakota to exceed the Maximum Balance Limit for that Designated Beneficiary. If there is no Account for the new Designated Beneficiary, a new application must be completed to establish the Account and transfer the funds.

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

DESIGNATING A SUCCESSOR ACCOUNT OWNER

You may name someone as "Successor Owner" to automatically become the owner of your Account and have all the powers of Account Owner with respect to your Account upon your death (or upon the death of the surviving Account Owner, in the case of an Account with joint owners). You may designate a Successor by completing the appropriate section of the Account application or by completing a separate form provided by the Program Manager. Your designation may be changed or revoked at any time. If a designation of Successor Owner is in effect upon your death (or upon the death of the surviving Account Owner, in the case of an Account with joint owners), the funds in your Account would not generally be deemed assets of your probate estate. You should consult a probate lawyer in your state to determine the precise effect of such a designation. To effectuate the change of Account ownership after your death, the designated Successor Owner must submit a certified copy of the death certificate, or other legally recognized proof of death acceptable to the Program Manager, and an Account application signed by the Successor Owner.

If you do not designate a Successor Owner, or if the designated Successor Owner is not alive at the time of your death (or at the death of the surviving Account Owner, in the case of an Account with joint owners), your Account will pass as an asset of your estate, either pursuant to your will or pursuant to your state's intestacy law.

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To effectuate a change of Account ownership after your death where no designation of Successor Owner is in effect, the executor or administrator of your estate must submit a certified copy of the death certificate, or other legally recognized proof of death that is acceptable to the Program Manager, and an Account application signed by the executor or administrator. In addition, the Program Manager may transfer Account ownership to the beneficiary of the estate upon such proof and other circumstances as the Program Manager may, in its sole discretion, deem advisable and acceptable.

TRANSFERRING OWNERSHIP OF ACCOUNT DURING LIFETIME

The Program Manager may also permit an Account Owner to transfer ownership of an Account during the Account Owner's lifetime to another individual or entity that is then eligible to be an Account Owner, by completing the appropriate form. Any such transfer will be irrevocable, and the former Account Owner will retain no control or ownership of the Account (unless the Account ownership is transferred into the joint names of Account Owner and another person). Although the tax treatment of such a transfer during lifetime is not specified under existing federal tax laws and is therefore somewhat uncertain, it is believed that, if assets are not withdrawn from the Account at the time of such transfer and the Designated Beneficiary remains unchanged, such transfer of Account ownership should not, in and of itself, have federal income, gift, or generation-skipping transfer tax consequences. However, you should consult with your tax advisor prior to taking any action to transfer ownership of your Account.

SELECTING AND REVISING INVESTMENT PORTFOLIOS FOR FUTURE CONTRIBUTIONS

In the application you fill out when you establish your Account, you will choose a single Investment Portfolio, or allocate among multiple Investment Portfolios, pursuant to which your initial contribution should be invested.

You will need to instruct the Program Manager in writing as to how any subsequent contribution to your Account should be allocated among Investment Portfolios, whether such contribution is made by you or by another contributor. With respect to subsequent contributions, you can elect to (1) add new Investment Portfolios, and change allocations among Investment Portfolios for new contributions; (2) stop contributions to an Investment Portfolio that was previously selected; or (3) increase or decrease future contributions to an Investment Portfolio that was previously selected. Forms for these purposes are available from the Program Manager upon request. In the event that you fail to provide instructions at the time a subsequent contribution is made, the Program Manager will allocate the contribution pro rata among the Investment Portfolios in the same manner and to the same class of Units as your most recent contribution was allocated.

You should instruct the Program Manager in writing (or through another medium acceptable to the Program Manager) if you are in an automatic contribution plan and you wish to add an Investment Portfolio, stop your contributions to an Investment Portfolio or increase or decrease the amount of future automatic contributions to any Investment Portfolio.

REALLOCATION AMONG INVESTMENT PORTFOLIOS FOR AMOUNTS IN YOUR ACCOUNT

Twice per calendar year, you can reallocate the assets in your Account among the available Investment Portfolios. When reallocating among Investment Portfolios, you can choose from all of the then available Investment Portfolios offered in the Program.

In addition to your ability to reallocate the assets of your Account among Investment Portfolios twice every calendar year, you may make such a change or reallocation whenever you change the Designated Beneficiary on your Account. See "Changing a Designated Beneficiary" above. When making a reallocation of an existing Investment Portfolio to an Age-based Investment Portfolio that does not match the age of the beneficiary, (for example a reallocation of an account where the beneficiary is 10 years old to the Age based 0-6 Portfolio), such Age-based Investment Portfolio will be treated as a static investment option and will not migrate with any age unless and until the Account Owner specifies a change to such Investment Portfolio.

Assets transferred from one Investment Portfolio to another will be used to purchase Units in the selected Investment Portfolio of the same class as those being surrendered in connection with the transfer.

TRANSFERRING FUNDS TO AND FROM OTHER QUALIFIED TUITION PLANS (ROLLOVER)

You may transfer funds from another qualified tuition program to an Account. In order to avoid federal income tax consequences, you must transfer such funds into the Account within 60 days after you have withdrawn the funds from the other program. In addition, the Designated Beneficiary of the Account to which the funds are transferred must be a person who is a Member of the Family of the beneficiary of the account from which the transfer is made. You may also transfer Funds from an account in another qualified tuition program for the benefit of the same Designated Beneficiary without tax or penalty, so long as such transfer does not occur within 12 months from the date of a previous transfer to any qualified tuition program for the same Designated Beneficiary. Contact the Program Manager for more information about how to complete such a transfer. The

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Additional South Dakota Investment Portfolios are not considered "another qualified tuition program" for purposes of these rules, and any transfer between the CollegeAccess 529 Plan and the Additional South Dakota Investment Portfolios is considered an investment reallocation (either with or without a change of beneficiary) for tax purposes and for purposes of the twice-per-calendar-year limitation on investment reallocations without a change of beneficiary. The qualified tuition program from which you are transferring funds may impose other restrictions on such a transfer, so you should investigate this alternative thoroughly before you request a transfer. See "OPENING AND MAINTAINING YOUR ACCOUNT — Rollover Contribution Information" above for important information regarding transferring funds from another qualified tuition program.

You also may transfer funds from your Account to an account in another qualified tuition program established under Section 529. In order to avoid federal income tax consequences, you must transfer such funds into the account within 60 days after you have withdrawn the funds from your Account. In addition, the beneficiary of the account in the other qualified tuition program must be a Member of the Family of your Account's Designated Beneficiary. You may also transfer funds to an account in another qualified tuition program for the benefit of the same Designated Beneficiary without federal income tax consequences so long as such transfer does not occur within 12 months from the date of a previous transfer to any qualified tuition program for the same Designated Beneficiary. The Additional South Dakota Investment Portfolios are not considered "another qualified tuition program" for purposes of these rules, and any transfer between the CollegeAccess 529 Plan and the Additional South Dakota Investment Portfolios is considered an investment reallocation (either with or without a change of beneficiary) for tax purposes and for purposes of the twice-per-calendar-year limitation on investment reallocations without a change of beneficiary. There may be other restrictions on such a transfer that are imposed by the qualified tuition program receiving your transferred funds, so you should investigate this alternative thoroughly before you transfer funds that are currently available.

You should contact your Advisor or the Program Manager for information about how to complete such a transaction, and you should discuss with a tax advisor any potential tax consequences of such a transfer.

Withdrawals

You or your joint Account Owner may request a withdrawal from your Account by notifying the Program Manager, or by having your Advisor do so on your behalf. No other person is entitled to request withdrawals from your Account. To the extent that your withdrawals are not used for the qualified higher education expenses of the Designated Beneficiary, the earnings portion of such withdrawal may be subject to the potential imposition of federal and state income taxes and an additional 10% federal tax. You should consult your accountant, financial advisor or tax advisor with respect to your own circumstances. Please review the "TAX INFORMATION" section, for further detail on the tax consequences of withdrawals.

If your Account is invested in more than one Investment Portfolio, for every withdrawal that you make from your Account, you must select the Investment Portfolio or Investment Portfolios from which the withdrawal will be made. If your Account holds more than one class of Units in a particular Investment Portfolio, for every withdrawal that you make from assets in your Account invested under such Investment Portfolio, you must select the class of Units from which the withdrawal will be made.

Automatic Withdrawal Plan. An investor who owns or buys Units of a Portfolio having a net Unit value of $10,000 or more may establish an Automatic Withdrawal Plan and have a designated sum of money paid monthly (or quarterly) to the Account Owner, the Designated Beneficiary and/or an Eligible Educational Institution. Such a plan may be established by completing the appropriate section of the Withdrawal Request Form located at www.collegeaccess529.com. A Medallion Signature Guarantee is required if an Automatic Withdrawal Plan is set up after the account is established and the Account Owner is requesting the payment be sent to a person other than the record Account Owner or to an address other than the address of record.

Redemptions for the purpose of withdrawals are ordinarily made on the business day selected by the investor at that day's closing net Unit value. Checks are normally mailed on the following business day. If the date selected by the investor falls on a weekend or holiday, the Transfer Agent will normally process the redemption on the preceding business day. Payment can be made to the account owner, beneficiary, or beneficiary's college. As withdrawal payments may include a return of principal, they cannot be considered a guaranteed annuity or actual yield of income to the investor. The redemption of Units in connection with an Automatic Withdrawal Plan may result in a gain or loss for tax purposes. An investor may not maintain a plan for the accumulation of Units of the Portfolio and an Automatic Withdrawal Plan at the same time. The Plan or the Program Manager may terminate or change the terms of the Automatic Withdrawal Plan at any time.

Because the Automatic Withdrawal Plan may involve invasion of capital, investors should consider carefully with their own financial advisers whether the plan and the specified amounts to be withdrawn are appropriate in their circumstances. The Plan and the Program Manager make no recommendations or representations in this regard.

CANCELLATION OF YOUR PARTICIPATION AGREEMENT

You can cancel your Participation Agreement and close your Account at any time by written notice to the Program Manager, accompanied by the appropriate withdrawal form. The Program Manager may terminate any Account (i) forty-five days following the withdrawal by Account Owner of the final balance of the Account, (ii) if on or after the second anniversary of the establishment of an Account, the Account fails to maintain a minimum balance of $250 for ninety consecutive days, (iii) if it finds that Account Owner or the Designated Beneficiary has provided false or misleading information, (iv) if another account has been established for the same Designated Beneficiary in an Additional South Dakota Investment Portfolio or (v) at such other time as may be determined by the Program Manager and the Council to be in the best interests of the Trust.

Investment Portfolios

HOW YOUR CONTRIBUTIONS ARE INVESTED

The Program offered under this Plan Disclosure Statement includes five Age-Based Investment Portfolios, a Static Investment Portfolio, and two Individual Investment Portfolios. The Investment Portfolios that are currently available are described below. The Investment Portfolios are subject to certain risks. Please see "Risk Factors" for a discussion of the principal risks relating to the Program, and "Underlying Fund Risks" in the Addendum, for a discussion of the risks relating to particular Underlying Funds.

Age-Based Investment Portfolios:

- Age-Based 0 – 6 (Aggressive Growth)
- Age-Based 7 – 10 (Growth)
- Age-Based 11 – 14 (Growth & Income)
- Age-Based 15 – 17 (Income)
- Age-Based 18+ (Capital Preservation)

Static Investment Portfolio:

- Diversified Bond

Individual Investment Portfolios / Underlying Funds:

- PIMCO All Asset Fund
- PIMCO Real Return Fund

Investment Portfolios may be removed from the Program and additional Investment Portfolios may be added to the Program in the future. You may allocate contributions to any one or more of the Investment Portfolios. Note that contributions to the Aged-Based Investment Portfolios are subject to special procedures, as described below. Other than selecting how to allocate contributions to the Program among one or more of the Investment Portfolios, under federal law neither Account Owners nor Designated Beneficiaries may exercise any investment discretion, directly or indirectly, over contributions to an Account or any earnings on contributions. Accordingly, once made, contributions and any earnings thereon may only be transferred to another Investment Portfolio in limited circumstances (twice per calendar year or in connection with a change of Designated Beneficiary). See "CHANGES TO AN ACCOUNT — Selecting and Revising Investment Portfolios for Future Contributions" and "CHANGES TO AN ACCOUNT — Reallocation Among Investment Portfolios for Amounts in Your Account."

CHOOSING INVESTMENT PORTFOLIOS

The Investment Portfolios described in this Plan Disclosure Statement allow Account Owners to direct future contributions to specific investment categories employing different strategies. The following general statements may be a useful starting point in choosing Investment Portfolios. More information about the Investment Portfolios, including anticipated asset allocations and details about their Underlying Funds, is contained in the Investment Portfolios Addendum attached to this Plan Disclosure Statement. You should consult your financial advisor if you are uncertain about which Investment Portfolio to select for your Account or if you wish to evaluate your individual financial circumstances. See "RISK FACTORS" below, for a description of certain risks associated with an investment in the Program.

Age-Based Investment Portfolios

The Age-Based Investment Portfolios are a diversified group of five Investment Portfolios. The Age-Based Investment Portfolios are made up of individual mutual funds ("Underlying funds"), in a manner designed to emphasize total return (and particularly capital appreciation) when the Designated Beneficiary of an Account is younger and increasingly emphasizes preservation of capital and income as the Designated Beneficiary approaches and reaches college age (presumed to be at age 18). The Age-Based Investment Portfolios consist of five distinct portfolios with varying asset allocations, based on the age bracket (e.g.; age 0 – 6, age 7 – 10, etc.) of the Designated Beneficiary.

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The asset allocations of each of the Age-Based Investment Portfolios reflect the respective time horizons of such Investment Portfolio's intended Designated Beneficiaries (i.e., the length of time between the ages of such Designated Beneficiaries and age 18) by adjusting the potential return and risk or volatility of particular investments for different age groups. For example, the Aggressive Growth Portfolio, intended for Designated Beneficiaries ages 6 or younger, generally will be more heavily weighted toward equity funds, while the Capital Preservation portfolio, intended for Designated Beneficiaries ages 18 and older; generally will be more heavily weighted toward fixed income and money market funds.

When making a new contribution to an Age-based Investment Portfolio, the contribution will be invested in the Age Based Portfolio that matches the age of the beneficiary, (for example, where the beneficiary is 5 years old the contribution will be in the Age-Based 0-6 Portfolio). The Program Manager will automatically redeem the Units of any Account which is invested wholly or partly in an Age-Based Investment Portfolio which matches the age of the beneficiary, and apply such proceeds to the purchase of Units of the appropriate Age-Based Investment Portfolio when the Designated Beneficiary reached the age included in the next Age-Based Portfolio. These automatic exchanges will occur on or about the 20th of each month on the month after the beneficiary reaches ages 7, 11, 15 or 18. This automatic exchange of one Age-Based Investment Portfolio to another will not count as one of your two investment reallocations.

The target asset allocations recommended by AGI U.S. and approved by the Council, for each of the Age-Based Investment Portfolios, illustrating the different emphasis of the asset allocations for different age groups, are included in the Investment Portfolios Addendum.

Static Investment Portfolio

The Static Investment Portfolio offers a diversified bond Investment Portfolio:

- ***Diversified Bond Investment Portfolio***

The Portfolio emphasizes maximum total return (income plus capital appreciation) through two or more core bond funds.

Individual Investment Portfolios

The two Individual Investment Portfolios each invest all or substantially all of their assets in a single mutual fund. As a result, the investment objective of the Underlying Fund corresponding to each Individual Investment Portfolio is determinative of the investment objective of such Individual Investment Portfolio. Since each of the Individual Investment Portfolios are focused on a single underlying fund, the performance of each Individual Investment Portfolio is dependent upon the performance of the single underlying fund. Accordingly, the performance of an Individual Investment Portfolio may be more volatile than that of the Age-Based and Static Investment Portfolio, which are typically more broadly diversified through their investments in more than one Underlying Fund. Individual Investment Portfolios are designed for investors desiring a more targeted investment strategy for all or a portion of their Accounts. Because the Individual Investment Portfolios may be less broadly diversified than other Investment Portfolios, Account Owners are encouraged to consult their Advisor before choosing an Individual Investment Portfolio and may wish to consider diversifying their college savings by investing in other vehicles in addition to any Individual Investment Portfolio. In addition, investors should refer to the current prospectus of the mutual funds underlying the Individual Investment Portfolios. These prospectuses are also available at the Web site of the SEC at www.sec.gov. Investors may also call toll-free, **1-866-529-7462,** to request copies by mail.

The following is a list of the current Underlying Funds of the various Individual Investment Portfolios:

- ***PIMCO All Asset Fund***

This Fund's investment objective is to maximize real return, consistent with the preservation of real capital and prudent investment management.

- ***PIMCO Real Return Fund***

This fund's investment objective is to maximize real return, consistent with the preservation of real capital and prudent investment management.

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Amounts invested in the Investment Portfolios will be allocated among one or more mutual funds in accordance with the Investment Policy, which may be changed from time to time. The Underlying Fund(s) in which each of the Investment Portfolios are invested are described in the Investment Portfolios Addendum. The asset allocation among the Underlying Funds for each Investment Portfolio will also be reviewed and changed from time to time in accordance with the Investment Policy. The allocations of each Investment Portfolio among specific Underlying Funds described in the Investment Portfolios Addendum reflect only those allocations in effect as of the date of this Plan Disclosure Statement. In addition, the asset allocations of Investment Portfolios may vary from the targeted allocations specified in the Investment Portfolios Addendum due to the actual performance of the Underlying Funds. The Program Manager expects to "rebalance" the Investment Portfolios (other than the Individual Investment Portfolios) periodically by selling and/or purchasing shares of the relevant Underlying Funds, thereby bringing the Investment Portfolios' (other than the Individual Investment Portfolios) asset allocations back to the targeted allocations.

Like the asset allocations, the percentage of contributions that will be allocated to each of the Underlying Funds included in any Investment Portfolio (other than the Individual Investment Portfolios) may be changed from time to time by the Program Manager and the Council within certain parameters set forth in the Investment Policy. The Council and the Program Manager reserve the right to discontinue offering Units in any Investment Portfolio, including the Individual Investment Portfolios, or to offer Units of additional Investment Portfolios in accordance with the Investment Policy, at any time. In addition, the Council has the authority to merge, terminate or reorganize Investment Portfolios. All of these actions can be taken without the consent of Account Owners.

The Investment Policy sets forth certain objectives for each Investment Portfolio and establishes, from time to time, certain initial allocations of each Investment Portfolio among Underlying Funds. The Investment Policy may be changed by the Council at any time without the consent of Account Owners, thereby changing the investment objective of any Investment Portfolio, the Underlying Funds and the relative risks and rewards offered by such Investment Portfolio.

Each year AGI U.S., through the Program Manager, will recommend to the Council the asset allocations and specific Underlying Funds for each Investment Portfolio for the upcoming year. The Council may revise the percentage allocations and/or the Underlying Funds of any Investment Portfolio based on the recommendations of AGI U.S. or the Program Manager or other factors it deems appropriate.

Account Owners and Designated Beneficiaries will not have the right, directly or indirectly, to exercise any voting rights with respect to the shares of Underlying Funds.

For so long as Allianz Global Investors Distributors LLC serves as Program Manager, the assets invested in certain of the Investment Portfolios may be invested primarily or exclusively in mutual funds sponsored by Allianz Global Investors Distributors LLC or one of its affiliates. Expenses of such mutual funds include the fund's investment advisory (and administrative) fees, which are paid to an affiliate of Allianz Global Investors Distributors LLC.

Certain fees or commissions, including distribution fees, that the Program Manager receives in connection with purchases by the Investment Portfolios of shares of Underlying Funds that are not sponsored by the Program Manager or its affiliates, will be remitted by the Program Manager pro-rata to the Investment Portfolios that purchased shares of the Underlying Funds which generated such fees or commissions.

