

**SUPPLEMENT NO. 4 DATED DECEMBER 31, 2015, TO THE
SCHOLARSHARE COLLEGE SAVINGS PLAN
PLAN DISCLOSURE BOOKLET DATED JULY 8, 2014**

*This Supplement No. 4 provides new and additional information beyond that contained in the July 8, 2014 Plan Disclosure Booklet and Participation Agreement, as supplemented (the “**Disclosure Booklet**”) of the ScholarShare College Savings Plan (the “**Plan**”). It should be retained and read in conjunction with the Disclosure Booklet and prior supplements.*

I. THE PLAN MANAGER

On page 30 of the Disclosure Booklet, the first paragraph of the section entitled “The Plan Manager” is deleted in its entirety and replaced with the following:

The Board selected TFI as the Plan Manager. TFI is a wholly owned, direct subsidiary of Teachers Insurance and Annuity Association of America (“**TIAA**”). TIAA, together with its companion organization, the College Retirement Equities Fund (“**CREF**”), forms one of America’s leading financial services organizations and one of the world’s largest pension systems, based on assets under management. Effective December 31, 2015, TIAA-CREF Individual & Institutional Services, LLC (“**Services**”), a wholly owned, direct subsidiary of TIAA, serves as the primary distributor and underwriter for the Plan and provides certain underwriting and distribution services in furtherance of TFI’s marketing plan for the Plan. Services is registered as a broker-dealer under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority.

II. OTHER INFORMATION

On page 30 of the Disclosure Booklet, the section entitled “Confirmations, Account Statements and Tax Reports” is renamed “Other Information”. The following paragraph is added to the end of the section:

Continuing Disclosure. To comply with Rule 15c2-12(b)(5) of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), the Plan Manager has executed a Continuing Disclosure Certificate (the “Continuing Disclosure Certificate”) for the benefit of the Participants. Under the Continuing Disclosure Certificate, the Plan Manager will provide certain financial information and operating data (the “Annual Information”) relating to the Plan and notices of the occurrence of certain enumerated events set forth in the Continuing Disclosure Certificate, if material. The Annual Information will be filed on behalf of the Plan with the Electronic Municipal Market Access system (the “EMMA System”) maintained by the Municipal Securities Rulemaking Board (the “MSRB”). Notices of certain enumerated events will also be filed on behalf of the Plan with the MSRB.

**SUPPLEMENT NO. 3 DATED OCTOBER 5, 2015, TO THE
SCHOLARSHARE COLLEGE SAVINGS PLAN
PLAN DISCLOSURE BOOKLET DATED JULY 8, 2014**

This Supplement No. 3 provides new and additional information beyond that contained in the July 8, 2014 Plan Disclosure Booklet and Participation Agreement, as supplemented (the "Disclosure Booklet") of the ScholarShare College Savings Plan (the "Plan"). It should be retained and read in conjunction with the Disclosure Booklet and prior supplements.

I. CURRENT PLAN FEES

Beginning on page 7 of the Disclosure Booklet, the section entitled "Plan Fees" is deleted in its entirety and replaced with the following:

The following table describes the Plan's current fees. The Board reserves the right to change the fees and/or to impose additional fees in the future.

Investment Portfolios	Plan Manager Fee ⁽¹⁾⁽²⁾	Board Administrative Fee ⁽¹⁾⁽³⁾	Estimated Expenses of an Investment Portfolio's Underlying Investments ⁽⁴⁾	Total Annual Asset-Based Fees ⁽⁵⁾
Active Age-Based Portfolio				
Age Band 0–4 Years	0.05%	0.05%	0.48%	0.58%
Age Band 5–8 Years	0.05%	0.05%	0.48%	0.58%
Age Band 9–10 Years	0.05%	0.05%	0.48%	0.58%
Age Band 11–12 Years	0.05%	0.05%	0.47%	0.57%
Age Band 13–14 Years	0.05%	0.05%	0.47%	0.57%
Age Band 15 Years	0.05%	0.05%	0.42%	0.52%
Age Band 16 Years	0.05%	0.05%	0.37%	0.47%
Age Band 17 Years	0.05%	0.05%	0.30%	0.40%
Age Band 18 Years and over	0.05%	0.05%	0.23%	0.33%
Passive Age-Based Portfolio				
Age Band 0–4 Years	0.05%	0.00%	0.11%	0.16%
Age Band 5–8 Years	0.05%	0.00%	0.12%	0.17%
Age Band 9–10 Years	0.05%	0.00%	0.13%	0.18%
Age Band 11–12 Years	0.05%	0.00%	0.13%	0.18%
Age Band 13–14 Years	0.05%	0.00%	0.14%	0.19%
Age Band 15 Years	0.05%	0.00%	0.13%	0.18%
Age Band 16 Years	0.05%	0.00%	0.12%	0.17%
Age Band 17 Years	0.05%	0.00%	0.10%	0.15%
Age Band 18 Years and over	0.05%	0.00%	0.07%	0.12%
Multi-Fund Portfolios				
Active Diversified Equity Portfolio	0.05%	0.05%	0.49%	0.59%
Active Growth Portfolio	0.05%	0.05%	0.48%	0.58%
Active Moderate Growth Portfolio	0.05%	0.05%	0.47%	0.57%
Active Conservative Portfolio	0.05%	0.05%	0.23%	0.33%

