

Please file this Supplement to the CollegeChoice CD 529 Savings Plan Disclosure Statement with your records.

SUPPLEMENT DATED MARCH 2024 TO THE COLLEGECHOICE CD 529 SAVINGS PLAN DISCLOSURE STATEMENT DATED JANUARY 1, 2012

This Supplement describes important changes and updates. Review this information carefully and keep it with your current copy of the CollegeChoice CD 529 Savings Plan Disclosure Statement. Any information in the Disclosure Statement inconsistent with the information provided in this Supplement is superseded by the information in this Supplement. Capitalized terms used in this Supplement not otherwise defined have the same meaning as the term included in the Disclosure Statement.

COLLEGECHOICE CD TRANSITION

On February 14, 2024, the Indiana Education Savings Authority Board approved a transition plan and eventual closing of CollegeChoice CD (the "Transition"). The Transition will take place beginning May 31, 2024 and conclude in the Fall of 2027 ("Plan Termination Date") to allow for maturity of all outstanding CD Options.

As part of the Transition, the last day for new enrollments in CollegeChoice CD is May 31, 2024 and certain CollegeSure CD Options will mature according to an accelerated schedule. In addition, at the Plan Termination Date, all assets remaining in CollegeChoice CD will convert to an investment option in the CollegeChoice 529 Direct Savings Plan ("CollegeChoice Direct"). College Savings Bank will continue to provide services to CollegeChoice CD during the Transition and through the Plan Termination Date.

This Supplement outlines the Transition process providing key dates and changes to the terms of existing CD Options.

CollegeSure CDs

CollegeSure CDs with an original maturity date on or before July 31, 2026 will mature according to their stated maturity schedule. CollegeSure CDs with an original maturity date on or after July 31, 2027 will receive an accelerated maturity date of July 31, 2026. This means all outstanding CollegeSure CDs with a July 31, 2027 or later maturity date will receive a single interest payment, calculated based on the original maturity term, at a 2% annual percentage yield (APY), compounded annually. This single interest payment exceeds the original CollegeSure CD interest rate floor guarantee. The CollegeSure CD will no longer earn interest after July 31, 2026.

Fixed Rate CDs

Effective May 31, 2024, CollegeChoice CD will no longer offer the purchase of new One, Two, or Three Year Fixed Rate CDs. However, Account Owners with existing Fixed Rate CDs may continue to make contributions to their CD Options consisting of One, Two, or Three Year Fixed Rate CDs that are outstanding as of May 31, 2024, until May 30, 2025. Each of these CD Options will mature according to their standard schedule.

Options at Maturity

Regardless of the maturity date of CollegeSure CDs and Fixed Rate CDs, at maturity, the funds in your Account will automatically be transferred to the Honors Savings Account unless you notify us in writing that you would like to:

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1. Take a distribution from your Account. This can be a Qualified Distribution or a Non-Qualified Distribution. Please note that Non-Qualified Distributions will be subject to federal taxes and penalties and, if you are an Indiana taxpayer, recapture of previously claimed Indiana state tax credits;
2. Rollover the matured funds to CollegeChoice Direct or CollegeChoice Advisor. This will be considered one of your twice-annual investment exchanges; or
3. Rollover the matured funds to a Qualified Tuition Program not offered by the State of Indiana. For Indiana taxpayers, this rollover would be subject to recapture of previously claimed Indiana state tax credits.

If you prefer to not accept the accelerated maturity rate you may withdraw all or part of your CollegeSure CD prior to July 31, 2026, will receive the existing guaranteed floor rate and will not incur any early redemption penalty.

In addition, you may withdraw all or part of your Fixed Rate CD prior to maturity, which will incur early redemption penalty per Fixed CD terms and conditions.

In order to take an early withdraw of your CollegeSure CD or Fixed Rate CD, please complete and submit the Distribution Authorization Form.

CollegeSure Honors Savings Accounts

All remaining assets in the Honors Savings Accounts will convert to an investment option in CollegeChoice Direct at the Plan Termination Date, currently scheduled for Fall 2027. However, Account Owners with existing Honors Savings Accounts may continue to make contributions to their existing Honors Savings Account until May 30, 2025. We will provide detailed transition information, including the CollegeChoice Direct investment option into which the Honors Savings Accounts will be converted prior to the Plan Termination Date.