The Program is designed to facilitate tax-advantaged savings for the qualified higher education expenses of a Designated Beneficiary. However, as is the case with most investment products, there are various risks associated with an investment in the Program. You may wish to consult a financial advisor before investing in the Program or determining what the most appropriate Investment Portfolios may be and how to integrate your investment in the Program with your overall college savings strategy for your Designated Beneficiary.

Risk Factors

PROGRAM RISKS

Management Risks. The risk that the asset allocation strategy for an Investment Portfolio approved by the Council and/or the mutual funds which are selected for the Investment Policy applicable to an Investment Portfolio may fail to produce the intended results. Management risks include the risk that AGI U.S. will make less than optimal or poor asset allocation recommendations and/or will make less than optimal or poor decisions in recommending the Underlying Funds in which an Investment Portfolio invests. AGI U.S. applies its investment techniques in selecting the asset classes and Underlying Funds that it believes will be consistent with the investment objectives of each Investment Portfolio, but there is no guarantee that AGI U.S.'s allocation techniques will produce the desired results. It is possible that AGI U.S. will allocate all or a portion of the assets of an Investment Portfolio to asset classes or Underlying Fund(s) that perform poorly or underperform other investments having similar investment strategies under various market conditions.

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No Guarantees. None of an Account, amounts contributed to an Account, the investment return, if any, on an Account, and the future value of an Account and investments under the Program are insured or guaranteed by the United States, the State of South Dakota, the Council, the Trust, any other state or federal governmental agency, the Program Manager, or any of their affiliates, members, officers or employees, any agent or representative retained in connection with the Program, or any other person.

None of these entities or persons has any legal or moral obligation to ensure the ultimate return of any contribution to an Account or that there will be any investment earnings, or a particular rate of investment return, with respect to any Account. You could lose money (including amounts contributed to your Account), or not make money, if you participate in the Program.

Investment Risks. Contributions made to an Account will be allocated to one or more selected Investment Portfolios, which will in turn be invested in one or more Underlying Funds. As a result, contributions made to an Account are subject to the risks associated with the applicable Underlying Funds in which that Investment Portfolio invests. These investment risks include management risks, market risk and interest rate risk, among others, and are described under the heading "Underlying Fund Risks" in the Investment Portfolios Addendum. **The value of an Account may increase or decrease based on the investment performance of the Underlying Funds in which the applicable Investment Portfolios invest. The value of an Account may be more or less than the aggregate amount contributed to the Account. Account Owners may lose money (including amounts contributed to an Account) or may not make money.** If the Underlying Funds in which an Investment Portfolio invests, or the allocation amount the Underlying Funds change in the future, the risks associated with investing in that Investment Portfolio will also change.

Suitability of Program for Account Owner. An investment in the Program will not be an appropriate investment for all investors. Some Investment Portfolios entail more risk than other Investment Portfolios and may not be suitable for all Account Owners, or for the entire balance of the Account. This is particularly true for Individual Investment Portfolios which are invested in a single underlying mutual fund. No Individual Investment Portfolio 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 and circumstances, as well as an Account Owner's determination (after consulting with his or her advisors and consultants) of the Account Owner's own risk tolerance, including the ability to withstand losses.

You should evaluate the Program, the investment option you select, and the Investment Portfolios in the context of your overall financial situation, investment goals, tax status, other resources and needs (such as liquidity) and other investments, including other college savings strategies. While there is no guarantee that the Program 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 Program to seek to achieve the investment result that is appropriate for you. Because neither the Council nor the Program Manager are providing you any recommendations on any investments in the Program, you are urged to consult a financial advisor if you are unsure whether or how much to invest in the Program or which Investment Portfolios are suitable for you.

Limitations on Contributions to Accounts. As set forth under the heading "OPENING AND MAINTAINING YOUR ACCOUNT — Maximum Balance Limit," the Council has established a limit on the aggregate balance that can be held in any Account(s) established on behalf of a particular Designated Beneficiary. This limit is referred to as the Maximum Balance Limit. However, even if the aggregate value of all Accounts established for a Designated Beneficiary under the Program equals or exceeds the Maximum Balance Limit, such Account balance may not be sufficient to fund all of the qualified higher education expenses of that Designated Beneficiary.

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

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

Lack of Control by Account Owners. Account Owners are not permitted to exercise control with respect to the asset allocation or Underlying Funds for the Investment Portfolio to which the Account is assigned. Once an Investment Portfolio has been selected for a particular contribution, Account Owners may only change the investment allocation twice per calendar year, or at any time in connection with a change in the Designated Beneficiary. In addition, the asset allocation and Underlying Funds may be changed from time to time without Account Owners' consent.

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Federal Tax Consequences. Participation in tuition savings plans, such as the Program, could have significant federal and state tax consequences for Account Owners. For example, if withdrawals from an Account are not used to pay the qualified higher educational expenses of the Account's Designated Beneficiary, the earnings portion of non-qualifying withdrawals will be taxed at the ordinary income rate of Account Owner or Designated Beneficiary, and may be subject to the federal 10% additional tax. Account Owners are solely responsible for ascertaining their compliance with federal and state tax laws; neither the Program Manager nor the Council will do so on their behalf. Account Owners should consult with their tax advisors regarding participation in the Program.

Depending on the performance of the Investment Portfolios in which the Account is invested, the balance of an Account could significantly exceed the amount necessary to fund the qualified higher education expenses of a Designated Beneficiary. In such a situation, the Account Owner has only limited options to avoid a significant federal income tax on the withdrawal of the remaining Account balance, such as designating a family member of the current Designated Beneficiary as the new Designated Beneficiary. The tax penalties imposed in connection with non-qualified withdrawal could significantly reduce the options that are available to you in connection with the use of funds in the Account. See "TAX INFORMATION" for important additional information.

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

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

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

Uncertainty of Treatment for Financial Aid Purposes. Being the Account Owner or Designated Beneficiary of an Account may adversely affect eligibility for financial aid. The Program has not sought guidance from the U.S. Department of Education on the impact of the Program on eligibility for federal financial aid. Account assets will be considered (i) assets of a student's parent, if the student is a dependent student and the owner of the account is the parent or the student, or (ii) assets of the student, if the student is the owner of the account and not a dependent student. In addition, the treatment of Section 529 qualified tuition programs may differ substantially from the federal treatment above with respect to financial aid programs offered by educational institutions, states, and other non-federal sources. You should consult with your own financial aid advisor (and/or the educational institution, state, or other non-federal source offering a particular financial aid program) for further information based on your particular circumstances. Neither the Council, the Program, nor the Program Manager can be responsible for determining how an Account may affect any person's eligibility for financial aid.

No Guarantee of Performance. The Program commenced operations in April 2002 and certain Investment Portfolios commenced operation subsequent to that date. Past performance information for the Investment Portfolios should not be viewed as a prediction of future performance of any particular Investment Portfolio or Underlying Fund. Moreover, in view of past and possible future revisions of allocation percentages and changes in the applicable Underlying Funds, the future investment results of any Investment Portfolio cannot be expected, for any period, to be similar to the past performance of that or any other Investment Portfolio.

Varying Investment Results. As with any investment, the return an Account Owner can expect from participation in the Program will vary depending on circumstances. Past performance of an Investment Portfolio is no guarantee or indication of future results for that Investment Portfolio or the Underlying Fund(s) in which it invests. In addition, if an Account Owner selects the Age-Based Investment Portfolios, the applicable investment return is expected to change over time as Units of the relatively more aggressive Age-Based Investment Portfolios are redeemed by the Program Manager and used to purchase Units of relatively more conservative Age-Based Investment Portfolios. See "INVESTMENT PORTFOLIOS — Choosing Investment Portfolios."

Changes to Portfolios, Asset Allocations and Underlying Funds. The Council may change the Investment Policy, the asset allocation of an Investment Portfolio, add, terminate or change the Underlying Funds in which an Investment Portfolio invests, merge Investment Portfolios, cease accepting contributions to Investment Portfolios, create additional Investment Portfolios, or terminate Investment Portfolios, all without regard to prior Account Owner selections and without Account Owner consent. If the Council does any of the foregoing, the risks, benefits and expenses associated with participating in the Program may change as a result of such action. See "Underlying Fund Risks" in the Investment Portfolios Addendum. The Council is not obligated to circulate any notice or to update this Plan Disclosure Statement in connection with any such change, but may do so if such change is determined by the Council to be material. See "REPORTING AND OTHER MATTERS." If the Investment Policy, asset allocations or Underlying Funds change during the term of your Account, you may choose to withdraw the assets in your Account, but the earnings you withdraw may be subject to federal income tax and an additional federal income tax penalty of 10%. See "TAX INFORMATION."

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

Termination of the Program Management Agreement and Changes in Program Manager. A new program manager may be appointed either upon expiration of the initial term of the Program Management Agreement (defined below) or earlier in the event the Program Manager or the Council terminates the Program Management Agreement prior to the end of the initial term. See "About the Program Manager — Term of the Council's Contract with Allianz Global Investors Distributors LLC." In such case, the fee and compensation structure of the new program manager may be higher or lower than the fee and compensation structure currently in effect for the Program Manager. In addition, a successor program manager may achieve better or worse investment results for any Investment Portfolio than might have been achieved by the Program Manager.

No Guarantees With Respect to Eligible Educational Institution. Participation in the Program does not guarantee that any Designated Beneficiary: (i) will be accepted as a student by any eligible educational institution; (ii) if accepted, will be permitted to continue as a student; (iii) will be treated as a state resident of any state for tuition or financial aid purposes; (iv) will graduate from any eligible educational institution; or (v) will achieve any particular treatment under applicable state or federal financial aid programs.

Potential Program Enhancements. The Council may offer enhancements to the Program, including additional investment options, after an Account has been established. Account Owners who have established an Account before a Program enhancement has been made available may be precluded from participating in any such Program enhancement with respect to that Account, unless such participation is permitted under Section 529.

No Recommendation by Program Manager, AGI U.S. or Council. Neither the Program Manager nor AGI U.S. nor the Council is recommending any specific Investment Portfolio for any particular Account Owner. The determinations of whether to invest, how much to invest and in which Investment Portfolios, is solely the decision of the Account Owner. An Account Owner should seek the advice of his or her Advisor in choosing to invest in the Program and in selecting any specific Investment Portfolio.

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The South Dakota Investment Council and the Trust

The Council is responsible under South Dakota statute for administering the investment of certain state funds. Pursuant to legislation that became effective on July 1, 2001 (the “Act”), the Council was authorized to establish and administer the Program. The Council consists of eight voting members. Five of these members are appointed to serve five-year terms by the executive board of the state’s legislative research council which consists of fifteen state representatives and senators. The state treasurer, the commissioner of school and public lands, and a representative of the board of trustees of the state’s employee retirement system each serve as an ex officio member of the Council. By statute, members of the Council are required to be qualified in the fields of investment or finance. No more than four of the Council’s appointed members may be members of the same political party, and no more than three members of the Council may hold public office at any time. Pursuant to the Act, the Council has established the Trust, which holds Program assets. The Council serves as Trustee of the Trust.

About the Program Manager and AGI U.S.

Allianz Global Investors Distributors LLC, based in New York, NY, is a leading distributor and service provider to mutual funds and other investment vehicles.

Allianz Global Investors U.S. LLC, a registered investment adviser, provides services to the Program as delegated by the Program Manager, including making recommendations to the Council concerning the allocation of the assets under each Investment Portfolio. Allianz Global Investors U.S. LLC provides investment management and advisory services to mutual funds and to private accounts of institutional and individual clients. Allianz Global Investors Distributors LLC, Allianz Global Investors U.S. LLC are indirect subsidiaries of Allianz Global Investors of America L.P. (“Allianz”).

The Council has retained Allianz Global Investors Distributors LLC to serve as Program Manager and the distributor for the Program. Allianz Global Investors Distributors LLC will be responsible for the marketing of the Program, including the offering and sales of interests in the Program offered under this Plan Disclosure Statement. Allianz Global Investors Distributors LLC is a registered broker-dealer and municipal securities dealer, and is the distributor for the Allianz mutual fund families. The Program Manager will offer interests in the Program through financial intermediaries such as broker-dealers and other financial institutions (the “Selling Institutions”). The Selling Institutions are not affiliated with Allianz Global Investors Distributors LLC, but may have other contractual arrangements with Allianz Global Investors Distributors LLC, including arrangements for the distribution of funds within the Allianz Funds family or its affiliates and other mutual funds and products sponsored by Allianz Global Investors Distributors LLC that are not related to the Program and are not directly offered under this Plan Disclosure Statement.

Allianz Global Investors Distributors LLC, in its capacity as program manager for the Program, has contracted with BFDS, Inc. and State Street Bank and Trust Company to provide record-keeping and other administrative services and custodial services, respectively, to the Program.

TERM OF THE COUNCIL’S CONTRACT WITH THE PROGRAM MANAGER

Allianz Global Investors Distributors LLC has been selected by the Council to provide the services described above pursuant to a Program Management Agreement (the “Program Management Agreement”) between the Council and Allianz Global Investors Distributors LLC dated as of December 11, 2007, as amended. The term of the Program Management Agreement expires December 1, 2021. The initial term may be renewed by the parties, subject to the terms of the Program Management Agreement. The Council and Allianz Global Investors Distributors LLC each have the right to terminate the Program Management Agreement under certain circumstances. The Investment Policy may be amended from time to time by the Council, including after the termination of the Program Management Agreement, and there is no assurance that, if Allianz Global Investors Distributors LLC ceases to be program manager for the Program, the Investment Portfolios would continue to invest in the same Underlying Funds. Account Owners and Designated Beneficiaries do not have a role in the selection or retention of Allianz Global Investors Distributors LLC or any other program manager, investment manager or service provider for the Program.

Program Fees and Expenses

UNDERLYING MUTUAL FUND EXPENSES; INVESTMENT PORTFOLIO EXPENSES

Underlying Fund Expenses

Each Account will indirectly bear the expenses applicable to the Underlying Funds in which each of the Investment Portfolios invests. An Underlying Fund’s expense ratio measures the total annual operating expenses of the Underlying Fund as a percentage of its average daily net assets. An Underlying Fund’s operating expenses are expenses deducted from the Underlying Fund’s assets, and may include, as applicable to each Underlying Fund, advisory fees paid to the Underlying Fund’s investment adviser, distribution (12b-1) fees, taxes (including issue and transfer taxes), fees and expenses of securities registration, expenses of printing and distributing reports to shareholders and fees paid to the Underlying Fund’s other service providers (such as its custodian, transfer agent, administrator or fund accountant, auditors and attorneys), and interest expense (interest expense is based

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on the amounts incurred during the Fund's most recent fiscal year as a result of entering into certain investments, such as reverse repurchase agreements). Interest expense (as described in the preceding sentence) is required to be treated as an expense of the Fund for accounting purposes, but the amount of interest expense (if any) will vary with the Fund's use of those investments (like reverse repurchase agreements) as an investment strategy).

For Allianz Underlying Funds, an affiliate of Allianz Global Investors Distributors LLC receives investment advisory (investment management and/or administrative) fees. Certain fees or commissions, including distribution fees, that the Program Manager receives in connection with purchases by the Investment Portfolios of shares of Underlying Funds that are not sponsored by the Program Manager or its affiliates, will be remitted by the Program Manager pro-rata to the Investment Portfolios that purchased shares of the Underlying Funds which generated such fees or commissions.

Individual Underlying Fund Expense Ratios. The table below provides the total annual operating expense ratios of the class of each of the Underlying Funds in which the Investment Portfolios expect to invest, as reported in the most recent Prospectus of each Underlying Fund available prior to the date of the Plan Disclosure Statement. The expense ratios in the table below take into account any applicable expense limitations and waivers or reimbursements of expenses by the Underlying Fund's service providers which may be changed or eliminated after the date of the information used to calculate the expenses described in this Program Description.

Underlying Fund Name	Ticker Symbol	Class	Total Annual Fund Operating Expenses
AllianzGI Best Styles Global Equity Fund	AGERX	R6	0.40%
AllianzGI Global Allocation Fund	AGASX	R6	0.73%
AllianzGI Short Duration High Income Fund	ASHIX	Institutional	0.59%
DFA Commodity Strategy Portfolio	DCMSX	Institutional	0.34%
Dodge & Cox International Stock Fund	DODFX	Institutional	0.64%
Dreyfus/The Boston Company Small/Mid-Cap Growth Fund	SDSCX	Institutional	0.79%
Metropolitan West Total Return Bond Fund	MWTSX	P	0.39%
Morgan Stanley Instl. Emerging Markets Portfolio	MGEMX	Institutional	1.24%
PIMCO All Asset Fund	PAAIX	Institutional	0.88%
PIMCO Income Fund	PIMIX	Institutional	0.45%
PIMCO Real Return Fund	PRRIX	Institutional	0.50%
PIMCO Short Asset Investment Fund	PAIDX	Institutional	0.26%
TIAA-CREF S&P 500 Index Fund	TISPX	Institutional	0.06%
Voya Global Real Estate Fund	IGLIX	Institutional	0.98%

Investment Portfolio Expenses

The following table presents the estimated approximate total expense ratio of each Investment Portfolio as of March 31, 2016. Each Investment Portfolio's total annual operating expense ratio was calculated by aggregating the historical annual operating expense ratios set forth above for the individual Underlying Funds included in that Investment Portfolio, weighted by the percentage allocation for each Underlying Fund in the Investment Portfolio. The annual operating expenses for each Underlying Fund are set forth above, and target asset allocations are set forth in the Addendum.

The total expense ratio of each Investment Portfolio was then calculated by aggregating the total annual operating expense and the Program's management fee, servicing and administrative fee, and any applicable distribution fee.

The expense ratios given in the following table do not reflect all of the expenses allocated to the Investment Portfolios, nor are such ratios necessarily indicative of future expense ratios for the Underlying Funds or the Investment Portfolios.

Furthermore, the expense ratios given below are based solely on historical (or, where noted, estimated) expenses of the Underlying Funds and may not represent the actual expenses of the Underlying Funds in the future, which may increase or decrease from time to time. The expense ratios of the Underlying Funds may vary from the historical expense ratios shown below due, among other things, to increases or decreases in the Underlying Fund's asset size (which in turn will be affected by contributions, redemptions and the Underlying Fund's investment performance), the imposition or lifting of applicable expense limitations and waivers or reimbursements by the Underlying Fund's service providers of certain expenses.

Finally, the total expense ratio for each Investment Portfolio may vary depending on fluctuations in the allocation of the assets of the Investment Portfolio among, and changes in, the relevant Underlying Funds. **Accordingly, there may be a significant difference between an Investment Portfolio's total expense ratio and the weighted average expense ratio of the Underlying Fund or Underlying Funds in which the Investment Portfolio invests.**

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CLASS SD-D UNITS Investment Portfolio	Estimated Underlying Fund Expenses[1]	Program Management Fee[2]	Servicing & Administrative Fee[3]	Distribution Fee[4]	Total Annual Asset Based Fee[5]	Maximum Sales Charge[6]	Annual Maintenance Fee[7]
Age-Based 0 – 6 (Aggressive Growth)	0.51%	0.00%	0.00%	0.00%	0.51%	0.00%	$0
Age-Based 7 – 10 (Growth)	0.53%	0.00%	0.00%	0.00%	0.53%	0.00%	$0
Age-Based 11 – 14 (Growth & Income)	0.51%	0.00%	0.00%	0.00%	0.51%	0.00%	$0
Age-Based 15 – 17 (Income)	0.49%	0.00%	0.00%	0.00%	0.49%	0.00%	$0
Age-Based 18+ (Capital Preservation)	0.42%	0.00%	0.00%	0.00%	0.42%	0.00%	$0
Diversified Bond	0.45%	0.00%	0.00%	0.00%	0.45%	0.00%	$0
PIMCO All Asset	0.88%	0.00%	0.00%	0.00%	0.88%	0.00%	$0
PIMCO Real Return	0.50%	0.00%	0.00%	0.00%	0.50%	0.00%	$0

1. The total annual operating expenses of the Underlying Funds were calculated based on the fiscal year information reported in the most recent Prospectus of each Underlying Fund available prior to the date of this Plan Disclosure Statement. Certain fees or commissions, including Rule 12b-1 fees, that the Program Manager receives in connection with purchases by the Investment Portfolios of shares of Underlying Funds that are not sponsored by the Program Manager or its affiliates, will be remitted by the Program Manager pro-rata to the Investment Portfolios that purchased shares of the Underlying Funds which generated such fees or commissions. For Investment Portfolios invested in multiple underlying funds, such estimated expense is a weighted average of the underlying funds' expense ratios, in accordance with such Portfolio's allocation among such funds. The expense ratios of the Underlying Funds take into account any applicable expense limitations and waivers or reimbursements of expenses by the Underlying Fund's service providers, which may be changed or eliminated after the date of the information used to calculate the expenses described in this Program Description.
2. The Program Management Fee for Class SD-D is waived.
3. The Servicing and Administrative Fee does not apply to Class SD-D Units.
4. The Distribution Fee does not apply to Class SD-D Units.
5. The Program Manager is currently reimbursing the Investment Portfolio to the extent that the Total Annual Operating Expense Ratio for the Investment Portfolio exceeds 0.65%. Interest expense incurred by the Portfolios is not included in the 0.65% expense cap. For additional information surrounding interest expense, please refer to the paragraph under the heading "UNDERLYING MUTUAL FUND EXPENSES; INVESTMENT PORTFOLIO EXPENSES" Located within this section.
This arrangement may be modified at any time without notice to Account Owners, which would increase the costs applicable to an investment in the Investment Portfolio.
6. The Sales Charge does not apply to Class SD-D Units.
7. The Annual Maintenance Fee is waived for Accounts in which the Account Owner or Designated Beneficiary is a resident of South Dakota, and under other circumstances. See "FEES PAYABLE BY ACCOUNT OWNERS," for more details.

