

State Farm 529 Savings Plan
Program Disclosure Statement dated December 4, 2020
Supplement Number One dated June 30, 2021

This Supplement amends the Program Disclosure Statement dated December 4, 2020 (the “Program Disclosure Statement”). You should read this Supplement in conjunction with the Program Disclosure Statement and retain it for future reference.

Effective January 1, 2021

As a result of changes in Nebraska law, the definition of “Nebraska Qualified Expenses” is expanded to include Apprenticeship Program Expenses. Costs incurred after January 1, 2021 for participation in an apprenticeship program that is registered and certified with the United States Secretary of Labor under 29 U.S.C. Section 50, as such existed on January 1, 2021, are treated as Nebraska Qualified Expenses. Accordingly, the following sections of the Program Disclosure Statement are updated as follows:

SUMMARY OF KEY FEATURES AND REFERENCE GUIDE

- 1) The **Nebraska State Income Tax Benefits** row is revised by replacing the last bullet with the following:
 - Withdrawals for K–12 Tuition Expenses and Qualified Education Loan Payments are Nebraska Non-Qualified Withdrawals. Nebraska state tax deductions are subject to recapture if the account owner cancels a Participation Agreement, makes a partial or complete Nebraska Non-Qualified Withdrawal or rolls assets to an out-of-state 529 qualified tuition program or ABLE program. The earnings portion of a Nebraska Non-Qualified Withdrawal is also subject to Nebraska state income tax.

- 2) The **Nebraska Qualified Expenses** row is revised by restating the last two bullets as follows:
 - Expenses for special needs services in the case of a special needs Beneficiary which are incurred in connection with enrollment or attendance at an Eligible Educational Institution; and
 - Apprenticeship Program Expenses.

PART 13 – DISTRIBUTIONS FROM AN ACCOUNT

- 1) On page 47, the first sentence under **Nebraska Non-Qualified Withdrawals** is replaced with the following:

Nebraska law does not treat the following Federal Qualified Higher Education Expenses as Nebraska Qualified Expenses: (1) K–12 Tuition Expenses; and (2) Qualified Education Loan Payments.

PART 14 – FEDERAL AND STATE TAX CONSIDERATIONS

- 1) On page 49, the second paragraph under **Federal Non-Qualified Withdrawal and Nebraska Non-Qualified Withdrawal** is deleted in its entirety and replaced with the following:

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

PART 16 – GLOSSARY

- 1) On page 55, the definition of **Nebraska Qualified Expenses** is amended to add the following bullet to the end of the list:
 - Apprenticeship Program Expenses.

Effective July 23, 2021

The Nebraska Educational Savings Plan Trust consists of four separate 529 plans (NEST Direct College Savings Plan, NEST Advisor College Savings Plan, TD Ameritrade 529 College Savings Plan and the State Farm 529 Savings Plan). On July 23, the TD Ameritrade 529 College Savings Plan will be rebranded as the Bloomwell 529 Education Savings Plan.

Effective July 23, 2021, all references in the Program Disclosure Statement to the TD Ameritrade 529 College Savings Plan are replaced with “Bloomwell 529 Education Savings Plan.”

Effective August 23, 2021

If an account owner holds an Age-Based Investment Option and Static Investment Option(s) for the same Beneficiary, the Investment Options are currently held in separate accounts. The weekend of August 20-23, 2021, any such accounts with the same account owner and Beneficiary will be combined into one account (specifically, the account that held the Investment Options prior to December 4, 2020). No action will be required by the account owner.

All references to multiple accounts in the Program Disclosure Statement are removed effective August 23, 2021.

New Overnight / Courier Address:

On page 21, the Plan’s overnight and courier address is changed to:

State Farm 529 Savings Plan
3560 South 48th Street
Lincoln, NE 68506



State Farm 529 Savings Plan

Program Disclosure Statement
and Participation Agreement



UBT
Union Bank & Trust
Program Manager

**Northern Trust
Securities, Inc.**
Distributor

December 4, 2020

Use of this Program Disclosure Statement

This Program Disclosure Statement is for use by persons investing with a State Farm VP Management Corp. (“State Farm”) Registered Representative in the State Farm 529 Savings Plan (“State Farm Plan” or the “Plan”). This Program Disclosure Statement contains important information about establishing and maintaining an account with the Plan. Investing is an important decision. Investors should carefully read this Program Disclosure Statement in its entirety to understand and consider the Plan’s investment objectives, risks, charges and expenses and discuss the contents of this Program Disclosure Statement with their State Farm Registered Representative before opening an account and making an investment decision. No one is authorized to provide information that is different from the information contained in this Program Disclosure Statement. Please keep this Program Disclosure Statement and all updates for future reference.

About the Nebraska 529 college savings plans

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

This Program Disclosure Statement describes only accounts held through the Plan that are sold through State Farm Registered Representatives. The other plans in the Nebraska Educational Savings Plan Trust may offer different investment options, different benefits, different fees, and/or different costs and sales commissions, which may be more or less than those offered in the Plan described in this Program Disclosure Statement. Some of these other plans are marketed differently and/or designed for direct investment without the use of a State Farm Registered Representative and without the imposition of sales charges. You can obtain information regarding the other plans in the Nebraska Educational Savings Plan Trust by contacting the Nebraska State Treasurer at 402.471.2455, or by visiting the Nebraska State Treasurer’s website at treasurer.nebraska.gov.

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

No insurance and no guarantees

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

Except for the Bank Savings Static Investment Option, investments in the State Farm 529 Savings Plan are not guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or any other government agency and are not deposits or other obligations of any depository institution. Investments are not guaranteed or insured by the State of Nebraska, the Nebraska State Treasurer, the Nebraska Investment Council, State Farm, Northern Trust Securities, Inc., Union Bank and Trust Company or its authorized agents or affiliates, and are subject to investment risks, including loss of the principal amount invested. FDIC insurance is provided for the Bank Savings Static Investment Option up to the maximum amount set by federal law, currently \$250,000.

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

FDIC insurance is provided for the Bank Savings Static Investment Option only, which invests in an FDIC-insured omnibus savings account held in trust by the Nebraska Educational Savings Plan Trust at Union Bank and Trust Company and/or Nelnet Bank.¹ Contributions to, and earnings on, the investments in the Bank Savings Static Investment Option are insured by the FDIC on a per participant, pass-through basis to each account owner up to the maximum limit established by federal law, which currently is \$250,000.

Investments in the Goldman Sachs Financial SquareSM Government Money Market Static Investment Option are not bank deposits and are not insured by the FDIC.

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

¹Prior to December 15, 2020, the Underlying Investment in the Bank Savings Static Investment Option is a bank savings account held at First National Bank of Omaha.

For use only for Federal Qualified Higher Education Expenses

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

Nebraska state tax deduction

Contributions by an account owner who files a Nebraska state income tax return, including the principal and earnings portions of rollovers from an out-of-state 529 qualified tuition program, are deductible in computing the account owner's Nebraska taxable income for Nebraska income tax purposes in an amount not to exceed \$10,000 (\$5,000 for married taxpayers filing separate returns) in the aggregate for all contributions to all accounts within the Trust in any taxable year.

Contributions by a custodian of an UGMA or UTMA account who is also the parent or guardian of the Beneficiary of an UGMA or UTMA account may claim this deduction. See "Part 14 – Federal and State Tax Considerations" for important additional information about state tax benefits.

Privacy policy

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

Conflicts with applicable law

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

Advisor-sold plan

Accounts in the Plan are only sold through State Farm Registered Representatives. Investors should carefully read this Program Disclosure Statement in its entirety to understand and consider the Plan's investment objectives, risks, charges and expenses and discuss the contents of this Program Disclosure Statement with their State Farm Registered Representative before opening an account and making an investment decision.

Information is subject to change

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

Not an offer to sell

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

Multiple accounts for the same Beneficiary depending on investment elections

Prior to the date of this Program Disclosure Statement, regardless of your investment elections, all of an account owner's contributions to the same Beneficiary were deposited in a single Plan account. Now, however, depending on your investment elections, you may have multiple Plan accounts for contributions to the same Beneficiary.

If you wish to invest in an Age-Based Investment Option or any Static Investment Option(s) for the same Beneficiary, your State Farm Registered Representative can open an account for you by completing an Enrollment Form. If you wish to invest in both an Age-Based Investment Option and Static Investment Option(s) for the same Beneficiary, your State Farm Registered Representative must open two accounts by completing two Enrollment Forms — one for the Age-Based Investment Option and one for the Static Investment Option(s). All accounts with the same account owner and Beneficiary will use one set of login credentials on the Plan's website.

If you invested in both an Age-Based Investment Option and one or more Static Investment Options immediately prior to December 4, 2020, the Program Manager will automatically separate these types of Investment Options from one another and create a second account on your behalf. The Program Manager will also automatically assign an account number to your new account. Your accounts will be linked and accessible online when you log in to the Plan's website. A summary page will also be provided with your quarterly account statements.

The change from one Plan account to multiple Plan accounts for some account owners presents unique issues that you should carefully consider prior to initiating a number of transactions. For example, if you wish to contribute money to a Beneficiary, you can no longer contribute to your single Plan account and have your contribution allocated according to your investment elections on file. Instead, you must designate which account (i.e., which Investment Option) in which you wish to deposit the contribution by noting the unique account number associated with that account. If you wish to contribute to each of your Investment Options, you will need to make separate contributions to each of your accounts.

Similar considerations must be given if you make contributions via payroll direct deposit (into which account (i.e., Investment Option) you wish to deposit the contribution); when you initiate a withdrawal (from which account (i.e., Investment Option) you wish to make the withdrawal); and when you request a fund transfer or rollover. In addition, Systematic Exchange Program exchanges are limited to Static Investment Options only. These limitations, and others, are more fully described later in the Program Disclosure Statement.

The Program Manager is actively working to move the Plan and account owners back to a pre-December 4, 2020, single account system. A single account system is scheduled to be in effect no later than August 31, 2021.

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

IMPORTANT INVESTOR INFORMATION

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

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

IMPORTANT LEGAL INFORMATION

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

NO BROKER, DEALER, REGISTERED REPRESENTATIVE, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROGRAM DISCLOSURE STATEMENT, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE PLAN, THE STATE OF NEBRASKA, THE NEBRASKA INVESTMENT COUNCIL, THE NEBRASKA STATE TREASURER, THE NEBRASKA STATE INVESTMENT OFFICER, STATE FARM, UNION BANK AND TRUST COMPANY, OR NORTHERN TRUST SECURITIES, INC.

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

Business Continuity Plan Disclosure for State Farm VP Management Corp.

State Farm VP Management Corp. has developed a Business Continuity Plan on how we will respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions is unpredictable, we will have to be flexible in responding to actual events as they occur. With that in mind, we are providing you with this information on our business continuity plan.

Contacting Us – After a significant business disruption, if you cannot contact us as you usually do at 800.321.7520, you should contact your State Farm Registered Representative or go to our website at [StateFarm.com](https://www.StateFarm.com).

Our Business Continuity Plan – We plan to quickly recover and resume business operations as soon as possible after a significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm’s books and records, and allowing our customers to transact business. In short, our business continuity plan is designed to permit our firm to resume operations as quickly as possible, given the scope and severity of the significant business disruption.

Our business continuity plan addresses: data back-up and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank and counter-party impact; regulatory reporting; and procedures to help ensure that our customers have prompt access to their funds and securities if we are unable to continue our business.

Our business continuity plan may be revised or amended. If changes are made, an updated summary will be promptly posted on our website (StateFarm.com) or you may obtain an updated summary by calling us at the number below and requesting that a written copy be mailed to you.

Varying Disruptions – Significant business disruptions can vary in their scope, such as only our firm, a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building housing our firm, we may transfer our operations to a local site when needed and expect to recover and resume business within one business day. In a disruption affecting our business district, city, or region, we will transfer our operations to a site outside of the affected area, and expect to recover and resume business within three business days. In either situation, we plan to continue in business, transfer operations if necessary, and notify you through our web site StateFarm.com, or our customer number how to contact us. In the unlikely event that the significant business disruption is so severe that it prevents us from remaining in business, our plan provides procedures to help ensure that our customers have prompt access to their funds and securities.

In all of the situations described above, in light of the various types of disruptions that could take place and that every emergency poses unique problems, it may take longer to resume operations during any particular disruption. If you have questions about our business continuity planning, you can contact us at 800.321.7520.

Table of Contents

PLAN OVERVIEW	2	Contribution restrictions.....	19
SUMMARY OF KEY FEATURES AND REFERENCE GUIDE	9	Minimum contribution amounts	19
PART 1 – OVERVIEW.....	13	Limits on maximum contributions to an account	19
The Trust and the Plan.....	13	Excess contributions.....	19
The Program Manager	13	Allocation of contributions	19
Contributing to an account.....	13	Systematic Exchange Program.....	19
Investment Options.....	13	Contributions by non-account owners.....	20
Federal income tax benefits	13	Contribution methods	20
Nebraska state tax deduction.....	14	Contributing electronically from your bank account.....	20
Taxpayers and residents of other states	14	Checks	21
PART 2 – LEGAL DESCRIPTION OF THE PLAN.....	14	Wire transfer.....	21
The Trust and the Plan.....	14	Payroll direct deposit.....	21
The Treasurer	14	Rollover	21
The Nebraska Investment Council.....	14	Coverdell Education Savings Account.....	22
The Program Manager	14	Redemptions from certain U.S. Savings Bonds	22
No insurance and no guarantees.....	14	Transfers within the Plan	22
The Plan is not a mutual fund	15	UGMA or UTMA accounts.....	22
PART 3 – OPENING AND MAINTAINING AN ACCOUNT.....	15	Contributions from GiftED	23
Using State Farm Registered Representatives.....	15	Contribution date	23
Who can open an account.....	15	Contribution pricing	23
No limits on the number of accounts.....	15	Contribution errors	23
Restrictions	15	PART 6 – INVESTMENT OPTIONS OVERVIEW.....	23
Maximum limits on contributions.....	15	8 Investment Options	23
Completing and submitting an Enrollment Form	15	No investment direction	24
Required Information.....	15	Changing Investment Options.....	24
Choosing an Investment Option	16	PART 7 – AGE-BASED INVESTMENT OPTION	24
Account ownership.....	16	Age-Based Investment Option	24
Maintaining and reviewing your account.....	17	Newborn to 2 years old Portfolio.....	24
Program Manager’s right to terminate, freeze, suspend or redeem your account	17	3 to 5 years old Portfolio.....	25
Account opening error	18	6 to 8 years old Portfolio	25
Documents must be in good order	18	9 to 10 years old Portfolio.....	25
PART 4 – BENEFICIARIES	18	11 to 12 years old Portfolio.....	25
Beneficiary	18	13 to 14 years old Portfolio.....	25
One Beneficiary.....	18	15 to 16 years old Portfolio.....	25
Infant Beneficiary	18	17 to 18 years old Portfolio.....	25
Scholarship account Beneficiary	18	19 years and older Portfolio.....	26
UGMA or UTMA or minor-owned account Beneficiary	18	Description of the Underlying Investments	26
Changing the Beneficiary	18	PART 8 – STATIC INVESTMENT OPTIONS.....	26
Member of the Family.....	18	7 Static Investment Options	26
Death of a Beneficiary	19	All Equity Static Investment Option.....	27
PART 5 – CONTRIBUTING TO AN ACCOUNT	19	Growth Static Investment Option	27
Contributions.....	19	Moderate Growth Static Investment Option.....	27
		Balanced Static Investment Option	27
		Conservative Static Investment Option.....	27

Money Market Static Investment Option.....	27	Refunds from an Eligible Educational Institution.....	48
Bank Savings Static Investment Option.....	28	Federal Qualified Rollover Distribution.....	48
Description of the Underlying Investments.....	29	PART 14 – FEDERAL AND STATE TAX CONSIDERATIONS.....	48
PART 9 – DESCRIPTIONS OF THE UNDERLYING INVESTMENTS.....	29	Qualified Tuition Program.....	48
Goldman Sachs Financial Square Money Market Fund.....	29	Federal tax information.....	48
Vanguard Short-Term Inflation-Protected Securities ETF.....	30	Nebraska tax information.....	48
Vanguard Short-Term Bond Index Fund ETF.....	30	Federal Qualified Withdrawals.....	48
iShares Core U.S. Aggregate Bond ETF.....	31	Federal Qualified Higher Education Expenses.....	49
DFA World ex U.S. Government Fixed Income Portfolio.....	32	Federal Non-Qualified Withdrawal and Nebraska Non-Qualified Withdrawal.....	49
State Street S&P 500® Index.....	32	Federal penalty tax on Federal Non-Qualified Withdrawals.....	49
State Street MSCI® ACWI ex USA Index.....	33	Exceptions to the federal penalty tax.....	49
Vanguard Extended Market Index Fund ETF.....	34	Rollovers.....	49
Vanguard Real Estate ETF.....	34	Change of Beneficiary.....	49
Bank Savings.....	35	Earnings portion.....	49
PART 10 – CERTAIN RISKS TO CONSIDER.....	35	Earnings aggregation.....	50
Plan risks.....	35	Claiming a loss.....	50
Investment risks.....	37	Estate and gift tax.....	50
PART 11 – PERFORMANCE.....	40	Coordination with education tax credits.....	51
No ownership in Underlying Investments.....	40	Coverdell Education Savings Accounts (CESAs).....	51
Performance differences.....	40	Lack of certainty.....	51
Customized performance benchmarks.....	42	Nebraska state income tax deduction.....	51
PART 12 – PLAN FEES AND EXPENSES.....	42	Recapture of Nebraska income tax deduction.....	51
Class A accounts.....	42	Nebraska state income tax.....	52
Application of Class A Up-Front Sales Load and Distribution and Marketing Fees for Certain Investment Options or Portfolios.....	43	PART 15 – OTHER CONSIDERATIONS.....	52
Negative return.....	43	Scholarships.....	52
Annual account fee.....	43	Contests.....	52
Program management fee.....	43	Financial aid.....	52
State administration fee.....	43	Bankruptcy.....	52
Underlying investment fee.....	43	Creditor protection.....	53
Other account fees.....	44	Audits.....	53
Selling institution compensation.....	44	Quarterly statements.....	53
Commission waivers.....	44	Additional information.....	53
Contributions from rewards programs.....	44	PART 16 – GLOSSARY.....	53
Fee Structure Table.....	45	ABLE Account.....	53
Approximate cost of \$10,000 investment.....	46	Age-Based Investment Option.....	53
PART 13 – DISTRIBUTIONS FROM AN ACCOUNT.....	46	Apprenticeship Program Expenses.....	53
Requesting a distribution from an account.....	46	Beneficiary.....	53
Temporary withdrawal restrictions.....	46	CESA.....	53
Systematic Withdrawal Program (SWP).....	46	Code.....	53
Federal Qualified Withdrawal.....	47	Distributor.....	53
Eligible Educational Institution.....	47	Enrollment Form.....	53
Distribution of a Federal Qualified Withdrawal.....	47	Eligible Educational Institution.....	53
Federal Non-Qualified Withdrawals.....	47	Federal Non-Qualified Withdrawal.....	54
Nebraska Non-Qualified Withdrawals.....	47	Federal Qualified Higher Education Expenses.....	54
Exceptions to the federal penalty tax.....	47	Federal Qualified Rollover Distribution.....	54