Investment Portfolios	Plan Manager Fee⁽¹⁾⁽²⁾	Board Administrative Fee⁽¹⁾⁽³⁾	Estimated Expenses of an Investment Portfolio's Underlying Investments⁽⁴⁾	Total Annual Asset-Based Fees⁽⁵⁾
Active International Equity Portfolio	0.05%	0.05%	0.35%	0.45%
Active Diversified Fixed Income Portfolio	0.05%	0.05%	0.46%	0.56%
Passive Diversified Equity Portfolio	0.05%	0.00%	0.10%	0.15%
Passive Growth Portfolio	0.05%	0.00%	0.12%	0.17%
Passive Moderate Growth Portfolio	0.05%	0.00%	0.14%	0.19%
Passive Conservative Portfolio	0.05%	0.00%	0.09%	0.14%
Passive Diversified Fixed Income Portfolio	0.05%	0.00%	0.17%	0.22%
Index International Equity Portfolio	0.05%	0.00%	0.09%	0.14%
Single Fund Portfolios				
Social Choice Portfolio	0.05%	0.05%	0.18%	0.28%
Index Bond Portfolio	0.05%	0.00%	0.12%	0.17%
Index U.S. Large Cap Equity Portfolio	0.05%	0.00%	0.06%	0.11%
Index U.S. Equity Portfolio	0.05%	0.00%	0.05%	0.10%
Principal Plus Interest Portfolio ⁽⁶⁾	None	None	None	None

- (1) Although the Plan Manager Fee and the Board Administrative Fee, if any, are deducted from an Investment Portfolio, not from your Account, each Account in the Investment Portfolio indirectly bears its pro rata share of the Plan Manager Fee and the Board Administrative Fee as these fees reduce the Investment Portfolio's return.
- (2) Each Investment Portfolio (with the exception of the Principal Plus Interest Portfolio) pays the Plan Manager a fee at an annual rate of 0.05% of the average daily net assets held by that Investment Portfolio.
- (3) Certain Investment Portfolios pay to the Board a fee equal to 0.05% of the average daily net assets held by such Investment Portfolios to pay for expenses related to the administration of the Plan.
- (4) The percentages set forth in this column are based on the expense ratios of the mutual funds in which an Investment Portfolio invests. The amounts are calculated using the expense ratio reported in each mutual fund's prospectus effective as of September 10, 2015, the date this Supplement No. 3 was finalized for printing, and are weighted according to the Investment Portfolio's allocation among the mutual funds in which it invests. Although these expenses are not deducted from an Investment Portfolio's assets, each Investment Portfolio (other than the Principal Plus Interest Portfolio, which does not invest in mutual funds) indirectly bears its pro rata share of the expenses of the mutual funds in which it invests as these expenses reduce such mutual fund's return.
- (5) These figures represent the estimated weighted annual expense ratios of the mutual funds in which the Investment Portfolios invest plus the fees paid to the Plan Manager and to the Board.
- (6) The Principal Plus Interest Portfolio does not pay a Plan Manager Fee or a Board Administrative Fee. TIAA-CREF Life Insurance Company ("TIAA-CREF Life"), the issuer of the funding agreement in which this Investment Portfolio invests and an affiliate of TFI, makes payments to the Plan Manager. TIAA-CREF Life also pays the Board a fee, equal to 0.05% of the average daily net assets held by the Principal Plus Interest Portfolio. These payments, among many other factors, are considered by the issuer when determining the interest rate(s) credited under the funding agreement.

Investment Cost Example. The example in the following table is intended to help you compare the cost of investing in the different Investment Portfolios over various periods of time. This example assumes that:

- You invest \$10,000 in an Investment Portfolio for the time periods shown below.
- Your investment has a 5% compounded return each year.

- You withdraw your entire investment from the Investment Portfolio at the end of the specified periods for Qualified Higher Education Expenses.
- Total Annual Asset-Based Fees remain the same as those shown in the Fee Table above.

Although your actual costs may be higher or lower, based on the above assumptions, your costs would be:

INVESTMENT PORTFOLIOS	APPROXIMATE COST OF \$10,000 INVESTMENT			
	1 Year	3 Years	5 Years	10 Years
Active Age-Based Portfolio				
Age Band 0–4 Years	\$59	\$186	\$325	\$727
Age Band 5–8 Years	\$59	\$186	\$325	\$727
Age Band 9–10 Years	\$59	\$186	\$325	\$727
Age Band 11–12 Years	\$58	\$183	\$319	\$715
Age Band 13–14 Years	\$58	\$183	\$319	\$715
Age Band 15 Years	\$53	\$167	\$291	\$654
Age Band 16 Years	\$48	\$151	\$264	\$592
Age Band 17 Years	\$41	\$129	\$225	\$506
Age Band 18 Years and over	\$34	\$106	\$186	\$419
Passive Age-Based Portfolio				
Age Band 0–4 Years	\$16	\$52	\$90	\$205
Age Band 5–8 Years	\$17	\$55	\$96	\$217
Age Band 9–10 Years	\$18	\$58	\$102	\$230
Age Band 11–12 Years	\$18	\$58	\$102	\$230
Age Band 13–14 Years	\$19	\$61	\$107	\$243
Age Band 15 Years	\$18	\$58	\$102	\$230
Age Band 16 Years	\$17	\$55	\$96	\$217
Age Band 17 Years	\$15	\$48	\$85	\$192
Age Band 18 Years and over	\$12	\$39	\$68	\$154
Multi-Fund Portfolios				
Active Diversified Equity Portfolio	\$60	\$190	\$330	\$740
Active Growth Portfolio	\$59	\$186	\$325	\$727
Active Moderate Growth Portfolio	\$58	\$183	\$319	\$715
Active Conservative Portfolio	\$34	\$106	\$186	\$419
Active International Equity Portfolio	\$46	\$145	\$253	\$568
Active Diversified Fixed Income Portfolio	\$57	\$180	\$314	\$703
Passive Diversified Equity Portfolio	\$15	\$48	\$85	\$192
Passive Growth Portfolio	\$17	\$55	\$96	\$217
Passive Moderate Growth Portfolio	\$19	\$61	\$107	\$243
Passive Conservative Portfolio	\$14	\$45	\$79	\$179
Passive Diversified Fixed Income Portfolio	\$23	\$71	\$124	\$281
Index International Equity Portfolio	\$14	\$45	\$79	\$179
Single Fund Portfolios				
Social Choice Portfolio	\$29	\$90	\$158	\$356

INVESTMENT PORTFOLIOS	APPROXIMATE COST OF \$10,000 INVESTMENT			
	1 Year	3 Years	5 Years	10 Years
Index Bond Portfolio	\$17	\$55	\$96	\$217
Index U.S. Large Cap Equity Portfolio	\$11	\$36	\$62	\$141
Index U.S. Equity Portfolio	\$10	\$32	\$57	\$128
Principal Plus Interest Portfolio	\$0	\$0	\$0	\$0

II. INVESTMENT PORTFOLIOS

As of October 7, 2015, the TIAA-CREF Bond Plus Fund is replaced with the MetWest Total Return Bond Fund in each of the Investment Portfolios that previously invested in the TIAA-CREF Bond Plus Fund.