Examples. The following Examples are intended to help you compare the cost of investing in Class SD-D Units of the various Investment Portfolios with the costs of investing in other 529 plans.

The Examples assume: (i) you invest $10,000 in the noted class of Units for the time periods indicated, (ii) your investment has a 5% return each year, (iii) the Investment Portfolio's operating expenses remain the same (including the operating expenses of the underlying funds), (iv) all Units redeemed are used to pay Qualified Higher Education Expenses (the table does not consider the impact of any potential state or federal taxes on the redemption), (v) expenses do not include the annual Account Maintenance Fee of $20, because that Fee is waived for accounts in which the Account Owner or Designated Beneficiary is a resident of South Dakota, and (vi) expenses do not include the maximum initial Sales Charge, because the Sales Charge does not apply to Class SD-D Units. Although your actual costs may be higher or lower, the Examples show what your costs would be based on these assumptions.

CLASS SD-D Investment Portfolio	Example: Assuming you redeem your Units at the end of: Year 1	Year 3	Year 5	Year 10	Example: Assuming you do not redeem your Units: Year 1	Year 3	Year 5	Year 10
Age-Based 0 – 6 (Aggressive Growth)	$52	$164	$285	$640	$52	$164	$285	$640
Age-Based 7 – 10 (Growth)	$54	$170	$296	$665	$54	$170	$296	$665
Age-Based 11 – 14 (Growth & Income)	$52	$164	$285	$640	$52	$164	$285	$640
Age-Based 15 – 17 (Income)	$50	$157	$274	$616	$50	$157	$274	$616
Age-Based 18+ (Capital Preservation)	$43	$135	$235	$530	$43	$135	$235	$530
Diversified Bond	$46	$144	$252	$567	$46	$144	$252	$567
PIMCO All Asset	$90	$281	$488	$1,084	$90	$281	$88	$1,084
PIMCO Real Return	$51	$160	$280	$628	$51	$160	$280	$628

Program Unit Value; Contributions and Withdrawals of Program Units

The value of your Account shall be determined by reference to the Net Asset Value of the Units in the Investment Portfolios held by your Account. "Net Asset Value" means the value of a Unit of an Investment Portfolio determined by dividing the aggregate of the fair value of the shares of each Underlying Fund held by such Investment Portfolio, plus any receivables and other assets of such Investment Portfolio and less any liabilities (such as costs of legal, audit and printing services, among other expenses, which expenses are not included in the expenses identified below as "Program Expenses") of such Investment Portfolio by the number of outstanding Units of such Investment Portfolio. For this purpose, the "fair value" of shares of each Underlying Fund shall be its applicable Net Asset Value. The Program Manager shall determine the Net Asset Value of each Investment Portfolio, as of 3:00 p.m. Central Time, on each day that the NYSE is open for regular trading. The costs of audit services referred to above includes reimbursement by the Trust to the Program Manager for the costs incurred by the Program Manager for the Trust's annual audit by an external auditor.

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

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

Tax Information

The following discussion is a summary of certain aspects of federal and state income taxation and federal estate, gift and generation skipping transfer taxation relating to contributions to and withdrawals from Section 529 programs. The federal and state tax consequences associated with an investment in the Program are complex and a taxpayer should consult his or her financial, tax or other advisors regarding the application of the pertinent tax rules to his or her particular circumstances.

The federal tax benefits and related tax implications of an investment in the Program described in this Plan Disclosure Statement depend on qualification of the Program as a qualified tuition program within the meaning of Section 529. Section 529 sets forth numerous requirements that must be satisfied by the Program in order to qualify. The U.S. Department of Treasury has issued proposed regulations under Section 529 (the "Proposed Regulations"), but has not yet issued final regulations there under. However, the Proposed Regulations do not reflect changes made to Section 529 or other guidance issued by the IRS since their promulgation. Additionally, federal and state law, regulations, other administrative guidance and court decisions concerning Section 529 plans could change in the future, and the Program may need to be modified in response to such changes, to ensure continued compliance with Section 529. Because the Proposed Regulations do not reflect changes to Section 529 after their promulgation, it is likely that the final regulations, when issued, will differ from the Proposed Regulations.

Neither the Council nor the Program Manager has obtained a private letter ruling from the IRS to the effect that the Program qualifies as a qualified tuition program under Section 529 or confirming the tax implications of an investment in the Program as described in this Plan Disclosure Statement. Although the Council has requested such a private letter ruling, the IRS announced in 2006 that it will not issue letter rulings as to whether state-run tuition programs (such as the Program) qualify as such under Section 529, at least until final regulations under Section 529 are issued.

The tax rules applicable to the Program are complex, have not been finalized and are in some respects open to different interpretations. The discussion below is based on the Council's current understanding of Section 529, including such guidance as has been provided by the Proposed Regulations and by other Treasury and IRS announcements. However, neither the Council nor the Program Manager makes any guarantee, warranty, or other representation as to the federal or state income tax, gift tax, estate tax, or generation-skipping transfer tax treatment or consequences of any Account, contribution, distribution, or other Account transaction or disposition, and nothing in this Plan Disclosure Statement is intended or shall be interpreted as tax advice. For the risks associated with the tax treatment of investments in the Program, see "RISK FACTORS — Program Risks." The application of the governing tax rules to any particular person may vary according to facts and circumstances specific to that person. A qualified tax advisor should be consulted about how the laws apply to a particular Account Owner, contributor, or Designated Beneficiary.

FEDERAL TAX TREATMENT

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

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

A contribution to an Account for a specific Designated Beneficiary must be rejected to the extent that the amount of the contribution would cause the aggregate amount held in Accounts for that Designated Beneficiary (regardless of Account Owner) to exceed the Maximum Balance Limit discussed under "OPENING AND MAINTAINING YOUR ACCOUNT — Maximum Balance Limit." This limitation on contributions is intended to comply with the federal tax law requirement that the Program have adequate safeguards to prevent contributions to an Account in excess of those necessary to provide for the reasonably anticipated qualified higher education expenses of the Designated Beneficiary of the Account. For purposes of this limit, amounts on deposit in all Accounts established under the Program for the same Designated Beneficiary are taken into account, including (i) Accounts established by another Account Owner and (ii) Additional South Dakota Investment Portfolios (that is, accounts established under certain Investment Portfolios provided by the Council that are not offered under this Plan Disclosure Statement but which are considered part of the same "program" for federal tax purposes, as discussed above under "OPENING AND MAINTAINING YOUR ACCOUNT — Maximum Balance Limit"). While not expected, it is possible (i) that under federal law, a lower limit on the aggregate balance of Accounts for the same Designated Beneficiary might be applicable under certain circumstances and (ii) that a portion of an Account may need to be refunded for the Program to comply with new limits required by federal law with the earnings component of such refund possibly being subject to income tax and the federal 10% additional tax as a Non-Qualified Distribution (defined on the following page).

In connection with a contribution to an Account, the contributor must indicate whether the contribution constitutes a rollover contribution from a Coverdell education savings account, a qualified U.S. Savings Bond (as described in Section 135(c)(2)(C) of the Code) or another qualified tuition program. In the case of any rollover contribution, the Program Manager must receive the following documentation showing the earnings portion of the rollover contribution: (i) in the case of a rollover contribution from a Coverdell education savings account, the Program Manager must receive an account statement issued by the financial institution that acted as trustee or custodian of the education savings account that shows basis and earnings in the account; (ii) in the case of a rollover contribution from the redemption of U.S. Savings Bonds, the Program Manager must receive an account statement or Form 1099-INT issued by the financial institution that redeemed the bonds showing interest from redemption of the bonds; and (iii) in the case of a rollover contribution from another qualified tuition program, the Program Manager must receive a statement issued by the distributing qualified tuition program that shows the earnings portion of the distribution. To the extent such documentation is not provided, the Program will treat the entire amount of the rollover contribution as earnings.

Contributions can be made to an Account under the Program and to a Coverdell education savings account for the same Designated Beneficiary in the same year (subject to the income limitations applicable for contributors to Coverdell education savings accounts).

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

Characterization of Distribution. A distribution from an Account is a "Qualified Distribution" to the extent that it is used to pay the qualified higher education expenses of the Designated Beneficiary of the Account. Any other distribution is a "Non-Qualified Distribution," except to the extent that it is (i) made to a beneficiary of (or the estate of) the Designated Beneficiary on or after the death of the Designated Beneficiary, (ii) attributable to the disability of the Designated Beneficiary, (iii) made on account of the Designated Beneficiary's receipt of a qualified scholarship (which may include certain tax-exempt allowances and similar payments) equal to or exceeding the amount of the distribution, or (iv) made on account of the Designated Beneficiary's attendance at a U.S. military academy, to the extent that the costs of advanced education attributable to such attendance are equal to or exceed the amount of the distribution.

Taxation of Distributions. Pursuant to federal income tax reporting requirements, any distribution made payable to the Designated Beneficiary or to an eligible educational institution for the benefit of the Designated Beneficiary will be reported as a distribution to the Designated Beneficiary, while any other distribution will be reported as a distribution to Account Owner (regardless of whether payable to Account Owner or a third party).

Qualified Distributions will not be subject to federal income tax. As to all other distributions (whether in the case of a Non-Qualified Distribution or a distribution made on account of the Designated Beneficiary's death, disability, receipt of a qualified scholarship, or attendance at a U.S. military academy), the earnings portion of such distribution will be includable in the gross income of Account Owner or Designated Beneficiary to whom the distribution is reported as being made as described above.

In addition, the earnings portion of a Non-Qualified Distribution will also be subject to a federal 10% additional tax (except that the 10% additional tax will not apply to a Non-Qualified Distribution which would have been a Qualified Distribution but for the taxpayer's election to use the underlying expense as the basis for claiming a HOPE Scholarship Credit (also known as an American Opportunity Tax Credit) or a Lifetime Learning Credit (together, the "Education Tax Credits", or scholarship exclusion).

As discussed below, a Rollover Distribution will not be subject to federal income tax or the 10% additional tax on account of such distribution.

Coordination with Other Federal Tax Incentives. Some expenses which would otherwise be qualified higher education expenses of a Designated Beneficiary may also be available as the basis for a credit against the federal income tax liability of that Designated Beneficiary (or another person who can claim that Designated Beneficiary as a dependent), under the federal income tax provisions governing the Education Tax Credits. However, any expenses used as the basis for such a credit may not be considered qualified higher education expenses for purposes of the preferential tax treatment of distributions under Section 529. Thus, to the extent that a distribution is used to pay expenses for which an Education Tax Credit is claimed, such distribution will constitute a Non-Qualified Distribution subject to federal income tax on the earnings portion of the distribution (although the federal 10% additional tax on earnings will not apply to expenses which would be qualified higher education expenses if not used as the basis for the credit). Other distributions received and used in the same year to pay other qualified higher educational expenses of the Designated Beneficiary which are not used as the basis for the credit will continue to be treated as Qualified Distributions for purposes of Section 529.

A taxpayer may claim an Education Tax Credit and receive a distribution to pay qualified higher education expenses from the Program in the same year, so long as the distribution is not used to pay for the same expenses for which the credit is claimed. To the extent that a distribution is used to pay the same expenses for which an Education Tax Credit is claimed, such distribution shall constitute a Non-Qualified Distribution subject to federal income tax (but not the federal 10% additional tax) on the earnings portion of the distribution.

For example, assume that the Designated Beneficiary of an Account incurs $2,000 of qualified higher education expenses in 2016, and receives a distribution of $2,000 from the Account in 2016, $200 of which is earnings. However, assume that the Designated Beneficiary is eligible to claim the HOPE Scholarship Credit (also known as the American Opportunity Tax Credit through 2017) with respect to $1,000 of the higher education expenses incurred in 2016. If the credit is claimed for those expenses, such expenses will not constitute qualified higher education expenses for purposes of Section 529, and the $2,000 distribution from the Account will then exceed the Designated Beneficiary's qualified higher education expenses by the amount of the expenses for which the HOPE Scholarship Credit was claimed (that is, $1,000). Accordingly, a portion of this excess amount of the distribution would be subject to federal income tax (although it would not be subject to the federal 10% additional tax). The portion of the excess amount subject to federal income tax would be equal to the earnings portion of the entire withdrawal reduced by an amount that bears the same ratio to such earnings as the qualified higher education expenses bear to the amount of the withdrawal. Because the qualified higher education expenses are one-half of the withdrawal, the amount of the taxable portion of the distribution would equal the amount of distributed earnings ($200) less one-half of the distributed earnings ($100), or $100.

To the extent that aggregate distributions from an Account for a Designated Beneficiary and distributions from a Coverdell education savings account for the same Designated Beneficiary in the same year exceed the amount of qualified higher education expenses for the Designated Beneficiary for the year, the qualified higher education expenses must be allocated among such distributions for purposes of determining the amount of the distributions that are not subject to federal income tax. For example, assume that both an Account and a Coverdell education savings account are maintained for a particular Designated Beneficiary. During 2016, the Designated Beneficiary incurs $1,000 of qualified higher education expenses and receives distributions of $1,000 from the Account and $1,000 from the Coverdell education savings account (that is, an aggregate of $2,000). The $1,000 of qualified higher education expenses must be allocated between the Account and the Coverdell education savings account for purposes of determining the portion of each distribution that is not subject to federal income tax. Pending final regulations, this could be done by allocating all $1,000 of qualified higher education expenses to the distribution from either the Account or the Coverdell education savings account or by allocating $1,000 of qualified higher education expenses equally or unequally between the Account and the Coverdell education savings account.

Qualified Higher Education Expenses. Pursuant to Section 529 and the proposed regulations thereunder, qualified higher education expenses are defined to include tuition, fees, and the costs of books, supplies and equipment required for the enrollment or attendance of a Designated Beneficiary at an eligible educational institution, as well as computer or peripheral equipment, computer software, and Internet access and related services if such equipment, software, or services are used primarily by the Designated Beneficiary during any of the years enrolled at an eligible educational institution. Eligible educational institutions are generally defined under Section 529 as accredited post-secondary educational institutions 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 and post-secondary vocational institutions and certain institutions located in foreign countries are also eligible educational institutions. To be an eligible educational institution, the institution must be eligible to participate in U.S. Department of Education student aid programs.

Some room and board costs of a Designated Beneficiary incurred during an academic period while enrolled or accepted for enrollment in a degree, certificate or other program (including a program of study abroad approved for credit by the eligible educational institution) at an eligible educational institution at least half-time may also be considered qualified higher education expenses. A student will be considered to be enrolled at least half-time if the student is enrolled for at least half the full-time academic work-load for the course of study the student is pursuing as determined under the standards of the institution where the student is enrolled. The institution's standard for a full-time workload must equal or exceed a standard established by the U.S. Department of Education under the Higher Education Act of 1965, as amended. (The Designated Beneficiary need not be enrolled at least half-time for a qualified distribution to pay for expenses relating to tuition, fees, books, supplies, computer equipment and required equipment to be a Qualified Distribution.) Room and board expenses are limited to the current allowance for room and board determined by the eligible educational institution for federal financial aid purposes, or the actual invoice amount charged to the Designated Beneficiary by the institution, if greater. In addition, qualified higher education expenses also include expenses of a special needs beneficiary that are necessary in connection with his or her enrollment or attendance at an eligible educational institution. However, qualified higher education expenses are reduced to the extent that any such expenses are taken into account in claiming an Education Tax Credit.

Account Transfers, Rollover Distributions and Refunded Amounts. The earnings portion of a distribution from an Account will not be treated as taxable income of the recipient to the extent that, within 60 days of the distribution, the distribution is transferred to another Account in the Program or in another qualified tuition program, whether established by the same Account Owner or another Account Owner, as long as the Designated Beneficiary of the transferee Account is a new Designated Beneficiary who is a Member of the Family of the Designated Beneficiary of the Account from which the distribution was made. Such a transfer is sometimes referred to as a Rollover Distribution.

A Rollover Distribution may also be made between an Account in this Program and an account in another qualified tuition program established for the same Designated Beneficiary without federal income tax consequences, so long as such transfer does not occur within 12 months from the date of previous transfer to any qualified tuition program for the same Designated Beneficiary. The Additional South Dakota Investment Portfolios are not considered "another qualified tuition program" for purposes of these rules, and any transfer between the Program and the Additional South Dakota Investment Portfolios is considered an investment reallocation (either with or without a change of beneficiary) for tax purposes and for purposes of the twice-per-calendar-year limitation on investment reallocations without a change of beneficiary.

An Account Owner may not change the Designated Beneficiary of an Account or make a rollover contribution to any other account under the South Dakota Higher Education Savings Plan (whether under the CollegeAccess 529 Plan or otherwise) to the extent that such change or rollover contribution would result in an aggregate balance of Accounts for a Designated Beneficiary (regardless of Account Owner) in excess of the Maximum Balance Limit then applicable.

If a Designated Beneficiary receives a refund of qualified higher education expenses from an eligible educational institution, the earnings portion of a distribution from an Account will not be treated as taxable income of the recipient if the distribution is recontributed to a qualified tuition program of which the Designated Beneficiary is a beneficiary within 60 days of the date of the refund, but only to the extent such recontribution does not exceed the refunded amount.

Member of the Family. The term "Member of the Family" with respect to a Designated Beneficiary is defined in Section 529. See "CHANGES TO AN ACCOUNT — Member of the Family" above.

Distributions on Account of Death, Disability, Scholarship or Attendance at U.S. Military Academy. A distribution from an Account (i) made to a beneficiary of (or to the estate of) the Designated Beneficiary on or after the death of the Designated Beneficiary, (ii) attributable to the disability of the Designated Beneficiary, (iii) made on account of the Designated Beneficiary's receipt of a qualified scholarship (which may include certain tax-exempt allowances and similar payments) equal to or exceeding the amount of the distribution, or (iv) made on account of the Designated Beneficiary's attendance at a U.S. military academy, to the extent that the costs of advanced education attributable to such attendance are equal to or exceed the amount of the distribution, will not be subject to the federal 10% additional tax on earnings that is generally applicable to Non-Qualified Distributions. The earnings portion of such a distribution will, however, be treated as taxable income of the recipient. For this purpose, a scholarship or tuition waiver also includes certain educational assistance allowances under federal law and certain payments for educational expenses or attributable to attendance at certain educational institutions that are exempt from federal income tax.