Federal Qualified Withdrawal.....	54
FINRA	54
Investment Option.....	54
K-12 Tuition Expenses	54
Maximum Contribution Limit.....	54
Member of the Family.....	54
Nebraska Non-Qualified Withdrawal.....	55
Nebraska Qualified Expenses.....	55
Participation Agreement	55
Plan	55
Program Management Agreement.....	55
Program Manager	55
Qualified Education Loan Payments.....	55
Static Investment Option	55
Trust	55
Trusted Contact	55
Trustee.....	55
UGMA.....	55
Underlying Investments.....	55
UTMA	55
EXHIBIT A – PARTICIPATION AGREEMENT	55
STATE FARM 529 SAVINGS PLAN ADDITIONAL INFORMATION	
REGARDING FINANCIAL PRIVACY	61

Summary of Key Features and Reference Guide

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

Plan Structure

Issuer: Nebraska Educational Savings Plan Trust

Trustee: Nebraska State Treasurer

Investment Oversight: Nebraska Investment Council

Program Manager: Union Bank and Trust Company

Distributor: Northern Trust Securities, Inc. (member FINRA, SIPC)

Selling Dealer: State Farm

Contact Information: State Farm 529 Savings Plan
 3606 South 48th Street
 Lincoln, NE 68506
Phone: 800.321.7520
 7:00 a.m. to 7:00 p.m. Central Time
 Monday through Friday
Web: StateFarm.com

Topic	Description	Reference Page
<p>Nebraska State Income Tax Benefits</p>	<ul style="list-style-type: none"> • Nebraska tax benefits are available only to Nebraska taxpayers • Contributions by account owners, custodians of an UGMA or UTMA account where the custodian is the parent or guardian of the Beneficiary of the UGMA or UTMA account, and out-of-state rollovers into the Plan by account owners may be deductible up to \$10,000 per tax return (\$5,000 if married, filing separately) • Earnings grow tax-deferred from Nebraska state income tax • A withdrawal for Nebraska Qualified Expenses is not subject to Nebraska state income tax • The earnings and principal portions of a qualified rollover into the Plan from an out-of-state 529 qualified tuition program are exempt from Nebraska state income tax • Withdrawals for K-12 Tuition Expenses, Apprenticeship Program Expenses and Qualified Education Loan Payments are Nebraska Non-Qualified Withdrawals. Nebraska state tax deductions are subject to recapture if the account owner cancels a Participation Agreement, makes a partial or complete Nebraska Non-Qualified Withdrawal or rolls assets to an out-of-state 529 qualified tuition program or ABLE program. The earnings portion of a Nebraska Non-Qualified Withdrawal is also subject to Nebraska state income tax. 	<p>14, 48-52</p>
<p>Federal Tax Benefits</p>	<ul style="list-style-type: none"> • Contributions are not deductible for federal income tax purposes • Earnings grow tax-deferred from federal income tax • A Federal Qualified Withdrawal is not subject to federal income tax • The earnings portion of a Federal Non-Qualified Withdrawal is subject to income tax and possibly a 10% penalty tax • For federal gift and estate tax purposes, contributions are generally considered completed gifts to the Beneficiary 	<p>48-52</p>

Topic	Description	Reference Page
<p>No Guarantees</p>	<ul style="list-style-type: none"> • There are no guarantees that contributions and the investment earnings, if any, will be adequate to cover future tuition and other higher education expenses, or that a Beneficiary will be admitted to or permitted to continue to attend an Eligible Educational Institution. • Except as described herein for accounts invested in the Bank Savings Static Investment Option, investments in the Plan are not insured by the FDIC. • Investments in the Plan are not guaranteed or insured by the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, State Farm, Union Bank and Trust Company, Northern Trust Securities, Inc. or its authorized agents or affiliates, or any other federal or state entity or person. • The value of your account could be more or less than the amount you contribute to your account. In short, you could lose money. 	<p>2, 14, 35-40</p>
<p>Enrollment Form</p>	<ul style="list-style-type: none"> • Available through your State Farm Registered Representative • Download from StateFarm.com 	<p>15</p>
<p>Account Ownership</p>	<ul style="list-style-type: none"> • Individuals, trusts, certain entities and custodial accounts • Must have a Social Security or taxpayer identification number and a U.S. residential street address • No joint account ownership 	<p>15-18</p>
<p>Beneficiary</p>	<ul style="list-style-type: none"> • Must have a Social Security or taxpayer identification number • A Beneficiary can be of any age, need not be a resident of Nebraska, and does not need to be related to the account owner • Can be changed at any time without penalty to a Member of the Family 	<p>18-19, 53-54</p>
<p>Contributions</p>	<ul style="list-style-type: none"> • Contributions can be made by anyone, but the account owner retains ownership and control of the account and its assets • Can be made by check; Automatic Investment Plan; Electronic Funds Transfer; GiftED; wire transfer; payroll direct deposit; rollover or transfer from an out-of-state 529 qualified tuition program; transfers within the Plan; amounts distributed from a Coverdell Education Savings Account or proceeds from a qualified U.S. Savings Bond, subject to certain limitations • The minimum initial contribution amount is \$250 per account unless the account owner signs up for AIP or payroll direct deposit of at least \$50 per month. The minimum subsequent contribution amount is \$50. All accounts with the same account owner and Beneficiary are treated as a single account for purposes of calculating minimum contributions. • Maximum Contribution Limit of \$500,000 per Beneficiary for all accounts for the same Beneficiary in the Trust. Assets can grow beyond \$500,000. 	<p>19-23</p>

Topic	Description	Reference Page												
Investment Options	<ul style="list-style-type: none"> • 1 Age-Based Investment Option • 7 Static Investment Options (All Equity, Growth, Moderate Growth, Balanced, Conservative, Money Market, Bank Savings) • If an account owner invests in both the Age-Based Investment Option and Static Investment Option(s), those investments will be held in different accounts. • An account owner can move funds from one Investment Option to another twice per calendar year for all accounts in the Trust or at any time when the Beneficiary is changed to a Member of the Family. • If an account owner has multiple accounts in the Plan for the same Beneficiary, or multiple accounts among the Plan, the NEST Advisor Plan, the NEST Direct Plan or the TD Ameritrade 529 College Savings Plan for the same Beneficiary, the account owner may change the Investment Options in all accounts without adverse tax consequences, so long as the changes to all of the accounts are made at the same time and no more frequently than twice per calendar year or upon a change of Beneficiary. • Transferring assets from the Plan to another 529 qualified tuition program administered by the Nebraska State Treasurer for the same Beneficiary, or vice versa, is considered an Investment Option change. 	23-40												
Risk Factors	<p>Opening an account involves certain risks, including:</p> <ul style="list-style-type: none"> • The risk that the value of your account may decrease, you could lose money, including the principal you invest; • The risk of state or federal tax law changes; • The risk of Plan changes, including changes in fees; • The risk that the Plan may add, terminate or merge Investment Options; • The risk that the Plan may change Underlying Investments or allocations; and • The risk that an investment in the Plan may adversely affect the account owner or Beneficiary's eligibility for financial aid or other benefits. 	35-40												
Mutual Fund Families	<ul style="list-style-type: none"> • Vanguard, DFA, Goldman Sachs, iShare, and State Street 	29-35												
Performance	<ul style="list-style-type: none"> • Performance of the Investment Options 	40-41												
Plan Fees and Expenses	<ul style="list-style-type: none"> • Starting January 1, 2021, the annual account fee is \$15. The fee is waived for any account that exceeds \$20,000 on the last day of the period that the fee is assessed. All accounts with the same account owner and Beneficiary will be treated as a single account for purposes of calculating the annual account fee and exceptions to that fee. • No enrollment, investment change, transfer or withdrawal fee • Up-Front Sales Load: 3.50% <table border="1" data-bbox="344 1623 1308 1808"> <thead> <tr> <th colspan="3" data-bbox="344 1623 1308 1671">Investment Option all-in costs:*</th> </tr> <tr> <th data-bbox="344 1671 824 1713"></th> <th data-bbox="824 1671 1117 1713">Range</th> <th data-bbox="1117 1671 1308 1713">Average</th> </tr> </thead> <tbody> <tr> <td data-bbox="344 1713 824 1755">Age-Based Investment Option</td> <td data-bbox="824 1713 1117 1755">0.47%–0.50%</td> <td data-bbox="1117 1713 1308 1755">0.48%</td> </tr> <tr> <td data-bbox="344 1755 824 1797">Static Investment Options</td> <td data-bbox="824 1755 1117 1797">0.17%–0.50%</td> <td data-bbox="1117 1755 1308 1797">0.42%</td> </tr> </tbody> </table> <p data-bbox="344 1822 1308 1923">*These costs include the Underlying Investment expenses, a 0.15% Program Management Fee, a 0.02% state administration fee, and a 0.25% distribution and marketing fee to cover the administrative costs of overseeing, distribution and marketing the Plan. With respect to the Money Market Static Investment Option and the Bank Savings Static Investment Option, the distribution and marketing fee is 0.00%.</p>	Investment Option all-in costs:*				Range	Average	Age-Based Investment Option	0.47%–0.50%	0.48%	Static Investment Options	0.17%–0.50%	0.42%	42-46
Investment Option all-in costs:*														
	Range	Average												
Age-Based Investment Option	0.47%–0.50%	0.48%												
Static Investment Options	0.17%–0.50%	0.42%												

Topic	Description	Reference Page
Federal Qualified Withdrawals	<ul style="list-style-type: none"> ● Tuition, fees, books, supplies and equipment required for enrollment of, or attendance by, a Beneficiary at an Eligible Educational Institution; ● Expenses for room and board (with certain limitations) incurred by students who are enrolled at least half-time; ● Expenses for the purchase of computer or peripheral equipment, computer software or Internet access and related services if it is to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution; ● Expenses for special needs services in the case of a special needs Beneficiary which are incurred in connection with enrollment or attendance at an Eligible Educational Institution; ● K-12 Tuition Expenses; ● Apprenticeship Program Expenses; and ● Qualified Education Loan Payments. 	46-52
Nebraska Qualified Expenses	<ul style="list-style-type: none"> ● Tuition, fees, books, supplies, and equipment required for enrollment or attendance of a Beneficiary at an Eligible Educational Institution; ● Expenses for room and board (with certain limitations) incurred by students who are enrolled at least half-time; ● Expenses for the purchase of computer or certain peripheral equipment, computer software, or Internet access and related services if it is to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution; and ● Expenses for special needs services in the case of a special needs Beneficiary which are incurred in connection with enrollment or attendance at an Eligible Educational Institution. ● Nebraska Qualified Expenses do not include K-12 Tuition Expenses, Apprenticeship Program Expenses or Qualified Education Loan Payments. 	46-52
Rollovers and Transfers	<ul style="list-style-type: none"> ● Funds can be rolled over from an out-of-state 529 qualified tuition program to this Plan or from this Plan to an out-of-state 529 qualified tuition program once every 12 months for the same Beneficiary without being subject to federal tax. ● Funds can be rolled over from this Plan to an ABLE Account for the same Beneficiary without being subject to federal tax (subject to the contribution limits for ABLE Accounts). ● A rollover to an out-of-state 529 qualified tuition program for another Beneficiary who is a Member of the Family of the current Beneficiary can take place at any time without federal income tax consequences. ● Nebraska state tax deductions are subject to recapture if the account owner cancels a Participation Agreement, makes a partial or complete Nebraska Non-Qualified Withdrawal or rolls over assets to an out-of-state 529 qualified tuition program or ABLE program. ● Liquidated assets from a CESA, UGMA/UTMA assets and certain U.S. Savings Bonds can be transferred to the Plan at any time. Restrictions and tax considerations may apply. 	21, 46-52

PART 1 – OVERVIEW

The Trust and the Plan

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

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

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

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

The Program Manager

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

The Program Manager has entered into a distribution agreement with Northern Trust Securities, Inc. (the “Distributor”). The Trust, Program Manager, and the Distributor entered into a Selling Agent Agreement with State Farm. Under this Selling Agent Agreement, State Farm will assist in certain marketing and administrative services for those interested in investing in the Plan. You will be able to open an account and make contributions to your account through your State Farm Registered Representative.

Contributing to an account

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

While there are no limits on the number of accounts an account owner can own, no additional contributions may be made for the benefit of a particular Beneficiary when the fair market value of all accounts owned by all account owners within the Trust for that Beneficiary equals or exceeds \$500,000 (the “Maximum Contribution Limit”).

If, however, the market value of such accounts falls below the Maximum Contribution Limit, additional contributions will be accepted. The \$500,000 Maximum Contribution Limit applies to all accounts for the same Beneficiary in all plans administered by the Nebraska State Treasurer, including the Plan, the NEST Advisor Plan, the NEST Direct Plan and the TD Ameritrade 529 College Savings Plan.

Investment Options

The Plan has eight Investment Options from which to choose: one Age-Based Investment Option and seven Static Investment Options. The Age-Based Investment Option and Static Investment Options invest in specified allocations of equity, real estate, fixed income and cash equivalent investments. The Bank Savings Static Investment Option invests in an FDIC-insured savings account. Depending on your investment elections, your State Farm Registered Representative may need to establish separate Plan accounts for the same Beneficiary. If you invest in both the Age-Based Investment Option and Static Investment Option(s), you will have an Age-Based Investment Option account and a Static Investment Option(s) account. All accounts with the same account owner and Beneficiary can be accessed with one set of login credentials on the Plan’s website.

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

By working with your State Farm Registered Representative you can choose an Investment Option that is tailored to meet your investment risk and return profile. Accounts are offered through State Farm Registered Representatives to assist you in determining whether an investment in the Plan is right for you.

Federal income tax benefits

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

are incurred in connection with enrollment or attendance at an Eligible Educational Institution; (v) K–12 Tuition Expenses; (vi) Apprenticeship Program Expenses; and (vii) Qualified Education Loan Payments.

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

Nebraska state tax deduction

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

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

Taxpayers and residents of other states

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

PART 2 – LEGAL DESCRIPTION OF THE PLAN

The Trust and the Plan

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

The Treasurer

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

The Nebraska Investment Council

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

The Program Manager

The Nebraska State Treasurer, as Trustee, has engaged the Program Manager to administer and market the Plan on behalf of the Trustee. The Program Manager works with the Treasurer to provide day-to-day administrative and marketing services to the Plan. The Distributor works with the Program Manager to engage State Farm and State Farm Registered Representatives to assist in marketing Plan accounts.

No insurance and no guarantees

Except for the Bank Savings Static Investment Option, investments in the State Farm 529 Savings Plan are not guaranteed or insured by the FDIC or any other government agency and are not deposits or other obligations of any depository institution. Investments are not guaranteed or insured by the State of Nebraska, the Nebraska State Treasurer, the Nebraska Investment Council, State Farm, the Distributor, the Program Manager or its authorized agents or affiliates, and are subject to investment risks, including loss of the principal amount invested. FDIC insurance is provided for the Bank Savings Static Investment Option up to the maximum amount set by federal law, currently \$250,000.

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

FDIC insurance is provided for the Bank Savings Static Investment Option only, which invests in an FDIC-insured omnibus savings account held in trust by the Nebraska Educational Savings Plan Trust at Union Bank and Trust Company and/or Nelnet Bank.² Contributions to, and earnings on, the investments in the Bank Savings Static Investment Option are insured by the FDIC on a per participant, pass-through basis to each account owner up to the maximum limit established by federal law, which currently is \$250,000. The amount of FDIC insurance provided to an account owner is based on the total of: (1) the value of an account owner's investment in the Bank Savings Static Investment Option, and (2) the value of all

² On or about December 15, 2020, the Underlying Investment in the Bank Savings Static Investment Option will change from a First National Bank of Omaha bank savings account to a bank savings account with Union Bank and Trust Company and/or Nelnet Bank. No action is required by the account owner.

other accounts held by the account owner at the bank (including bank deposits), as determined in accordance with bank and FDIC rules and regulations. You are responsible for monitoring the total amount of your assets on deposit at the bank, including amounts held directly by you at the bank. All such deposits held in the same ownership capacity at the bank are subject to aggregation and to the current FDIC insurance coverage limitation of \$250,000. For more information, please visit www.fdic.gov.

The Plan is not a mutual fund

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

PART 3 – OPENING AND MAINTAINING AN ACCOUNT

Using State Farm Registered Representatives

Accounts in the Plan are only offered by the Distributor and through State Farm Registered Representatives to offer accounts to their customers. Contributions to a Plan account will be invested after applicable sales charges are deducted. To open an account, contact your State Farm Registered Representative directly for specific instructions or assistance on how to complete and submit the Enrollment Form.

Who can open an account

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

No limits on the number of accounts

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

Depending on your investment elections, your State Farm Registered Representative may need to establish separate accounts for the same Beneficiary. If you invest in both the Age-Based Investment Option and Static Investment Option(s), you will have an Age-Based Investment Option account and a Static Investment Option account. All accounts with the same account owner and Beneficiary can be accessed with one set of login credentials on the Plan's website.

Restrictions

When an account owner or the address is changed on an account, there is a 15-day hold before a withdrawal can be made. A withdrawal request must be signature guaranteed if the request is within 10 business days of the change to have the withdrawal released before the hold period expires.

Maximum limits on contributions

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

Completing and submitting an Enrollment Form

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

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

You can obtain an Enrollment Form by:

- Contacting your State Farm Registered Representative
- Downloading the form at StateFarm.com
- Writing the Plan at:
3606 South 48th Street
Lincoln, NE 68506
- Calling the Plan at:
800.321.7520
7:00 a.m. – 7:00 p.m. Central Time
Monday – Friday

Required information

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

Choosing an Investment Option

You must select an Investment Option(s) for your Beneficiary when you open an account. See “Part 6 – Investment Options Overview.” Depending on your elections, your State Farm Registered Representative may need to establish another account for your Beneficiary. If you invest in both the Age-Based Investment Option and Static Investment Option(s), you will have an Age-Based Investment Option account and a Static Investment Option(s) account.

Account ownership

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

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

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

information beyond what is necessary to protect you and/or your assets from potential harm. To designate or change a Trusted Contact please call the Plan.

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

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

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

A custodian can be changed on a custodial account by providing supporting documentation in writing from the current custodian or submitting a valid court order appointing another person as the custodian. The new custodian must complete an Enrollment Form which is available from a State Farm Registered Representative, by downloading a form from the Plan’s website, or by calling the Plan.

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

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

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

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

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

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

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

Trust accounts – If the account owner is a trust, the trustee should consult with his or her legal and tax advisors before establishing an account. This Program Disclosure Statement does not attempt to address the income or transfer tax consequences of investments in the Plan made by a trust or

the propriety of such an investment under state trust law. The trustee may be required to submit documents when an account is opened. Call the Plan for more information.