Please note that federal law limits exchanges between investment options in a 529 plan to twice each calendar year, and/or exchanges associated with a Beneficiary change. Because the Fall 2027 conversion to CollegeChoice Direct is an investment change initiated by CollegeChoice CD, it will not be considered one of your twice-annual investment exchanges.

Important Dates

KEY DATES TO KEEP IN MIND		
DATE	AFFECTED ACCOUNTS	EVENT
May 31, 2024	ALL	Last day to open an account or purchase NEW 1-year, 2-year, or 3-year fixed rate CD investment options
May 30, 2025	FIXED RATE CD & HONORS SAVINGS ACCOUNT	Last day to make additional contributions to an EXISTING 1-year, 2-year, or 3-year fixed rate CD investment option and the Honors Savings Account
July 31, 2026	COLLEGESURE CD	Last maturity date for all CollegeSure CDs. CollegeSure CDs with a maturity date of July 31, 2026 or earlier will mature according to their original schedule. CollegeSure CDs with a maturity date of July 31, 2027 or later will mature at the accelerated rate outlined in this notice.
May 31, 2027	FIXED RATE CD	Last maturity date for existing fixed rate CD investment options
Fall 2027	ALL	Rollover of all remaining assets held in the CollegeSure Honors Savings Account into CollegeChoice 529 Direct Savings Plan (Plan Termination Date).

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In addition, effective May 31, 2024, the following changes are made to the Disclosure Statement:

- 1. The following frequently asked questions are deleted in their entirety: "How Do I Open an Account?", "How Many Accounts Can I Open?", "Can I Open My Accounts Through a Financial Advisor?", "When can I Enroll a Newborn?", and "What if I Already Have a 529 Plan? Can I Transfer My Account To CollegeChoice CD?".**
- 2. The section entitled "Establishing an Account" and all references to establishing or opening an Account are deleted in their entirety.**
- 3. The section entitled COLLEGECHOICE COLLEGESURE CD beginning on page 16 as Supplemented is replaced in its entirety as follows:**

New issuances of the CollegeChoice CD CollegeSure CD were discontinued October 24, 2016. CollegeSure CDs issued prior to October 24, 2016 will remain outstanding until the earlier of (i) their stated maturity date or (ii) July 31, 2026 when all CollegeSure CDs will mature regardless of their original maturity date. CollegeSure CDs with an original maturity date after July 31, 2026 will be accelerated under the terms and conditions detailed below.

Product. CollegeSure CDs are variable rate CDs indexed to the college inflation rate as measured by the IC500® (IC 500) index by the College Board. The variable rate is subject to a Floor Rate. On October 24, 2016 (Conversion Date), all CollegeSure CDs issued to an Account Owner for the same Beneficiary were consolidated into one CollegeSure CD based upon maturity year within each applicable Account.

Maturity Date. Except as described below, the maturity date of each CollegeSure CD is July 31 of the year in which the CD matures. All CollegeSure CDs with a maturity date beyond July 31, 2026 will be accelerated to mature on July 31, 2026 and earn a 2% APY using the methodology of interest compounded annually thru the CD's scheduled maturity. The 2% APY exceeds the guaranteed floor rate.

Interest Rate. CollegeSure CDs pay interest each year they remain outstanding. The interest rate established July 31, 2017 serves as the CD's Floor Rate for the remaining term of the CD. Your Floor Rate will never be less than zero percent. The interest rate will adjust each August 1 based upon the prior year rate and the change in the July 31 college inflation rate, as measured by the College Board's Independent College 500 Index subject to the Floor Rate. The IC 500 index is published online at www.collegechoicecd.com.

Annual Percentage Yield (APY). The APY of each CollegeSure CD is the greater of the Floor Rate or the prior year interest rate adjusted by the change in the July 31 college inflation rate as measured by the IC 500. Under certain college inflation scenarios, you may receive a higher interest rate in the future as a result of the Conversion. If the college inflation rate decreases, your APY will not go below your Floor Rate. If the college inflation rate increases, your APY will increase accordingly. The maximum interest rate cap on CollegeSure CDs was eliminated October 24, 2016.