Federal Gift, Estate and Generation-Skipping Transfer Taxes. Contributions to the Program are generally considered completed gifts for federal transfer tax purposes and are, therefore, potentially subject to federal gift tax. Generally, if a contributor's contributions to Accounts for a Designated Beneficiary, together with all other gifts by the contributor to the Designated Beneficiary, are less than the "annual exclusion" amount of $14,000 per year (or $28,000 for a married couple electing to "split" gifts for gift tax purposes or making a gift of community property), no federal gift tax will be imposed on the contributor for gifts to the Designated Beneficiary during that year. In such case, the filing of a federal gift tax return will not be required with respect to gifts to the Designated Beneficiary (unless a split-gift election by spouses is necessary to qualify for the annual exclusion).

If a contributor's contributions to Accounts for a Designated Beneficiary in a single year exceed the annual exclusion amount of $14,000 (or $28,000 for a married couple electing to split gifts for gift tax purposes or making a gift of community property), the contributor may elect to treat up to $70,000 of the contribution (or $140,000 for a married couple electing to split gifts for gift tax purposes or making a gift of community property) as having been made ratably over a five-year period. Such an election must be made by filing a federal gift tax return.

In addition, under current law for 2016, each contributor generally has a $5,450,000 lifetime exemption that may be applied to gifts in excess of the $14,000 annual exclusion amount referred to above. Accordingly, while gift tax returns are required for gifts in excess of the $14,000 annual exclusion amount, no gift tax will be due until the applicable exemption amounts have been exhausted. A potential contributor should consult with his or her own tax advisor regarding current lifetime exemptions, gift tax filing requirements, and gift tax laws effective after 2016.

Amounts in an Account that were considered completed gifts by a contributor will not generally be included in the contributor's gross estate for federal estate tax purposes. However, if the contributor elects as described above to treat a contribution as being made over five calendar years (beginning with the year of contribution) and dies before the first day of the fifth calendar year, the portion of the contribution allocable to the remaining calendar years in the five-year period (not including the calendar year in which the contributor dies) would be includable in computing the contributor's gross estate for federal estate tax purposes. Amounts in an Account at the death of a Designated Beneficiary may be included in the Designated Beneficiary's gross estate for federal estate tax purposes.

A change of the Designated Beneficiary of an Account or a permissible transfer to an Account (or to an account in another qualified tuition program) for another Designated Beneficiary will potentially be subject to gift tax if the new Designated Beneficiary is of a younger generation than the Designated Beneficiary being replaced. In addition, if the new Designated Beneficiary is two or more generations below the Designated Beneficiary being replaced, the transfer may be subject to the generation-skipping transfer tax (discussed below). Under the proposed Treasury regulations, these taxes are imposed on the immediately preceding Designated Beneficiary. Account Owners should consult their own tax advisors for guidance when considering a change of Designated Beneficiary or a transfer to another Account, and should evaluate the potential gift tax implications to an existing Designated Beneficiary when considering such a change. Furthermore, Account Owners should consult their tax advisors regarding the potential applicability of income tax, gift tax or generation-skipping transfer tax as a result of the transfer of ownership of an Account to a new Account Owner during the lifetime of Account Owner, as this is not explicitly addressed by Section 529 or the proposed regulations there under.

Because contributions to an Account are treated as completed gifts for federal transfer tax purposes, a contributor may also need to evaluate the effect of the generation-skipping transfer tax. This tax may apply to contributions in excess of the amount that may be elected to be ratably spread over the above-referenced five-year period where the Designated Beneficiary is more than one generation younger than the generation of the contributor. Under current law for 2016, each taxpayer generally has a $5,450,000 generation-skipping transfer tax exemption that will be allocated to transfers that are subject to generation-skipping transfer tax unless certain elections are made. A potential contributor concerned about application of the generation-skipping transfer tax should consult with his or her own tax advisor.

STATE INCOME TAX TREATMENT

South Dakota does not have an income tax; therefore, Accounts are not subject to income tax in South Dakota. State tax treatment may differ based on the state or states in which you pay income taxes. You should consult with your tax advisor about any state or local taxes.

OTHER STATE PROGRAMS

All or most states offer college savings or prepaid tuition plans intended to be qualified tuition programs under Section 529. Depending on the laws of the home state of the investor or Designated Beneficiary, favorable tax treatment or other benefits offered by such home state with respect to qualified tuition programs may be available only for investments in such home state's program(s). Any state-based benefit offered with respect to a particular qualified tuition program should be one of many appropriately weighted factors to be considered in making an investment decision. Before investing in any qualified tuition program, an investor should consult with his or her financial, tax or other advisors to learn more about how state-based benefits (including any limitations) and other factors would apply to the investor's specific circumstances, and the investor also may wish to contact his or her home state's, or any other state's, qualified tuition program(s), to learn more about the features, benefits and limitations of such program(s). Neither the Program, the Trust, the Council nor the Program Manager has determined, or makes any representation as to, whether the Program is a suitable investment for any particular investor.

TAX REPORTS

The Program Manager will report distributions and other matters to the IRS, distributees and any other persons to the extent required by federal and state law. Under federal law, a separate return will be filed with the IRS by the Program Manager on behalf of the Program, reporting distributions from an Account to each distributee and including, among other information, the aggregate earnings portion of distributions during the calendar year to which the report pertains. By January 31 following each calendar year, each distributee will receive a copy of the

NOTICE: CollegeAccess 529 Plan accounts are not insured by any state, and neither the principal deposited nor any investment return is guaranteed by any state. Furthermore, the accounts are not insured, nor the principal or any investment return guaranteed by the federal government, the FDIC or any other federal agency.

return or a corresponding statement. Generally, the Designated Beneficiary of an Account is deemed the distributee of a particular distribution from the Account if the distribution is made (i) directly to the Designated Beneficiary or (ii) to an eligible educational institution for the benefit of the Designated Beneficiary. In all other cases, Account Owner will be deemed the distributee.

LACK OF CERTAINTY OF TAX CONSEQUENCES; FUTURE CHANGES IN LAW

Final regulations or other administrative guidance or court decisions might be issued which could adversely affect the federal tax consequences or requirements with respect to the Program or contributions to, or distributions from, Accounts. Congress could also amend Section 529 or other federal law, and the State of South Dakota could amend state law, in a manner that would materially change or eliminate the federal or state tax treatment described in this Plan Disclosure Statement. The Council intends to modify the Program within the constraints of applicable law as needed for the Program to meet the requirements of Section 529. Changes in the law governing the federal and state tax consequences described above might necessitate material changes to the Program for the anticipated tax consequences to apply.

In the event that the Program, as currently structured or as subsequently modified, does not meet the requirements of Section 529 for any reason, the tax consequences to Account Owners, contributors and Designated Beneficiaries would be uncertain. In such event, it is possible that Account Owners or Beneficiaries could be subject to various adverse tax consequences. Consultation with a tax advisor is recommended.

Reporting and Other Matters

ACCOUNT STATEMENTS AND REPORTS

Account Owners will be sent quarterly statements indicating:

- contributions allocated to each selected Investment Portfolio in an Account during the quarter;
- distributions made from assets invested under each selected Investment Portfolio in the Account during the quarter; and the total value of the Account at the end of the quarter.

Account Owners will also be provided with the following information each year:

- any change concerning the applicable Maximum Balance Limit; and
- other information required by law.

AUDITED FINANCIAL STATEMENTS

The annual audit report is prepared by an independent accountant in accordance with generally accepted accounting principles and will be available by request from the Program.

TAX WITHHOLDING

Under the proposed Treasury regulations, withdrawals from Accounts are not subject to backup withholding. No other federal income tax withholding currently applies to distributions from the Program.

CONTINUING DISCLOSURE

To comply with Rule 15c2-12(b)(5) under the Securities Exchange Act of 1934, as amended, the Council has executed a Continuing Disclosure Agreement with the Program Manager for the benefit of Account Owners. Under the Continuing Disclosure Agreement, the Council and the Program Manager have arranged to provide certain financial information and operating data (the "Annual Information") relating to the Program and notices of the occurrence of certain enumerated events set forth in the Continuing Disclosure Agreement. The Annual Information will be filed by or on behalf of the Council with each Nationally Recognized Municipal Securities Information Repository (the "NRMSIRS") and with a depository in South Dakota, if one then exists. Notices of certain enumerated events will be filed by or on behalf of the Council with the NRMSIRS or the Municipal Securities Rulemaking Board and with a depository in South Dakota, if one then exists.

Obtaining Additional Information

Other documents and reports, including prospectuses for any Underlying Fund, which are referenced in this Plan Disclosure Statement are also available, upon request, from the Program Manager.

Call toll-free, **1-866-529-7462**, or send your request in writing by regular mail to: **CollegeAccess 529 Plan, P.O. Box 55769, Boston, MA 02205-5769** or by overnight mail to: **CollegeAccess 529 Plan c/o Boston Financial Data Service, 30 Dan Road, Canton, MA 02021-2809**. You can also make requests by visiting our Web site at **www.collegeaccess529.com**.

NOTICE: CollegeAccess 529 Plan accounts are not insured by any state, and neither the principal deposited nor any investment return is guaranteed by any state. Furthermore, the accounts are not insured, nor the principal or any investment return guaranteed by the federal government, the FDIC or any other federal agency.

Investment Portfolios Addendum

This Addendum addresses in more detail the investment options you can choose in making contributions to an Account. In particular, this Addendum provides information about the historical investment performance and, as applicable, the anticipated asset allocations of the Investment Portfolios. Since each of the Investment Portfolios invests in one or more Underlying Funds, this Addendum also includes information about the Underlying Funds in which the Investment Portfolios currently invest, including recent expense ratios and relevant risk factors.

As noted in the Plan Disclosure Statement, the Council has the right to create additional Investment Portfolios, change the asset allocation and Underlying Funds of existing Investment Portfolios, merge, terminate or reorganize Investment Portfolios, or cease accepting new contributions to Investment Portfolios. Account Owners have no right to consent or object to such changes or any rights or legal interest in any investment made by the Program with contributions received. Without limiting the foregoing, Account Owners do not, by virtue of an investment in the Program, become shareholders of any Underlying Fund.

Since the Investment Portfolios (other than the Individual Investment Portfolios) each invest in a combination of Underlying Funds, the historical investment performance data set forth below cannot be considered indicative of the future performance of the Investment Portfolios.

Additional information regarding each of the Underlying Funds can be found in the Prospectuses, Statements of Additional Information and annual and semi-annual reports to shareholders of each Underlying Fund. Information on obtaining free copies of these documents, as well as other information about the Underlying Funds, can be found on the Program's Web site, **www.collegeaccess529.com**. In addition, you may call the Program Manager at **1-866-529-7462**, to request free copies by mail. These prospectuses are also available at the SEC's Web site, www.sec.gov.

The Plan Disclosure Statement (including this Investment Portfolios Addendum) shall not constitute an offer of shares in any of the Underlying Funds.

TARGET ALLOCATIONS

The following tables provide the current target asset class allocations applicable to both the Age-Based Investment Portfolios and the Static Investment Portfolio, as well as the Underlying Funds currently selected for investments to underlie each Investment Portfolio. The tables also identify the portions of each Investment Portfolio invested in "equity funds" and in "fixed income funds." (Please note that total allocations may reflect rounding.)

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	Age-Based Investment Portfolios				
	0-6 Years Aggressive Growth	**7-10 Years** Growth	**11-14 Years** Growth and Income	**15-17 Years** Income	**18+ Years** Capital Preservation
Underlying Fund					
AllianzGI Best Styles Global Equity Fund	28.0%	26.0%	16.0%	0.0%	0.0%
AllianzGI Global Allocation Fund	26.0%	29.0%	30.0%	23.0%	6.0%
AllianzGI Short Duration High Income Fund	0.0%	0.0%	2.0%	10.0%	15.0%
DFA Commodity Strategy Portfolio	7.0%	6.0%	4.0%	3.0%	1.0%
Dodge & Cox International Stock Fund	7.0%	6.0%	3.0%	0.0%	0.0%
Dreyfus/The Boston Company Small/Mid-Cap Growth Fund	4.0%	3.0%	2.0%	2.0%	0.0%
Metropolitan West Total Return Bond Fund	0.0%	0.0%	4.0%	10.0%	15.0%
Morgan Stanley Institutional Emerging Markets Portfolio	2.0%	2.0%	0.0%	0.0%	0.0%
PIMCO Income Fund	0.0%	0.0%	4.0%	5.0%	12.0%
PIMCO Real Return Fund	5.0%	10.0%	12.0%	15.0%	15.0%
PIMCO Short Asset Investment Fund	0.0%	0.0%	16.0%	30.0%	35.0%
TIAA-CREF S&P 500 Index Fund	16.0%	13.0%	4.0%	0.0%	0.0%
Voya Global Real Estate Fund	5.0%	5.0%	3.0%	2.0%	1.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%

	Static Investment Portfolio
	Diversified Bond
Underlying Fund	
AllianzGI Short Duration High Income	12.0%
PIMCO Floating Income	15.0%
PIMCO Foreign Bond (U.S. Dollar-Hedged)	6.0%
PIMCO Income	25.0%
PIMCO Low Duration	20.0%
PIMCO Real Return	5.0%
PIMCO Senior Floating Rate	10.0%
PIMCO Short-Term	7.0%
TOTAL	100.0%

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Individual Investment Portfolios

The Individual Investment Portfolios invest all or substantially all of their assets in a single Underlying Fund. Accordingly, these Investment Portfolios' investment objectives are directly related to the investment objectives and investment strategies of the corresponding Underlying Funds. Many of these Underlying Funds will also form part of the investment strategy of one or more of the other Investment Portfolios.

The following Individual Investment Portfolios are currently available for purchase.

PIMCO All Asset Fund Investment Portfolio

The PIMCO All Asset Fund Investment Portfolio invests all of its assets in the PIMCO All Asset Fund. Accordingly, this Investment Portfolio's investment objectives are directly related to the investment objectives and investment strategies of the PIMCO All Asset Fund. The PIMCO All Asset Fund may also form part of the investment strategy of one or more of the other Investment Portfolios.

PIMCO Real Return Fund Investment Portfolio

The PIMCO Real Return Fund Investment Portfolio invests all of its assets in the PIMCO Real Return Fund. Accordingly, this Investment Portfolio's investment objectives are directly related to the investment objectives and investment strategies of the PIMCO Real Return Fund. The PIMCO Real Return Fund may also form part of the investment strategy of one or more of the other Investment Portfolios.

UNDERLYING FUNDS

Underlying Fund Descriptions

The following descriptions identify each of the Underlying Funds in which the Investment Portfolios are expected to invest and briefly summarize the investment objective, policies and certain investment risks of such Underlying Fund. The information was obtained from the most recent prospectus of each Underlying Fund available prior to the date of this Plan Disclosure Statement. These summaries are qualified in their entirety by reference to the detailed information included in each Underlying Portfolio's current prospectus and statement of additional information or statement of pertinent information, which contain additional information not summarized herein and which may identify additional principal risks to which the respective Underlying Portfolio may be subject. The Prospectuses, Statements of Additional Information and annual and semi-annual reports to shareholders of the Underlying Funds, available by visiting the Program's Web site, **www.collegeaccess529.com**, or by calling the Program Manager, toll-free, at **1-866-529-7462**, contain further information on these and other aspects of investments in the Underlying Funds. The prospectuses are also available at the Web site of the SEC at www.sec.gov. The investment objectives, policies and risks of an Underlying Fund may change at any time, without the consent of Account Owner, and the Program Manager is under no obligation to notify the Account Owner of such changes. Furthermore, no assurance can be given that any Underlying Fund will achieve its objective or that any Individual Investment Portfolio will remain invested in such Underlying Fund. Please see the section "Underlying Fund Risks" following the Underlying Fund Descriptions for a description of the risks of investing in the Underlying Funds.

- ***AllianzGI Best Styles Global Equity Fund (AGERX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is long-term capital appreciation. The Fund seeks to achieve its investment objective by creating a diversified portfolio of global equities. The Fund will normally invest at least 80% of its net assets (plus borrowings made for investment purposes) in equity securities and equity-related instruments. The Fund normally invests at least 40% of its assets in non-U.S. securities, including emerging market securities. The portfolio managers intend to diversify the Fund's investments across geographic regions and economic sectors. The Fund may invest in issuers of any size market capitalization, including smaller capitalization companies.

The Fund's investment strategy centers on the portfolio managers' belief that individual investment styles (as described below) carry long-term "risk premiums" that are largely independent of the current economic or market environment and that can be captured using a disciplined investment approach.

The investment process begins with a broad investment universe containing at least 4,000 equity securities. Next, individual securities are evaluated based on quantitative "investment style" research and may also be evaluated by the Sub-Adviser's fundamental research team. Investment style research categorizes companies through a proprietary quantitative model that scores each company along several investment style categories, described below (Value, Earnings Change, Price Momentum, Growth, and Quality). Fundamental research evaluates each company identified as an investment candidate through the quantitative "investment style" research process using a wide range of company-specific information gathered by in-house analysts and external sources. In

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selecting individual stocks with attractive fundamental characteristics, the portfolio managers seek to diversify the mix of investment styles represented across the whole portfolio (*i.e.*, by making sure high-scoring issuers from all of the investment styles are among the final holdings). The portfolio managers attempt to control for risk factors (such as over- and under-weights relative to the MSCI All Country World Index and the portfolio's sensitivity to broader market movements (or "beta")). The portfolio is managed with reference to the MSCI All Country World Index and the portfolio managers intend, under normal circumstances, to have at least 300 equity securities in the Fund's portfolio. The Fund may and intends to hold stocks that are not included in the MSCI All Country World Index.

The Value investment style selects equity securities that the portfolio managers believe have attractive valuations based on metrics including dividend yield and price-to-earnings, price-to-cash flow and price-to-book ratios, as compared to other equity securities in the investable universe. The Earnings Change investment style is designed to capture shorter-term, trend-following investment opportunities and generally selects equity securities with positive earnings revisions, announcements or surprises. The Price Momentum investment style is also trend-following and generally selects equity securities with positive price momentum and relative strength within the investable universe. The Growth investment style generally selects equity securities with expected and historical earnings growth and dividend growth. The Quality investment style generally emphasizes equity securities with strong profitability and historical earnings stability, and considers additional factors, such as whether a company has improving margins, positive net income, positive operating capital, decreasing long-term debt and high-quality earnings, among others.

The Fund's research suggests that, while each of the investment styles described above can be individually successful over the long-term and during certain periods, each investment style may also experience "downswings" (*i.e.*, during certain market, economic, or other conditions an individual investment style may underperform compared to the relevant broad equity market). Building a portfolio with a diversified mix of investment styles is the Fund's attempt to mitigate what the portfolio managers believe to be the cyclical nature of the individual investment styles. The Fund's diversified mix of investment styles is expected to remain fairly stable over time.

The Fund may participate in initial public offerings (IPOs) and may also invest a portion of its assets in real estate investment trusts (REITs). The Fund may also utilize foreign currency exchange contracts, stock index futures contracts, warrants and other derivative instruments.

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are equity securities risk, market risk, issuer risk, non-U.S. investment risk, emerging markets risk, smaller company risk, credit and counterparty risk, currency risk, derivatives risk, focused investment risk, IPO risk, leveraging risk, liquidity risk, management risk, REIT and real estate-related investment risk and turnover risk.

• ***AllianzGI Global Allocation Fund (AGASX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is after-inflation capital appreciation and current income. The Fund seeks to achieve its investment objective through a combination of active allocation between asset classes and actively managed strategies within those asset classes. The Fund allocates its investments among asset classes in response to changing market, economic, and political factors and events that the portfolio managers believe may affect the value of the Fund's investments. In making investment decisions for the Fund, the portfolio managers seek to identify trends and turning points in the global markets. To gain exposure to the various asset classes, the Fund incorporates actively managed strategies and/or passive instruments. Under normal circumstances, the Fund achieves its desired exposures primarily by investing in certain affiliated mutual funds sponsored and managed by Allianz Global Investors Fund Management LLC and/or its affiliates (the "Underlying Funds"). The Fund may also invest in unaffiliated mutual funds, exchange-traded funds ("ETFs") and exchange-traded notes, other pooled vehicles and derivative instruments such as futures, among others. The Fund's allocations to Underlying Funds and other investments may vary over time and from time to time. The Fund also seeks to limit portfolio volatility.