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

Maintaining and reviewing your account

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

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

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

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

Account opening error

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

Documents must be in good order

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

PART 4 – BENEFICIARIES

Beneficiary

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

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

One Beneficiary

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

Infant Beneficiary

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

Scholarship account Beneficiary

If an account is established by a state or local government

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

UGMA or UTMA or minor-owned account Beneficiary

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

Changing the Beneficiary

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

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

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

You may change the Beneficiary of an account by contacting the State Farm Registered Representative through whom you established your account. The State Farm Registered Representative will assist you in completing the appropriate paperwork. Or you can visit the Plan's website at StateFarm.com or call the Plan.

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

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

Member of the Family

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

- A son or daughter, or a descendant of either;
- A stepson or stepdaughter;
- A brother, sister, stepbrother or stepsister;
- The father or mother, or an ancestor of either;
- A stepfather or stepmother;

- A son or daughter of a brother or sister;
- A brother or sister of the father or mother;
- A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law;
- The spouse of the Beneficiary or the spouse of any of the foregoing individuals; or
- A first cousin of the Beneficiary.

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

Death of a Beneficiary

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

PART 5 – CONTRIBUTING TO AN ACCOUNT

Contributions

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

Contribution restrictions

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

Minimum contribution amounts

The minimum initial contribution amount is \$250 per account unless the account owner signs up for Automatic Investment Plan or payroll direct deposit of at least \$50 per month. The minimum subsequent contribution amount is \$50. All accounts with the same account owner and Beneficiary are treated as a single account for purposes of calculating minimum contribution amounts.

Limits on maximum contributions to an account

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

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

Excess contributions

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

Allocation of contributions

At the time an account is established, you must select how you want the contributions allocated among the Investment Options you selected for future contributions (“Standing Allocation”). Depending on your elections, you may need to establish another account for the same Beneficiary. If you invest in both an Age-Based Investment Option and Static Investment Option(s), you will have an Age-Based Investment Option account and a Static Investment Option account. Additional contributions will be invested according to the Standing Allocation unless you provide different instructions.

You may reallocate assets to different Investment Options twice per calendar year and with a permissible change in the Beneficiary. If an account owner invests in both an Age-Based Investment Option and Static Investment Option(s), the account owner may change the Investment Options in all such accounts and only have the changes count as one Investment Option change, so long as all Investment Option changes are made prior to closing on the same trading day. You can change your Standing Allocation for the applicable account any time by accessing the Plan’s secure website, by submitting a form available through your State Farm Registered Representative, by downloading and submitting a form available on the Plan’s website or by calling the Plan.

Systematic Exchange Program

The Systematic Exchange Program allows the exchange of a minimum of \$200 from one Static Investment Option to another Static Investment Option on a pre-scheduled basis (“Systematic Exchange”). Systematic exchanges are not permitted between an Age-Based Investment Option and Static Investment Options.

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

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

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

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

Before establishing a Systematic Exchange Program, you should carefully consider with your State Farm Registered Representative the risks associated with selecting and creating a Systematic Exchange Program.

Contributions by non-account owners

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

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

Contribution methods

Contributions can be made to an account by:

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

Contributing electronically from your bank account

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

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

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

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

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

Automatic Investment Plan (AIP)

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

The start date for an AIP must be at least three business days from the date of submission of the AIP request. If a start date for an AIP is less than three business days from

the date of the submission of the AIP request, the AIP will start on the requested day in the next succeeding period.

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

Electronic Funds Transfer (EFT)

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

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

Checks

Checks should be made payable to "State Farm 529 Savings Plan." A contribution by mail coupon should accompany the check. Contribution by mail coupons are sent to you when an account is opened and in statement mailings. You can also download a contribution coupon from StateFarm.com. If a coupon is not available, include the account number(s) and name of the Beneficiary on the check or include separate written instructions. All checks must be in good order. Some checks that will also not be accepted include: travelers checks, foreign checks, checks dated more than 180 days from the date of receipt, post-dated checks, checks with unclear instructions, starter checks or counter checks, credit card or bank courtesy checks, promotional checks, third-party personal checks over \$10,000, instant loan checks and any other check we deem unacceptable. Money orders are not accepted. Third-party personal checks must be payable to you or the Beneficiary and be properly endorsed by you or the Beneficiary to the State Farm 529 Savings Plan.

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

Checks should be made payable to "State Farm 529 Savings Plan" and can be sent to the following address:

- **Mailing address:**
State Farm 529 Savings Plan
P.O. Box 86529
Lincoln, NE 68501-6529

For faster delivery, consider using the overnight or courier address.

- **Overnight or courier address:**
State Farm 529 Savings Plan
3606 South 48th Street
Lincoln, NE 68506

Wire transfer

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

Payroll direct deposit

Contributions can be made into a Plan account from a paycheck if the employer permits direct deposit. Payroll direct deposit is made with after-tax dollars. Account owners initiate payroll direct deposit and any changes directly with their employer.

Mistakes made by the employer can only be remedied between the employee and the employer. The Plan will not take any responsibility for mistakes made by the employer or employee. You must complete payroll direct deposit instructions by logging into your account at StateFarm.com, selecting the payroll direct deposit option and designating the contribution amount in the instructions. You will need to print these instructions and submit them to your employer.

Rollover

Contributions may also be made by a rollover or direct transfer of funds from another 529 qualified tuition program. Rollovers from another qualified tuition program are treated as a non-taxable distribution from the distributing qualified tuition program provided (1) it has been more than 12 months since any previous rollover for the Beneficiary, or (2) the Beneficiary of the account is changed to a Member of the Family of the current Beneficiary. If an account owner has both an Age-Based Investment Option account and a Static Investment Option account, a rollover into all such accounts will be treated as a single rollover for purposes of the 12-month rule, if the rollovers are made prior to closing on the same trading day.

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

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

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

Account owners who are Nebraska taxpayers who roll over funds into the Plan may be eligible for a Nebraska state income tax deduction. See "Part 14 – Federal and State Tax Considerations." The 529 qualified tuition program

from which you are transferring funds may impose other restrictions on a rollover, such as the recapture of any state income tax deduction previously claimed, so you should investigate this option thoroughly before requesting a transfer.

Coverdell Education Savings Account

Contributions may also be made by a rollover or direct transfer of funds from a Coverdell Education Savings Account (“CESA”) (formerly known as an Education IRA). Amounts distributed from a CESA and contributed to an account may be treated as non-taxable distributions from the CESA. The Program Manager will waive the Up-Front Sales Load for a rollover of funds representing proceeds of a BlackRock® Coverdell Education Savings Account. Check with your State Farm Registered Representative for more information and instructions.

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

Redemptions from certain U.S. Savings Bonds

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

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

Transfers within the Plan

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

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

Transfer to another Beneficiary – The Plan permits the transfer of a portion or the entire amount of an account to another Beneficiary with either the same account owner or a different account owner. If 100% of the assets are being transferred to another Beneficiary for the same account

owner, a Beneficiary Change Form must be completed. If a portion of the assets are being transferred to another Beneficiary for the same account owner, a Fund Transfer Form must be completed. The new Beneficiary must be a Member of the Family of the former Beneficiary to avoid certain adverse tax consequences.

Transferring accounts among Nebraska-issued 529 qualified tuition programs – Transferring a portion or the entire amount of a Plan account to another account within the Trust for the same account owner and Beneficiary is considered an Investment Option change and requires the account owner to complete an Incoming Rollover Form. This change counts toward the account owner’s twice per calendar year Investment Option change limit. An investment change to an Age-Based Investment Option account and a Static Investment Option account will be treated as a single Investment Option change if the changes are made prior to closing on the same trading day.

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

UGMA or UTMA accounts

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

When the Beneficiary reaches the relevant age under the applicable state UGMA or UTMA statute and the custodianship terminates, the Beneficiary will become the sole account owner with complete control over the account.

The custodian is required to notify the Program Manager and submit an Account Owner Change Form, when the minor attains the relevant age under the applicable state UGMA or UTMA statute.

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

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

legal advisors. Moreover, none of the Treasurer, the Program Manager, State Farm or the Plan assumes responsibility to ensure, or will incur any liability for failing to ensure, that a custodian applies assets held under an UGMA or UTMA custodianship for proper purposes.

Contributions from GiftED

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

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

Contribution date

Contributions are considered received on the date the contribution is reviewed and processed by the Program Manager or its authorized agents. Contributions to an account that are received in good order before the market close (typically 3:00 p.m. Central Time) on any day the New York Stock Exchange (NYSE) is open for business are generally processed on that day for the Investment Options you selected. Contributions to an account that are received in good order after market close, or on a day the NYSE is closed for business, generally will be processed on the next business day. Contributions received through the National Securities Clearing Corporation or through certain financial institutions must be made in accordance with settlement procedures agreed to by the financial institution and the Program Manager.

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

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

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

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

Contribution pricing

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

Contribution errors

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

PART 6 – INVESTMENT OPTIONS OVERVIEW

Investment Options

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

You do not (1) own shares in the Underlying Investments or (2) in the case of the Bank Savings Static Investment Option, directly hold a savings account but, rather, own an interest in the Investment Options offered by the Plan. However, you can request a copy of the current prospectus, the Statement of Additional Information or the most recent semiannual or annual report of the underlying mutual fund by contacting your State Farm Registered Representative.

8 Investment Options

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

- 1 Age-Based Investment Option
- 7 Static Investment Options

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

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

The Age-Based Investment Option cannot be held in the same account as the Static Investment Options. Your State Farm Registered Representative may need to establish another account for you if you would like to invest in both types of Investment Options for the same Beneficiary. See "Part 3 – Opening and Maintaining an Account."

No investment direction

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

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

Changing Investment Options

Generally, an account owner may only change the Investment Options in which their account is invested twice per calendar year or upon a change of Beneficiary. Therefore, an account owner should carefully make their investment selection with the assistance of their State Farm Registered Representative at the time they complete the Enrollment Form. You can change the way you want to invest future contributions any time by changing your Standing Allocation. See Page 19, "Allocation of contributions."

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

Investment Options in which an account is invested can be changed online by accessing the secure website, by submitting a form available from your State Farm Registered Representative, by downloading and submitting an Investment Option Change Form available on the Plan's website, or by calling the Plan.

PART 7 – AGE-BASED INVESTMENT OPTION

Age-Based Investment Option

The Age-Based Investment Option adjusts over time so as the Beneficiary nears college the allocation becomes more conservative.

The Age-Based Investment Option generally invests in a mix of equity, real estate, fixed income and cash equivalent investments allocated based on the current age of the Beneficiary.

Each Aged-Based Investment Option age band adjusts over time (each age band is called a "Portfolio") so that as the Beneficiary nears college enrollment age the Portfolio's allocation between equity, real estate, fixed income, and cash equivalent investments becomes more conservative relative to the allocation in earlier years.

As a result of market gains and losses and earnings, the Portfolio may differ over time from the target asset allocation described below. To maintain the target asset allocation for the Portfolio the Program Manager will rebalance the Portfolio at any time there is a positive or negative variance of two percent (2%) or more to retain the target asset allocation described below.

You should review the Age-Based Investment Option with your State Farm Registered Representative before making a selection from among the Investment Options offered through the Plan.

The Age-Based Investment Option is allocated primarily in equity or stock investment funds during the early years of the Beneficiary's life. As the Beneficiary nears college age, the equity or stock allocation decreases, and the fixed income and the money market allocations increase. When the Beneficiary attains age 3, 6, 9, 11, 13, 15, 17 and 19, the Portfolios within the Age-Based Investment Option automatically realign with a decrease in the stock or equity portion and an increase in the fixed income and the money market allocations. The Age-Based Investment Option seeks to provide capital appreciation. The strategy is based on the understanding that the volatility associated with equity markets can be accompanied by the highest potential for long-term capital appreciation.

Newborn to 2 years old Portfolio

Objectives – For Beneficiaries newborn to two years old, this Portfolio seeks to provide long-term growth by investing 94.75% of its assets in diversified investments of domestic and international equity funds and 5.25% real estate funds.

Strategies – The Portfolio invests in funds according to a fixed formula that typically results in an allocation of 71.5% domestic equity funds, 5.25% real estate funds and 23.25% international equity funds. The Portfolio manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

3 to 5 years old Portfolio

Objectives – For Beneficiaries three to five years old, this Portfolio seeks to provide long-term growth and some income by investing 90% of its assets in diversified investments of domestic and international equity funds, 5% real estate funds and 5% domestic fixed income funds.

Strategies – The Portfolio invests in funds according to a fixed formula that typically results in an allocation of 68% domestic equity funds, 5% real estate funds, 22% international equity funds and 5% fixed income funds. The Portfolio manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

6 to 8 years old Portfolio

Objectives – For Beneficiaries six to eight years old, this Portfolio seeks to provide growth of capital and some current income by investing 80% of its assets in diversified investments of domestic and international equity funds, 5% real estate funds and 15% domestic and international fixed income funds.

Strategies – The Portfolio invests funds according to a fixed formula that typically results in an allocation of 60% domestic equity funds, 5% real estate funds, 20% international equity funds, 2% international bond funds and 13% fixed income funds. The Portfolio manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

9 to 10 years old Portfolio

Objectives – For Beneficiaries nine to 10 years old, this Portfolio seeks to provide growth of capital and some current income by investing 70.5% of its assets in diversified investments of domestic and international equity funds, 4.5% real estate funds, 23% domestic and international fixed income funds and 2% money market funds.

Strategies – The Portfolio invests funds according to a fixed formula that typically results in an allocation of 53% domestic equity funds, 4.5% real estate funds, 17.5% international equity funds, 2.5% international bond funds, 20.5% fixed income funds and 2% money market funds. The Portfolio manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

11 to 12 years old Portfolio

Objectives – For Beneficiaries 11 to 12 years old, this Portfolio seeks to provide growth of capital and some current income by investing 61% of its assets in diversified investments of domestic and international equity funds, 4% real estate funds, 31% domestic and international fixed income funds and 4% money market funds.

Strategies – The Portfolio invests in funds according to a fixed formula that typically results in an allocation of 46% domestic equity funds, 4% real estate funds, 15%

international equity funds, 3% international bond funds, 28% fixed income funds and 4% money market funds. The Portfolio manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

13 to 14 years old Portfolio

Objectives – For Beneficiaries 13 to 14 years old, this Portfolio seeks to provide growth of capital and some current income by investing 51.5% of its assets in diversified investments of domestic and international equity funds, 3.5% real estate funds, 36.5% domestic and international fixed income funds and 8.5% money market funds.

Strategies – The Portfolio invests in funds according to a fixed formula that typically results in an allocation of 39% domestic equity funds, 3.5% real estate funds, 12.5% international equity funds, 3.5% international bond funds, 33% fixed income funds and 8.5% money market funds. The Portfolio manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

15 to 16 years old Portfolio

Objectives – For Beneficiaries 15 to 16 years old, this Portfolio seeks to provide current income and low to moderate growth of capital by investing 42% of its assets in diversified investments of domestic and international equity funds, 3% real estate funds, 42% domestic and international fixed income funds and 13% money market funds.

Strategies – The Portfolio invests in funds according to a fixed formula that typically results in an allocation of 32% domestic equity funds, 3% real estate funds, 10% international equity funds, 4% international bond funds, 38% fixed income funds and 13% money market funds. The Portfolio manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

17 to 18 years old Portfolio

Objectives – For Beneficiaries 17 to 18 years old, this Portfolio seeks to provide current income and low to moderate growth of capital by investing 32.5% of its assets in diversified investments of domestic and international equity funds, 2.5% real estate funds, 45.5% in domestic and international fixed income funds, 2.5% inflation protected funds and 17% money market funds.

Strategies – The Investment Option invests in funds according to a fixed formula that typically results in an allocation of 25% domestic equity funds, 2.5% real estate funds, 7.5% international equity funds, 4% international bond funds, 41.5% fixed income funds, 2.5% inflation protected funds and 17% money market funds. The Portfolio manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

19 years and older Portfolio

Objectives – For Beneficiaries 19 years and older, this Portfolio seeks to provide current income and some growth of capital by investing 23% of its assets in diversified investments of domestic and international equity funds, 2% real estate funds, 49% domestic and international fixed income funds, 5% inflation protected funds and 21% money market funds.

Strategies – The Portfolio invests in funds according to a fixed

The detailed asset allocation, mix of underlying investments, and the age ranges for each of the Age-Based bands are described in the following table:

	Domestic Equity		U.S. Real Estate	International Equity	International Bond	Domestic Fixed Income			Cash Equivalents
	Large Cap	Small-Mid Cap Core	Real Estate	International Equity	World Bond	Fixed Income	Short-Term Bond	TIPS	Money Market
	State Street S&P 500 ⁰¹ Index	Vanguard Extended Market ETF	Vanguard Real Estate ETF	State Street MSCI ACWI ex USA Index	DFA World ex-US Gov't Fixed Income	iShares Core US Aggregate ETF	Vanguard Short-Term Bond ETF	Vanguard Short-Term Inflation Protected ETF	Goldman Sachs Financial Square ^{0M} Govt Money Market ⁰³
	N/A	VXF	VNQ	N/A	DWFIX	AGG	BSV	VTIP	FGTX
Age 0–2	61.00%	10.50%	5.25%	23.25%	—	—	—	—	—
Age 3–5	58.00%	10.00%	5.00%	22.00%	—	5.00%	—	—	—
Age 6–8	52.00%	8.00%	5.00%	20.00%	2.00%	13.00%	—	—	—
Age 9–10	46.00%	7.00%	4.50%	17.50%	2.50%	17.50%	3.00%	—	2.00%
Age 11–12	40.00%	6.00%	4.00%	15.00%	3.00%	22.00%	6.00%	—	4.00%
Age 13–14	34.00%	5.00%	3.50%	12.50%	3.50%	23.50%	9.50%	—	8.50%
Age 15–16	28.00%	4.00%	3.00%	10.00%	4.00%	25.00%	13.00%	—	13.00%
Age 17–18	22.00%	3.00%	2.50%	7.50%	4.00%	26.50%	15.00%	2.50%	17.00%
19+	16.00%	2.00%	2.00%	5.00%	4.00%	28.00%	17.00%	5.00%	21.00%

¹ The S&P 500[®] Index is a product of S&P Dow Jones Indices LLC (“SPDJI”), and has been licensed for use by State Street. Standard & Poor’s[®] and S&P[®] are registered trademarks of Standard & Poor’s Financial Services LLC (“S&P”); Dow Jones[®] is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”). The products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500[®] Index.

² The MSCI ACWI ex USA Index is a trademark of MSCI Inc. State Street Bank and Trust Co. Trust account managed by State Street Global Advisors Trust Company for the benefit of the Plan. Not a mutual fund and not otherwise registered with the SEC. See “Part 9 – Descriptions of the Underlying Investments” for more information about the investments.

³ **You could lose money by investing in this Investment Option.** Although a money market fund seeks to preserve the value of an investment at \$1.00 per share, it cannot guarantee it will do so. An investment in this underlying fund is not insured or guaranteed by the FDIC or any other government agency. The underlying fund’s sponsor has no legal obligation to provide financial support to the underlying fund, and you should not expect that the sponsor will provide financial support to the underlying fund at any time.