The Portfolios that previously invested in the TIAA-CREF Bond Plus Fund that will now invest in the MetWest Total Return Bond Fund are: **Active Age-Based Portfolio, Active Growth Portfolio, Active Moderate Growth Portfolio, Active Conservative Portfolio, and Active Diversified Fixed Income Portfolio.** As discussed in Supplement No. 1 to the Disclosure Booklet, the TIAA-CREF Bond Plus Fund previously replaced the PIMCO Total Return Fund in these Portfolios on October 10, 2014.

A. Active Age-Based Portfolio

In the description of **More About Investment Strategy** of the Active Age-Based Portfolio, the first bullet point following the first full paragraph in the right-hand column on page 11 of the Disclosure Booklet is revised to read as follows:

- a wide spectrum of fixed, variable and floating interest rate debt securities of varying maturities and duration, including corporate bonds, notes, collateralized bond obligations, collateralized debt obligations, mortgage-related and asset-backed securities, bank loans, money-market securities, swaps, futures, municipal securities, options, credit default swaps, private placements and restricted securities, any of which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and foreign public or private sector entities, including foreign governments and entities located in emerging market countries, across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;

The following risk factor is added to the list (beginning on page 11 of the Disclosure Booklet) of the **Investment Risks** of the Active Age-Based Portfolio:

Swap Agreements Risk.

In the table on page 12 of the Disclosure Booklet, setting forth the mutual funds in which the Active Age-Based

Portfolio invests, the TIAA-CREF Bond Plus Fund is deleted and replaced with the MetWest Total Return Bond Fund.

B. Active Growth Portfolio

In the table (on page 14 of the Disclosure Booklet) of the mutual funds in which the Active Growth Portfolio invests, the TIAA-CREF Bond Plus Fund is deleted and replaced with the MetWest Total Return Bond Fund.

In the description of the **Investment Strategy** of the Active Growth Portfolio, the fourth bullet point (starting on page 14 of the Disclosure Booklet) is revised to read as follows:

- a wide spectrum of fixed, variable and floating interest rate debt securities of varying maturities and duration, including corporate bonds, notes, collateralized bond obligations, collateralized debt obligations, mortgage-related and asset-backed securities, bank loans, money-market securities, swaps, futures, municipal securities, options, credit default swaps, private placements and restricted securities, any of which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and foreign public or private sector entities, including foreign governments and entities located in emerging market countries, across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;

The following risk factor is added to the list (on page 15 of the Disclosure Booklet) of the **Investment Risks** of the Active Growth Portfolio:

Swap Agreements Risk.

C. Active Moderate Growth Portfolio

In the table (on page 15 of the Disclosure Booklet) of the mutual funds in which the Active Moderate Growth Portfolio invests, the TIAA-CREF Bond Plus Fund is deleted and replaced with the MetWest Total Return Bond Fund.

In the description of the **Investment Strategy** of the Active Moderate Growth Portfolio, the fourth bullet point (on page 15 of the Disclosure Booklet) is revised to read as follows:

- a wide spectrum of fixed, variable and floating interest rate debt securities of varying maturities and duration, including corporate bonds, notes, collateralized bond obligations, collateralized debt obligations, mortgage-related and asset-backed securities, bank loans, money-market securities, swaps, futures, municipal securities, options, credit default swaps, private placements and restricted securities, any of which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and foreign public or private sector entities, including foreign governments and entities located in emerging market countries, across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;

*The following risk factor is added to the list (on page 15 of the Disclosure Booklet) of the **Investment Risks** of the Active Moderate Growth Portfolio:*

Swap Agreements Risk.

D. Active Conservative Portfolio

In the table (on page 16 of the Disclosure Booklet) of the mutual funds in which the Active Conservative Portfolio invests, the TIAA-CREF Bond Plus Fund is deleted and replaced with the MetWest Total Return Bond Fund.

*In the description of the **Investment Strategy** of the Active Conservative Portfolio, the first bullet point (on page 16 of the Disclosure Booklet) is revised to read as follows:*

- a wide spectrum of fixed, variable and floating interest rate debt securities of varying maturities and duration, including corporate bonds, notes, collateralized bond obligations, collateralized debt obligations, mortgage-related and asset-backed securities, bank loans, money-market securities, swaps, futures, municipal securities, options, credit default swaps, private placements and restricted securities, any of which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and foreign public or private sector entities, including foreign governments and entities located in emerging market countries, across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;

*The following risk factor is added to the list (on page 16 of the Disclosure Booklet) of the **Investment Risks** of the Active Conservative Portfolio:*

Swap Agreements Risk.

E. Active Diversified Fixed Income Portfolio

In the table (on page 16 of the Disclosure Booklet) of the mutual funds in which the Active Diversified Fixed Income Portfolio invests, the TIAA-CREF Bond Plus Fund is deleted and replaced with the MetWest Total Return Bond Fund.

*In the description of the **Investment Strategy** of the Active Diversified Fixed Income Portfolio, the first bullet point (on page 16 of the Disclosure Booklet) is revised to read as follows:*

- a wide spectrum of fixed, variable and floating interest rate debt securities of varying maturities and duration, including corporate bonds, notes, collateralized bond obligations, collateralized debt obligations, mortgage-related and asset-backed securities, bank loans, money-market securities, swaps, futures, municipal securities, options, credit default swaps, private placements and restricted securities, any of which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and foreign public or private sector entities, including foreign governments and entities located in emerging market countries, across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;

*The following risk factor is added to the list (on page 17 of the Disclosure Booklet) of the **Investment Risks** of the Active Diversified Fixed Income Portfolio:*

Swap Agreements Risk.