The Fund invests directly and indirectly in globally diverse equity securities, including emerging market equities, and in U.S. dollar-denominated fixed income securities. The Fund's baseline long-term allocation consists of 60% to global equity exposure (the "Equity Component") and 40% to fixed income exposure (the "Fixed Income Component"), which is also the allocation of the blended benchmark index against which the Fund's portfolio is managed. The portfolio managers will typically over- or under-weight the Fund's portfolio against this baseline long-term allocation, depending upon the portfolio managers' view of the relative attractiveness of the investment opportunities available, which will change over time. The Fund may also use an "Opportunistic Component" whereby it invests up to 10% of its assets in any combination of the following asset classes: emerging market debt, international debt, intermediate and long-term high yield debt (commonly known as “junk bonds”), commodities, U.S. and international small capitalization stocks and real estate securities, including U.S. and non-U.S. real estate investment trusts (“REITs”). Combined investments in the Equity Component and the Opportunistic Component are limited to 80% of the Fund’s assets at the time of investment.

Only securities, instruments or actively managed strategies whose primary purpose is to gain exposure to one or more of the opportunistic asset classes count toward the Opportunistic Component’s 10% limit. Thus, exposure to “opportunistic” asset classes resulting from investments in diversified underlying strategies are not included in the calculation of the Opportunistic Component of the Fund’s portfolio. For example, allocations to REITs within a diversified equity Underlying Fund with a portfolio similar to the MSCI ACWI would not count toward the Fund’s Opportunistic Component; however, direct allocations by the Fund to REITs using futures on a REIT index or REIT ETFs would be counted within the Fund’s Opportunistic Component. Similarly, if an Underlying Fund employs a diversified bond strategy that has a risk and volatility profile that the portfolio managers believe to be similar to (or less than) that of the Barclays U.S. Aggregate Bond index, any allocations within that Underlying Fund to “opportunistic” asset classes, such as high yield or emerging market debt, would also not count toward the Opportunistic Component’s 10% limit.

The portfolio managers analyze market cycles, economic cycles and valuations, of each asset class and their components and may adjust the Fund’s exposures to individual holdings and asset classes. Depending on market conditions, the Equity Component may range between approximately 50% and 70% of the Fund’s assets and the Fixed Income Component may range between approximately 30% and 50% of the Fund’s assets. Apart from this strategic asset allocation, the Fund may use its Opportunistic Component. The portfolio managers adjust the Fund’s exposure to the Equity Component, the Fixed Income Component, and the Opportunistic Component in response to momentum and momentum reversion signals in an effort to mitigate downside risk in times of severe market stress, and to increase the return potential in favorable markets. As a result of its derivative positions, the Fund may have gross investment exposures in excess of 100% of its net assets (*i.e.*, the Fund may be leveraged) and therefore subject to heightened risk of loss. The Fund’s performance can depend substantially on the performance of assets or indices underlying its derivatives even though it does not directly or indirectly own those underlying assets or indices.

The portfolio managers adjust the Fund’s exposure to the Equity Component, the Fixed Income Component, and the Opportunistic Component in response to momentum and momentum reversion signals in an effort to mitigate downside risk in times of severe market stress, and to increase the return potential in favorable markets. While the portfolio managers attempt to mitigate the downside risk to stabilize performance, there can be no assurance that the Fund will be successful in doing so. Momentum is the tendency of investments to exhibit persistence in their performance. Momentum reversion is the tendency that a performance trend will ultimately change and move in an opposite direction. The portfolio managers believe negative momentum suggests future periods of negative investment returns and increased volatility. When the portfolio managers recognize negative momentum for an asset class, the Fund may reduce its exposure to that asset class.

The portfolio managers believe positive momentum suggests future periods of positive investment returns and typical levels of market volatility. When the momentum signals for an asset class indicate positive momentum, the portfolio managers may increase the Fund’s exposure to that asset class.

In addition to the momentum and momentum reversion signals, the portfolio managers also apply fundamental analysis to locate opportunities to seek to improve the Fund’s return. Fundamental analysis may contribute to an adjustment of the Fund’s exposure to the asset classes that exhibit the strongest return prospects. The fundamental analysis attempts to locate opportunities not identified from momentum-related signals.

After determining the asset allocation among the Components, the portfolio managers select particular investments in an effort to obtain exposure to the relevant mix of asset classes. The Fund may invest in any type of equity or fixed income security, including common and preferred stocks, mutual funds, ETFs, warrants and convertible securities, mortgage-backed securities, asset-backed securities and government and corporate bonds. The Fund may invest in securities of companies of any capitalization, including smaller capitalization companies. The Fund also may make investments intended to provide exposure to one or more commodities or securities indices, currencies, and real estate-related securities. The Fund is expected to be highly diversified across industries, sectors, and countries. The Fund may liquidate a holding if it locates another instrument that offers a more attractive exposure to an asset class or when there is a change in the Fund’s target asset allocation, or if the instrument is otherwise deemed inappropriate.

In implementing these investment strategies, the Fund may make substantial use of over-the-counter (OTC) or exchange-traded derivatives, including futures contracts, interest rate swaps, total return swaps, credit default swaps, options (puts and calls) purchased or sold by the Fund, currency forwards, and structured notes. The Fund may use derivatives for a variety of purposes, including: as a hedge against adverse changes in the market price of securities, interest rates, or currency exchange rates; as a substitute for purchasing or selling securities; to increase the Fund's return as a non-hedging strategy that may be considered speculative; and to manage portfolio characteristics. The Fund may maintain a significant percentage of its assets in cash and cash equivalents which will serve as margin or collateral for the Fund's obligations under derivative transactions.

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are allocation risk, market risk, issuer risk, equity securities risk, management risk, credit and counterparty risk, currency risk, derivatives risk, emerging markets risk, fixed income risk, focused investment risk, high yield risk, index risk, interest rate risk, IPO risk, leveraging risk, liquidity risk, mortgage-related and other asset-backed risk, non-U.S. investment risk, REIT and real estate-related investment risk, smaller company risk, tax risk, turnover risk, underlying fund and other acquired fund risks and variable distribution risk.

• ***AllianzGI Short Duration High Income Fund (ASHIX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is to seek a high level of current income with lower volatility than the broader high yield market. The Fund seeks to achieve its investment objective by normally investing at least 80% of its net assets (plus borrowings made for investment purposes) in debt securities ("junk bonds") issued by public and private companies, which are rated below investment grade (rated Ba or below by Moody's or BB or below by S&P or Fitch, or if unrated, determined by the Sub-Adviser to be of comparable quality), while maintaining an average duration of less than three years, and in derivatives and other synthetic instruments that have economic characteristics similar to such debt securities. Derivatives transactions may have the effect of either magnifying or limiting the Fund's gains and losses. To illustrate the effects of changes in interest rates on a portfolio with a similar average duration, generally, a portfolio with an average duration of three years would be expected to fall approximately 3% if interest rates rose by one percentage point.

The Fund may invest up to 20% of its assets in bank loans. The Fund may invest up to 20% of its assets in non-U.S. securities, which will typically be U.S. dollar-denominated but may also include securities denominated in non-U.S. currencies. The Fund invests in high yield securities ("junk bonds") and bank loans, collecting coupons, and protecting from adverse market conditions, with incremental benefit from capital preservation. The Fund will invest less than 10% of its net assets in securities rated CCC or below by Standard and Poor's.

The portfolio managers apply a disciplined investment approach, making use of fundamental research, to construct a portfolio for investment. The team's fundamental research process includes: breakdown of a company and its growth by division and region, including revenue model analysis; profit margin analysis; evaluation of the experience and quality of a company's management team; industry dynamics and competitive analysis; distribution channel and supply chain analysis; and analysis of the macroeconomic climate. In selecting specific debt instruments for investment, the portfolio managers may look to such factors as the issuer's creditworthiness, the investment's yield in relation to its credit quality and the investment's relative value in relation to the high yield market. The portfolio managers seek to construct a portfolio with lower volatility than the broader high yield market in part through the Fund's approach to duration and credit quality. The portfolio managers may sell a security for a variety of reasons, such as to invest in a company offering superior investment opportunities.

Although the Fund did not invest significantly in derivative instruments as of the most recent fiscal year end, it may do so at any time.

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are fixed income risk, high yield risk, market risk, issuer risk, interest rate risk, credit and counterparty risk, confidential information access risk, derivatives risk, liquidity risk, management risk, non-U.S. investment risk and smaller company risk.

• ***DFA Commodity Strategy Portfolio (DCMSX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is to seek total return consisting of capital appreciation and current income. The Portfolio seeks to achieve its investment objective by generally investing in a universe of allowable commodity-linked derivative instruments and fixed income investment opportunities. The Portfolio gains exposure to commodities markets by investing in derivative instruments, such as structured notes whose principal and/or coupon payments are linked to commodities or commodity indices, in swap agreements, and/or in other commodity-linked instruments (such as futures contracts on individual commodities or commodity indices). The Portfolio may invest up to 25% of its total assets in Dimensional Cayman Commodity Fund I Ltd. (the "Subsidiary"), a wholly-owned subsidiary of the Portfolio formed in the Cayman Islands, which has the same investment objective as the Portfolio and has a strategy of investing in derivative instruments, such as commodity-linked swap agreements and other commodity-linked instruments, futures contracts on individual commodities or commodity indices, and options on these instruments. The Portfolio, directly and/or through its investment in the Subsidiary, expects to use such derivatives extensively as part of its investment strategy.

The Portfolio will invest in obligations issued or guaranteed by the U.S. and foreign governments, their agencies and instrumentalities, bank obligations, commercial paper, repurchase agreements, obligations of other domestic and foreign issuers having investment grade ratings (e.g., rated AAA to BBB- by Standard & Poor's Rating Group ("S&P") or Fitch Ratings Ltd. ("Fitch") or Aaa to Baa3 by Moody's Investors Service, Inc. ("Moody's")), securities of domestic or foreign issuers denominated in U.S. dollars but not trading in the United States, and obligations of supranational organizations. At the present time, Dimensional Fund Advisors LP (the "Advisor") expects that most fixed income investments will be made in the obligations of issuers that are located in developed countries. However, in the future, the Advisor anticipates investing in issuers located in other countries as well. The fixed income securities in which the Portfolio invests are considered investment grade at the time of purchase.

The Portfolio's fixed income securities primarily will mature within five years from the date of settlement, and the Portfolio maintains an average portfolio duration of three years or less. Duration is a measure of the expected life of a fixed income security that is used to determine 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. Similarly, a portfolio with a longer average portfolio duration will be more sensitive to changes in interest rates than a fund with a shorter average portfolio duration. In making purchase decisions, if the anticipated maturity risk premium is greater for longer-term securities in the eligible maturity range, the Advisor will focus investment in the longer-term area, otherwise, the Portfolio will focus investment in the shorter-term area of the eligible maturity range.

The Portfolio's investments may include foreign securities denominated in foreign currencies. The Portfolio intends to hedge foreign currency exposure 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 hedge such currency exposure by entering into foreign forward currency contracts. In regard to currency hedging, it is generally not possible to precisely match the foreign currency exposure of such forward foreign currency 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 the Portfolio between the date a forward foreign currency contract is entered into and the date it expires. The Portfolio also may enter into credit default swaps on issuers or indices to buy or sell credit protection to hedge its credit exposure, gain market or issuer exposure without owning the underlying securities, or increase the Portfolio's expected total return. The Portfolio may also use futures contracts and options on futures contracts to adjust market exposure based on actual or expected cash inflows to or outflows from the Portfolio.

The Portfolio may lend its portfolio securities to generate additional income.

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are market risk, commodity risk, derivatives risk, focus risk, foreign securities and currencies risk, foreign government debt risk, interest rate risk, credit risk, call risk, liquidity risk, subsidiary risk, tax risk, leveraging risk, regulatory risk, valuation risk, securities lending risk and cyber security risk.

• ***Dodge & Cox International Stock Fund (DODFX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is long-term growth of principal and income. 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, preferred stocks, securities convertible into common stocks, and securities that carry the right to buy common stocks. The Fund may enter into forward currency contracts or currency futures contracts to hedge direct and/or indirect foreign currency exposure.

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 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, 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. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are manager risk, equity risk, market risk, liquidity risk, non-U.S. currency risk, non-U.S. investment risk, emerging market risk and derivatives risk.

• ***Dreyfus/The Boston Company Small/Mid Cap Growth Fund (SDSCX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is long-term growth of capital. This objective may be changed by the fund's board, upon 60 days' prior notice to shareholders. To pursue its goal, the fund normally invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of small-cap and mid-cap U.S. companies. The fund currently considers small-cap and mid-cap companies to be those with total market capitalizations that are equal to or less than the total market capitalization of the largest company included in the Russell 2500® Growth Index, the fund's benchmark index. As of December 31, 2015, the market capitalization of the largest company in the Index was approximately $12.06 billion. This capitalization measure varies with market changes and reconstitutions of the Index. The Index is an unmanaged index that measures the performance of those Russell 2500 companies (the 2,500 smallest companies in the Russell 3000® Index (which is comprised of the 3,000 largest U.S. companies based on total market capitalization)) with higher price-to-book ratios and higher forecasted growth values.

The portfolio managers employ a growth-oriented investment style in managing the fund's portfolio, which means the portfolio managers seek to identify those small-cap and mid-cap companies which are experiencing or are expected to experience rapid earnings or revenue growth. The portfolio managers focus on high quality companies, especially those with products or services that are believed to be leaders in their market niches. The portfolio managers focus on individual stock selection instead of trying to predict which industries or sectors will perform best and select stocks by:

- Using fundamental research to identify and follow companies considered to have attractive characteristics, such as strong business and competitive positions, solid cash flows and balance sheets, high quality management and high sustainable growth; and
- Investing in a company when the portfolio managers' research indicates that the company will experience accelerating revenues and expanding operating margins, which may lead to rising estimate trends and favorable earnings surprises.

The fund's investment strategy may lead it to emphasize certain sectors, such as technology, health care, business services and communications.

The portfolio managers monitor the securities in the fund's portfolio, and will consider selling a security if its business momentum deteriorates or valuation becomes excessive. The portfolio managers also may sell a security if an event occurs that contradicts the rationale for owning it, such as deterioration in the company's financial fundamentals. In addition, the portfolio managers may sell a security if better investment opportunities emerge elsewhere or if the fund's industry or sector weightings change.

The fund invests principally in common stocks, but its equity investments also may include preferred stocks, convertible securities and warrants, including those purchased in initial public offerings (IPOs) or shortly thereafter. The fund also may invest in exchange-traded funds (ETFs) based on the Index.

The fund invests principally in U.S.-based companies, but it also may invest up to 15% of its assets in foreign companies (i.e., organized under the laws of countries other than the U.S.), including up to 10% of its assets in issuers located in emerging market countries, and up to 3% of its assets in issuers of any one specific emerging market country. The fund also may invest up to 20% of its assets in high grade fixed-income securities (i.e., rated A or better or the unrated equivalent) with remaining maturities of three years or less, and may invest up to 5% of its assets in fixed-income securities in the lowest long-term investment grade category (i.e., rated Baa-/BBB- or the unrated equivalent).

Although not a principal investment strategy, the fund may, but is not required to, use derivatives, such as options, futures and options on futures (including those relating to stocks, indexes and foreign currencies) and forward contracts, as a substitute for investing directly in an underlying asset, to increase returns or as part of a hedging strategy. Generally, the fund would enter into equity index futures contracts based primarily on the Russell 2000® Index and S&P Midcap 400® Index.

The fund does not have any limitations regarding portfolio turnover. The fund may engage in short-term trading to try to achieve its objective and may have portfolio turnover rates significantly in excess of 100%. A portfolio turnover of 100% is equivalent to the fund buying and selling all of the securities in its portfolio once during the course of a year.

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are risks of stock investing, small and midsize company risk, growth stock risk, market sector risk, liquidity risk, portfolio turnover risk and non-diversification risk.

• ***Metropolitan West Total Return Bond Fund (MWTSX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is to maximize long-term total return. 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 that are determined by the Adviser to be of similar quality. Up to 20% of the Fund's net assets may be invested in securities that are determined by the Adviser to be of similar quality. Up to 20% of the Fund's net assets may be invested in securities rated below investment grade. The Fund also invests at least 80% of its net assets plus borrowings for investment purposes in fixed income securities it regards as bonds. Under normal conditions, the portfolio duration is two to eight years and the dollar-weighted average maturity ranges from two to fifteen years. 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 Adviser will focus the Fund's portfolio holdings in areas of the bond market (based on quality, sector, coupon or maturity) that the Adviser believes to be relatively undervalued.

Investments include various types of bonds and other securities, typically corporate bonds, notes, collateralized bond obligations, collateralized debt obligations, mortgage-related and asset-backed securities, bank loans, money-market securities, swaps, futures, municipal securities, options, credit default swaps, private placements and restricted securities. These investments may have interest rates that are fixed, variable or floating.

Derivatives will be 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.

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are market risk, interest rate risk, credit risk, foreign investing risk, securities selection risk, portfolio management risk, prepayment risk of asset-backed and mortgage-backed securities, extension risk of asset-backed and mortgage-backed securities, asset-backed securities investment risk, derivatives risk, swap agreements risk and liquidity risk.

• ***Morgan Stanley Institutional Emerging Markets Portfolio (MGEMX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is to seek long-term capital appreciation by investing primarily in growth-oriented equity securities of issuers in emerging market countries. The Adviser and the Portfolio's "Sub-Advisers," Morgan Stanley Investment Management Company ("MSIM Company") and Morgan Stanley Investment Management Limited ("MSIM Limited"), seek to maximize returns by investing primarily in growth-oriented equity securities in emerging markets.

The Adviser's and Sub-Advisers' investment approach combines top-down country allocation with bottom-up stock selection. The Adviser and Sub-Advisers allocate the Portfolio's assets among emerging markets based on relative economic, political and social fundamentals, stock valuations and investor sentiment. To manage risk, the Adviser and/or Sub-Advisers emphasize macroeconomic and fundamental research.

Under normal circumstances, at least 80% of the Portfolio's assets will be invested in equity securities of issuers located in emerging market countries. This policy may be changed without shareholder approval; however, you would be notified in writing of any changes. The Adviser and/or Sub-Advisers generally consider selling an investment when they determine the company no longer satisfies their investment criteria.

The Portfolio may, but it is not required to, use derivative instruments for a variety of purposes, including hedging, risk management, portfolio management or to earn income. The Portfolio's use of derivatives may involve the purchase and sale of derivative instruments such as futures and other related instruments and techniques. The Portfolio may utilize foreign currency forward exchange contracts, which are also derivatives, in connection with its investments in foreign securities. Derivative instruments used by the Portfolio will be counted toward the Portfolio's 80% policy discussed above to the extent they have economic characteristics similar to the securities included within that policy.

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are equity securities risk, foreign and emerging market securities risk, liquidity risk and derivatives risk.

• ***PIMCO All Asset Fund (PAAIX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is to seek maximum real return, consistent with preservation of real capital and prudent investment management. The Fund seeks to achieve its investment objective by investing under normal circumstances substantially all of its assets in Institutional Class or Class M shares of any funds of the Trust or PIMCO Equity Series, an affiliated open-end investment company, except other funds of funds, or shares of any actively-managed funds of the PIMCO ETF Trust, an affiliated investment company (collectively, "Underlying PIMCO Funds"). The Fund invests its assets in shares of the Underlying PIMCO Funds and does not invest directly in stocks or bonds of other issuers. Research Affiliates, LLC, the Fund's asset allocation sub-adviser, determines how the Fund allocates and reallocates its assets among the Underlying PIMCO Funds. In doing so, the asset allocation sub-adviser seeks concurrent exposure to a broad spectrum of asset classes.