Description of the Underlying Investments

The Underlying Investments that comprise the Age-Based Investment Option (as shown above in the table) are described in detail, along with the risks associated with each Underlying Investment, in “Part 9 – Descriptions of the Underlying Investments.”

It is important to remember that none of the Nebraska State Treasurer, the Nebraska Investment Council, the Nebraska State Investment Officer, the State of Nebraska or its officials/employees, State Farm, the Distributor, or the Program Manager or its authorized agents or affiliates can guarantee a minimum rate of return. Except for the Bank Savings Static Investment Option, investments in the State Farm 529 Savings Plan are not guaranteed or insured by the FDIC or any other government agency and are not deposits or other obligations of any depository institution. Investments are not guaranteed or insured by the State

formula that typically results in an allocation of 18% domestic equity funds, 2% real estate funds, 5% international equity funds, 4% international bond funds, 45% fixed income funds, 5% inflation-protected funds and 21% money market funds. The Portfolio manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

of Nebraska, the Nebraska State Treasurer, the Nebraska Investment Council, State Farm, the Distributor, or the Program Manager or its authorized agents or affiliates, and are subject to investment risks, including loss of the principal amount invested. FDIC insurance is provided for the Bank Savings Static Investment Option up to the maximum amount set by federal law, currently \$250,000. See “Part 10 – Certain Risks to Consider.”

PART 8 – STATIC INVESTMENT OPTIONS

7 Static Investment Options

The Static Investment Options are asset allocation Investment Options that invest in a set or “static” mix of equity, real estate, fixed income or cash equivalent investments. The seven Static Investment Options keep the same asset allocation between equity, real estate, fixed income, and cash equivalent investments over the life of your account.

Unlike the Age-Based Investment Option, they do not move to a more conservative allocation mix as the Beneficiary approaches college enrollment.

The seven Static Investment Options you may choose from are the All Equity, Growth, Moderate Growth, Balanced, Conservative, Money Market and Bank Savings asset allocation investments. In consultation with your State Farm Registered Representative, your selection of any Investment Option should consider among other factors, your investment goals and objectives, and your tolerance for market volatility and investment risk.

Although the Static Investment Options keep the same asset allocation over the life of an account, as a result of market gains and losses and earnings, the asset allocation of each of the seven Static Investment Options may differ over time from the target asset allocation described below. To maintain the target asset allocation for each of the Static Investment Options, the Program Manager will rebalance each of the Static Investment Options any time there is a positive or negative variance of two percent (2%) or more to retain the target asset allocation described below.

You should review each of the Static Investment Options with your State Farm Registered Representative before making a selection from among the Investment Options offered through the Plan.

All Equity Static Investment Option

Objectives – All Equity Static Investment Option seeks to provide long-term growth by investing 94.75% of its assets in diversified investments of domestic and international equity funds and 5.25% real estate funds.

Strategies – The Investment Option invests in funds according to a fixed formula that typically results in an allocation of 71.5% domestic equity funds, 5.25% real estate funds and 23.25% international equity funds. The Investment Option manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

Growth Static Investment Option

Objectives – The Growth Static Investment Option seeks to provide growth of capital and some current income by investing 80% of its assets in diversified investments of domestic and international equity funds, 5% real estate funds and 15% domestic and international fixed income funds.

Strategies – The Investment Option invests in funds according to a fixed formula that typically results in an allocation of 60% domestic equity funds, 5% real estate funds, 20% international equity funds, 2% international bond funds and 13% fixed income funds. The Investment Option manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

Moderate Growth Static Investment Option

Objectives – Moderate Growth Static Investment Option seeks to provide growth of capital and some current income

by investing 61% of its assets in diversified investments of domestic and international equity funds, 4% in real estate funds, 31% in domestic and international fixed income funds and 4% in money market funds.

Strategies – The Investment Option invests in funds according to a fixed formula that typically results in an allocation of 46% domestic equity funds, 4% real estate funds, 15% international equity funds, 3% international bond funds, 28% fixed income funds and 4% money market funds. The Investment Option manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

Balanced Static Investment Option

Objectives – The Balanced Static Investment Option seeks to provide a balance of growth of capital and current income by investing 51.5% of its assets in diversified investments of domestic and international equity funds, 3.5% real estate funds, 36.5% domestic and international fixed income funds and 8.5% money market funds.

Strategies – The Investment Option invests primarily in funds according to a fixed formula that typically results in an allocation of 39% domestic equity funds, 3.5% real estate funds, 12.5% international equity funds, 3.5% international bond funds, 33% fixed income funds and 8.5% money market funds. The Investment Option manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

Conservative Static Investment Option

Objectives – The Conservative Static Investment Option seeks to provide current income and some growth of capital by investing 23% of its assets in diversified investments of domestic and international equity funds, 2% real estate funds, 49% domestic and international fixed income funds, 5% inflation protected funds and 21% money market funds.

Strategies – The Investment Option invests in funds according to a fixed formula that typically results in an allocation of 18% domestic equity funds, 2% real estate funds, 5% international equity funds, 4% international bond funds, 45% fixed income funds, 5% inflation protected funds and 21% money market funds. The Investment Option manages cash flows to maintain the stated asset allocation. The stock holdings in the Underlying Investments consist primarily of large-cap U.S. stocks and to a lesser extent, mid- and small-cap U.S. stocks and foreign stocks.

Money Market Static Investment Option

Objectives – The Money Market Static Investment Option seeks to maximize current income to the extent consistent with the preservation of capital and the maintenance of liquidity by investing exclusively in high quality money market instruments. The Investment Option pursues the investment objective by investing in U.S. Treasury and government agency obligations and repurchase agreements.

Strategies – The Investment Option invests 100% in a money market Underlying Investment.

You could lose money by investing in this Investment Option. Although a money market fund seeks to preserve the value of an investment at \$1 per share, it cannot guarantee it will do so. Investment in the Money Market Static Investment Option is not insured or guaranteed by the FDIC or any other government agency. The sponsor has no legal obligation to provide financial support to the Underlying Investment, and you should not expect that the sponsor will provide financial support to the underlying fund at any time.

Bank Savings Static Investment Option

Objectives – The Bank Savings Static Investment Option seeks income consistent with the preservation of principal and invests all of its assets in a savings account held at First National Bank of Omaha. On or about December 15, 2020, the Underlying Investment in the Bank Savings Static Investment Option will change from the savings account held at First National Bank of Omaha bank to the savings account held at Union Bank and Trust Company and/or Nelnet Bank. No action is required by the account owner. The savings account is an omnibus savings account insured by the FDIC and is held in trust by the Nebraska Educational Savings Plan Trust at the bank.

Investments in the Bank Savings Static Investment Option will earn varying rates of interest. The interest rate generally will be equivalent to short-term deposit rates. Interest on the savings account will be compounded daily based on the actual number of days in a year (typically 365 days, except for 366 days in leap years) and will be credited to the savings account on monthly basis. The interest on the savings account is expressed as an annual percentage yield (“APY”). The APY on the savings account will be reviewed by the bank on a periodic basis and may be recalculated as needed at any time. To see the current Bank Savings Static Investment Option APY please go to StateFarm.com or call 800.321.7520.

Strategies – The Investment Option invests 100% in an FDIC insured savings account.

FDIC insurance

Subject to the application of the bank and FDIC rules and regulations to each account owner, funds in the Bank Savings Static Investment Option will retain their value as a result of the FDIC insurance. In contrast, all other Investment Options of the Plan are not insured by the FDIC.

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

The amount of FDIC insurance provided to an account owner is based on the total of: (1) the value of an account owner’s investment in the Bank Savings Static Investment Option, and (2) the value of all other accounts held by the account owner at the bank (including bank deposits), as determined in accordance with bank and FDIC rules and regulations. Each account owner should determine whether the amount of FDIC insurance available to the account owner is sufficient to cover the total of the account owner’s investment in the Bank Savings Static Investment Option plus the account owner’s other deposits at the bank. The Plan, the Distributor, the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, the Program Manager or its authorized agents or affiliates are not responsible for determining the amount of FDIC insurance provided to an account owner.

No other guarantees

FDIC insurance is the sole insurance available for the Bank Savings Static Investment Option. Furthermore, the Bank Savings Static Investment Option does not provide a guarantee of any level of performance or return or offer any additional guarantees. Like all of the Investment Options, neither the contributions into the Bank Savings Static Investment Option nor any investment return earned on the contributions are guaranteed by the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, State Farm, the Distributor, the bank, the Program Manager or its authorized agents or affiliates or any other federal or state entity or person.

Risks – To the extent that FDIC insurance applies, the Bank Savings Static Investment Option is primarily subject to the risk that the return on the underlying savings account will vary because of changing interest rates and that the return on the savings account will decline because of falling interest rates.

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

The detailed asset allocation and mix of Underlying Investments for each of the Static Investment Options are described in the following table:

	Domestic Equity		U.S. Real Estate	Int'l Equity	Int'l Bond	Domestic Fixed Income			Cash Equivalents	
	Large Cap	Small-Mid Cap Core	Real Estate	Int'l Equity	World Bond	Fixed Income	Short-Term Bond	TIPS	Money Market	FDIC Insured
	State Street S&P 500 ^{®1} Index	Vanguard Extended Market ETF	Vanguard Real Estate ETF	State Street MSCI [®] ACWI ex USA Index	DFA World ex-US Gov't Fixed Income	iShares Core US Aggregate ETF	Vanguard Short-Term Bond ETF	Vanguard Short-Term Inflation Protected ETF	Goldman Sachs Financial Square SM Govt MM [®]	Bank Savings
	N/A	VXF	VNQ	N/A	DWFIX	AGG	BSV	VTIP	FGTXX	N/A
All Equity	61.00%	10.50%	5.25%	23.25%	—	—	—	—	—	—
Growth	52.00%	8.00%	5.00%	20.00%	2.00%	13.00%	—	—	—	—
Moderate Growth	40.00%	6.00%	4.00%	15.00%	3.00%	22.00%	6.00%	—	4.00%	—
Balanced	34.00%	5.00%	3.50%	12.50%	3.50%	23.50%	9.50%	—	8.50%	—
Conservative	16.00%	2.00%	2.00%	5.00%	4.00%	28.00%	17.00%	5.00%	21.00%	—
Money Market	—	—	—	—	—	—	—	—	100.00%	—
Bank Savings	—	—	—	—	—	—	—	—	—	100.00%

¹ The S&P 500[®] Index is a product of S&P Dow Jones Indices LLC ("SPDJ"), and has been licensed for use by State Street. Standard & Poor's[®] and S&P[®] are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones[®] is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). The products are not sponsored, endorsed, sold or promoted by SPDJ, Dow Jones, S&P, their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500[®] Index.

² The MSCI ACWI ex USA Index is a trademark of MSCI Inc. State Street Bank and Trust Co. Trust account managed by State Street Global Advisors Trust Company for the benefit of the Plan. Not a mutual Fund and not otherwise registered with the SEC. See "Part 9 – Descriptions of the Underlying Investments" for more information about the investments.

³ **You could lose money by investing in this Investment Option.** Although a money market fund seeks to preserve the value of an investment at \$1.00 per share, it cannot guarantee it will do so. An investment in this underlying fund is not insured or guaranteed by the FDIC or any other government agency. The underlying fund's sponsor has no legal obligation to provide financial support to the underlying fund, and you should not expect that the sponsor will provide financial support to the underlying fund at any time.

Description of the Underlying Investments

Each of the Underlying Investments that comprise the seven Static Investment Options (as shown above in the table) is described in detail, along with the risks associated with each Underlying Investment, in "Part 9 – Descriptions of the Underlying Investments."

It is important to remember that none of the Nebraska State Treasurer, the Nebraska Investment Council, the Nebraska State Investment Officer, the State of Nebraska or its officials/employees, State Farm, the Distributor or the Program Manager or its authorized agents or affiliates can guarantee a minimum rate of return. Except for the Bank Savings Static Investment Option, investments in the Plan are not guaranteed or insured by the FDIC or any other government agency and are not deposits or other obligations of any depository institution. Investments are not guaranteed or insured by the State of Nebraska, the Nebraska State Treasurer, the Nebraska Investment Council, State Farm, the Distributor, or the Program Manager or its authorized agents or affiliates, and are subject to investment risks, including loss of the principal amount invested. FDIC insurance is provided for the Bank Savings Static Investment Option up to the maximum amount set by federal law, currently \$250,000. See "Part 10 – Certain Risks to Consider."

PART 9 – DESCRIPTIONS OF THE UNDERLYING INVESTMENTS

This Part 9 describes the investments that serve as the Underlying Investments in the Age-Based and Static Investment Options. Additional information discussing the risks of investing in the Plan Investment Options may be found in the Underlying Investment prospectus (with the exception of the Bank Savings Static Investment Option) which is available at StateFarm.com or upon request by calling the Program Manager. Also see "Part 10 – Certain Risks to Consider."

Descriptions of the Underlying Investments are taken from the prospectuses of the funds, as published by the investment managers and described as follows. The following descriptions are from each investment manager's prospectus dated prior to October 26, 2020.

Goldman Sachs Financial Square Money Market Fund

Investment Objective

The Fund seeks to maximize current income to the extent consistent with the preservation of capital and the maintenance of liquidity by investing exclusively in high quality money market instruments.

Principal Strategy

The fund pursues its investment objective by investing in securities issued or guaranteed by the United States or certain U.S. government agencies or instrumentalities, obligations of banks (which may exceed 25% of its total assets), commercial paper and other short-term obligations of U.S. companies, states, municipalities and other entities, and repurchase agreements. The fund may also invest in U.S. dollar-denominated obligations of foreign banks, foreign companies and foreign governments. The fund may not invest more than 25% of its total assets in the securities of any one foreign government. The fund intends to be an "institutional money market fund" under Rule 2a-7 under the Investment Company Act of 1940, as amended (the "Investment Company Act"). Although the fund is a money market fund, the net asset value ("NAV") of the fund's shares will fluctuate with changes in the values of its portfolio securities. Under Rule 2a-7, the fund may invest only in U.S. dollar-denominated securities that meet certain risk-limiting conditions relating to portfolio quality, maturity, diversification and liquidity.

Principal Risks

You could lose money by investing in the fund. There can be no assurance that the fund will achieve its investment objective. The fund is subject to the following risks, which could affect the fund's performance: banking industry risk, credit/default risk, floating NAV risk, foreign risk, interest rate risk, large shareholder transactions risk, liquidity risk, market risk, municipal securities risk and U.S. government securities risk.

Vanguard Short-Term Inflation-Protected Securities ETF

Investment Objective

The fund seeks to track the performance of a benchmark index that measures the investment return of inflation-protected public obligations of the U.S. Treasury with remaining maturities of less than 5 years.

Principal Investment Strategies

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

The fund attempts to replicate the target index by investing all, or substantially all, of its assets in the securities that make up the index, holding each security in approximately the same proportion as its weighting in the index. The fund maintains a dollar-weighted average maturity consistent with that of the index. As of September 30, 2019, the dollar-weighted average maturity of the index was 2.6 years.

Principal Risks

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

Because ETF Shares are traded on an exchange, they are subject to additional risks:

- i) The fund's ETF shares are listed for trading on Nasdaq and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF share typically will approximate its NAV, there may be times when the market price and the NAV differ significantly. Thus, you may pay more or less than NAV when you buy ETF shares on the secondary market, and you may receive more or less than NAV when you sell those shares.
- ii) Although the fund's ETF shares are listed for trading on Nasdaq, it is possible that an active trading market may not be maintained.
- iii) Trading of the fund's ETF shares may be halted by the activation of individual or market wide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of the fund's ETF shares may also be halted if (1) the shares are delisted from Nasdaq without first being listed on another exchange or (2) Nasdaq officials determine that such action is appropriate in the interest of a fair and orderly market or for the protection of investors.

Vanguard Short-Term Bond Index Fund ETF

Investment Objective

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

Principal Investment Strategies

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

The fund invests by sampling the Index, meaning that it holds a range of securities that, in the aggregate, approximates the full index in terms of key risk factors and other characteristics. All of the fund's investments will be selected through the sampling process, and at least 80% of the fund's assets will be invested in bonds held in the index. The fund maintains a dollar-weighted average maturity consistent with that of the index. As of December 31, 2019, the dollar-weighted average maturity of the Index was 2.8 years.

Principal Risks

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

conditions: income risk, interest rate risk, credit risk, index sampling risk and liquidity risk.

Because ETF shares are traded on an exchange, they are subject to additional risks:

- i) The fund's ETF shares are listed for trading on Nasdaq and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF share typically will approximate its NAV, there may be times when the market price and the NAV differ significantly. Thus, you may pay more or less than NAV when you buy ETF shares on the secondary market, and you may receive more or less than NAV when you sell those shares.
- ii) Although the fund's ETF shares are listed for trading on Nasdaq, it is possible that an active trading market may not be maintained.
- iii) Trading of the fund's ETF shares may be halted by the activation of individual or market wide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of the fund's ETF Shares may also be halted if (1) the shares are delisted from Nasdaq without first being listed on another exchange or (2) Nasdaq officials determine that such action is appropriate in the interest of a fair and orderly market or for the protection of investors.

iShares Core U.S. Aggregate Bond ETF

Investment Objective

The fund seeks to track the investment results of an index composed of the total U.S. investment-grade bond market.

Principal Investment Strategies

The fund seeks to track the investment results of the Bloomberg Barclays U.S. Aggregate Bond Index (the "Underlying Index"), which measures the performance of the total U.S. investment-grade (as determined by Bloomberg Index Services Limited (the "index provider" or "Bloomberg")) bond market. As of February 29, 2020, there were 11,152 issues in the Underlying Index.

The Underlying Index includes investment-grade U.S. Treasury bonds, government-related bonds, corporate bonds, mortgage-backed pass-through securities ("MBS"), commercial mortgage-backed securities ("CMBS") and asset-backed securities ("ABS") that are publicly offered for sale in the U.S. As of February 29, 2020, a significant portion of the Underlying Index is represented by MBS and treasury securities. The components of the Underlying Index are likely to change over time.

The securities in the Underlying Index must have \$300 million or more of outstanding face value and must have at least one year remaining to maturity, with the exception of amortizing securities such as ABS and MBS, which have lower thresholds as defined by Bloomberg. In addition, the

securities in the Underlying Index must be denominated in U.S. dollars and must be fixed-rate and non-convertible. Certain types of securities, such as state and local government series bonds, structured notes with embedded swaps or other special features, private placements, floating-rate securities and bonds that have been issued in one country's currency but are traded outside of that country in a different monetary and regulatory system (Eurobonds), are excluded from the Underlying Index. The Underlying Indexes market capitalization-weighted, and the securities in the Underlying Index are updated on the last business day of each month.

As of February 29, 2020, approximately 26% of the bonds represented in the Underlying Index were U.S. fixed-rate agency MBS. U.S. fixed-rate agency MBS are securities issued by entities such as the Government National Mortgage Association, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation and are backed by pools of mortgages. Most transactions in fixed-rate MBS occur through standardized contracts for future delivery in which the exact mortgage pools to be delivered are not specified until a few days prior to settlement (to-be-announced ("TBA") transactions). The fund may enter into such contracts on a regular basis. The fund, pending settlement of such contracts, will invest its assets in high-quality, liquid short-term instruments, including shares of money market funds advised by the adviser or its affiliates. The fund will assume its pro rata share of the fees and expenses of any money market fund that it may invest in, in addition to the fund's own fees and expenses. The fund may also acquire interests in mortgage pools through means other than such standardized contracts for future delivery.