III. EXPLANATION OF INVESTMENT RISKS OF THE INVESTMENT OPTIONS

The following risk is added to the list of investment risk descriptions, which begins on page 21 of the Disclosure Booklet:

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

*On page 21 of the Disclosure Booklet, the following sentence is added to the end of the description of **Foreign Investment Risk**:*

Emerging market debt also may be of lower credit quality and subject to greater risk of default.

On page 22 of the Disclosure Booklet, the following sentences are added to the end of the description of **Market Volatility, Liquidity and Valuation Risk**:

Over recent years, there has been a dramatic decline in the ability of dealers to make markets, which can further constrain liquidity and increase the volatility of portfolio valuations. High levels of redemptions in bond funds in response to market conditions could cause greater losses as a result. Recent changes in regulations such as the Volcker Rule may further constrain the ability of market participants to create liquidity, particularly in times of increased market volatility.

V. PAST PERFORMANCE

Beginning on page 25 of the Disclosure, the Section entitled "Past Performance" is deleted in its entirety and replaced with the following:

Past Performance

The following tables show the returns of each Investment Portfolio over the time period(s) indicated. (For purposes of this discussion, each Age Band in the Age-Based Investment Portfolios is considered a separate Investment Portfolio.)

The tables below compare the average annual total return of an Investment Portfolio (after deducting fees and expenses) to the returns of a benchmark. The benchmark included in the tables combines the benchmark(s) for the underlying investment(s) in which an Investment Portfolio invests weighted according to the allocations to those underlying investment(s) and adjusted to reflect any changes in the allocations and/or the benchmark(s) during the relevant time period. Benchmarks are not available for investment, are not managed, and do not reflect the fees or expenses of investing.

Past performance is not a guarantee of future results. Performance may be substantially affected over time by changes in the allocations and/or changes in the investments in which each Investment Portfolio invests. Investment returns and the principal value will fluctuate, so that your Account, when redeemed, may be worth more or less than the amounts contributed to your Account.

For monthly performance information, visit the Plan's website at www.ScholarShare.com or call the Plan at 1-800-544-5248.

Active Age-Based Portfolio

Average Annual Total Returns For the Period Ended August 31, 2015

Age Bands	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
0–4 Years	-1.39%	10.90%	N/A	N/A	11.03%	November 4, 2011
Benchmark	-2.54%	9.41%	N/A	N/A	9.87%	
5–8 Years	-1.02%	9.92%	N/A	N/A	10.26%	November 4, 2011
Benchmark	-2.10%	8.38%	N/A	N/A	8.93%	
9–10 Years	-0.84%	8.90%	N/A	N/A	9.46%	November 4, 2011
Benchmark	-1.67%	7.35%	N/A	N/A	7.97%	
11–12 Years	-0.80%	7.85%	N/A	N/A	8.60%	November 4, 2011
Benchmark	-1.25%	6.32%	N/A	N/A	7.02%	
13–14 Years	-0.52%	6.81%	N/A	N/A	7.78%	November 4, 2011
Benchmark	-0.84%	5.29%	N/A	N/A	6.06%	
15 Years	-0.23%	5.70%	N/A	N/A	6.67%	November 4, 2011
Benchmark	-0.50%	4.15%	N/A	N/A	4.88%	
16 Years	0.00%	5.07%	N/A	N/A	5.94%	November 4, 2011
Benchmark	-0.37%	3.52%	N/A	N/A	4.18%	

IV. INFORMATION ABOUT THE FUNDING AGREEMENT AND THE MUTUAL FUNDS IN WHICH THE INVESTMENT PORTFOLIOS INVEST

On page 23 of the Disclosure Booklet, the following information is added to the bullet point list in the right-hand column:

- calling 1-800-241-4671 or visiting www.mwamllc.com/literature.php for the MetWest Total Return Bond Fund;

Age Bands	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
17 Years	0.08%	4.18%	N/A	N/A	4.93%	November 4, 2011
Benchmark	-0.28%	2.84%	N/A	N/A	3.37%	
18 Years and over	0.35%	3.41%	N/A	N/A	3.98%	November 4, 2011
Benchmark	-0.19%	2.15%	N/A	N/A	2.56%	

Passive Age-Based Portfolio

Average Annual Total Returns for the Period Ended August 31, 2015

Age Bands	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
0–4 Years	-2.10%	9.67%	N/A	N/A	10.06%	November 4, 2011
Benchmark	-2.24%	9.63%	N/A	N/A	10.09%	
5–8 Years	-1.83%	8.66%	N/A	N/A	9.11%	November 4, 2011
Benchmark	-1.88%	8.58%	N/A	N/A	9.13%	
9–10 Years	-1.39%	7.68%	N/A	N/A	8.18%	November 4, 2011
Benchmark	-1.53%	7.53%	N/A	N/A	8.17%	
11–12 Years	-1.22%	6.51%	N/A	N/A	7.10%	November 4, 2011
Benchmark	-1.19%	6.49%	N/A	N/A	7.21%	
13–14 Years	-0.95%	5.49%	N/A	N/A	6.14%	November 4, 2011
Benchmark	-0.86%	5.44%	N/A	N/A	6.24%	
15 Years	-0.58%	4.48%	N/A	N/A	5.09%	November 4, 2011
Benchmark	-0.57%	4.27%	N/A	N/A	5.04%	
16 Years	-0.42%	3.90%	N/A	N/A	4.45%	November 4, 2011
Benchmark	-0.44%	3.63%	N/A	N/A	4.32%	
17 Years	-0.17%	3.33%	N/A	N/A	3.79%	November 4, 2011
Benchmark	-0.34%	2.92%	N/A	N/A	3.48%	
18 Years and over	0.00%	2.75%	N/A	N/A	3.10%	November 4, 2011
Benchmark	-0.24%	2.22%	N/A	N/A	2.65%	