The Fund may invest in any or all of the Underlying PIMCO Funds, but will not normally invest in every Underlying PIMCO Fund at any particular time. The Fund's investment in a particular Underlying PIMCO Fund normally will not exceed 50% of its total assets. The Fund will not invest in the Short Strategy Underlying PIMCO Funds, which seek to gain a negative exposure to an asset class such as equities or commodities. The Fund's combined investments in the Equity-Related Underlying PIMCO Funds will not exceed 50% of its total assets. In addition, the Fund's combined investments in Inflation-Related Underlying PIMCO Funds, which seek to gain exposure to an asset class such as U.S. Treasury Inflation-Protected Securities ("TIPS"), commodities, or real estate, normally will not exceed 75% of its total assets.

The Fund's assets are not allocated according to a predetermined blend of shares of the Underlying PIMCO Funds. Instead, when making allocation decisions among the Underlying PIMCO Funds, the Fund's asset allocation sub-adviser considers various quantitative and qualitative data relating to the U.S. and foreign economies and securities markets. Such data includes projected growth trends in the U.S. and foreign economies, forecasts for interest rates and the relationship between short- and long-term interest rates (yield curve), current and projected trends in inflation, relative valuation levels in the equity and fixed income markets and various segments within those markets, the outlook and projected growth of various industrial sectors, information relating to business cycles, borrowing needs and the cost of capital, political trends, data relating to trade balances and labor information. The Fund's asset allocation sub-adviser has the flexibility to reallocate the Fund's assets among any or all of the asset class exposures represented by the Underlying PIMCO Funds based on its ongoing analyses of the equity, fixed income and commodity markets. While these analyses are performed daily, material shifts in asset class exposures typically take place over longer periods of time.

The Fund is a "fund of funds," which is a term used to describe mutual funds that pursue their investment objective by investing in other mutual funds. In addition to investing in the Underlying PIMCO Funds, at the discretion of Pacific Investment Management Company LLC ("PIMCO") and without shareholder approval, the Fund may invest in additional Underlying PIMCO Funds created in the future.

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are allocation risk, fund of funds risk, market trading risk, municipal project-specific risk, municipal bond risk, interest rate risk, call risk, credit risk, high yield risk, distressed company risk, market risk, issuer risk, liquidity risk, derivatives risk, futures contract risk, model risk, commodity risk, equity risk, mortgage-related and other asset-backed securities risk, foreign (non-U.S.) investment risk, real estate risk, emerging markets risk, sovereign debt risk, currency risk, leveraging risk, smaller company risk, issuer non-diversification risk, management risk, short sale risk, tax risk, subsidiary risk, value investing risk, arbitrage risk and convertible securities risk.

- ***PIMCO Income Fund (PIMIX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is to maximize current income. Long-term capital appreciation is a secondary objective. The Fund seeks to achieve its investment objectives by investing under normal circumstances at least 65% of its total assets in a multi-sector portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements. "Fixed Income Instruments" include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. The Fund will seek to maintain a high and consistent level of dividend income by investing in a broad array of fixed income sectors and utilizing income efficient implementation strategies. The capital appreciation sought by the Fund generally arises from decreases in interest rates or improving credit fundamentals for a particular sector or security.

The Fund will generally allocate its assets among several investment sectors, without limitation, which may include: (i) high yield securities ("junk bonds") and investment grade corporate bonds of issuers located in the United States and non-U.S. countries, including emerging market countries; (ii) fixed income securities issued by U.S. and non-U.S. governments (including emerging market governments), their agencies and instrumentalities; (iii) mortgage-related and other asset backed securities; and (iv) foreign currencies, including those of emerging market countries. However, the Fund is not required to gain exposure to any one investment sector, and the Fund's exposure to any one investment sector will vary over time. The average portfolio duration of this Fund normally varies from zero to eight years based on Pacific Investment Management Company LLC's ("PIMCO") forecast for interest rates. Duration is a measure used to determine 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.

The Fund may invest up to 50% of its total assets in high yield securities rated below investment grade but rated at least Caa by Moody's Investors Service, Inc. ("Moody's"), or equivalently rated by Standard & Poor's Ratings Services ("S&P") or Fitch, Inc. ("Fitch"), or if unrated, determined by PIMCO to be of comparable quality (except such 50% limitation shall not apply to the Fund's investments in mortgage- and asset-backed securities).

In addition, the Fund may invest, without limitation, in securities denominated in foreign currencies. The Fund may invest up to 20% of its total assets in securities and instruments that are economically tied to emerging market countries (this limitation does not apply to investment grade sovereign debt denominated in the local currency with less than 1 year remaining to maturity, which means the Fund may invest in such instruments without limitation subject to any applicable legal or regulatory limitation). The Fund will normally limit its foreign currency exposure (from non-U.S. dollar denominated securities or currencies) to 10% of its total assets.

The Fund may invest, without limitation, in derivative instruments, such as options, futures contracts or swap agreements, or in mortgage- or asset backed securities, subject to applicable law and any other restrictions described in the Fund's prospectus or Statement of Additional Information. The Fund may purchase or sell securities on a when-issued, delayed delivery or forward commitment basis and may engage in short sales. The Fund may, without limitation, seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy backs or dollar rolls). The Fund may also invest up to 10% of its total assets in preferred stocks.

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are interest rate risk, call risk, credit risk, high yield risk, market risk, issuer risk, liquidity risk, derivatives risk, equity risk, mortgage-related and other asset-backed securities risk, foreign (non-U.S.) investment risk, emerging markets risk, sovereign debt risk, currency risk, leveraging risk, management risk and short sale risk.

• ***PIMCO Real Return Fund (PRRIX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is maximum real return, consistent with preservation of capital and prudent investment management. The Fund seeks its investment objective by investing under normal circumstances at least 80% of its net assets in inflation-indexed bonds of varying maturities issued by the U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements. Assets not invested in inflation-indexed bonds may be invested in other types of Fixed Income Instruments. "Fixed Income Instruments" include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. Inflation-indexed bonds are fixed income securities that are structured to provide protection against inflation. The value of the bond's principal or the interest income paid on the bond is adjusted to track changes in an official inflation measure. The U.S. Treasury uses the Consumer Price Index for Urban Consumers as the inflation measure. Inflation-indexed bonds issued by a foreign government are generally adjusted to reflect a comparable inflation index, calculated by that government. "Real return" equals total return less the estimated cost of inflation, which is typically measured by the change in an official inflation measure.

Duration is a measure used to determine 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. Effective duration, the most common method of calculating duration, takes into account that for certain bonds expected cash flows will fluctuate as interest rates change and is defined in nominal yield terms, which is market convention for most bond investors and managers. Because market convention for bonds is to use nominal yields to measure effective duration, effective duration for real return bonds, which are based on real yields, are converted through a conversion factor. The resulting nominal effective duration typically can range from 20% and 90% of the respective real effective duration. All security holdings will be measured in nominal effective duration terms. Similarly, the effective duration of the Barclays U.S. TIPS Index will be calculated using the same conversion factors. The effective duration of this Fund normally varies within three years (plus or minus) of the effective duration of the securities comprising the Barclays U.S. TIPS Index, as calculated by PIMCO, which as of June 30, 2015 was 5.53 years.

The Fund invests primarily in investment grade securities, but may invest up to 10% of its total assets in high yield securities ("junk bonds") rated B or higher by Moody's Investors Service, Inc. ("Moody's"), or equivalently rated by Standard & Poor's Ratings Services ("S&P") or Fitch, Inc. ("Fitch"), or, if unrated, determined by PIMCO to be of comparable quality.

The Fund also may invest up to 30% of its total assets in securities denominated in foreign currencies, and may invest beyond this limit in U.S. dollar denominated securities of foreign issuers. The Fund may invest up to 10% of its total assets in securities and instruments that are economically tied to emerging market countries (this limitation does not apply to investment grade sovereign debt denominated in the local currency with less than 1 year remaining to maturity, which means the Fund may invest, together with any other investments denominated in foreign currencies, up to 30% of its total assets in such instruments).The Fund will normally limit its foreign currency exposure (from non-U.S. dollar-denominated securities or currencies) to 20% of its total assets.

The Fund may invest, without limitation, in derivative instruments, such as options, futures contracts or swap agreements, or in mortgage- or asset backed securities, subject to applicable law and any other restrictions described in the Fund's prospectus or Statement of Additional Information. The Fund may purchase or sell securities on a when-issued, delayed delivery or forward commitment basis and may engage in short sales. The Fund may, without limitation, seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy backs or dollar rolls). The Fund may also invest up to 10% of its total assets in preferred stocks.

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are interest rate risk, call risk, credit risk, high yield risk, market risk, issuer risk, liquidity risk, derivatives risk, equity risk, mortgage-related and other asset-backed securities risk, foreign (non-U.S.) investment risk, emerging markets risk, sovereign debt risk, currency risk, leveraging risk, management risk and short sale risk.

• ***PIMCO Short Asset Investment Fund (PAIDX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is to seek maximum current income, consistent with daily liquidity. The Fund seeks to achieve its investment objective by investing under normal circumstances at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements. "Fixed Income Instruments" include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. The average portfolio duration of this Fund will vary based on Pacific Investment Management Company LLC's ("PIMCO") forecast for interest rates and will normally not exceed one and one-half years. Duration is a measure used to determine 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. The Fund invests primarily in investment grade debt securities rated Baa or higher by Moody's Investors Service, Inc. ("Moody's"), or equivalently rated by Standard & Poor's Ratings Services ("S&P") or Fitch, Inc. ("Fitch"), or, if unrated, determined by PIMCO to be of comparable quality. The Fund may not invest in securities denominated in foreign currencies, but may invest without limit in U.S. dollar-denominated securities of foreign issuers. In addition, the Fund may invest up to 10% of its total assets in U.S. dollar denominated securities and instruments that are economically tied to emerging market countries. The Fund may invest up to 60% of its total assets in corporate issuers.

The Fund may invest, without limitation, in derivative instruments, such as options, futures contracts or swap agreements, subject to applicable law and any other restrictions described in the Fund's prospectus or Statement of Additional Information. The Fund may invest up to 20% of its total assets in asset-backed securities and up to 10% of its total assets in privately issued mortgage-backed securities. The Fund may invest up to 10% of its total assets in interest rate swaps and up to 5% of its total assets in credit default swaps. The Fund may purchase or sell securities on a when-issued, delayed delivery or forward commitment basis and may engage in short sales. The Fund may, without limitation, seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy backs or dollar rolls).

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are interest rate risk, call risk, credit risk, market risk, issuer risk, liquidity risk, derivatives risk, mortgage-related and other asset-backed securities risk, foreign (non-U.S.) investment risk, emerging markets risk, leveraging risk, management risk and short sale risk.

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

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

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

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are market risk, index risk, issuer risk and large-cap risk.

• ***Voya Global Real Estate Fund (IGLIX)***

Investment Objective and Principal Strategies. This Fund's primary investment objective is to seek to provide investors with high total return consisting of capital appreciation and current income. Under normal market conditions, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes) in a portfolio of equity securities of companies that are principally engaged in the real estate industry. The Fund will provide shareholders with at least 60 days' prior notice of any change in this investment policy. The sub-adviser ("Sub-Adviser") defines a real estate company as a company that: (i) derives at least 50% of its total revenue or earnings from owning, operating, developing, constructing, financing, managing, and/or selling commercial, industrial, or residential real estate; or (ii) has at least 50% of its assets invested in real estate. The Fund will have investments located in a number of different countries, including the United States. As a general matter, the Fund expects these investments to be in common stocks of companies of any market capitalization, including real estate investment trusts. The Fund may invest in companies located in countries with emerging securities markets.

The Fund may invest in other investment companies, including exchange-traded funds, to the extent permitted under the Investment Company Act of 1940, as amended, and the rules, regulations, and exemptive orders thereunder ("1940 Act"). The Fund may invest in convertible securities, initial public offerings, and Rule 144A securities.

The Sub-Adviser uses a multi-step investment process for constructing the Fund's investment portfolio that combines top-down region and sector allocation with bottom-up individual stock selection.

First, the Sub-Adviser selects sectors and geographic regions in which to invest, and determines the degree of representation of such sectors and regions through a systematic evaluation of public and private property market trends and conditions.

Second, the Sub-Adviser uses proprietary analytical techniques to conduct fundamental company analysis, which provides a framework for security selection. This approach incorporates several quantitative and qualitative factors that aid in evaluating performance characteristics of individual securities independently and relative to each other.

The Sub-Adviser may sell securities for a variety of reasons, such as to secure gains, limit losses, or redeploy assets into opportunities believed to be more promising, among others.

The Fund may lend portfolio securities on a short-term or long-term basis, up to 33 ⅓% of its total assets.

Principal Risks. Among the principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are company risk, concentration risk, convertible securities risk, credit risk, currency risk, foreign investments/developing and emerging markets risk, initial public offerings risk, interest rate risk, investment model risk, liquidity risk, market risk, market capitalization risk, other investment companies risk, real estate companies and real estate investment trusts risk and securities lending risk.

Underlying Fund Risks

An Underlying Fund may not achieve its investment objective in all circumstances. The descriptions below provide more detail about many of the general risks of investments in mutual funds such as the Underlying Funds, and about circumstances that could adversely affect the value of an investment in an Underlying Fund. As a result of these risks, it is possible to lose money by investing in any particular Investment Portfolio. Please read the underlying funds prospectus for additional details surrounding risk.

Allocation Risk: The Fund's investment performance depends upon how its assets are allocated and reallocated among particular Underlying Funds and other investments. The Sub-Adviser's allocation techniques and decisions and/or the Sub- Adviser's selection of Underlying Funds and other investments may not produce the desired results.

Arbitrage Risk: the risk that securities purchased pursuant to an arbitrage strategy intended to take advantage of a perceived relationship between the value of two securities may not perform as expected.

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

Call Risk: Call risk is the risk that during periods of falling interest rates, a bond issuer will call or repay a higher-yielding bond before its maturity date, forcing the Portfolio to reinvest in bonds with lower interest rates than the original obligations.

Commodity Risk: The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political, and regulatory developments.

Company Risk: The price of a company's stock could decline or underperform for many reasons including, among others, poor management, financial problems, reduced demand for company goods or services, regulatory fines and judgments, or business challenges. If a company declares bankruptcy or becomes insolvent, its stock could become worthless.

Concentration Risk: As a result of the Fund "concentrating," as that term is defined in the 1940 Act, its assets in securities related to a particular industry or group of industries, the Fund may be subject to greater market fluctuations than a fund that is more broadly invested across industries. Financial, economic, business, and other developments affecting issuers in a particular industry or group of industries will have a greater effect on the Fund, and if securities of the particular industry or group of industries as a group fall out of favor, the Fund could underperform, or its net asset value may be more volatile than, funds that have greater industry diversification.

Confidential Information Access Risk: The Fund's Sub-Adviser normally will seek to avoid the receipt of material, non-public information ("Confidential Information") about the issuers of Senior Loans, other bank loans and related investments being considered for acquisition or held in the Fund's portfolio, and thus the Fund may be disadvantaged in comparison to other investors who have received Confidential Information from issuers.

Convertible Securities Risk: as convertible securities share both fixed income and equity characteristics, they are subject to risks to which fixed income and equity investments are subject. These risks include equity risk, interest rate risk and credit risk

Credit and Counterparty Risk: An issuer or counterparty may default on obligations.

Credit Risk: the risk that the Fund could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a derivative contract, is unable or unwilling to meet its financial obligations.

Currency Risk: The values of non-U.S. securities may fluctuate with currency exchange rates and exposure to non-U.S. currencies may subject the Fund to the risk that those currencies will decline in value relative to the U.S. dollar.

Cyber Security Risk: The Portfolio's and its service providers' use of internet, technology and information systems may expose the Portfolio 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 Portfolio and/or its service providers to suffer data corruption or lose operational functionality.

Derivatives Risk: Derivative instruments are complex, have different characteristics than their underlying assets and are subject to additional risks, including leverage, liquidity and valuation.

Distressed Company Risk: the risk that securities of distressed companies may be subject to greater levels of credit, issuer and liquidity risk than a portfolio that does not invest in such securities. Securities of distressed companies include both debt and equity securities. Debt securities of distressed companies are considered predominantly speculative with respect to the issuers' continuing ability to make principal and interest payments.

Emerging Markets Risk: Non-U.S. investment risk may be particularly high to the extent that the Fund invests in emerging market securities. These securities may present market, credit, currency, liquidity, legal, political, technical and other risks different from, or greater than, the risks of investing in developed countries.

Equity Risk: the risk that the value of equity securities, such as common stocks and preferred stocks, may decline due to general market conditions which are not specifically related to a particular company or to factors affecting a particular industry or industries. Equity securities generally have greater price volatility than fixed income securities.

Equity Securities Risk: Equity securities may react more strongly to changes in an issuer's financial condition or prospects than other securities of the same issuer.

Extension Risk of Asset-Backed and Mortgage-Backed Securities: The risk that in times of rising interest rates prepayments will slow 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.

Fixed Income Risk: Fixed income (debt) securities are subject to greater levels of credit and liquidity risk, may be speculative and may decline in value due to changes in interest rates or an issuer's or counterparty's deterioration or default.

Focus Risk: The Portfolio may be exposed, from time to time, to the performance of a small number of commodity sectors (e.g., energy, metals or agricultural), which may represent a large portion of the Portfolio. As a result, the Portfolio may be subject to greater volatility than if the Portfolio were more broadly diversified among commodity sectors.

Focused Investment Risk: Focusing on a limited number of issuers, sectors, industries or geographic regions increases risk and volatility.

Foreign and Emerging Market Securities: Investments in foreign markets entail special risks such as currency, political, economic and market risks. There also may be greater market volatility, less reliable financial information, higher transaction and custody costs, decreased market liquidity and less government and exchange regulation associated with investments in foreign markets. In addition, investments in certain foreign markets, which have historically been considered stable, may become more volatile and subject to increased risk due to ongoing developments and changing conditions in such markets. Moreover, the growing interconnectivity of global economies and financial markets has increased the probability that adverse developments and conditions in one country or region will affect the stability of economies and financial markets in other countries or regions. Certain foreign markets may rely heavily on particular industries or foreign capital and are more vulnerable to diplomatic developments, the imposition of economic sanctions against a particular country or countries, organizations, entities and/or individuals, changes in international trading patterns, trade barriers, and other protectionist or retaliatory measures. Economic sanctions could, among other things, effectively restrict or eliminate the Portfolio's ability to purchase or sell securities or groups of securities for a substantial period of time, and may make the Portfolio's investments in such securities harder to value. Investments in foreign markets may also be adversely affected by governmental actions such as the imposition of capital controls, nationalization of companies or industries, expropriation of assets, or the imposition of punitive taxes. The governments of certain countries may prohibit or impose substantial restrictions on foreign investing in their capital markets or in certain sectors or industries. In addition, a foreign government may limit or cause delay in the convertibility or repatriation of its currency which would adversely affect the U.S. dollar value and/or liquidity of investments denominated in that currency. Certain foreign investments may become less liquid in response to market developments or adverse investor perceptions, or become illiquid after purchase by the Portfolio, particularly during periods of market turmoil. When the Portfolio holds illiquid investments, its portfolio may be harder to value. The risks of investing in emerging market countries are greater than risks associated with investments in foreign developed countries. In addition, the Portfolio's investments in foreign issuers may be denominated in foreign currencies and therefore, to the extent unhedged, the value of the investment will fluctuate with the U.S. dollar exchange rates. To the extent hedged by the use of foreign currency forward exchange contracts, the precise matching of the foreign currency forward exchange contract amounts and the value of the securities involved will not generally be possible because the future value of such securities in foreign currencies will change as a consequence of market movements in the value of those securities between the date on which the contract is entered into and the date it matures. There is additional risk that such transactions may reduce or preclude the opportunity for gain if the value of the currency should move in the direction opposite to the position taken and that foreign currency forward exchange contracts create exposure to currencies in which the Portfolio's securities are not denominated. The use of foreign currency forward exchange contracts involves the risk of loss from the insolvency or bankruptcy of the counterparty to the contract or the failure of the counterparty to make payments or otherwise comply with the terms of the contract.