Interest Accrual, Compounding and Crediting. Interest is calculated using the daily balance method, which applies a daily periodic rate to the principal in the Account each day. Interest on each CollegeSure CD is compounded and credited annually each July 31. No interest will be earned after the Maturity Date.

Options at Maturity. The CollegeSure CD does not automatically renew. We will provide written notification at least 60 days before the Maturity Date described above. You must provide written instructions at least 30 days prior to the Maturity Date if you would like the proceeds upon maturity of the CollegeSure CD to be invested other than in accordance with the default action described in this document. If you provide instructions in good order, funds will be disbursed from your Account no later than the first Business Day following the Maturity Date. If we do not receive instructions, at maturity we will automatically transfer matured funds into an Honors Savings Account. Those funds will remain in the Honors Savings Account until the earlier of (i) instructions you provide for distribution of your

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Account or (ii) the Plan Termination Date.

Your options at maturity include:

- Take a distribution from your Account. This can be a Qualified Distribution or a Non-Qualified Distribution. Please note that non-qualified withdrawals will be subject to federal taxes and penalties and, if you are an Indiana taxpayer, recapture of previously claimed tax credits;
- Rollover the matured funds to CollegeChoice Direct or CollegeChoice Advisor; or
- Rollover the matured funds to a 529 plan not offered by the state of Indiana. Please note that if you are an Indiana taxpayer, a rollover to a 529 plan not offered by the state of Indiana will result in the recapture of previously claimed tax credits.

Please note the restrictions described in **Maintaining and Making Changes to Your Account** starting on page 27.

Early Withdrawal. Upon 30 days prior written notice, you may take a Qualified or Non-Qualified Distribution, in whole or in part prior to the Maturity Date. All principal withdrawals are subject to an Early Withdrawal Penalty equal to 5% of the principal amount withdrawn. In the final year of a CollegeSure CD, the Early Withdrawal Penalty is 1% of principal withdrawn. An early withdrawal will reduce earnings. CSB retains the right to terminate a CollegeSure CD if the withdrawal of principal from the CD would result in a balance of less than \$250.

In addition to an Early Withdrawal Penalty, if the withdrawal is a Non-Qualified Distribution, you may also be subject to the Distribution Tax and recapture of the State income tax credit as discussed in **Certain State Tax Considerations: Recapture of Indiana Income Tax Credit** on page 24.

4. The section entitled COLLEGECHOICE FIXED RATE CD on page 20 as Supplemented in replaced in its entirety as follows:

New issuances of Fixed Rate CDs will be discontinued May 31, 2024. However, if you hold an existing Fixed Rate CD, you may continue to make contributions to that Fixed Rate CD through May 30, 2025. Following the final contribution date, your Fixed Rate CD will mature according to its original maturity schedule.

Product. CollegeChoice Fixed Rate CDs earn a fixed rate for the entire term of the CD, determined at the time the CD is opened. The rate and annual percentage yield (APY) will appear on your deposit confirmation.

Maturities Available.

- 1-year Fixed Rate CD (12 month maturity)
- 2-year Fixed Rate CD (24 month maturity)
- 3-year Fixed Rate CD (36 month maturity)

Minimum Contribution Amounts; ACH and Payroll Deductions. The minimum initial contribution for a Fixed Rate CD is \$250. Additional contributions of \$25 may be made to existing CDs under the same terms and conditions as the original CD. Additionally, the maturity date of any additional contributions will match the maturity date of the existing CD.

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If you do not intend to contribute \$250 to your Account at the time of enrollment, you may contribute \$25 per month using an ACH Plan or \$25 per pay period using payroll deduction. The APY of the Fixed Rate CD you purchase will be the APY offered as of the Contribution Date of your initial \$25 contribution.

Interest Rate and Annual Percentage Yield (APY). The interest rate and APY are published online at www.collegesavings.com. You will receive the published interest rate on the Contribution Date, except for online contributions where you will receive the interest rate applicable at the time of the day when the online application and funding are complete. Additional contributions to existing CDs will earn the same interest rate and APY as the original CD. If you prefer to mail in a check to fund the CD, the Account will be opened at the applicable interest rate for the term selected on the Contribution Date.