Multi-Fund Investment Portfolios

Average Annual Total Returns for the Period Ended August 31, 2015

Investment Portfolios	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
Active Diversified Equity Portfolio	-1.81%	12.79%	N/A	N/A	12.54%	November 4, 2011
Benchmark	-3.43%	11.46%	N/A	N/A	11.76%	
Active Growth Portfolio	-1.02%	9.92%	N/A	N/A	10.26%	November 4, 2011
Benchmark	-2.10%	8.38%	N/A	N/A	8.93%	
Active Moderate Growth Portfolio	-0.37%	6.86%	N/A	N/A	8.13%	November 9, 2011
Benchmark	-0.84%	5.29%	N/A	N/A	6.31%	
Active Conservative Portfolio	0.73%	1.78%	N/A	N/A	2.67%	November 4, 2011
Benchmark	0.38%	0.63%	N/A	N/A	1.13%	

Investment Portfolios	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
Active International Equity Portfolio	-12.32%	5.71%	N/A	N/A	5.77%	November 10, 2011
Benchmark	-12.07%	5.51%	N/A	N/A	5.71%	
Active Diversified Fixed Income Portfolio	0.43%	2.50%	N/A	N/A	4.34%	November 8, 2011
Benchmark	0.72%	1.19%	N/A	N/A	2.24%	
Passive Diversified Equity Portfolio	-2.53%	11.71%	N/A	N/A	11.99%	November 4, 2011
Benchmark	-2.98%	11.73%	N/A	N/A	12.00%	
Passive Growth Portfolio	-1.62%	8.69%	N/A	N/A	9.13%	November 4, 2011
Benchmark	-1.88%	8.58%	N/A	N/A	9.13%	
Passive Moderate Growth Portfolio	-1.03%	5.44%	N/A	N/A	6.07%	November 8, 2011
Benchmark	-0.86%	5.44%	N/A	N/A	6.15%	
Passive Conservative Portfolio	0.48%	0.96%	N/A	N/A	1.46%	November 4, 2011
Benchmark	0.21%	0.67%	N/A	N/A	1.20%	
Passive Diversified Fixed Income Portfolio	0.09%	1.00%	N/A	N/A	2.11%	November 8, 2011
Benchmark	0.38%	1.27%	N/A	N/A	2.40%	
Index International Equity Portfolio	-10.45%	6.42%	N/A	N/A	5.65%	November 4, 2011
Benchmark	-10.69%	6.33%	N/A	N/A	5.57%	

Single Fund Investment Portfolios

Average Annual Total Returns for the Period Ended August 31, 2015

Investment Portfolios	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
Social Choice Portfolio	-3.42%	13.80%	N/A	N/A	13.22%	November 4, 2011
Benchmark	0.36%	14.63%	N/A	N/A	15.07%	
Index Bond Portfolio	1.41%	1.26%	N/A	N/A	2.06%	November 4, 2011
Benchmark	1.56%	1.53%	N/A	N/A	2.37%	
Index U.S. Large Cap Equity Portfolio	0.41%	14.15%	N/A	N/A	14.88%	November 4, 2011
Benchmark	0.48%	14.31%	N/A	N/A	15.04%	
Index U.S. Equity Portfolio	0.29%	14.49%	N/A	N/A	14.92%	November 4, 2011
Benchmark	0.36%	14.63%	N/A	N/A	15.07%	
Principal Plus Interest Portfolio	1.06%	1.30%	N/A	N/A	1.33%	November 4, 2011

**SUPPLEMENT NO. 2 DATED APRIL 1, 2015, TO THE
SCHOLARSHARE COLLEGE SAVINGS PLAN
PLAN DISCLOSURE BOOKLET DATED JULY 8, 2014**

*This Supplement No. 2 provides new and additional information beyond that contained in the July 8, 2014 Plan Disclosure Booklet and Participation Agreement (the “**Disclosure Booklet**”) of the ScholarShare College Savings Plan (the “**Plan**”). It should be retained and read in conjunction with the Disclosure Booklet.*

SPECIAL NOTICE — TWO TRANSFERS AMONG INVESTMENT OPTIONS PERMITTED

Effective January 1, 2015, the Internal Revenue Service allows the Plan to permit Participants to transfer funds among Investment Portfolios twice per calendar year, rather than once per calendar year as set forth in the Disclosure Booklet.



**SUPPLEMENT NO. 1 DATED OCTOBER 10, 2014, TO THE
SCHOLARSHARE COLLEGE SAVINGS PLAN
PLAN DISCLOSURE BOOKLET DATED JULY 8, 2014**

*This Supplement No. 1 provides new and additional information beyond that contained in the July 8, 2014 Plan Disclosure Booklet and Participation Agreement (the “**Disclosure Booklet**”) of the ScholarShare College Savings Plan (the “**Plan**”). It should be retained and read in conjunction with the Disclosure Booklet.*

As of October 10, 2014, the PIMCO Total Return Fund was replaced with the TIAA-CREF Bond Plus Fund in each of the Investment Portfolios that previously invested in the PIMCO Total Return Fund.

*This supplement contains changes related only to the following Investment Portfolios: **Active Age-Based Portfolio, Active Growth Portfolio, Active Moderate Growth Portfolio, Active Conservative Portfolio, and Active Diversified Fixed Income Portfolio.***

I. PLAN FEES

As a result of the change to their underlying investments, the fee information contained in the fee tables beginning on page 7 and the expense examples beginning on page 9 are revised as follows for the Investment Options identified below:

Investment Portfolios	Plan Manager Fee ⁽¹⁾⁽²⁾	Board Administrative Fee ⁽¹⁾⁽³⁾	Estimated Expenses of an Investment Portfolio's Underlying Investments ⁽⁴⁾	Total Annual Asset-Based Fees ⁽⁵⁾
Active Age-Based Portfolio				
Age Band 0 - 4 Years	0.05%	0.05%	0.48%	0.58%
Age Band 5 - 8 Years	0.05%	0.05%	0.47%	0.57%
Age Band 9 - 10 Years	0.05%	0.05%	0.46%	0.56%
Age Band 11 - 12 Years	0.05%	0.05%	0.45%	0.55%
Age Band 13 - 14 Years	0.05%	0.05%	0.44%	0.54%
Age Band 15 Years	0.05%	0.05%	0.39%	0.49%
Age Band 16 Years	0.05%	0.05%	0.35%	0.45%
Age Band 17 Years	0.05%	0.05%	0.28%	0.38%
Age Band 18 Years and Over	0.05%	0.05%	0.22%	0.32%
Multi-Fund Portfolios				
Active Growth Portfolio	0.05%	0.05%	0.47%	0.57%
Active Moderate Growth Portfolio	0.05%	0.05%	0.44%	0.54%
Active Conservative Portfolio	0.05%	0.05%	0.20%	0.30%
Active Diversified Fixed Income Portfolio	0.05%	0.05%	0.40%	0.50%

INVESTMENT PORTFOLIOS	APPROXIMATE COST OF \$10,000 INVESTMENT			
	1 Year	3 Years	5 Years	10 Years
Active Age-Based Portfolio				
Age Band 0 - 4 Years	\$59	\$186	\$325	\$727
Age Band 5 - 8 Years	\$58	\$183	\$319	\$715
Age Band 9 - 10 Years	\$57	\$180	\$314	\$703
Age Band 11 - 12 Years	\$56	\$177	\$308	\$691
Age Band 13 - 14 Years	\$55	\$174	\$302	\$678
Age Band 15 Years	\$50	\$158	\$275	\$617
Age Band 16 Years	\$46	\$145	\$253	\$568
Age Band 17 Years	\$39	\$122	\$214	\$481
Age Band 18 and over	\$33	\$103	\$180	\$406
Multi-Fund Portfolios				
Active Growth Portfolio	\$58	\$183	\$319	\$715
Active Moderate Growth Portfolio	\$55	\$174	\$302	\$678
Active Conservative Portfolio	\$31	\$97	\$169	\$381
Active Diversified Fixed Income Portfolio	\$51	\$161	\$280	\$629

II. INVESTMENT OPTIONS

A. Active Age-Based Portfolio

In the description of **More About Investment Strategy** of the Active Age-Based Portfolio, the first bullet point following the first full paragraph in the right-hand column on page 11 of the Disclosure Booklet is revised to read as follows:

- a wide spectrum of fixed income instruments and other debt securities of varying maturities and duration, including corporate bonds, U.S. Treasury and agency securities, and mortgage-backed and asset-backed securities, any of which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and non-U.S. public or private sector entities across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;

The following risk factors are added to the list (beginning on page 11 of the Disclosure Booklet) of the **Investment Risks** of the Active Age-Based Portfolio:

Call Risk, Downgrade Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Income Volatility Risk, Market Volatility, Liquidity and Valuation Risk (types of Market Risk), and Mortgage Roll Risk.

In the table on page 12 of the Disclosure Booklet, setting forth the mutual funds in which the Active Age-Based

Portfolio invests, the PIMCO Total Return Inst'l Fund is deleted and replaced with the TIAA-CREF Bond Plus Fund.

B. Active Growth Portfolio

In the list (on page 14 of the Disclosure Booklet) of the mutual funds in which the Active Growth Portfolio invests, the PIMCO Total Return Fund is deleted and replaced with the TIAA-CREF Bond Plus Fund.

In the description of the **Investment Strategy** of the Active Growth Portfolio, the fourth bullet point (starting on page 14 of the Disclosure Booklet) is revised to read as follows:

- a wide spectrum of fixed income instruments and other debt securities of varying maturities and duration, including corporate bonds, U.S. Treasury and agency securities, and mortgage-backed and asset-backed securities, any of which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and non-U.S. public or private sector entities across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;

The following risk factors are added to the list (on page 15 of the Disclosure Booklet) of the **Investment Risks** of the Active Growth Portfolio:

Call Risk, Downgrade Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Income Volatility Risk, Market Volatility, Liquidity and Valuation Risk (types of Market Risk), and Mortgage Roll Risk.

C. Active Moderate Growth Portfolio

In the list (on page 15 of the Disclosure Booklet) of the mutual funds in which the Active Moderate Growth Portfolio invests, the PIMCO Total Return Fund is deleted and replaced with the TIAA-CREF Bond Plus Fund.

*In the description of the **Investment Strategy** of the Active Moderate Growth Portfolio, the fourth bullet point (on page 15 of the Disclosure Booklet) is revised to read as follows:*

- a wide spectrum of fixed income instruments and other debt securities of varying maturities and duration, including corporate bonds, U.S. Treasury and agency securities, and mortgage-backed and asset-backed securities, any of which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and non-U.S. public or private sector entities across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;

*The following risk factors are added to the list (on page 15 of the Disclosure Booklet) of the **Investment Risks** of the Active Moderate Growth Portfolio:*

Call Risk, Downgrade Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Income Volatility Risk, Market Volatility, Liquidity and Valuation Risk (types of Market Risk), and Mortgage Roll Risk.

D. Active Conservative Portfolio

In the list (on page 16 of the Disclosure Booklet) of the mutual funds in which the Active Conservative Portfolio invests, the PIMCO Total Return Fund is deleted and replaced with the TIAA-CREF Bond Plus Fund.

*In the description of the **Investment Strategy** of the Active Conservative Portfolio, the first bullet point (on page 16 of the Disclosure Booklet) is revised to read as follows:*

- a wide spectrum of fixed income instruments and other debt securities of varying maturities and duration, including corporate bonds, U.S. Treasury and agency securities, and mortgage-backed and asset-backed securities, any of which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and non-U.S. public or private sector entities across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;

*The following risk factors are added to the list (on page 16 of the Disclosure Booklet) of the **Investment Risks** of the Active Conservative Portfolio:*

Call Risk, Downgrade Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Income Volatility Risk, Market Volatility, Liquidity and Valuation Risk (types of Market Risk), and Mortgage Roll Risk.