The adviser uses a "passive" or indexing approach to try to achieve the fund's investment objective. Unlike many investment companies, the fund does not try to "beat" the index it tracks and does not seek temporary defensive positions when markets decline or appear overvalued.

Indexing may eliminate the chance that the fund will substantially outperform the Underlying Index but also may reduce some of the risks of active management, such as poor security selection. Indexing seeks to achieve lower costs and better after-tax performance by aiming to keep portfolio turnover low in comparison to actively managed investment companies.

The adviser uses a representative sampling indexing strategy to manage the fund. "Representative sampling" is an indexing strategy that involves investing in a representative sample of securities that collectively has an investment profile similar to that of an applicable underlying index. The securities selected are expected to have, in the aggregate, investment characteristics (based on factors such as market value and industry weightings), fundamental characteristics (such as return variability, duration, maturity, credit ratings and yield) and liquidity measures similar to those of an applicable underlying index. The fund may or may not hold all of the securities in the Underlying Index.

The fund generally seeks to track the performance of the Underlying Index by investing at least 90% of its net assets in component securities of its Underlying Index and in investments that have economic characteristics that are substantially identical to the economic characteristics of the component securities of its Underlying Index (i.e., TBAs). The fund may invest up to 10% of its portfolio in bonds not included in the Underlying Index, but which the adviser believes will help the fund track the Underlying Index, as well as in certain futures, options and swap contracts, cash and high-quality, liquid short-term instruments, including shares of money market funds advised by the adviser or its affiliates. The fund seeks to track the investment results of the Underlying Index before fees and expenses of the fund.

The fund may lend securities representing up to one-third of the value of the fund's total assets (including the value of any collateral received).

The Underlying Index is sponsored by Bloomberg, which is independent of the fund and the adviser. The index provider determines the composition and relative weightings of the securities in the Underlying Index and publishes information regarding the market value of the Underlying Index.

Principal Risks

The fund is subject to certain risks, including the principal risks noted below, any of which may adversely affect the fund's NAV per share, trading price, yield, total return and ability to meet its investment objective. The order of the below risk factors does not indicate the significance of any particular risk factor: asset class risk, authorized participant concentration risk, call risk, concentration risk, credit risk, cybersecurity risk, extension risk, geographic risk, high portfolio turnover risk, income risk, index-related risk, infectious illness risk, interest rate risk, issuer risk, management risk, market risk, market trading risk, operational risk, passive investment risk, prepayment risk, risk of investing in the U.S., securities lending risk, tracking error risk, U.S. agency debt risk, U.S. agency mortgage-backed securities risk, U.S. Treasury obligations risk and valuation risk.

DFA World ex U.S. Government Fixed Income Portfolio

Investment Objective

The investment objective of the portfolio is to seek to maximize total returns from the universe of debt securities in which the portfolio invests. Total return is comprised of income and capital appreciation.

Principal Investment Strategies

The portfolio seeks its investment objective by investing in a universe of obligations issued or guaranteed primarily by non-U.S. government issuers and supranational organizations and their agencies having investment grade credit ratings at the time of purchase. At the present time, the advisor expects that most investments will be made in the obligations of issuers determined by the advisor to be associated with countries with developed markets. The adviser selects the portfolio's foreign country and currency compositions based on an evaluation of various factors, including, but not limited to, relative interest rates and exchange rates.

As a non-fundamental policy, under normal circumstances, the portfolio will invest at least 80% of its net assets in fixed income securities issued or guaranteed by foreign governments or their authorities, agencies, instrumentalities or political subdivisions.

Generally, the portfolio will purchase fixed income securities that mature between five and fifteen years from the date of settlement. Under normal circumstances, the portfolio will generally maintain a weighted average duration of no more than one quarter year greater than, and no less than one year below, the weighted average duration of the portfolio's benchmark, the FTSE Non-USD World Government Bond Index, Currency-Hedged in USD Terms, which was approximately 9.50 years as of December 31, 2019. From time to time, the portfolio may deviate from this duration range when the adviser determines it to be appropriate under the circumstances. Duration is a measure of the sensitivity of a security's price to changes in interest rates. The longer a security's duration, the more sensitive it will be to changes in interest rates.

Because many of the portfolio's investments may be denominated in foreign currencies, the portfolio may also enter into foreign currency forward contracts to attempt to protect against uncertainty in the level of future foreign currency rates, to hedge against fluctuations in currency exchange rates or to transfer balances from one currency to another. In regard to currency hedging, it is generally not possible to precisely match the foreign currency exposure of such foreign currency forward contracts to the value of the securities involved due to fluctuations in the market values of such securities and cash flows into and out of the portfolio between the date a foreign currency forward contract is entered into and the date it expires. The portfolio may purchase or sell futures contracts and options on futures contracts, to hedge its currency exposure or to adjust market exposure based on actual or expected cash inflows to or outflows from the portfolio. The portfolio does not intend to sell futures contracts to establish short positions in individual securities or to use derivatives for purposes of speculation or leveraging investment returns.

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

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

Principal Risks

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

State Street S&P 500® Index

Investment Objective

The strategy seeks an Investment return that approximates as closely as practicable, before expenses, the performance of the Standard & Poor's 500 Index over the long term.

Principal Investment Strategy

The strategy is managed using an "indexing" investment approach, by which SSGA attempts to approximate, before expenses, the performance of the index over the long term. SSGA will typically attempt to invest in the equity securities comprising the index, in approximately the same proportions as they are represented in the index. Equity securities may include common stocks, preferred stocks, depository receipts, or other securities convertible into common stock. The Strategy may purchase securities in their initial public offerings. In some cases, it may not be possible or practicable to purchase all of the securities comprising the index, or to hold them in the same weightings as they represent in the index. In those circumstances, SSGA may employ a sampling or optimization technique to construct the portfolio in question.

From time to time securities are added to or removed from the index. SSGA may sell securities that are represented in the index, or purchase securities that are not yet represented in the index, prior to or after their removal or addition to the index. The strategy may at times purchase or sell index futures contracts, or options on those futures, or engage in other transactions involving the use of derivatives, in lieu of investment directly in the securities making up the index or to enhance the strategy's replication of the index return. The strategy's return may not match the return of the index.

Principal Risks

The strategy is designed as a long-term investment. The strategy does not constitute a complete investment program. Due to the uncertainty in all investments, there can be no assurance that the strategy will achieve its investment objective. The strategy may lose money. The strategy is not insured by the FDIC or by another governmental agency; an investment in a strategy is not an obligation of the FDIC nor is it a deposit or obligation of or guaranteed by State Street Global Advisors Trust Company, State Street Bank and Trust Company or any of their affiliates. Investors can lose money by investing in a strategy. Not all risks apply to all of the strategies or to all strategies to the same extent.

The strategy is subject to the following risks, which could affect the strategy's performance: Cash Position Risk, Concentration Risk, Conflicts of Interest Risk, Counterparty Risk, Custodial Risk, Cybersecurity Risk, Derivatives Risk, ESG Investing Risk, Equity Investing Risk, Futures Commission Merchant Risk, Futures Contract Risk; Other Exchange-Traded Derivatives, Geographic Focus Risk, Growth Stock Risk, Hedging Risk, IPO Risk, Index Tracking Risk, indexing strategy/index tracking risk, Investment Risk, Large Shareholder Risk, Limited Investment Program Risk, Liquidity Risk, Market Capitalization Risk, Market Disruption and Geopolitical Risk, Market Risk, Market Volatility; Government Intervention Risk, Modeling Risk, Portfolio Turnover Risk, Repurchase Agreement Risk, Restricted Securities Risk, Risk of Investment in Other Pools, Securities Lending Risk; Risks of Investment of Cash Collateral, Significant Withdrawal Risk, Small-, Mid-, and Micro-Cap Companies Risk, Tax Risk, U.S. Tax Withholding and Reporting under the Foreign Account Tax Compliance Act, Value Stock Risk, Valuation Risk, and ERISA Disclosure.

State Street MSCI® ACWI ex USA Index

Investment Objective

The strategy seeks an investment return that approximates as closely as practicable, before fees and expenses, the performance of its benchmark index over the long term.

Principal Investment Strategies

The Strategy is managed using an "indexing" investment approach, by which SSGA attempts to approximate, before expenses, the performance of the Index over the long term. SSGA will typically attempt to invest in the equity securities comprising the Index, in approximately the same proportions as they are represented in the Index. Equity securities may include common stocks, preferred stocks, depository receipts, or other securities convertible into common stock. Equity securities held by the Strategy may be denominated in foreign currencies and may be held outside the United States. In some cases, it may not be possible or practicable to purchase all of the securities comprising the Index, or to hold them in the same weightings as they represent in the Index. In those circumstances, SSGA may employ a sampling or optimization technique to construct the portfolio in question. SSGA may also utilize other pooled investment vehicles, including those managed by SSGA and its affiliates, as substitutes for gaining direct exposure to securities or a group of securities in the Index. A Portfolio may also invest in the securities of Chinese companies, normally restricted to residents of the People's Republic of China (commonly known as "A Shares" or "China A Shares"), through the Stock Connect program or other channels.

From time to time securities are added to or removed from the Index. SSGA may sell securities that are represented in the Index, or purchase securities that are not yet represented in the Index, prior to or after their removal or addition to the Index.

The Strategy may at times purchase or sell index futures contracts, or options on those futures, or engage in other transactions involving the use of derivatives, in lieu of investment directly in the securities making up the Index or to enhance the Strategy's replication of the Index return. The Strategy's return may not match the return of the Index.

Principal Risks

The strategy is designed as a long-term investment. The strategy does not constitute a complete investment program. Due to the uncertainty in all investments, there can be no assurance that the strategy will achieve its investment objective. The strategy may lose money. The strategy is not insured by the FDIC or by another governmental agency; an investment in a strategy is not an obligation of the FDIC nor is it a deposit or obligation of or guaranteed by State Street Global Advisors Trust Company, State Street Bank and Trust Company or any of their affiliates. Investors can lose money by investing in a strategy. Not all risks apply to all of the strategies or to all strategies to the same extent.

The strategy is subject to the following risks, which could affect the strategy's performance: Cash Position Risk,

Concentration Risk, Conflicts of Interest Risk, Counterparty Risk, Currency Risk, Custodial Risk, Cybersecurity Risk, Defensive Investing/Temporary Defensive Positions, Depository Receipts Risk, Derivatives Risk, Emerging Markets Risk, Energy Sector Risk, Equity Investing Risk, Fossil Fuel Reserves Free Ownership Risk, Frontier Markets Risks, Futures Commission Merchant Risk, Futures Contract Risk; Other Exchange-Traded Derivatives, Geographic Focus Risk, Hedging Risk, IPO Risk, Index Tracking Risk, indexing strategy/index tracking risk, Industrial Sector Risk, Investment Risk, Large Shareholder Risk, Leveraging Risk, Limited Investment Program Risk, Liquidity Risk, Market Capitalization Risk, Market Disruption and Geopolitical Risk, Market Risk, Market Volatility; Government Intervention Risk, Modeling Risk, Non-U.S. Securities Risk, Portfolio Turnover Risk, Re-Balancing Policy Risk, Repurchase Agreement Risk, Restricted Securities Risk, Risk Considerations of Investing in China, Risk of Investment in Other Pools, Securities Lending Risk; Risks of Investment of Cash Collateral, Settlement Risk, Significant Withdrawal Risk, Small-, Mid-, and Micro-Cap Companies Risk, Tax Risk, U.S. Tax Withholding and Reporting under the Foreign Account Tax Compliance Act, Utilities Sector Risk, Valuation Risk, and ERISA Disclosure.

Vanguard Extended Market Index Fund ETF

Investment Objective

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

Principal Investment Strategies

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

Principal Risks

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

Because ETF shares are traded on an exchange, they are subject to additional risks:

- i) The fund's ETF shares are listed for trading on NYSE Arca and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF share typically will approximate its NAV, there may be

times when the market price and the NAV differ significantly. Thus, you may pay more or less than NAV when you buy ETF shares on the secondary market, and you may receive more or less than NAV when you sell those shares.

- ii) Although the fund's ETF shares are listed for trading on NYSE Arca, it is possible that an active trading market may not be maintained.
- iii) Trading of the fund's ETF shares may be halted by the activation of individual or market wide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of the fund's ETF shares may also be halted if (1) the shares are delisted from NYSE Arca without first being listed on another exchange or (2) NYSE Arca officials determine that such action is appropriate in the interest of a fair and orderly market or for the protection of investors.

Vanguard Real Estate ETF

Investment Objective

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

Principal Investment Strategies

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

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

Principal Risks

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

Because ETF Shares are traded on an exchange, they are subject to additional risks:

- i) The fund's ETF shares are listed for trading on NYSE Arca and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF share typically will approximate its NAV, there may be times when the market price and the NAV differ significantly. Thus, you may pay more or less than NAV when you buy ETF shares on the secondary market, and you may receive more or less than NAV when you sell those shares.
- ii) Although the fund's ETF shares are listed for trading on NYSE Arca, it is possible that an active trading market may not be maintained.
- iii) Trading of the fund's ETF shares may be halted by the activation of individual or market wide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of the fund's ETF shares may also be halted if (1) the shares are delisted from NYSE Arca without first being listed on another exchange or (2) NYSE Arca officials determine that such action is appropriate in the interest of a fair and orderly market or for the protection of investors.

Bank Savings

Investment Objective

Bank Savings seeks income consistent with the preservation of principal and invests all of its assets in a savings account held at a bank. The savings account is an omnibus savings account insured by the FDIC and is held in trust by the Nebraska Educational Savings Plan Trust at a bank.

Investments in the savings account will earn varying rates of interest. The interest rate generally will be equivalent to short-term deposit rates. Interest on the savings account will be compounded daily based on the actual number of days in a year (typically 365 days, except for 366 days in leap years) and will be credited to the savings account on monthly basis. The interest on the savings account is expressed as an APY. The APY on the savings account will be reviewed by the bank on a periodic basis and may be recalculated as needed at any time. To see the current Bank Savings Static Investment Option APY please go to StateFarm.com or call 800.321.7520.

FDIC insurance

Subject to the application of bank and FDIC rules and regulations to each account owner, funds in the savings account will retain their value as a result of the FDIC insurance. In contrast, all other Investment Options of the Plan are not insured by the FDIC.

No other guarantees

FDIC insurance is the sole insurance available for the savings account. Furthermore, the savings account does not

provide a guarantee of any level of performance or return or offer any additional guarantees. Investment returns earned are not guaranteed by the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, the Nebraska State Investment Officer, State Farm, the Program Manager, the Distributor, the bank or its authorized agents or their affiliates or any other federal or state entity or person.

Principal Risks

To the extent that FDIC insurance applies, the risk that the return on the underlying savings account will vary because of changing interest rates and that the return on the savings account will decline because of falling interest rates.

It is important to remember that none of the Nebraska State Treasurer, the Nebraska Investment Council, the Nebraska State Investment Officer, the State of Nebraska or its officials and employees, State Farm, the Distributor, or the Program Manager or any of its authorized agents or affiliates can guarantee a minimum rate of return. Except for the Bank Savings Static Investment Option, investments in the State Farm 529 Savings Plan are not guaranteed or insured by the FDIC or any other government agency and are not deposits or other obligations of any depository institution. Investments are not guaranteed or insured by the State of Nebraska, the Nebraska State Treasurer, the Nebraska Investment Council, State Farm, the Distributor, or the Program Manager or its authorized agents or affiliates, and are subject to investment risks, including loss of the principal amount invested. FDIC insurance is provided for the Bank Savings Static Investment Option up to the maximum amount set by federal law, currently \$250,000. The value of your account may vary depending on market conditions, the performance of the Investment Option you select, timing of purchases, and fees. The value of your account could be more or less than the amount you contribute to your account. In short, you could lose money. See "Part 10 – Certain Risks to Consider."

PART 10 – CERTAIN RISKS TO CONSIDER

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

Plan risks

The value of your account may decline

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

Your account is not insured or guaranteed

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

Not a direct investment in mutual funds and Underlying Investments risks

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

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

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

Laws governing 529 qualified tuition programs may change

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

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

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

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

Limitation on investment selection

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

Limited use of withdrawals without penalties

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

Limited operating history of Investment Options

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

Fee changes

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

Change in Program Manager

A new program manager may be appointed either upon expiration of the Program Management Agreement or earlier in the event the Program Manager, the Nebraska Investment Council or the Trustee terminates the agreement prior to the end of the term. In such case, the fee or compensation structure for the successor program manager may differ from and/or be higher than the fee and compensation structure of the current Program Manager. Additionally, upon a change in program manager, the Trust may change the asset allocation of Investment Options and/or mutual funds included in any Investment Option and/or eliminate or change Investment Options. The Plan with such changes may achieve performance results that are different than those achieved by the current Plan.

Illiquidity of account

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

Acceptance to an Eligible Educational Institution is not guaranteed

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

Educational expenses may exceed the balance in your account

Even if your account reaches the Maximum Contribution Limit, it may be insufficient to cover the Beneficiary's Federal Qualified Higher Education Expenses.

Age-Based Investment Option is not designed for K-12 Tuition

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

Securities laws

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

Tax considerations

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

Plan contributions do not create Nebraska residency

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

Impact on the Beneficiary's ability to receive financial aid

The Beneficiary's eligibility for financial aid may depend upon the circumstances of the Beneficiary's family at the time the Beneficiary enrolls in an Eligible Educational Institution, as well as on the policies of the governmental agencies, schools, or private organizations to which the Beneficiary and/or the

Beneficiary's family applies for financial assistance. Because saving for college will increase the financial resources available to the Beneficiary and the Beneficiary's family, it most likely will have some effect on the Beneficiary's eligibility for financial aid. These policies vary and can change over time. Therefore, no person or entity can say with certainty how the federal aid programs, or the school to which the Beneficiary applies, will treat your account for these purposes.

Medicaid and other federal and state benefits

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

Other investment alternatives

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

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

Possible changes to the Plan

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

Investment risks**Each Investment Option has risks**

Each of the Investment Options are subject to certain risks that may affect Investment Option performance.

Set forth below is a list of the major risks applicable to the Investment Options. Such list is not an exhaustive list and there are other risks which are not defined below. See “Part 9 – Descriptions of the Underlying Investments” and the respective prospectuses of the Underlying Investments for a description of the risks associated with the Underlying Investments in which the Investment Options invest.

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

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

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

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

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

Asset-backed securities risk. An Investment Option's performance could suffer to the extent the Underlying Investments are exposed to asset-backed securities, including mortgage-backed securities. Asset-backed securities are

subject to early amortization due to amortization or payout events that cause the security to payoff prematurely. Under those circumstances, an Underlying Investment may not be able to reinvest the proceeds of the payoff at a yield that is as high as that which the asset-backed security paid. In addition, asset-backed securities are subject to fluctuations in interest rates that may affect their yield or the prepayment rates on the underlying assets.