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.

Foreign Investing Risk: The risk that the value of the Fund's foreign investments will fluctuate with market conditions, currency exchange rates and the economic and political climates of the foreign countries where the Fund invests or has exposure. Emerging market debt also may be of lower credit quality and subject to greater risk of default.

Foreign (Non-U.S.) Investment Risk: the risk that investing in foreign (non-U.S.) securities may result in the Fund experiencing more rapid and extreme changes in value than a fund that invests exclusively in securities of U.S. companies, due to smaller markets, differing reporting, accounting and auditing standards, increased risk of delayed settlement of portfolio transactions or loss of certificates of portfolio securities, and the risk of unfavorable foreign government actions, including nationalization, expropriation or confiscatory taxation, currency blockage, or political changes or diplomatic developments. Foreign securities may also be less liquid and more difficult to value than securities of U.S. issuers.

Foreign Investments/Developing and Emerging Markets Risk: Investing in foreign (non-U.S.) securities may result in the Fund experiencing more rapid and extreme changes in value than a fund that invests exclusively in securities of U.S. companies due to: smaller markets; differing reporting, accounting, and auditing standards; nationalization, expropriation, or confiscatory taxation; foreign currency fluctuations, currency blockage, or replacement; potential for default on sovereign debt; or political changes or diplomatic developments, which may include the imposition of economic sanctions or other measures by the United States or other governments and supranational organizations. Markets and economies throughout the world are becoming increasingly interconnected, and conditions or events in one market, country or region may adversely impact investments or issuers in another market, country or region. Foreign investment risks may be greater in developing and emerging markets than in developed markets.

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 seeks to hedge foreign currency exposure.

Fund of Funds Risk: the risk that a Fund's performance is closely related to the risks associated with the securities and other investments held by the Underlying PIMCO Funds and that the ability of a Fund to achieve its investment objective will depend upon the ability of the underlying funds to achieve their investment objectives.

Futures Contract Risk: the risk that while the value of a futures contract tends to correlate with the value of the underlying asset that it represents, differences between the futures market and the market for the underlying asset may result in an imperfect correlation. Futures contracts may involve risks different from, and possibly greater than, the risks associated with investing directly in the underlying assets. The purchase or sale of a futures contract may result in losses in excess of the amount invested in the futures contract.

Growth Stock Risk: Investors often expect growth companies to increase their earnings at a certain rate. If these expectations are not met, investors can punish the stocks inordinately, even if earnings do increase. In addition, growth stocks may lack the dividend yield that may cushion stock prices in market downturns.

High Yield Risk: High-yield or junk bonds are subject to greater levels of credit and liquidity risk, may be speculative and may decline in value due to increases in interest rates or an issuer's deterioration or default.

Index Risk: Investments in index-linked derivatives are subject to the risks associated with the applicable index.

Initial Public Offerings Risk: Investments in initial public offerings ("IPOs") and companies that have recently gone public have the potential to produce substantial gains for the Fund. However, there is no assurance that the Fund will have access to profitable IPOs or that the IPOs in which the Fund invests will rise in value. Furthermore, the value of securities of newly public companies may decline in value shortly after the IPO. When the Fund's asset base is small, the impact of such investments on the Fund's return will be magnified. If the Fund's assets grow, it is likely that the effect of the Fund's investment in IPOs on the Fund's return will decline.

Interest Rate Risk: Fixed income securities may decline in value because of increases in interest rates.

Investment Model Risk: A manager's proprietary model may not adequately allow for existing or unforeseen market factors or the interplay between such factors. Funds that are actively managed, in whole or in part, according to a quantitative investment model can perform differently from the market as a whole based on the investment model and the factors used in the analysis, the weight placed on each factor, and changes from the factors' historical trends. Issues in the construction and implementation of the investment models (including, for example, data problems and/or software issues) may create errors or limitations that might go undetected or are discovered only after the errors or limitations have negatively impacted performance. There is no guarantee that the use of these investment models will result in effective investment decisions for the Fund.

IPO Risk: Securities purchased in initial public offerings have no trading history, limited issuer information and increased volatility.

Issuer Non-Diversification Risk: the risk of focusing investments in a small number of issuers, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be. Funds that are "non-diversified" may invest a greater percentage of their assets in the securities of a single issuer (such as bonds issued by a particular state) than funds that are "diversified".

Issuer Risk: The Fund will be affected by factors specific to the issuers of securities and other instruments in which the Fund invests, including actual or perceived changes in the financial condition or business prospects of such issuers.

Large-Cap Risk: The risk that large-capitalization companies are more mature and may grow more slowly than the economy as a whole and tend to go in and out of favor based on market and economic conditions.

Leveraging Risk: Instruments and transactions that constitute leverage magnify gains or losses and increase volatility.

Liquidity Risk: The lack of an active market for investments may cause delay in disposition or force a sale below fair value.

Management Risk: The Fund will be affected by the allocation determinations, investment decisions and techniques of the Fund's management.

Manager Risk: Dodge & Cox's opinion about the intrinsic worth of a company or security may be incorrect or the market may continue to undervalue the company or security. Dodge & Cox may not make timely purchases or sales of securities for the Fund.

Market Capitalization Risk: Stocks fall into three broad market capitalization categories — large, mid, and small. Investing primarily in one category carries the risk that, due to current market conditions, that category may be out of favor with investors. If valuations of large-capitalization companies appear to be greatly out of proportion to the valuations of mid- or small-capitalization companies, investors may migrate to the stocks of mid- and small-sized companies causing the Fund that invests in these companies to increase in value more rapidly than a fund that invests in larger companies. Investing in mid- and small-capitalization companies may be subject to special risks associated with narrower product lines, more limited financial resources, smaller management groups, more limited publicly available information, and a more limited trading market for their stocks as compared with larger companies. As a result, stocks of mid- and small-capitalization companies may be more volatile and may decline significantly in market downturns.

Market Risk: The Fund will be affected by factors influencing the U.S. or global economies and securities markets or relevant industries or sectors within them.

Market Sector Risk: The fund may significantly overweight or underweight certain companies, industries or market sectors, which may cause the fund's performance to be more or less sensitive to developments affecting those companies, industries or sectors.

Market Trading Risk: the risk that an active secondary trading market for shares of a Fund that is an exchange-traded fund does not continue once developed, that such Fund may not continue to meet a listing exchange's trading or listing requirements, or that such Fund's shares trade at prices other than the Fund's net asset value.

Model Risk: the risk that the Fund's investment models used in making investment allocation decisions may not adequately take into account certain factors and may result in a decline in the value of an investment in the Fund

Mortgage-Related and Other Asset-Backed Risk: Investing in mortgage- and asset-backed securities involves interest rate, credit, valuation, extension and liquidity risks and the risk that payments on the underlying assets are delayed, prepaid, subordinated or defaulted on.

Mortgage-Related and Other Asset-Backed Securities Risk: the risks of investing in mortgage-related and other asset-backed securities, including interest rate risk, extension risk, prepayment risk, and credit risk.

Municipal Bond Risk: the risk that a Fund may be affected significantly by the economic, regulatory or political developments affecting the ability of issuers of debt securities whose interest is, in the opinion of bond counsel for the issuer at the time of issuance, exempt from federal income tax ("Municipal Bonds") to pay interest or repay principal.

Municipal Project-Specific Risk: the risk that a Fund may be more sensitive to adverse economic, business or political developments if it invests a substantial portion of its assets in the bonds of specific projects (such as those relating to education, health care, housing, transportation, and utilities), industrial development bonds, or in bonds from issuers in a single state.

***Non-Diversification Risk*:** The fund is non-diversified, which means that the fund may invest a relatively high percentage of its assets in a limited number of issuers. Therefore, the fund's performance may be more vulnerable to changes in the market value of a single issuer or group of issuers and more susceptible to risks associated with a single economic, political or regulatory occurrence than a diversified fund.

Non-U.S. Currency Risk: Foreign 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.

Non-U.S. Investment Risk: Non-U.S. securities markets and issuers may be more volatile, smaller, less liquid, less transparent and subject to less oversight, particularly in emerging markets.

Other Investment Companies Risk: The main risk of investing in other investment companies, including exchange-traded funds ("ETFs"), is the risk that the value of the securities underlying an investment company might decrease. Shares of investment companies that are listed on an exchange may trade at a discount or premium from their net asset value. You will pay a proportionate share of the expenses of those other investment companies (including management fees, administration fees, and custodial fees) in addition to the expenses of the Fund. The investment policies of the other investment companies may not be the same as those of the Fund; as a result, an investment in the other investment companies may be subject to additional or different risks than those to which the Fund is typically subject.

Portfolio Management Risk: The risk that an investment strategy may fail to produce the intended results.

Portfolio Turnover Risk: The fund may engage in short-term trading, which could produce higher transaction costs and taxable distributions, and lower the fund's after-tax performance.

Prepayment Risk of Asset-Backed and Mortgage-Backed Securities: The risk that in times of declining interest rates, the Fund's higher yielding securities will be prepaid and the Fund will have to replace them with securities having a lower yield.

Real Estate Companies and Real Estate Investment Trusts ("REITs") Risk: Investing in real estate companies and REITs may subject the Fund to risks similar to those associated with the direct ownership of real estate, including losses from casualty or condemnation, changes in local and general economic conditions, supply and demand, market interest rates, zoning laws, regulatory limitations on rents, property taxes, and operating expenses in addition to terrorist attacks, war, or other acts that destroy real property. Investments in REITs are affected by the management skill and creditworthiness of the REIT. The Fund will indirectly bear its proportionate share of expenses, including management fees, paid by each REIT in which it invests.

Real Estate Risk: the risk that the Fund's investments in Real Estate Investment Trusts ("REITs") or real estate-linked derivative instruments will subject the Fund to risks similar to those associated with direct ownership of real estate, including losses from casualty or condemnation, and changes in local and general economic conditions, supply and demand, interest rates, zoning laws, regulatory limitations on rents, property taxes and operating expenses. The Fund's investments in REITs or real estate-linked derivative instruments subject it to management and tax risks. In addition, privately traded REITs subject the Fund to liquidity and valuation risk.

Regulatory Risk: Governments, agencies, or other regulatory bodies may adopt or change laws or regulations that could adversely affect the issuer, the market value of the security, or the Portfolio's performance.

REIT and Real Estate-Related Investment Risk: Adverse changes in the real estate markets may affect the value of REIT investments or real estate-linked derivatives.

Risks of Stock Investing: Stocks generally fluctuate more in value than bonds and may decline significantly over short time periods. There is the chance that stock prices overall will decline because stock markets tend to move in cycles, with periods of rising prices and falling prices. The market value of a stock may decline due to general market conditions or because of factors that affect the particular company or the company's industry.

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, the Portfolio may lose money and there may be a delay in recovering the loaned securities. The Portfolio could also lose money if the Portfolio 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.

Securities Selection Risk: The risk that the securities held by the Fund may underperform other funds investing in the same asset class or benchmarks that are representative of the asset class because of the portfolio managers' choice of securities.

Short Sale Risk: the risk of entering into short sales, including the potential loss of more money than the actual cost of the investment, and the risk that the third party to the short sale may fail to honor its contract terms, causing a loss to the Fund.

Small and Mid-Size Company Risk: Small and midsize companies carry additional risks because the operating histories of these companies tend to be more limited, their earnings and revenues less predictable (and some companies may be experiencing significant losses), and their share prices more volatile than those of larger, more established companies. The shares of smaller companies tend to trade less frequently than those of larger, more established companies, which can adversely affect the pricing of these securities and the fund's ability to sell these securities.

Smaller Company Risk: Securities issued by smaller companies may be more volatile and present increased liquidity risk relative to securities issued by larger companies.

Sovereign Debt Risk: the risk that investments in fixed income instruments issued by sovereign entities may decline in value as a result of default or other adverse credit event resulting from the issuer's inability or unwillingness to make principal or interest payments in a timely fashion.

Subsidiary Risk: By investing in the Subsidiary, the DFA Commodity Strategy Portfolio is indirectly exposed to the risks associated with the Subsidiary's investments. The derivatives and other investments held by the Subsidiary are generally similar to those that are permitted to be held by the DFA Commodity Strategy Portfolio and are subject to the same risks that apply to similar investments if held directly by the DFA Commodity Strategy Portfolio. These risks are described elsewhere in this Prospectus. There can be no assurance that the investment objective of the Subsidiary will be achieved. The Subsidiary is not registered under the Investment Company Act of 1940, as amended (the "1940 Act"), and, unless otherwise noted in this Prospectus, is not subject to all of the investor protections of the 1940 Act. However, the DFA Commodity Strategy Portfolio wholly owns and controls the Subsidiary, and the DFA Commodity Strategy Portfolio and the Subsidiary are both managed by the Advisor, making it unlikely that the Subsidiary will take action contrary to the interests of the Portfolio and its shareholders. The Board of Directors of DFA Investment Dimensions Group Inc. (the "Fund") has oversight responsibility for the investment activities of the DFA Commodity Strategy Portfolio, including its investment in the Subsidiary, and the DFA Commodity Strategy Portfolio's role as the sole shareholder of the Subsidiary. The Subsidiary will be subject to investment restrictions and limitations and compliance policies and procedures substantially similar to those imposed on the DFA Commodity Strategy Portfolio by the 1940 Act. Changes in the laws of the United States and/or the Cayman Islands could result in the inability of the DFA

Commodity Strategy Portfolio and/or the Subsidiary to continue to operate as it does currently and could adversely affect the DFA Commodity Strategy Portfolio. For example, the Cayman Islands currently do not impose any income, corporate, or capital gains tax, estate duty, inheritance tax, gift tax, or withholding tax on the Subsidiary. If Cayman Islands law changes, such that the Subsidiary must pay Cayman Islands taxes, DFA Commodity Strategy Portfolio shareholders likely would suffer decreased investment returns.

Swap Agreements Risk: The risk of using swaps, which, in addition to risks applicable to derivatives generally, includes: (1) the inability to assign a swap contract without the consent of the counterparty; (2) potential default of the counterparty to a swap for those not traded through a central counterparty; (3) absence of a liquid secondary market for any particular swap at any time; and (4) possible inability of the fund to close out a swap transaction at a time that otherwise would be favorable for it to do so.

Tax Risk: Income from commodity-linked investments may limit the Fund's ability to qualify as a "regulated investment company" for U.S. federal income tax purposes.

Technology Related Risk: Investments in companies which utilize innovative technologies are subject to particular risks, such as the risks of short product cycles and rapid obsolescence of products and services, competition from new and existing companies, significant losses and/or limited earnings, security price volatility and limited operating histories.

Turnover Risk: High levels of portfolio turnover increase transaction costs and taxes and may lower investment performance. hanges in the securities held by an Underlying Fund are referred to as portfolio turnover. High portfolio turnover involves correspondingly greater expenses to an Underlying Fund, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are taxed at ordinary income tax rates when distributed to shareholders who are individuals), and may adversely affect an Underlying Fund's after-tax returns. The trading costs of tax effects associated with portfolio turnover may adversely affect an Underlying Fund's performance.

Underlying Fund and Other Acquired Fund Risks: The Fund will be indirectly affected by factors, risks and performance specific to the Underlying Funds and Other Acquired Funds.

Underlying Fund Risk: Because certain Underlying Funds invest all of their assets in other underlying funds, the risks associated with investing in such Underlying Funds are closely related to the risks associated with the securities and other investments held by the other underlying funds. The ability of each Underlying Fund to achieve its investment objective will depend upon the ability of the other underlying funds to achieve their investment objectives. There can be no assurance that the investment objective of any underlying fund will be achieved.

Underweighting Risk: If the Fund underweights its investment in an industry or group of industries, the Fund will participate in any general increase in the value of companies in that industry or group of industries less than if it had invested more of its assets in that industry or group of industries.

Valuation Risk: The lack of an active trading market may make it difficult to obtain an accurate price for a security held by the Portfolio. Many commodity-linked derivative instruments are not actively traded.

Variable Distribution Risk: Periodic distributions by investments of variable or floating interest rates vary with fluctuations in market interest rates.

The Internal Revenue Service (the "IRS") issued a revenue ruling which holds that income derived from commodity-linked swaps is not qualifying income under Subchapter M of the Code. However, the IRS has issued a private letter ruling to the PIMCO Commodity Real Return Strategy Fund in which the IRS specifically concluded that income from certain commodity index-linked notes is qualifying income. In addition, the IRS has also issued another private letter ruling to the PIMCO Commodity Real Return Strategy Fund in which the IRS specifically concluded that income derived from the Fund's investment in its Subsidiary will also constitute qualifying income to the Fund.

Based on such rulings, the Fund will seek to gain exposure to the commodity markets primarily through investments in commodity index-linked notes and through investments in the Subsidiary. The use of commodity index-linked notes and investments in the Subsidiary involve specific risks.

Value Investing Risk: a value stock may decrease in price or may not increase in price as anticipated by PIMCO if it continues to be undervalued by the market or the factors that the portfolio manager believes will cause the stock price to increase do not occur.

Value Securities Risk: An Underlying Fund may invest in companies that may not be expected to experience significant earnings growth, but whose securities its portfolio manager believes are selling at a price lower than their true value. Issuers of these "value securities" may have experienced adverse business developments or may be subject to special risks that have caused their securities to be out of favor.

An Underlying Fund may choose securities that are not widely followed by other investors, including companies reporting poor earnings, companies whose share prices have declined sharply (sometimes growth companies that have recently stumbled) to inexpensive levels in the portfolio manager's opinion, turnarounds, cyclical companies, or companies emerging from bankruptcy, all of which may have a higher risk of continuing to be ignored or rejected and therefore remaining undervalued by the market or losing more value. If a portfolio manager's assessment of a company's prospects is wrong, or if the market does not recognize the value of the company, the price of its securities may decline or may not approach the value that the portfolio manager anticipates.

Historical Performance of Investment Portfolios

The following tables summarize the average annual total return after deducting ongoing Portfolio fees of each Investment Portfolio as of May 31, 2016. Average annual total return is a hypothetical rate of return that, if achieved annually, would have produced the same cumulative total return if performance had been constant over the entire period. (Cumulative total return reflects actual change in the value of an investment over a given period.) Average annual total return smoothes out variations in performance; it is not the same as actual year-by-year results. Returns covering periods of less than one year represent cumulative total returns. Updated performance data will be available by visiting the Program's Web site, **www.collegeaccess529.com**, or by calling the Program Manager, toll-free, at **1-866-529-7462**. The Program's fiscal year runs from January 1st to December 31st of each year.

The performance data set forth below is not indicative of the future performance of the Investment Portfolios. Ongoing market volatility can dramatically impact short-term performance. Future performance may be less than shown.

Class SD-D Units	**Annualized Total Returns (as of May 31, 2016)**					
	Inception Date	**Year to Date**	**1-Year**	**3-Year**	**5-Year**	**Since Inception**
Age-Based Portfolios						
Age-Based 0 – 6 (Aggressive Growth)	04/25/02	2.14%	-5.61%	3.47%	4.52%	5.05%
Age-Based 7 – 10 (Growth)	04/25/02	2.11%	-5.13%	3.32%	4.42%	5.16%
Age-Based 11 – 14 (Growth & Income)	05/10/02	1.83%	-2.71%	2.70%	3.92%	4.83%
Age-Based 15 – 17 (Income)	06/11/02	2.09%	-0.23%	1.68%	2.91%	3.90%
Age-Based 18+ (Capital Preservation)	02/07/03	2.18%	0.95%	1.57%	2.73%	3.57%
Static Investment Portfolio						
Diversified Bond	07/01/08	2.22%	0.45%	1.72%	3.70%	5.84%
Individual Investment Portfolios						
PIMCO All Asset	01/30/04	6.06%	-4.48%	-0.50%	2.14%	5.13%
PIMCO Real Return	12/31/04	3.84%	0.06%	-0.48%	1.99%	4.18%

CollegeAccess 529 Plan℠ Participation Agreement

This Participation Agreement (the "Agreement") is entered into between the person(s) whose name and signature appear on the account application form (the "Application") as Account Owner(s) ("Account Owner"), the South Dakota Investment Council (the "Council"), as trustee for the South Dakota Higher Education Savings Trust (the "Trust"), and Allianz Global Investors Distributors LLC (the "Program Manager"), on its own behalf and as agent of the Council. This Agreement shall become effective immediately upon the acceptance by the Program Manager, on behalf of the Council and the Trust, of the Application and the establishment of an Account on behalf of Account Owner pursuant to Section 1 below. Terms used in this Agreement and not otherwise defined herein shall have the meanings defined in the Plan Disclosure Statement to which this Agreement is attached.