E. Active Diversified Fixed Income Portfolio

In the list (on page 16 of the Disclosure Booklet) of the mutual funds in which the Active Diversified Fixed Income Portfolio invests, the PIMCO Total Return Fund is deleted and replaced with the TIAA-CREF Bond Plus Fund.

*In the description of the **Investment Strategy** of the Active Diversified Fixed Income Portfolio, the first bullet point (on page 16 of the Disclosure Booklet) is revised to read as follows:*

- a wide spectrum of fixed income instruments and other debt securities of varying maturities and duration, including corporate bonds, U.S. Treasury and agency securities, and mortgage-backed and asset-backed securities, any of which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and non-U.S. public or private sector entities across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;

*The following risk factors are added to the list (on page 17 of the Disclosure Booklet) of the **Investment Risks** of the Active Diversified Fixed Income Portfolio:*

Call Risk, Downgrade Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Income Volatility Risk, Market Volatility, Liquidity and Valuation Risk (types of Market Risk), and Mortgage Roll Risk.

III. EXPLANATION OF INVESTMENT RISKS OF THE INVESTMENT OPTIONS

The following risks are added to the list of investment risk descriptions, which begins on page 21 of the Disclosure Booklet:

Downgrade Risk - The risk that securities are subsequently downgraded should a mutual fund's investment advisor and/or ratings agencies believe the issuer's business outlook or creditworthiness has deteriorated.

Mortgage Roll Risk - The risk that a mutual fund's investment advisor will not correctly predict mortgage prepayments and interest rates, which will diminish the fund's performance.



SCHOLARSHARE

.....
CALIFORNIA'S 529 COLLEGE SAVINGS PLAN
.....

SCHOLARSHARE COLLEGE SAVINGS PLAN

**PLAN DISCLOSURE BOOKLET
AND
PARTICIPATION AGREEMENT**

JULY 8, 2014

**ESTABLISHED AND MAINTAINED BY THE SCHOLARSHARE INVESTMENT BOARD,
AN AGENCY OF THE STATE OF CALIFORNIA**

**PLAN MANAGER:
TIAA-CREF TUITION FINANCING, INC.**



Please keep this Disclosure Booklet and the attached Participation Agreement with your other records about the ScholarShare College Savings Plan (the “**Plan**”), a direct-sold plan. This Disclosure Booklet is also available on the Plan’s website at www.ScholarShare.com. You should read and understand this Disclosure Booklet before you make contributions to the Plan.

You should rely only on the information contained in this Disclosure Booklet and the attached Participation Agreement. No person is authorized to provide information that is different from the information contained in this Disclosure Booklet and the attached Participation Agreement. The information in this Disclosure Booklet is subject to change without notice.

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

If you or your intended beneficiary reside in a state other than California, or have taxable income in a state other than California, it is important for you to note that if that other state has established a qualified tuition program under Section 529 of the Internal Revenue Code (a “529 Plan”), such state may offer favorable state tax or other benefits that are available only if you invest in that state’s 529 Plan. Those benefits, if any, should be one of the many appropriately weighted factors you consider before making a decision to invest in the Plan. You should consult with a qualified advisor or review the offering document for that state’s 529 Plan to find out more about any such benefits (including any applicable limitations) and to learn how they may apply to your specific circumstances.

An Account in the Plan should be used only to save for qualified higher education expenses of a designated beneficiary. Accounts in the Plan are not intended for use, and should not be used, by any taxpayer for the purpose of evading federal or state taxes or tax penalties. **The tax information contained in this Disclosure Booklet was written to support the promotion and marketing of the Plan and was neither written nor intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding federal or state taxes or tax penalties. Taxpayers should consult with a qualified advisor to seek tax advice based on their own particular circumstances.**

None of the State of California, the Golden State ScholarShare College Savings Trust, the members of the ScholarShare Investment Board, each Board member, the Plan, the Federal Deposit Insurance Corporation, nor any other government agency or entity, nor any of the service providers to the Plan insure any Account or guarantee any rate of return or any interest on any contribution to the Plan.

TABLE OF CONTENTS

Introduction to the Plan	1
Overview of the Plan	2
Frequently Used Terms	3
Opening an Account	4
Making Changes to Your Account	5
Contributions	5
Unit Value.....	7
Plan Fees	7
Investment Portfolios	10
Risks of Investing in the Plan.....	23
Past Performance	25
Withdrawals.....	28
Administration of the Plan	29
The Plan Manager	30
Confirmations, Account Statements and Tax Reports.....	30
Federal Tax Information	30
California Tax Information.....	31
Other Information About Your Account.....	32
Participation Agreement.....	I-1
Privacy Policy.....	II-1

Introduction to the Plan

The Plan was created by the State of California (“**California**”) to encourage individuals to save for postsecondary education. The ScholarShare Investment Board (the “**Board**”), as trustee of the Golden State ScholarShare College Savings Trust (the “**Trust**”), implemented and administers the Plan. The Plan is intended to meet the requirements of a qualified tuition program under Internal Revenue Code (“**IRC**”) Section 529 (“**Section 529**”). The Plan is currently the only qualified tuition program offered by the Board.

The Plan is authorized by Sections 69980 to 69994 of the California Education Code, as amended (the “**Statute**”).

TIAA-CREF Tuition Financing, Inc. provides program management services to the Plan under the direction of the Board pursuant to a contract (the “**Management Agreement**”) that it has entered into with the Board.

To contact the Plan and to obtain Plan forms:

1. Visit the Plan’s **website** at www.ScholarShare.com;
2. **Call** the Plan toll-free at 1-800-544-5248; or
3. **Write** to the Plan at P.O. Box 55205, Boston, MA 02205-5205.

Overview of the Plan

This section provides summary information about the Plan, but it is important that you read the entire Disclosure Booklet for detailed information. Capitalized terms used in this section are defined in “Frequently Used Terms” or elsewhere in this Disclosure Booklet.