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

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

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

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

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

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

Call risk. This is the chance that during periods of falling interest rates, issuers of callable bonds may call (redeem)

securities with higher coupons or interest rates before their maturity dates. The Underlying Investment would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the Underlying Investment's income. Such redemptions and subsequent reinvestments would also increase the Underlying Investment's portfolio turnover rate.

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

Emerging markets risk. Underlying Investments that invest in foreign securities may also be subject to emerging markets risk, which is the chance that the stocks of companies located in emerging markets will be substantially more volatile, and substantially less liquid, than the stocks of companies located in more developed foreign markets because, among other factors, emerging markets can have greater custodial and operational risks; less developed legal, regulatory, and accounting systems; and greater political, social, and economic instability than developed markets.

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

Prepayment risk. This is the chance that during periods of falling interest rates, homeowners will refinance their mortgages before their maturity dates, resulting in prepayment of mortgage-backed securities held by an Underlying Investment. The Underlying Investment would then lose any price appreciation above the mortgage's principal and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the Underlying Investment's income. Such prepayments and subsequent reinvestments would also increase the Underlying Investment's portfolio turnover rate.

Money Market and Bank Savings Static Investment Options are not as diversified as other Investment Options

The Money Market Static Investment Option is designed to invest in a single Underlying Investment, or in the case of the Bank Savings Static Investment Option, an FDIC-insured savings account. These Investment Options, by design, are not as diverse as the Age-Based and other Static Investment Options, which are invested in a number of Underlying Investments. For the Money Market and Bank Savings Static Investment Options, account owners do not (1) own shares of a single Underlying Investment or (2) in the case of the Bank Savings Static Investment Option, directly hold a savings

account but, rather, own an interest in the Investment Options offered by the Plan. Performance differences for the Money Market Static Investment Option and its Underlying Investment may result from differences in the timing of purchases and sales and fees charged. Performance for the Bank Savings Static Investment Option is based on the interest earned on the FDIC-insured savings account. Account owners may not deposit directly into the savings account at a bank or otherwise. Part 11 of this Program Disclosure Statement describes performance in greater detail.

ETF risk

The Investment Options that invest in ETFs will be exposed to the risks inherent in certain ETF investments, such as passive strategy/index risk, index tracking risk, trading issues, fluctuation of net asset value and share premiums and discounts.

Suitability of Plan for account owner

An investment in the Plan will not be an appropriate investment for all investors. Some Investment Options entail more risk than other Investment Options and may not be suitable for all account owners, or for the entire balance of an account. You should evaluate the Plan and the Investment Option(s) you select in the context of your overall financial situation, investment goals, tax status, other resources and needs (such as liquidity) and other investments, including other college savings strategies.

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

Cybersecurity risk

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

Cybersecurity risks include security or privacy incidents such as human error, unauthorized release, theft, misuse, corruption and destruction of account data maintained by the Plan online or in digital form. Cybersecurity risks also

include denial of service, viruses, malware, hacking, bugs, security vulnerabilities in software, attacks on technology operations and other disruptions that could impede the Plan's ability to maintain routine operations. Although the Plan's service providers and partners undertake efforts to protect their computer systems from cyber threats and cyber-attacks, there are no guarantees that the Plan or your account will avoid losses due to cyber threats or cyber-attacks.

PART 11 – PERFORMANCE

The performance chart below includes performance for investments in the Plan as of September 30, 2020. Performance data for the most recent month-end is available on the Plan's website at [StateFarm.com](https://www.statefarm.com). Please keep in mind, past performance — especially short-term past performance — is not a guarantee of future results. Investment returns and principal values will fluctuate, so that account owners' interests in an Investment Option may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited.

No ownership in Underlying Investments

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

Performance differences

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

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

Performance as of September 30, 2020

Investment Option Name	Total Returns without Sales Charge**				Total Returns with Maximum Sales Charge***				Inception Date
	Average Annualized			Since Inception	Average Annualized			Since Inception	
	1 Year	3 Years	5 Years		1 Year	3 Years	5 Years		
Benchmark*									
Age-Based Investment Options									
Age-Based 0-2 Years	10.10%	—	—	6.47%	6.22%	—	—	4.74%	8/3/2018
<i>Age-Based Benchmark 0-2 yr</i>	10.54%				10.54%				
Age-Based 3-5 Years	10.16%	—	—	6.65%	6.29%	—	—	4.91%	8/3/2018
<i>Age-Based Benchmark 3-5 yr</i>	10.52%				10.52%				
Age-Based 6-8 Years	9.71%	—	—	6.82%	5.88%	—	—	5.08%	8/3/2018
<i>Age-Based Benchmark 6-8 yr</i>	10.10%				10.10%				
Age-Based 9-10 Years	9.29%	—	—	6.82%	5.49%	—	—	5.08%	8/3/2018
<i>Age-Based Benchmark 9-10 yr</i>	9.72%				9.72%				
Age-Based 11-12 Years	8.79%	—	—	6.73%	5.02%	—	—	5.00%	8/3/2018
<i>Age-Based Benchmark 11-12 yr</i>	9.27%				9.27%				
Age-Based 13-14 Years	8.12%	—	—	6.47%	4.38%	—	—	4.74%	8/3/2018
<i>Age-Based Benchmark 13-14 yr</i>	8.61%				8.61%				
Age-Based 15-16 Years	7.36%	—	—	6.17%	3.64%	—	—	4.45%	8/3/2018
<i>Age-Based Benchmark 15-16 yr</i>	7.88%				7.88%				
Age-Based 17-18 Years	6.60%	—	—	5.83%	2.91%	—	—	4.11%	8/3/2018
<i>Age-Based Benchmark 17-18 yr</i>	7.14%				7.14%				
Age-Based 19+ Years	5.85%	—	—	5.43%	2.19%	—	—	3.72%	8/3/2018
<i>Age-Based Benchmark 19+ yr</i>	6.34%				6.34%				
Static Investment Options									
All Equity Static	10.10%	—	—	6.47%	6.22%	—	—	4.74%	8/3/2018
<i>All Equity Static Benchmark</i>	10.54%				10.54%				
Growth Static	9.71%	—	—	6.82%	5.88%	—	—	5.08%	8/3/2018
<i>Growth Static Benchmark</i>	10.10%				10.10%				
Moderate Growth Static	8.79%	—	—	6.73%	5.02%	—	—	5.00%	8/3/2018
<i>Moderate Growth Static Benchmark</i>	9.27%				9.27%				
Balanced Static	8.11%	—	—	6.52%	4.37%	—	—	4.79%	8/3/2018
<i>Balanced Static Benchmark</i>	8.61%				8.61%				
Conservative Static	5.86%	—	—	5.39%	2.19%	—	—	3.68%	8/3/2018
<i>Conservative Static Benchmark</i>	6.34%				6.34%				
Money Market Static[^]	0.59%	—	—	1.29%	0.59%	—	—	1.29%	8/3/2018
<i>FTSE 3-Month T-Bill</i>	1.02%				1.02%				
Bank Savings Static	0.79%	—	—	1.01%	0.79%	—	—	1.01%	8/3/2018
<i>FTSE 3-Month T-Bill</i>	1.02%				1.02%				

The performance chart above includes performance for the Plan as of September 30, 2020. Performance data for the most recent month-end is available at StateFarm.com or by calling the Plan at 800.321.7520. Please keep in mind, past performance — especially short-term past performance — is not a guarantee of future results. Investment returns and principal values will fluctuate, so that account owners' interests in an Investment Option may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. Performance is net of the Underlying Investment expenses, the program management fee, the state administration fee, and the distribution and marketing fee.

* Each benchmark is not managed. Therefore, its performance does not reflect management fees, expenses or the imposition of front-end sales loads.

** Total Returns calculated without Up-Front Sales Load

*** Total Returns calculated with maximum Up-Front Sales Load of 3.50%

[^] Although the money market fund in which an Investment Option may invest (the underlying fund) seeks to preserve the value at \$1.00 per share, it cannot guarantee it will do so. Because the share price of the fund will fluctuate, when the shares are sold they may be worth more or less than what was originally paid for them. The fund may impose a fee upon sale of shares or may temporarily suspend the ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Customized performance benchmarks

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

	S&P 500 Index	S&P Completion Index	MSCI US REIT Index	MSCI ACWI ex USA Index	Citigroup World Government Bond Index ex USA	Bloomberg Barclay U.S. Aggregate Bond Index	Bloomberg Barclay US Govt/Credit 1-5 Yr	Bloomberg Barclay U.S. Treasury TIPS 0-5 Year	FTSE 3-month T-Bill	FTSE 3-month T-Bill
Age-Based Investment Option										
Age 0-2	61.00%	10.50%	5.25%	23.25%						
Age 3-5	58.00%	10.00%	5.00%	22.00%		5.00%				
Age 6-8	52.00%	8.00%	5.00%	20.00%	2.00%	13.00%				
Age 9-10	46.00%	7.00%	4.50%	17.50%	2.50%	17.50%	3.00%		2.00%	
Age 11-12	40.00%	6.00%	4.00%	15.00%	3.00%	22.00%	6.00%		4.00%	
Age 13-14	34.00%	5.00%	3.50%	12.50%	3.50%	23.50%	9.50%		8.50%	
Age 15-16	28.00%	4.00%	3.00%	10.00%	4.00%	25.00%	13.00%		13.00%	
Age 17-18	22.00%	3.00%	2.50%	7.50%	4.00%	26.50%	15.00%	2.50%	17.00%	
Age 19+	16.00%	2.00%	2.00%	5.00%	4.00%	28.00%	17.00%	5.00%	21.00%	
Static Investment Options										
All Equity	61.00%	10.50%	5.25%	23.25%						
Growth	52.00%	8.00%	5.00%	20.00%	2.00%	13.00%				
Moderate Growth	40.00%	6.00%	4.00%	15.00%	3.00%	22.00%	6.00%		4.00%	
Balanced	34.00%	5.00%	3.50%	12.50%	3.50%	23.50%	9.50%		8.50%	
Conservative	16.00%	2.00%	2.00%	5.00%	4.00%	28.00%	17.00%	5.00%	21.00%	
Money Market									100.00%	
Bank Savings										100.00%

PART 12 – PLAN FEES AND EXPENSES

Class A accounts

a. Generally, Class A accounts bear an initial sales charge (an Up-Front Sales Load) of 3.50%, which will be deducted at the time a contribution is made to an account. The initial sales charge will occur for assets that are rolled into the Plan, [with the exception of a rollover from a BlackRock® Coverdell Education Savings Account in which there will be no initial sales charge].

No Class A Up-Front Sales Load applies to the Class A accounts that invest in the (i) Money Market Static Investment Option; or (ii) Bank Savings Static Investment Option.

b. The Up-Front Sales Load will be reduced for contributions that exceed certain aggregate asset amount levels outlined below. Rights of Accumulation and Letter of Intent may apply for the purposes of calculating the aggregated asset amount.

A Letter of Intent entitles you to a lower Class A Up-Front Sales Load provided you fulfill the terms of the Letter of Intent. By indicating your intent to purchase the aggregated asset amounts described below in your signed Enrollment Form you agree to make specified investments of \$250,000 or more in the Plan in the 13-month period

following the date of your application. You understand that if you do not make the additional investments within the 13-month period, the Program Manager reserves the right to redeem shares from your account to make up the difference between the applicable Class A Up-Front Sales Load and the reduced Class A Up-Front Sales Load you paid when you entered into the Letter of Intent. Rights of Accumulation apply to all investments made by an account owner and members of the immediate family of an account owner in the Plan with combined assets that reach the breakpoint discount level in Class A units described below:

Aggregated Asset Amount	Up-Front Sales Load
Less than \$250,000	3.50%
\$250,000 - \$499,999	3.00%
\$500,000 or more	None

The majority of the Up-Front Sales Load is paid to State Farm with the remainder going to the Program Manager (see Selling Institution Compensation).

Up-Front Sales Load waivers

The Program Manager may waive the Up-Front Sales Load for Class A accounts under the following circumstances:

1. Purchases by current State Farm Agents, or by any current employee of State Farm or State Farm VP Management Corp. Registered Representatives who work for a State Farm Agent, and any member of the immediate family of such person.
2. Purchases by any employee of an investment firm whose underlying funds are in the Plan and any member of the immediate family of such person; and
3. Purchases by any employee of the Program Manager or its authorized agents or affiliates.

A member of the immediate family includes a spouse, parent, legal guardian, child, sibling, stepchild and father- or mother-in-law of the account owner or prospective account owner.

Class A Distribution and Marketing Fee

Class A accounts generally bear an annual distribution and marketing fee of 0.25% that is accrued daily as a percentage of average daily net assets and will be deducted from each Investment Option or Portfolio.

No distribution and marketing fee applies to the Class A accounts that invest in the Money Market Static Investment Option or Bank Savings Static Investment Option.

There is no charge incurred on a Class A account upon a withdrawal.

Application of Class A Up-Front Sales Load and Distribution and Marketing Fees for Certain Investment Options or Portfolios

If assets are transferred from the Money Market Static Investment Option or Bank Savings Static Investment Option to another Plan Investment Option:

- When exchanging to a Class A Investment Option, the Class A Up-Front Sales Load will apply to any amount that had not previously been subject to the Class A Up-Front Sales Load by virtue of such prior investment.

Negative return

The Program Manager will endeavor to maintain a positive or zero return on the Goldman Sachs Financial SquareSM Government Money Market Static Investment Option by waiving a portion of its program management fee with respect to that Investment Option. Any such waiver would be voluntary and may be discontinued at any time on that Investment Option. However, the Program Manager cannot guarantee any return on Goldman Sachs Financial SquareSM Government Money Market Static Investment Option, or that the return on this Investment Option will not be negative.

Annual account fee

Starting January 1, 2021, the annual account fee assessed against the balance in an account will be \$15. Prior to 2021, the annual account fee is \$25. For accounts established prior to August 3, 2018, accounts will be charged the annual maintenance fee in December of each year. For accounts established after August 3, 2018, the annual account maintenance fee will be charged each year in or near the

anniversary of the month when the account was established. All accounts with the same account owner and Beneficiary will be treated as a single account for purposes of calculating the annual account fee. In such cases, the account fee will be split in half and assessed equally between accounts.

In the event the account balance is less than the applicable annual account fee, the available balance will be assessed. If there is a redemption of all units with a resulting withdrawal prior to the annual fee being assessed, the fee will be taken from the withdrawal proceeds on a pro-rata basis. The annual account fee will be assessed regardless of which Investment Option(s) an account owner chooses. The account fee will be waived for any account that exceeds \$20,000 on the last day of the period that the fee is assessed.

Starting January 1, 2022, the annual account fee will be reduced to \$10. Effective January 1, 2023, no annual account fee will be charged.

Program management fee

The Program Manager receives a management fee equal to 0.15% of the average daily net assets in each Investment Option. This fee accrues daily and will be deducted from each Investment Option. This fee is not reflected as a direct charge against your account on your account statements, but rather is reflected as an expense in the daily NAV calculation for each Investment Option.

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

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

State administration fee

An administration fee equal to 0.02% of the average daily net assets in each Investment Option will be allocated to the state's costs to administer, market and distribute the Plan. This fee accrues daily as a percentage of average daily net assets and is deducted from each Investment Option. This fee will reduce the value of an account.

Underlying Investment fee

The Underlying Investments that comprise an Investment Option charge a fee called a weighted average underlying fund expense ratio which ranges from 0.00% to 0.20% of the average daily net assets in each Underlying Investment. This fee is not reflected as a direct charge against your account on your account statements, but rather is reflected as an expense in the daily NAV calculation for each Investment Option.

Other account fees

There are no account opening fees associated with the Plan.

Additional Fees	
Cancellation/Withdrawal Fee	None
Change in Beneficiary	None
Investment Option Change	None
Enrollment/Account opening	None

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

Aggregated Asset Amount	Up-Front Sales Load	Up-Front Sales Load Retained by State Farm	Distribution and Marketing Fee Charged*	Distribution and Marketing Fee Paid to State Farm**
Less than \$250,000	3.50%	3.00%	0.25%	0.25%
\$250,000 - \$499,999	3.00%	2.50%	0.25%	0.25%
\$500,000 or more	None	None	0.25%	0.25%

*Fee starts accruing immediately **Payment made monthly

Also see "Application of Class A Up-Front Sales Load and Distribution and Marketing Fees for certain Investment Options or Portfolios" above for more information.

The Program Manager reserves the right to modify these fee arrangements, subject to the approval of the State of Nebraska Treasurer and the Nebraska Investment Council.

be treated as a single account for purposes of calculating other account fees.

Selling institution compensation³

Class A shares are sold through State Farm, which has a selling agent agreement with the Trust, the Program Manager and the Distributor. Except as described below, State Farm will be compensated by the Program Manager as indicated below.

The Program Manager also may make additional payments to State Farm for marketing, promotional, distribution and investor servicing activities, subject to the approval of the Nebraska State Treasurer and the Nebraska Investment Council.

Class A selling institution compensation – The Up-Front Sales Load and the related selling compensation will be reduced for contributions that exceed certain aggregate asset amount levels as outlined as follows. Rights of Accumulation and Letter of Intent may apply for the purposes of calculating the aggregated asset amount.

Commission waivers

State Farm will not receive commissions for contributions into Class A Investment Options that have received an Up-Front Sales Load waiver.

Contributions from rewards programs

Contributions into a Plan account from a rewards program are not subject to Class A Up-Front Sales Loads.

³With the exception of investments in the Money Market Static Investment Option and the Bank Savings Static Investment Option.

Fee Structure Table

Specific fees, expenses and sales charges are outlined in the table below.

	Estimated Underlying Investment Expenses ¹	Program Management Fee	State Administration Fee	Distribution and Marketing Fee	Total Annual Asset-Based Fee	Maximum Up-Front Sales Load
Age-Based Investment Option						
0-2 yrs	0.05%	0.15%	0.02%	0.25%	0.47%	3.50%
3-5 yrs	0.05%	0.15%	0.02%	0.25%	0.47%	3.50%
6-8 yrs	0.05%	0.15%	0.02%	0.25%	0.47%	3.50%
9-10 yrs	0.05%	0.15%	0.02%	0.25%	0.47%	3.50%
11-12 yrs	0.05%	0.15%	0.02%	0.25%	0.47%	3.50%
13-14 yrs	0.06%	0.15%	0.02%	0.25%	0.48%	3.50%
15-16 yrs	0.07%	0.15%	0.02%	0.25%	0.49%	3.50%
17-18 yrs	0.07%	0.15%	0.02%	0.25%	0.49%	3.50%
age 19+	0.08%	0.15%	0.02%	0.25%	0.50%	3.50%
Static Investment Options						
All Equity	0.05%	0.15%	0.02%	0.25%	0.47%	3.50%
Growth	0.05%	0.15%	0.02%	0.25%	0.47%	3.50%
Moderate Growth	0.05%	0.15%	0.02%	0.25%	0.47%	3.50%
Balanced	0.06%	0.15%	0.02%	0.25%	0.48%	3.50%
Conservative	0.08%	0.15%	0.02%	0.25%	0.50%	3.50%
Money Market	0.18%	0.15%	0.02%	0.00%	0.35%	0.00%
Bank Savings	0.00%	0.15%	0.02%	0.00%	0.17%	0.00%

¹For registered mutual funds, in the absence of a change that would materially affect the information, based on the expense ratio reported in the applicable fund's most recent prospectus dated prior to October 26, 2020, and for Investment Options invested in multiple Underlying Investments, based on a weighted average of each fund's total annual operating expenses, in accordance with the Portfolio's asset allocation as of the date of this Program Disclosure Statement.