Account Owner, the Council and the Program Manager agree as follows:

1. Establishment of Account. Account Owner requests that the Council establish an account (the "Account") pursuant to the Application for the benefit of the beneficiary designated by Account Owner in such Application (the "Designated Beneficiary"). The Program Manager, which has been retained by the Council to provide investment management and administrative services to the Program, will establish the Account effective on receipt of a properly completed Application (or on receipt from a financial advisor of the information contained in a properly completed application) and the minimum initial contribution required for the Account. The Account will be governed by this Agreement, the Application, the Declaration of Trust pursuant to which the Trust was formed, the terms and conditions described in the Plan Disclosure Statement and the rules, guidelines and procedures adopted and amended from time to time by the Council.

2. Contributions. Account Owner shall make contributions to the Account with cash proceeds only. Account Owner shall establish a separate Account for each separate Designated Beneficiary. Account Owner and any other contributor shall make contributions to the Account established by Account Owner for the purpose of funding the qualified higher education expenses (as that term is defined in Section 529 of the Internal Revenue Code of 1986, as amended (the "Code")) of the Designated Beneficiary designated by Account Owner at the time of the initial contribution and from time to time thereafter. The Council shall establish a separate Account for each Designated Beneficiary designated by an Account Owner, and Account Owner agrees that assets held in each Account shall be governed by the provisions of this Agreement and that all assets held in each Account established by Account Owner shall be owned by Account Owner and held for the exclusive benefit of Account Owner and the applicable Designated Beneficiary. The number of Units to be credited to the Account as a result of the contribution shall be determined as set forth in the Plan Disclosure Statement.

(a) Minimum Initial Contribution. In order to establish an Account, Account Owner must make an initial cash contribution of at least $250, with no less than $250 being allocated to each Investment Portfolio selected. The Program Manager may from time to time reduce these minimums for accounts participating in an automatic investment or payroll deduction program.

(b) Additional Contributions. Account Owner or any other contributor may make additional cash contributions from time to time in any amounts sufficient to purchase Units of a portfolio, subject to the maximum balance limitation set forth below.

(c) Maximum Balance Limitation. Contributions may be made to any Account, and the Council shall accept contributions, only to the extent that any such contributions, when combined with the then aggregate value of all accounts in the Trust for the same Designated Beneficiary (regardless of Account Owner and whether under the CollegeAccess 529 Plan or any other 529 plan approved by the State of South Dakota), do not exceed the Maximum Balance Limit established by the Council from time to time. By establishing an Account, Account Owner agrees not to make contributions, and certifies that he, she or it does not anticipate contributions from others that, in each case, when combined with the aggregate balance on the date of such intended contribution of all accounts for the same Designated Beneficiary, will be in excess of the Maximum Balance Limit. All or any portion of any contribution in excess of the maximum so allowed will be returned to the contributor thereof. The initial Maximum Balance Limit is set forth in the Plan Disclosure Statement, and may be changed by the Program Manager without notice.

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

3. Designation of Beneficiary. Account Owner shall designate a single Designated Beneficiary for each Account by completing and executing the Application. Account Owner may from time to time, in a manner acceptable to the Program Manager, substitute a single Designated Beneficiary in place of the previous Designated Beneficiary, provided that the substitute Designated Beneficiary is a Member of the Family of the previous Designated Beneficiary. Such substitution shall become effective when the Program Manager has received and processed such form. A Designated Beneficiary must be specified for all Accounts, other than those opened by state or local government organizations and tax-exempt organizations described under Section 501(c)(3) of the Code as part of a scholarship program.

For purposes of this Agreement, the term "Member of the Family" shall have the meaning given such term under Section 529(e)(2) of the Code.

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

5. Investment Portfolios. The Program has established multiple Investment Portfolios for the investment of assets in an Account. The Investment Portfolios include: (i) Age-Based Investment Portfolios, (ii) Static Investment Portfolios, and (iii) Individual Investment Portfolios, all as further described in the Plan Disclosure Statement. Additional Investment Portfolios may be established in the future. At the time Account Owner completes the Application to establish an Account, Account Owner will select one or more of the Investment Portfolios to be invested in and, if Account Owner selects more than one Investment Portfolio, will designate what portion of the contribution made to the Account should be allocated to each applicable Investment Portfolio.

The manner in which assets allocated to each Investment Portfolio are invested, and the risks and benefits associated with each Investment Portfolio, are described in the Plan Disclosure Statement and should be reviewed carefully.

Each subsequent contribution made to the Account (whether by Account Owner or any other contributor) will be allocated to the Investment Portfolio, or among the Investment Portfolios, in accordance with the directions provided by Account Owner. In the event that Account Owner fails to provide such a direction at the time a contribution is made, the contribution will be allocated pro rata among the Investment Portfolios in the same manner and to the same class of Units as the most recent contribution was allocated in accordance with the instructions by Account Owner. An Account Owner may reallocate the assets in an Account among the one or more Investment Portfolios then available twice every calendar year and, in addition, whenever the Account's Designated Beneficiary is changed.

Each contribution allocated to an Investment Portfolio will be allocated to the series within the Trust applicable to such Investment Portfolio.

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

6. Withdrawals from Accounts. Account Owner may direct withdrawals from an Account, or terminate an Account, at any time in accordance with the provisions of this paragraph.

(a) Notice of Withdrawal. Account Owner may request a withdrawal from the Account (a "Withdrawal Request") to the Program Manager at any time. Such Withdrawal Request must be made in accordance with procedures established by the Program Manager, which may include withdrawals by electronic or telephone authorization. The number of Units debited from the Account as a result of such withdrawal shall be determined as set forth in the Plan Disclosure Statement.

(b) Payment of Withdrawals. Amounts withdrawn may be payable to Account Owner, the Designated Beneficiary and/or an Eligible Educational Institution as directed by Account Owner or if authorized to do so, by Account Owner's financial advisor.

NOTICE: CollegeAccess 529 Plan accounts are not insured by any state, and neither the principal deposited nor any investment return is guaranteed by any state. Furthermore, the accounts are not insured, nor the principal or any investment return guaranteed by the federal government, the FDIC or any other federal agency.

(c) Choice of Investment Portfolios for Partial Withdrawals. If an Account is invested in more than one Investment Portfolio at the time a Withdrawal Request is received, and if the requested withdrawal involves less than all of the assets invested in the Account, Account Owner shall, to the extent permitted by the Code, indicate in the Withdrawal Request the amount or percentage of the withdrawal that should be made from Account assets invested in each applicable Investment Portfolio.

(d) Termination of Account. The Program Manager may terminate any Account (i) forty-five days following the withdrawal by Account Owner of the final balance of the Account, (ii) if on or after the second anniversary of the establishment of an Account, the Account fails to maintain a minimum balance of $250 for ninety consecutive days, (iii) if it finds that Account Owner or the Designated Beneficiary has provided false or misleading information, (iv) if another account has been established for the same Designated Beneficiary in an Additional South Dakota Investment Portfolio or (v) at such other time as may be determined by the Program Manager and the Council to be in the best interests of the Trust.

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

8. Account Owner's Representations and Acknowledgments. Account Owner hereby represents and warrants to, and agrees with the Council and the Program Manager as follows:

(a) Account Owner has received and read the Plan Disclosure Statement, including with respect to the risks of investing in the Program and of selecting any particular Investment Portfolio or Investment Portfolios, and has carefully reviewed all information provided by the Council and the Program Manager. Account Owner has been given the opportunity to obtain answers to any and all questions concerning the Program, the Account and this Agreement. All information provided by Account Owner in the Application, and in any other document or notice to the Council or the Program Manager is and will be true and correct. Account Owner will promptly notify the Program Manager of any changes to any such information.

(b) Account Owner understands that the value of any Account will depend on the investment performance of mutual funds in which Program funds are invested pursuant to an investment policy (the "Investment Policy") adopted by the Council, and by the fees, charges and expenses applicable to the Account, and that the Council may change such Investment Policy at any time without the consent of Account Owners. **ACCOUNT OWNER UNDERSTANDS THAT THE VALUE OF ANY ACCOUNT AT ANYTIME MAY BE MORE OR LESS THAN THE AGGREGATE AMOUNT CONTRIBUTED TO THE ACCOUNT.** Account Owner agrees that all investment decisions will be made by the Council, or by the Program Manager, or any other advisor hired by the Council, and that Account Owner has no authority to direct the investment of any funds invested in the Program, either directly or indirectly, except as described in the Plan Disclosure Statement. Account Owner understands that Account Owner has no right or legal interest in any underlying investment made by any Investment Portfolio with contributions received under this Agreement. Without limiting the foregoing, Account Owner understands that Account Owner is not, by virtue of any investment under the Program, a shareholder in any mutual fund managed or advised by the Program Manager or any of its affiliates, or any other mutual fund underlying any Investment Portfolio and has no right to consent or object to matters that require the consent of shareholders of any such mutual fund.

(c) Account Owner understands that the Council has authority to create additional Investment Portfolios, change the asset allocation and underlying investments of existing Investment Portfolios, merge, terminate or reorganize Investment Portfolios, or cease accepting new contributions to Investment Portfolios without regard to the prior selections of Account Owner; that neither the Council nor the Program Manager is obligated to circulate any notice or to update the Plan Disclosure Statement in connection with any such change, but may do so if such change is determined to be material.

NOTICE: CollegeAccess 529 Plan accounts are not insured by any state, and neither the principal deposited nor any investment return is guaranteed by any state. Furthermore, the accounts are not insured, nor the principal or any investment return guaranteed by the federal government, the FDIC or any other federal agency.

(d) Account Owner understands that so long as Allianz Global Investors Distributors LLC serves as the Program Manager, the assets invested under certain of the Investment Portfolios may be invested primarily or exclusively in mutual funds sponsored by the Program Manager, and that any successor investment manager may invest in any investments permitted under the Investment Policy as in effect at the time.

(e) Account Owner acknowledges that certain of the Investment Portfolios entail considerably more risk than other Investment Portfolios and may not be suitable for all account owners, or for the entire balance of the Account. This is particularly true for Individual Investment Portfolios, which are invested in a single underlying mutual fund. No Individual Investment Portfolio should be considered a complete investment program, but should be a part of Account Owner's overall investment strategy designed in light of Account Owner's particular needs and circumstances, as well as Account Owner's determination (after consulting with his or her advisors and consultants) of Account Owner's own risk tolerance, including his or her ability to withstand losses.

(f) Account Owner acknowledges that neither the Program Manager nor the Council is recommending any specific Investment Portfolio for any particular Account Owner. No Account Owner may rely upon the fact that an Investment Portfolio has been made available under the Program as a recommendation that the particular Investment Portfolio is an appropriate investment or otherwise suitable for Account Owner; nor may Account Owner rely on the fact that the Program Manager, the Council, AGI U.S., or any other advisor or consultant to the Program Manager or the Council, has reviewed, monitored or approved of an Investment Portfolio or a mutual fund in which such an Investment Portfolio may invest, or the selection of the criteria for such review, monitoring or approval, as an indication that such Investment Portfolio or mutual fund is an appropriate or otherwise suitable investment for Account Owner. The determination of whether to invest, how much to invest and in which Investment Portfolios, is solely the decision of Account Owner.

(g) Account Owner understands that participation in the Program does not guarantee that contributions and the investment return on contributions, if any, will be adequate to cover future tuition and other higher education expenses or that a Designated Beneficiary will be admitted to or permitted to continue to attend an institution of higher education.

(h) Account Owner understands that Account Owner assumes all investment risk of an investment in the Program, including the potential loss of principal. **ACCOUNT OWNER ACKNOWLEDGES AND UNDERSTANDS THAT THE PROGRAM IS SUBJECT TO INVESTMENT RISKS, THAT THE ACCOUNT MAY LOSE VALUE AND THAT THE ACCOUNT IS NOT INSURED BY, AND NEITHER THE PRINCIPAL DEPOSITED NOR THE INVESTMENT RETURN IS GUARANTEED BY, THE UNITED STATES, THE STATE OF SOUTH DAKOTA, ANY OTHER STATE, OR ANY AGENCY OR INSTRUMENTALITY THEREOF, INCLUDING THE COUNCIL, THE PROGRAM MANAGER OR THE MEMBERS, OFFICERS AND EMPLOYEES OF THE COUNCIL OR THE STATE OF SOUTH DAKOTA.**

(i) Account Owner understands that neither the State, nor the Trust, the Program Manager or any other consultant or advisor retained by the Council has any debt to Account Owner, Designated Beneficiary or any other person as a result of the establishment of the Program, and that none of such parties assumes any risk or liability for funds invested in the Program.

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

(k) Account Owner acknowledges and agrees that the Trust shall not loan any assets to any Account Owner or Designated Beneficiary.

(l) Account Owner agrees and acknowledges that the Program is established and maintained by the Trust pursuant to state law and is intended to qualify for certain federal income tax treatment and consequences under section 529 of the Code. Account Owner further acknowledges that such federal and state laws are subject to change, sometimes with retroactive effect, and that none of the State, the Trust, the Council, the Program Manager or any advisor or consultant retained by the Trust makes any representation that such state or federal laws will not be changed or repealed or that the terms and conditions of the Program will remain as currently described in the Plan Disclosure Statement and this Agreement.

(m) Account Owner acknowledges and understands that Account Owner's state of residence or situs may offer a qualified tuition program similar to the Program, which may or may not offer tax or other advantages specific to such state and not available from participation in the Program, on terms and conditions which may vary from the Program.

(n) Account Owner acknowledges that withdrawals from an Account may be subject to state and federal tax liability that Account Owner or Designated Beneficiary may be liable for ascertaining and paying. Account Owner understands and acknowledges that any statements regarding tax issues in this Participation Agreement or the Plan Disclosure Statement are provided as general information and that the Account Owner and Designated Beneficiary and any other persons bear full responsibility to consult with a tax advisor regarding any tax consequences (whether related to federal, state or local income tax, gift tax, or estate tax, or otherwise) of participating in the Program.

(o) Account owner(s) understands that in accordance with applicable state regulations, an Account, if abandoned or unclaimed after a period of time specified by state law, may be transferred to the state if the Account owner(s) do not contact Allianz Global Investors Distributors LLC.

9. Fees and Expenses. An Account is subject to the fees and expenses set forth in this paragraph to provide for expenses of marketing and administering the Program and other expenses deemed necessary or appropriate by the Council.

(a) Available Units. The Program has five classes of Units, each with a different fee structure, for the investment of assets in an Account (each a "Unit" and together the "Units"). Each Unit, and its associated fee structure, is described in detail in the Plan Disclosure Statement. At the time of a contribution, Account Owner shall select which class of Units are to be invested in with such contribution and may indicate the Unit class in which future contributions are to be invested. Account Owner may at any time change the class of Units in which future contributions to the Account will be invested by completing and delivering to the Program Manager a form established by the Program Manager indicating the Unit class to which contributions made after the Program Manager's receipt of such form are subject. Upon any reallocation of the Account among Investment Portfolios, the class of Units received upon reallocation shall be in each case the same as the class of Units surrendered.

(b) Beneficiary Age 12 or Older. Notwithstanding the provisions of paragraph 9(a), no contributions to an Account for Class B Units will be accepted at any time that the Designated Beneficiary is age 12 or older. Account Owners of Accounts with Class B Units may not substitute a new Designated Beneficiary that is age 12 or older at the time of the substitution if contributions for Class B Units have been made to the Account within the prior seven years. As of October 31, 2009, no new purchases into class B Units will be allowed.

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

(d) Management Fee. In addition to the fee structures that will be applicable based on the class of Units selected by Account Owner, an annual management fee equal to 0.35% of the average daily Account Net Asset Value will be charged to each Account.

(e) Daily Assessment. The annualized fees applicable to each Account will be assessed against the Account on a daily basis.

(f) Contingent Deferred Sales Charge. Certain withdrawals, rollovers and transfers of Class B and Class C Units — and in some limited cases, Class A Units — will be subject to a contingent deferred sales charge, as described in detail in the Plan Disclosure Statement.

(g) Annual Account Fee. Each Account will be subject to an annual Account fee of $20 per account. This annual charge will be waived if certain conditions described in the Plan Disclosure Statement are met.

(h) Underlying Mutual Fund Fees. Account Owner agrees and acknowledges that in addition to the fees and charges described in the prior provisions of this paragraph, each of the mutual funds in which Account assets are invested under the applicable Investment Portfolios will also have their own investment management fees and other expenses.

(i) Changes to Fees. The fees and charges applicable to an Account are subject to change from time to time.

(j) South Dakota Residents. Accounts for which either Account Owner or the Designated Beneficiary is a resident of South Dakota will not be charged the Management Fee or the Annual Account Fee. Class B Units are not available for Accounts for which either Account Owner or the Designated Beneficiary is a resident of South Dakota, nor for any new account purchases after October 31, 2009.

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

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

12. Change in Ownership. An Account Owner may change ownership of the Account at any time to another individual or entity that is then eligible to be an Account Owner by completing such forms and providing such documentation as is acceptable to the Program Manager.

13. Reporting. The Program Manager shall provide quarterly and annual reports to Account Owner concerning the value of each Account and activity in the Account.

14. Account Owner's Indemnity. Account Owner recognizes that the establishment of any Account with the Trust will be based upon Account Owner's statements, agreements, representations, warranties and covenants set forth in this Agreement and the Application, and Account Owner agrees to indemnify and to hold harmless the Council and its members, the Program Manager and any representatives of the Council or the Program Manager from and against any and all loss, damage, liability or expense, including costs of reasonable attorney's fees, to which they may be put or which they may incur by reason of, or in connection with, any misstatement or misrepresentation made by Account Owner or a Designated Beneficiary, any breach by Account Owner of the acknowledgments, representations or warranties contained herein or any failure of Account Owner to fulfill any covenants or agreements set forth herein. All statements, representations, warranties or covenants of Account Owner shall survive the termination of this Agreement.

15. Amendment and Termination. The Council may at any time, and from time to time, amend the Program, this Agreement or the Plan Disclosure Statement or suspend or terminate the Program and shall give written notice of suspension, termination or amendment (other than an amendment permitted by Section 10 of this Agreement), if material and adverse to the interests of Account Owners generally. In such event, the assets invested under this Agreement may not thereby be diverted from the exclusive benefit of Account Owner and his or her Designated Beneficiary. Nothing contained in this Agreement shall constitute an agreement or representation by the Council or any other party that the Council will continue to maintain the Program indefinitely.

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

17. Actions by Program Manager. The Program Manager may act as the Council's agent for purposes of actions or determinations by the Trust under this Agreement.

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

19. Governing Law. This Agreement shall be governed by South Dakota law, and by maintaining an Account, Account Owner submits, without limitation, to the jurisdiction of courts in such State for all legal proceedings arising out of or relating to the Program.

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Allianz Global Investors
Distributors LLC
1633 Broadway
New York, NY 10019
Toll-free Phone: 1-866-529-7462
www.collegeaccess529.com

CollegeAccess 529 Plan is a Section 529 college savings plan sponsored by the State of South Dakota, and managed and distributed by Allianz Global Investors Distributors LLC, 1633 Broadway, New York, NY 10019, 1-866-529-7462.

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