Interest Accrual, Compounding, and Crediting. Interest begins to accrue on your account on the Contribution Date and is compounded on a daily basis using the daily balance method to calculate the interest on your account. This method applies a daily periodic rate calculated by dividing the interest rate by three hundred sixty-five (365), even in leap years. Interest is compounded and credited to your Account annually and paid upon maturity of the CD. No interest will be earned after maturity.

Options at Maturity. The Fixed Rate CDs do not automatically renew. We will provide written notification at least 60 days before the Maturity Date. Thereafter, you must provide written instructions at least 30 days prior to the Maturity Date if you would like the proceeds upon maturity of the Fixed Rate CD to be invested other than in accordance with the default actions described in this document. If you provide instructions in good order, funds will be disbursed from your Account no later than the first Business Day following the Maturity Date. If we do not receive instructions, at maturity we will automatically transfer matured funds into an Honors Savings Account. Those funds will remain in the Honors Savings Account until the earlier of (i) instructions you provide for distribution of your Account or (ii) the Plan Termination Date.

Your options at maturity include:

- Take a distribution from your Account. This can be a Qualified Distribution or a Non-Qualified Distribution. Please note that non-qualified withdrawals will be subject to federal taxes and penalties and, if you are an Indiana taxpayer, recapture of previously claimed tax credits;
- Rollover the matured funds to CollegeChoice Direct or CollegeChoice Advisor; or
- Rollover the matured funds to a 529 plan not offered by the state of Indiana. Please note that if you are an Indiana taxpayer, a rollover to a 529 plan not offered by the state of Indiana will result in the recapture of previously claimed tax credits.

Please note the restrictions described in **Maintaining and Making Changes to Your Account** starting on page 27.

Early Withdrawal. Upon 30 days prior written notice, you may take a Qualified or Non-Qualified Distribution, in whole or in part. Withdrawals prior to the Maturity Date are subject to an Early Withdrawal Penalty equal to three (3) months of interest. The APY applied to a Fixed Rate CD assumes the funds remain on deposit until the Maturity Date. An early withdrawal will reduce earnings. In addition to an Early Withdrawal Penalty, if the withdrawal is a Non-Qualified Distribution, you may also be subject to Federal and State tax consequences.

In addition to an Early Withdrawal Penalty, if the withdrawal is a Non-Qualified Distribution, you may also be subject to the Distribution Tax and recapture of the State income tax credit as discussed in **Certain State Tax Considerations: Recapture of Indiana Income Tax Credit** on page 24.

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5. The section entitled COLLEGECHOICE COLLEGESURE HONORS SAVINGS ACCOUNT on page 21, as Supplemented is replaced in its entirety as follows:

Product. CollegeSure® Honors Savings Account (Honors Savings) is a high-yielding, variable rate savings account.

Minimum Contribution Amount. The minimum contribution is \$250. Addition contributions of at least \$25 may be made to an existing Account under the same terms and conditions.

ACH and Payroll Deductions. If your initial contribution is less than \$250, you may contribute \$25 per month if you use an ACH Plan or \$25 per pay period using payroll deduction. The APY of the Honors Savings Account will be the APY offered as of the Contribution Date of the initial \$25 contribution.

Interest Rate and Annual Percentage Yield (APY). The Interest Rate and APY which will be tied to the College Board's Independent College 500® (IC 500®) Index are published online at www.collegechoicecd.com. Rates will be reviewed by CSB on a periodic basis and may be reset at any time without notice.

Interest Accrual, Compounding and Crediting. Interest begins to accrue on the Contribution Date and is credited and compounded quarterly. Interest is calculated using the daily balance method which applies a daily periodic rate to the applicable principal in the Account each day. If you close your Account before interest is credited, you will receive the accrued interest.

Plan Termination Date. At the Plan Termination Date, all Honors Savings Account assets will be converted to an investment option in CollegeChoice Direct.

6. The following term is added to the Glossary beginning on page 31:

Plan Termination Date: The date on which the assets remaining in CollegeChoice CD are converted to an investment option in CollegeChoice Direct and CollegeChoice CD closes.