Approximate cost of \$10,000 investment

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

- A \$10,000 contribution is invested for the time periods shown;
- A 5% annually compounded rate of return on the amount invested throughout the period;

- The account is redeemed at the end of the period shown to pay for Federal Qualified Higher Education Expenses (the table does not consider the impact of any potential state or federal taxes on the redemption nor any potential recapture of a state tax deduction previously taken);
- The total estimated annual asset-based fees remain the same as those shown in the fee structure tables;
- The investor pays the applicable maximum initial Class A Up-Front Sales Load; and
- Calculations include an annual account fee of \$15.

	1 Year	3 Years	5 Years	10 Years
Age-Based Investment Option				
Age 0-2	\$411	\$541	\$678	\$1,068
Age 3-5	\$411	\$541	\$678	\$1,068
Age 6-8	\$411	\$541	\$678	\$1,068
Age 9-10	\$411	\$541	\$678	\$1,068
Age 11-12	\$411	\$541	\$678	\$1,068
Age 13-14	\$412	\$544	\$684	\$1,079
Age 15-16	\$413	\$547	\$689	\$1,091
Age 17-18	\$413	\$547	\$689	\$1,091
Age 19+	\$414	\$550	\$694	\$1,103
Static Investment Options				
All Equity	\$411	\$541	\$678	\$1,068
Growth	\$411	\$541	\$678	\$1,068
Moderate Growth	\$411	\$541	\$678	\$1,068
Balanced	\$412	\$544	\$684	\$1,079
Conservative	\$414	\$550	\$694	\$1,103
Money Market	\$51	\$157	\$271	\$591
Bank Savings	\$32	\$100	\$171	\$366

PART 13 – DISTRIBUTIONS FROM AN ACCOUNT

Requesting a distribution from an account

There is no Beneficiary age or other deadline by which distributions from your account must begin. Distribution requests may be made online, by completing a Withdrawal Request Form which can be obtained from your State Farm Registered Representative or by telephone. If the withdrawal request is in good order, the Plan typically will process the withdrawal and initiate payment within two business days of receipt. During periods of market volatility and at year-end, however, withdrawal requests may take up to five business days to process. When requesting a withdrawal please allow seven to 10 days for the proceeds to reach you.

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

An account owner may establish telephone and Internet transaction privileges for an account through the Plan's website or by calling the Plan. The Program Manager

employs procedures it considers to be reasonable to confirm that instructions communicated by telephone or Internet are genuine, including requiring certain personally identifiable information prior to acting on telephone or Internet instructions. None of the Program Manager, the Distributor, the Plan, the Trust or the Treasurer will be liable for following telephone or Internet instructions that the Program Manager reasonably believed to be genuine.

Temporary withdrawal restrictions

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

Systematic Withdrawal Program (SWP)

You may choose to establish periodic, pre-scheduled withdrawals for Federal Qualified Higher Education Expenses from your Plan account(s). The Plan will file IRS Form 1099-Q

annually for distributions taken for all withdrawals, including those using systematic withdrawals. You can have up to two SWPs on a single account. If the balance in your Investment Option is less than the SWP amount specified, the SWP instructions will be stopped. A SWP distribution will be held for up to seven business days for contributions that have not yet cleared or, 15 business days if the account owner or address has been changed on the account and the SWP is within 10 business days of that change. The distribution will be released when the specified waiting period has been satisfied.

Federal Qualified Withdrawal

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

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

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

Eligible Educational Institution

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

Distribution of a Federal Qualified Withdrawal

A Federal Qualified Withdrawal may be distributed as follows:

- To the account owner
- To the account owner's bank account

- To the Beneficiary
- Directly to the Eligible Educational Institution
- To a Beneficiary's sibling, to the extent it will be used for Qualified Education Loan Payments

Because money in your account may be withdrawn free from federal income tax only if it is used to pay the Beneficiary's Federal Qualified Higher Education Expenses, you should retain documentation of all of the Beneficiary's Federal Qualified Higher Education Expenses for your records. The account owner or Beneficiary, not the Plan nor the Program Manager, is solely responsible for determining if a withdrawal is Federal Qualified Withdrawal or Federal Non-Qualified Withdrawal and whether a federal penalty applies.

Federal Non-Qualified Withdrawals

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

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

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

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

Nebraska Non-Qualified Withdrawals

Nebraska law does not treat the following Federal Qualified Higher Education Expenses as Nebraska Qualified Expenses: (1) K-12 Tuition Expenses; (2) Apprenticeship Program Expenses; and (3) Qualified Education Loan Payments. Therefore, if a withdrawal is made for such purposes, although it is a Federal Qualified Withdrawal, it will be treated as a Nebraska Non-Qualified Withdrawal and may result in the recapture of a previously claimed Nebraska state income tax deduction, and the earnings portion will be subject to Nebraska state income tax.

Exceptions to the federal penalty tax

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

- Paid to the estate of the Beneficiary on or after the death of the Beneficiary;
- Made because the Beneficiary is disabled. A person is considered to be disabled if he or she shows proof that he or she cannot do any substantial gainful activity because of his or her physical or mental condition. A physician must determine that his or her condition can be expected to result in death or to be of long-continued and indefinite duration;

- Included in income because the Beneficiary received a tax-free scholarship, up to the amount of scholarship received by the Beneficiary;
- Made on account of the attendance of the Beneficiary at a U.S. military academy (such as the United States Naval Academy at Annapolis). This exception applies only to the extent that the amount of the distribution does not exceed the costs of advanced education (as defined in Section 2005(d)(3) of Title 10 of the U.S. Code) attributable to such attendance; or
- Included in income only because the Federal Qualified Higher Education Expenses were taken into account in determining the American Opportunity and Lifetime Learning Tax Credits.

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

Refunds from an Eligible Educational Institution

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

Federal Qualified Rollover Distribution

Federal Qualified Rollover Distribution means a distribution or transfer from an account that is deposited within 60 days of the distribution or transfer to:

- An out-of-state 529 qualified tuition program for the benefit of the Beneficiary, provided the transfer does not occur within 12 months of the date of a previous transfer for the benefit of the Beneficiary. If an account owner has both an Age-Based Investment Option account and a Static Investment Option account, a rollover to both accounts will be treated as a single rollover for purposes of the 12-month rule, if the rollovers are made prior to closing on the same trading day;
- An out-of-state 529 qualified tuition program for the benefit of an individual who is a Member of the Family of the Beneficiary; or
- An ABLE Account of the Beneficiary or a Member of the Family of the Beneficiary, subject to the contribution limits for ABLE Accounts (effective for periods prior to January 1, 2026).

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

You may transfer money in your Plan account to an Enable Savings Plan account (or any ABLE program issued by the State of Nebraska) without adverse tax consequences, provided the transfer is a Federal Qualified Rollover Distribution. However, if you roll over money in your Plan account to any ABLE program not issued by the State of Nebraska, the earnings portion of the rollover will be subject to Nebraska state income tax. In addition, the rollover will be subject to recapture of any Nebraska state income tax deduction previously claimed by the account owner. Not all ABLE program sponsors may accept rollovers from a 529 qualified tuition program; you should contact your tax advisor for more information.

PART 14 – FEDERAL AND STATE TAX CONSIDERATIONS

Qualified Tuition Program

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

Federal tax information

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

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

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

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

Nebraska tax information

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

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

Federal Qualified Withdrawals

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

If a Federal Qualified Withdrawal is made from an account, no portion of the distribution is includable in the federal gross income of the account owner or the Beneficiary. If a Federal

Qualified Withdrawal is also used for Nebraska Qualified Expenses, no portion of the distribution is subject to state income tax.

Federal Qualified Higher Education Expenses

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

Federal Non-Qualified Withdrawal and Nebraska Non-Qualified Withdrawal

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

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

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

Federal penalty tax on Federal Non-Qualified Withdrawals

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

Exceptions to the federal penalty tax

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

- Paid to the estate of a Beneficiary on or after the death of the Beneficiary;
- Made on account of the disability of the Beneficiary. A person is considered to be disabled if he or she shows proof that he or she cannot do any substantial gainful activity because of his or her physical or mental condition. A physician must determine that his or her condition can be expected to result in death or to be of long-continued and indefinite duration;

- Included in income because the Beneficiary received a tax-free scholarship, up to the amount of the scholarship received by the Beneficiary;
- Made on account of the attendance of the Beneficiary at a U.S. military academy (such as the United States Naval Academy at Annapolis). This exception applies only to the extent that the amount of the distribution does not exceed the costs of advanced education (as defined in Section 2005(d)(3) of Title 10 of the U.S. Code) attributable to such attendance; or
- Included in income only because the Federal Qualified Higher Education Expenses were taken into account in determining the American Opportunity and Lifetime Learning Tax Credits.

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

Rollovers

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

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

Change of Beneficiary

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

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

Earnings portion

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

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

Earnings aggregation

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

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

Claiming a loss

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

Estate and gift tax

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

An account owner's contributions to an account for a Beneficiary are eligible for the gift tax annual exclusion. Contributions that qualify for the gift tax annual exclusion are generally also excludible for purposes of the federal GST tax, unless an election is made on the federal gift tax return to the contrary. A donor's total contributions to an account for the Beneficiary in any given year (together with any other gifts made by the donor to the Beneficiary in the year) will not be considered taxable gifts and will generally be excludible for purposes of the GST tax if the gifts do not in total exceed the annual exclusion for the year. Currently, the annual exclusion is \$15,000 per donee (\$30,000 for a married couple that elects on a federal gift tax return to "split" gifts). This means that in each calendar year you may contribute up to \$15,000 to a Beneficiary's account without the contribution being considered a taxable gift, if you make no other gifts to the Beneficiary in the same year.

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

Five-year election

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

This means that you may contribute up to \$75,000 in a single year to an account without the contribution being considered a taxable gift, provided that you make no other gifts to the Beneficiary in the same year in which the contribution is made and in any of the succeeding four calendar years. Moreover, a married contributor whose spouse elects on a federal gift tax return to have gifts treated as "split" with the contributor may contribute up to twice that amount (\$150,000) without the contribution being considered a taxable gift, provided that neither spouse makes other gifts to the Beneficiary in the same year and in any of the succeeding four calendar years. **An election to have the contribution taken into account ratably over a five-year period must be made by the donor on a federal gift tax return.**

For example, an account owner who makes a \$75,000 contribution to an account for a Beneficiary in 2020 may elect to have that contribution treated as a \$15,000 gift in 2020 and a \$15,000 gift in each of the following four years. If the account owner makes no other contributions or gifts to the Beneficiary before January 1, 2025, and has made no excess contributions treated as gifts subject to the one-fifth rule during any of the previous four years, the account owner will not be treated as making any taxable gifts to the Beneficiary during that five-year period. As a result, the \$75,000 contribution will not be treated as a taxable gift and also will generally be excludible for purposes of the GST tax. However, if the account owner dies before the end of the five-year period, the portion of the contributions allocable to years after the year of death will be includable in the account owner's gross estate for federal estate tax purposes.

Change of Beneficiary

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

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

new Beneficiary is more than 12 ½ years younger than the replaced Beneficiary. Moreover, even if the new Beneficiary is in the same generation as (or in an older generation than) the replaced Beneficiary, the change or transfer may be treated as a gift from the replaced Beneficiary to the new Beneficiary if the new Beneficiary is not a Member of the Family of the replaced Beneficiary. Any change or transfer treated as a gift to the new Beneficiary may cause the replaced Beneficiary or the account owner to be liable for federal gift tax or cause other undesirable tax consequences. Accordingly, account owners should consult their own tax advisors for guidance when considering a change of Beneficiary.

Change of account owner

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

Coordination with education tax credits

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

Coverdell Education Savings Accounts (CESAs)

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

Lack of certainty

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

Nebraska state income tax deduction

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

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

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

- A parent or guardian’s contribution into a minor-owned account
- Contributions by a custodian of an UGMA or UTMA account who is not the parent or guardian of the Beneficiary of an UGMA or UTMA account
- Contributions by any other person who is not the account owner or parent or guardian custodian of an UGMA or UTMA account of the Beneficiary of an UGMA or UTMA account
- Contributions to an account from GiftED

Recapture of Nebraska income tax deduction

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

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

Nebraska state income tax

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

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

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

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

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

PART 15 – OTHER CONSIDERATIONS

Scholarships

If the Beneficiary of your account receives a scholarship, all of the funds in that Beneficiary's account may not be needed to pay his or her Federal Qualified Higher Education Expenses. If you choose to withdraw funds from the account, any earnings portion of the withdrawal will be includable in

your federal gross income, but the portion of the withdrawal up to the amount of the scholarship will not be subject to the additional 10% federal tax.

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

Contests

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

Financial aid

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

Bankruptcy

The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 protects many Code Section 529 accounts in federal bankruptcy proceedings. Your account will be protected if the Beneficiary is your child, stepchild, grandchild, or step grandchild (including a child, stepchild, grandchild or step grandchild through adoption or foster care) subject to the following limits:

- Contributions made to all Code Section 529 accounts for the same Beneficiary more than 720 days before a federal bankruptcy filing are completely protected;
- Contributions made to all Code Section 529 accounts for the same Beneficiary during the period between 365 days, and 720 days before a federal bankruptcy filing are protected up to \$6,825; and
- Contributions made to all Code Section 529 accounts for the same Beneficiary 365 days before a federal bankruptcy filing are not protected against creditor claims in federal bankruptcy proceedings.

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

Creditor protection

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

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

Audits

Nebraska law requires the Trust to be audited by a certified public accountant or the Nebraska State Auditor. The Trust's audited financial statements may be viewed or downloaded at treasurer.nebraska.gov. The Trustee has currently engaged Hayes & Associates, L.L.C., Omaha, Nebraska, to perform the annual audit.

Quarterly statements

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

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

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

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

You can view quarterly statements online at the Plan's website. You will need to create an online user name, password and credentials to access your account information.

Information including prospectuses and other disclosures

of all fees and expenses associated with the mutual funds and other investments made by the Plan is available by contacting your State Farm Registered Representative.

Additional information

To answer your questions or request an Enrollment Form, please contact your State Farm Registered Representative, call the Plan or write to: State Farm 529 Savings Plan, 3606 South 48th Street, Lincoln, NE 68506

PART 16 – GLOSSARY

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

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

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

Beneficiary means the individual designated in the Enrollment Form as the Beneficiary of an account at the time the account is established, or the individual designated as the new Beneficiary if the account owner changes the Beneficiary of an account. The Beneficiary must be a U.S. citizen or resident alien with a Social Security number or taxpayer identification number. A Beneficiary may be of any age. In the case of an account established by a state or local government or a Section 501(c)(3) organization as part of a scholarship program, the Beneficiary is any individual receiving benefits accumulated in the account as a scholarship. See "Part 4 – Beneficiaries."

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

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

Distributor means Northern Trust Securities, Inc.

Enrollment Form means the State Farm 529 Savings Plan Enrollment Form signed by an account owner establishing an account and agreeing to be bound by the terms of the Program Disclosure Statement and Participation Agreement. A separate Enrollment Form is required for each account.

Eligible Educational Institution means an eligible educational institution, as defined in Code Section 529. This generally includes any accredited post-secondary educational institution in the United States offering credit toward a bachelor's degree, an associate's degree, a graduate level or professional degree or another recognized post-secondary credential. Certain proprietary institutions, post-secondary vocational institutions and foreign schools also are Eligible

Educational Institutions. These institutions must be eligible to participate in U.S. Department of Education student aid programs provided by Title IV of the Higher Education Act of 1965. For a list of eligible schools, visit fafsa.ed.gov and click on “School Code Search.”

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

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

- tuition, fees, books, supplies and equipment required for enrollment of, or attendance by, a Beneficiary at an Eligible Educational Institution;
- certain room and board expenses incurred by students who are enrolled at least half-time at an Eligible Educational Institution. The expense for room and board qualifies only to the extent that it isn't more than the greater of the following two amounts:
 - i) the allowance for room and board, as determined by the Eligible Educational Institution, that was included in the cost of attendance (for federal financial aid purposes) for a particular academic period and living arrangement of the student; or
 - ii) the actual amount charged if the student is residing in housing owned or operated by the Eligible Educational Institution. You may need to contact the Eligible Educational Institution for qualified room and board costs;
- expenses for special needs services in the case of a special needs Beneficiary that are incurred in connection with enrollment or attendance at an Eligible Educational Institution;
- expenses for the purchase of computer or certain peripheral equipment, computer software or Internet access and related services, if such equipment, software, or services are to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution. This does not include expenses for computer software for sports, games or hobbies unless the software is predominately educational in nature;
- K-12 Tuition Expenses;
- Apprenticeship Program Expenses; and
- Qualified Education Loan Payments.

Federal Qualified Rollover Distribution means a distribution or transfer from an account that is deposited within 60 days of the distribution or transfer to:

- An out-of-state 529 qualified tuition program for the benefit of the Beneficiary, provided the transfer does not occur within 12 months of the date of a previous transfer

for the benefit of the Beneficiary. If an account owner has both an Age-Based Investment Option account and a Static Investment Option account, a rollover to both accounts will be treated as a single rollover for purposes of the 12-month rule, if the rollovers are made prior to closing on the same trading day;

- An out-of-state 529 qualified tuition program for the benefit of an individual who is a Member of the Family of the Beneficiary; or
- An ABL Account of the Beneficiary or a Member of the Family of the Beneficiary, subject to the contribution limits for ABL Accounts (effective for periods prior to January 1, 2026).

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

FINRA means the Financial Industry Regulatory Authority, Inc.

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

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

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

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

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

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

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

Nebraska Qualified Expenses means:

- tuition, fees, books, supplies and equipment required for enrollment of, or attendance by, a Beneficiary at an Eligible Educational Institution;
- certain room and board expenses incurred by students who are enrolled at least half-time at an Eligible Educational Institution. The expense for room and board qualifies only to the extent that it isn't more than the greater of the following two amounts:
 - i) the allowance for room and board, as determined by the Eligible Educational Institution, that was included in the cost of attendance (for federal financial aid purposes) for a particular academic period and living arrangement of the student;
 - ii) the actual amount charged if the student is residing in housing owned or operated by the Eligible Educational Institution. You may need to contact the Eligible Educational Institution for qualified room and board costs;
- expenses for special needs services in the case of a special needs Beneficiary that are incurred in connection with enrollment or attendance at an Eligible Educational Institution; and
- expenses for the purchase of computer or certain peripheral equipment, computer software or Internet access and related services, if such equipment, software, or services are to be used primarily by the Beneficiary during any of the years the Beneficiary is enrolled at an Eligible Educational Institution. This does not include expenses for computer software for sports, games, or hobbies unless the software is predominately educational in nature.

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

Plan means the State Farm 529 Savings Plan. See “Part 1 – Overview.”

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

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

Qualified Education Loan Payments means payments on qualified education loans, as defined in Code Section 221(d),

of the Beneficiary or the Beneficiary's sibling, provided distributions from all 529 qualified tuition programs to any individual do not exceed the federal lifetime limit of \$10,000.

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

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

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

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

UGMA means Uniform Gifts to Minors Act.

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

UTMA means Uniform Transfers to Minors Act.

EXHIBIT A – PARTICIPATION AGREEMENT

Pursuant to the terms and conditions of this Participation Agreement for the State Farm 529 Savings Plan (the “Plan”), the account owner, by completing and signing an Enrollment Form, hereby requests the Nebraska Educational Savings Plan Trust (the “Trust”) to open (or in the case of a successor account owner, to maintain) an account for the Beneficiary on the Enrollment Form.

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

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

Section 1. Accounts and Beneficiaries.

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

(b) **Separate accounts.** The Trust will maintain one or more accounts for each Beneficiary depending on the investment elections. If you invest in both the Age-Based Investment Option and Static Investment Option(s), you will have an Age-Based Investment Option account and a Static Investment Option account. All accounts with the same account owner and Beneficiary will use one set of login credentials on the Plan's website. Each account is

governed by a Participation Agreement. All assets held in your account are held for the exclusive benefit of you and the Beneficiary as provided by applicable law.

- (c) **Naming and changing Beneficiaries.** You will name the Beneficiary in the Enrollment Form. You can change the Beneficiary at any time, subject to limitations imposed by federal and state law. To avoid adverse income tax consequences, the new Beneficiary must be a “Member of the Family” of the former Beneficiary, as that term is defined under Section 529(e)(2) of the Internal Revenue Code of 1986, as amended, or any other corresponding provision of future law (the “Code”). The designation of the new Beneficiary will be effective upon receipt of the appropriate form, properly completed.
- (d) **Choice of Investment Option.** Money invested in an account is invested in the Investment Option or Options designated in the Enrollment Form by you. The account owner may change the Investment Option or Options in which money is invested twice every calendar year or upon a change of Beneficiary.

If an account owner has multiple accounts for the same Beneficiary, or multiple accounts in the Trust, the account owner may change the Investment Options in all such accounts without tax consequences, so long as the changes to all of the accounts are made prior to closing on the same trading day and no more frequently than twice per calendar year, or upon a change of the Beneficiary. To change the Investment Option or Options in which your account is invested, you should contact your State Farm Registered Representative.

Section 2. Contributions.

- (a) **Contributions to be in cash equivalents.** Cash equivalents mean only (i) checks, (ii) payroll direct deposit through your employer, (iii) electronic funds transfers from your bank, (iv) automatic investment plan, (v) GiftED contributions, (vi) wire transfers, or (vii) a rollover or transfer from an out-of-state 529 qualified tuition program, CESA or qualified U.S. Savings Bond.
- (b) **Minimum contributions.** The minimum initial contribution is \$250 per account. However, if you use payroll direct deposit or AIP, and contribute at least \$50 per month, the minimum initial contribution is \$50. The minimum subsequent contribution is \$50 per account. All accounts with the same account owner and Beneficiary are treated as a single account for purposes of calculating minimum contribution amounts.
- (c) **Additional contributions.** You may make additional contributions at any time, subject to the Maximum Contribution Limit.
- (d) **Maximum Contribution Limit.** The Trustee will set a Maximum Contribution Limit for the Trust. You may not make additional contributions to any account for a Beneficiary when the fair market value of all accounts owned by all account owners within the Trust for a Beneficiary equals or exceeds the Maximum Contribution

Limit. If, however, the fair market value of such account falls below the Maximum Contribution Limit, additional contributions will be accepted. The Trust will inform you of the Maximum Contribution Limit for each year. Currently, the Maximum Contribution Limit is \$500,000. The \$500,000 Maximum Contribution Limit applies to all accounts for the same Beneficiary in all plans administered by the Trustee, including the Plan, the NEST Direct Plan, the NEST Advisor Plan and the TD Ameritrade 529 College Savings Plan.

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

- (a) You must complete the appropriate form or follow such other procedures for the withdrawal of money in an account as the Program Manager may designate. The Program Manager may change the form or modify the procedures for withdrawing money from an account from time to time.
- (b) You acknowledge the earnings portion of a Federal Non-Qualified Withdrawal, as defined in the Program Disclosure Statement, will be included in your income for federal and state income tax purposes and may be subject to a 10% federal tax as well as partial recapture of any Nebraska state income tax deduction previously claimed.

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

- (c) Notwithstanding any other provision of this Participation Agreement, the Trustee or the Program Manager may terminate an account at any time upon a determination that you or the Beneficiary have provided false or misleading information to the Trust, the Program Manager, Northern Trust Securities, Inc, the distributor (the “Distributor”) of the Plan, or an Eligible Educational Institution. The Trustee will pay you the balance remaining in the account, less any fees, if applicable.
- (d) If you cancel your Participation Agreement, you will receive the remaining assets (including any earnings). The withdrawal may be subject to applicable federal and state taxes or penalties on Federal Non-Qualified Withdrawals or Nebraska Non-Qualified Withdrawals.

Section 4. Your Representations and Acknowledgments.

You hereby represent and warrant to, and agree with, the Trust, the Trustee and the Program Manager as follows:

- (a) You acknowledge and agree that the creation of an account subjects your account and contributions to sales charges and ongoing fees as described in the Program Disclosure Statement. These sales charges and fees are not applicable if you establish an account directly with the Trust without the assistance of a State Farm Registered Representative.

- (b) You have received and read the Plan's Program Disclosure Statement and have carefully reviewed all the information contained therein, including information provided by or with respect to the Trust and the Program Manager. You have been given an opportunity, within a reasonable time prior to the date of this Participation Agreement, to ask questions and receive answers concerning (i) an investment in the Trust; (ii) the terms and conditions of the Trust; and (iii) this Participation Agreement and to obtain such additional information necessary to verify the accuracy of any information furnished. You also agree you have had the opportunity to review and hereby approve and consent to all compensation paid or received by any party connected with the Trust or any of its investments as disclosed in the Program Disclosure Statement.
- (c) You acknowledge and agree that if the Program Disclosure Statement is in any way amended, modified or supplemented after you enter into this Participation Agreement, the terms of the Program Disclosure Statement, as amended, modified or supplemented, will be automatically incorporated into this Participation Agreement.
- (d) You acknowledge and agree that the value of your account will increase or decrease based on the investment performance of the Investment Option(s) in which the account invests. YOU UNDERSTAND THAT THE VALUE OF ANY ACCOUNT MAY BE MORE OR LESS THAN THE AMOUNT INVESTED IN THE ACCOUNT. You agree that all underlying investment decisions will be made by the Nebraska Investment Council or any other adviser hired by the Trust, and that you will not direct the investment of any funds invested in the Trust, either directly or indirectly. You also acknowledge and agree that neither the State of Nebraska, the Nebraska Investment Council, the Trust, the Trustee, the Program Manager, the Distributor, State Farm, nor any other advisor or consultant retained by or on behalf of the Trust makes any guarantee that you will not suffer a loss of the amount invested in any account.
- (e) You understand that so long as Union Bank and Trust Company serves as Program Manager for the Plan and is performing services for the Trust, it may follow the directives of the Trustee and Nebraska Investment Council. When acting in such capacity, Union Bank and Trust Company will have no liability to you or any other beneficiary of this Participation Agreement.
- (f) You acknowledge and agree that participation in the Plan does not guarantee that any Beneficiary: (i) will be accepted as a student by an Eligible Educational Institution; (ii) if accepted, will be permitted to continue as a student; (iii) will be treated as a state resident of any state for tuition purposes; (iv) will graduate from any Eligible Educational Institution; or (v) will achieve any particular treatment under applicable state or federal financial aid program. You also acknowledge and agree that neither the State of Nebraska, the Trust, the Trustee, the Treasurer, the Program Manager, the Distributor, State Farm, nor any other advisor or consultant retained by or on behalf of the Trust makes any such representation or guarantee.
- (g) You acknowledge and agree that no account will be used as collateral for any loan. Any attempted use of an account as collateral for a loan will be void.
- (h) You acknowledge and agree that the Trust will not loan any assets to you or the Beneficiary.
- (i) You agree and acknowledge that the Trust was established and maintained under Nebraska law with the intent that it will qualify as a qualified tuition program under Internal Revenue Code Section 529. You further acknowledge that such federal and state laws are subject to change, sometimes with retroactive effect, and that neither the State of Nebraska, the Trust, the Trustee, the Treasurer, the Program Manager, the Distributor, State Farm, nor any advisor or consultant retained by the Trust makes any representation that such state or federal laws will not be changed or repealed.
- (j) You acknowledge that the Trust is the record owner of the shares of the Underlying Investments in which each Investment Option is invested and that you will have no right to vote, or direct the voting of, any proxy with respect to such shares.
- (k) If you are establishing an account as a custodian for a minor under an UGMA/UTMA, you understand and agree that you assume any responsibility for any adverse consequences resulting from the establishment of an account.
- (l) If you are not, or your Beneficiary is not, a Nebraska resident, you understand that if your or your Beneficiary's state of residence offers a 529 qualified tuition program, it may offer tax advantages or other benefits that may not be available to you or your Beneficiary under the Plan and that you are responsible for determining which 529 qualified tuition program is best suited to your investment needs based on your investment objectives, time horizon, tax status and other investment holdings.
- (m) You understand that with respect to Nebraska taxpayers, contributions to your account may be entitled to a Nebraska state income tax deduction and that the earnings portion of a distribution from an account for Federal Qualified Higher Education Expenses will not be subject to federal income tax and your participation in the Plan generally will have the Nebraska income tax consequences described in the Program Disclosure Statement. Such Nebraska tax laws are subject to change, sometimes with retroactive effect.
- (n) If the account owner is a trust or other entity, then the account owner represents and warrants that (i) the trust or other entity is duly organized, validly existing and in good standing under the laws of its state of organization and has the power and authority to enter into this Participation Agreement; (ii) the execution, delivery, and performance of this Participation Agreement by the account owner have been duly authorized by all necessary action on the part of the account owner;

and (iii) this Participation Agreement constitutes the legal, valid and binding obligation of the account owner, enforceable against the account owner in accordance with its terms.

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

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

- (a) **Program Management Fee.** Each Investment Option is subject to a program management fee at an annual rate of 0.15% of the average daily net assets, which is accrued daily and reflected in the price of each Investment Option. Under certain circumstances, the Program Manager, in its sole discretion, may waive a portion of its program management fee with respect to an Investment Option. Any such waiver would be voluntary and may be discontinued at any time.
- (b) **Investment Management Fees.** You acknowledge and agree that each of the Underlying Investments also may have investment management fees and other expenses, which will be disclosed or made available on an annual basis.
- (c) **State Administration Fee.** Each Investment Option is subject to a state administration fee at an annual rate of 0.02% of the average daily net assets, which is accrued daily and reflected in the NAV of each Investment Option.
- (d) **Change in Fees.** You acknowledge and agree that the charges described above may be increased or decreased as the Trustee and the Nebraska Investment Council shall determine to be appropriate.
- (e) **Sales Loads, Redemption Fees, and Administrative Fees.** An account is subject to the fees set forth in the Program Disclosure Statement.

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

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

Section 8. Reporting. The Plan, through the Program Manager, will provide quarterly reports of account activity

and the value of each account. Account information can also be obtained via the Plan's secure website.

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

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

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

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

- (a) **Agreement to Arbitrate:** Unless prohibited by applicable law, any legal dispute between you and us will be resolved by binding arbitration. In arbitration, a dispute is resolved by an arbitrator instead of a judge or jury. Arbitration procedures are simpler and more limited than court procedures.
- (b) **Coverage and Definitions:** As used in this Arbitration Provision, the following terms have the following meanings:
 - i) "You," "your" and "yours" refer to the account owner and any successor account owner, acting on the account owner's own behalf or on behalf of the Beneficiary and any successor Beneficiary.
 - ii) "We," "us," "our" and "ours" refer to: (A) the Program Manager, the State of Nebraska and the Trustee; (B) any company that owns or controls the Program Manager (a "Parent Company"); and (C) any company that is controlled by a Parent Company or the Program Manager. Also, if either you or we elect to arbitrate any Claim you bring

against us, the persons who may benefit by this Arbitration Provision include any other persons or companies you make a Claim against in the same proceeding.

iii) "Claim" means any legal dispute between you and us that relates to, arises out of or has anything at all to do with: (A) this Participation Agreement, this Arbitration Provision, the Plan or the Trust; or (B) any related advertising, promotion, disclosure or notice. This includes a dispute about whether this Arbitration Provision or this Participation Agreement is valid or enforceable, about when this Arbitration Provision applies and/or about whether a dispute is arbitrable. It includes disputes about constitutional provisions, statutes, ordinances and regulations, compliance with contracts and wrongful acts of every type (whether intentional, fraudulent, reckless or negligent). This Arbitration Provision applies to actions, omissions and events prior to, on or after the date of this Participation Agreement. It applies to disputes involving requests for injunctions, other equitable relief and/or declaratory relief. However, notwithstanding any language in this Arbitration Provision to the contrary, the term "Claim" does not include any dispute that is asserted by a party on a class basis; unless and until any such dispute is finally resolved to be inappropriate for class treatment in court, such dispute shall not constitute a "Claim" hereunder, and any such dispute shall be resolved by a court and not by an arbitrator or arbitration administrator.

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

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

IN A LAWSUIT. OTHER RIGHTS THAT YOU AND WE WOULD HAVE IN A LAWSUIT IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

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

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

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

(g) **Applicable Law:** You and we agree that this Participation Agreement and this Arbitration Provision involve

interstate commerce, and this Arbitration Provision is governed by the Federal Arbitration Act (“FAA”), 9 U.S.C. § 1, et seq. The arbitrator must follow, to the extent applicable: (i) the substantive law related to any Claim; (ii) statutes of limitations; and (iii) claims of privilege recognized at law, and shall be authorized to award all remedies available in an individual lawsuit under applicable substantive law, including, without limitation, compensatory, statutory and punitive damages (which shall be governed by the constitutional standards applicable in judicial proceedings), declaratory, injunctive and other equitable relief and attorneys’ fees and costs. Upon the timely request of any party to an arbitration proceeding, the arbitrator must provide a brief written explanation of the basis for the award. The arbitrator will determine the rules of procedure and evidence to apply, consistent with the arbitration rules of the Administrator and this Arbitration Provision. In the event a conflict between this Arbitration Provision, on the one hand, and any other Arbitration Provision between you and us or the rules or policies of the Administrator, on the other hand, this Arbitration Provision shall govern. The arbitrator will not be bound by federal, state or local rules of procedure and evidence or by state or local laws concerning arbitration proceedings.

- (h) **Getting Information:** In addition to the parties’ rights to obtain information under the Administrator’s rules, any party may submit a written request to the arbitrator seeking more information. A copy of such request must be provided to the other parties. Those parties will then have the right to object in writing within 30 days. The objection must be sent to the arbitrator and the other parties. The arbitrator will decide the issue in his or her sole discretion within 20 days thereafter.
- (i) **Effect of Arbitration Award:** Any court with jurisdiction may enter judgment upon the arbitrator’s award. The arbitrator’s decision will be final and binding, except for any appeal right under the FAA and except for Claims involving more than \$100,000. For these Claims, any party may appeal the award within 30 days to a three-arbitrator panel appointed pursuant to the Administrator’s rules. That panel will reconsider from the start any aspect of the initial award that any party asserts was incorrectly decided. The decision of the panel shall be by majority vote and will be final and binding, except for any appeal right under the FAA. Unless applicable law (or Section 12(j), regarding “Corrective Action; Survivability and Severability of Terms”) requires otherwise, the costs of an appeal to an arbitration panel will be borne by the appealing party, regardless of the outcome of the appeal. However, we will pay any fees or expenses we are required to pay so that a court will enforce this Arbitration Provision.
- (j) **Corrective Action; Survivability and Severability of Terms:** A party must be given written notice and a reasonable opportunity of at least 30 days to remedy any circumstance that might preclude arbitration of a Claim. This Arbitration Provision shall survive: (i) termination

of the Trust; and (ii) the bankruptcy of any party. If any portion of this Arbitration Provision is deemed invalid or unenforceable, the remaining portions shall nevertheless remain in force. This Arbitration Provision can only be modified by written amendment to this Participation Agreement expressly approved by the Trustee and the Program Manager.

- (k) **Arbitration Notices:** Any notice to us under this Arbitration Provision must be sent to us by registered or certified mail or by a messenger service such as Federal Express at State Farm 529 Savings Plan, 3606 South 48th Street, Lincoln, NE 68506. Any such notice must be signed by you and must provide your name, address and telephone number. Any notice to you under this Arbitration Provision must be sent to you by registered or certified mail or by a messenger service such as Federal Express, at the most recent address for you we have in our records.

Section 13. Other Matters Relating to Claims by Participant.

- (a) **Notice and Cure:** Prior to initiating litigation or arbitration regarding a Claim, the party asserting the Claim (the “Claimant”) shall give the other party or parties written notice of the Claim (a “Claim Notice”) and a reasonable opportunity, not less than 30 days, to cure the Claim. Any Claim Notice must explain the nature of the Claim and the relief that is demanded. The Claimant must reasonably cooperate in providing any information about the Claim that the other party or parties reasonably request.
- (b) **No Recourse:** For any obligation or liability arising pursuant to this Participation Agreement, no recourse may be had for such obligation or liability of the Trustee or any employee or official of the State of Nebraska in his or her personal or individual capacity. You hereby waive all such obligations and liabilities of the Treasurer and any such employee or official.
- (c) **Sovereign Immunity:** You acknowledge that the Trustee and the State of Nebraska reserve all immunities, defenses, rights or actions arising out of their status as a sovereign state or entity, including those under the Eleventh Amendment to the United States Constitution, and that no waiver of any such immunities, defenses, rights or actions will be implied or otherwise deemed to exist as a result of this Participation Agreement.

State Farm 529 Savings Plan Additional Information Regarding Financial Privacy

Offering excellent service along with protecting your privacy is important to the State Farm 529 Savings Plan (the “Plan”).

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

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

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

If you have any questions about Union Bank and Trust Company’s Financial Privacy Policy, please contact the Plan at 800.321.7520.

THE INFORMATION WE COLLECT

We collect information about you from the following sources:

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

DISCLOSURE OF INFORMATION

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

CONFIDENTIALITY AND SECURITY

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

OUTSIDE SERVICE PROVIDERS/MARKETERS

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

State Farm 529 Savings Plan

P.O. Box 86529

Lincoln, NE 68501-6529

800.321.7520

StateFarm.com

**State Farm 529 Savings Plan
Program Disclosure Statement**