Feature	Description	Additional Information
California Administrator	The ScholarShare Investment Board.	<i>Administration of the Plan</i> , page 29.
Plan Manager	TIAA-CREF Tuition Financing, Inc. (the “ Plan Manager ” or “ TFI ”).	<i>The Plan Manager</i> , page 30.
Eligible Participant	Any U.S. citizen or resident alien with a valid Social Security number or taxpayer identification number who is at least 18 years of age, or an emancipated minor, at the time the Account is opened and a contribution is made. Certain types of entities with a valid taxpayer identification number may also open an Account (additional restrictions may apply to such Accounts).	<i>Opening an Account</i> , page 4.
Eligible Beneficiary	Any U.S. citizen or resident alien with a valid Social Security number or taxpayer identification number.	<i>Opening an Account</i> , page 4.
Minimum Contribution	The minimum initial and subsequent contribution amount is \$25 per Investment Portfolio (or \$15 initial contribution per Investment Portfolio per pay period via payroll deduction). Currently, the minimum subsequent contribution amount requirement has been waived; however it may be reinstated in the future.	<i>Contributions</i> , page 5.
Current Maximum Account Balance	\$371,000 for all accounts in the Plan for each Beneficiary.	<i>Contributions</i> , page 5.
Qualified Withdrawals	Withdrawals from an Account used to pay for the Qualified Higher Education Expenses of the Beneficiary at an Eligible Educational Institution. These withdrawals are tax-free.	<i>Withdrawals</i> , page 28.
Investment Portfolios	<ul style="list-style-type: none"> • Two age-based portfolios that invest in multiple mutual funds. • Twelve risk-based portfolios that invest in multiple mutual funds. • Four risk-based portfolios that invest in a single mutual fund. • One principal protection portfolio. 	<i>Investment Portfolios</i> , page 10. For information about performance, see <i>Past Performance</i> , page 25.
Changing Investment Strategy for Amounts Previously Contributed	Once you have contributed to your Account and selected Investment Portfolio(s) in which to invest your contribution, you may move these amounts to a different Investment Portfolio(s) only once per calendar year, or if you change the Beneficiary on your Account to a Member of the Family of the previous Beneficiary.	<i>Making Changes to Your Account</i> , page 5.
Federal Tax Benefits	<ul style="list-style-type: none"> • Earnings accrue free of federal income tax. • Qualified Withdrawals are not subject to federal income tax or the Additional Tax. • No federal gift tax on contributions of up to \$70,000 (single filer) and \$140,000 (married couple electing to split gifts) if prorated over 5 years. • Contributions are generally considered completed gifts to the Beneficiary for federal gift and estate tax purposes. 	<i>Federal Tax Information</i> , page 30.

Feature	Description	Additional Information
California Tax Treatment	<ul style="list-style-type: none"> Earnings accrue free of California income tax. Qualified Withdrawals, and any outgoing rollovers free from federal income tax, are not subject to California income tax. Taxable Withdrawals are subject to California income tax but not the additional 2.5% California tax. Non-Qualified Withdrawals will be subject to applicable income tax on earnings, if any. Non-Qualified Withdrawals may also be subject to an additional 2.5% California tax on earnings. 	<i>California Tax Information, page 31.</i>
Fees	<p>For the services provided to it, the Plan pays:</p> <ul style="list-style-type: none"> to the Plan Manager, a Plan management fee at an annual rate of 0.05% of the average daily net assets of the Plan (excluding any assets in the Principal Plus Interest Portfolio), and to the Board for certain of the Investment Portfolios of the Plan, an administrative fee at an annual rate of 0.05% of the average daily net assets of such Investment Portfolios. 	<i>Plan Fees, page 7.</i>
Risks of Investing in the Plan	<ul style="list-style-type: none"> Assets in an Account are not guaranteed or insured. The value of your Account may decrease. You could lose money, including amounts you contributed. Federal or California tax law changes could negatively affect the Plan. Fees could increase. The Board may terminate, add or merge Investment Portfolios, change the investments in which an Investment Portfolio invests, or change allocations to those investments. Contributions to an Account may adversely affect the Beneficiary's eligibility for financial aid or other benefits. 	<i>Risks of Investing in the Plan, page 23.</i>

Frequently Used Terms

For your convenience, certain frequently used terms are defined below.

Account	An account in the Plan.
Additional Tax	A 10% additional federal tax imposed on the earnings portion of a Non-Qualified Withdrawal.
Beneficiary	The beneficiary for an Account as designated by you, the Participant.
Eligible Educational Institutions	Any college, university, vocational school or other postsecondary educational institution eligible to participate in a student aid program administered by the U.S. Department of Education. This includes virtually all accredited public, nonprofit and proprietary (privately owned profit-making) postsecondary institutions. The educational institution should be able to tell you if it is an eligible educational institution. Certain educational institutions located outside the United States also participate in the U.S. Department of Education's Federal Student Aid (FSA) programs.
Investment Portfolios	The Plan investment portfolios in which you may invest your contributions.
Member of the Family	A person related to the Beneficiary as follows: (1) a child or a descendant of a child; (2) a brother, sister, stepbrother or stepsister; (3) the father or mother, or an ancestor of either; (4) a stepfather or stepmother; (5) a son or daughter of a brother or sister; (6) a brother or sister of the father or mother; (7) a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law; (8) the spouse of any of the foregoing individuals or the spouse of the Beneficiary; or (9) a first cousin of the Beneficiary. For this purpose, a child includes a legally adopted child and a stepson or stepdaughter, and a brother or sister includes a half-brother or half-sister.
Non-Qualified Withdrawal	Any withdrawal from an Account that does not meet the requirements of being: (1) a Qualified Withdrawal; (2) a Taxable Withdrawal; or (3) an outgoing rollover to another state's 529 Plan or to an Account within the Plan for a different Beneficiary who is a Member of the Family of the previous Beneficiary.

Participant/You	The individual or entity that opens an Account in the Plan.
Qualified Higher Education Expenses	Generally, tuition, certain room and board expenses, fees, books, supplies and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution.
Qualified Withdrawal	Any withdrawal from an Account used to pay for the Qualified Higher Education Expenses of the Beneficiary at an Eligible Educational Institution.
Taxable Withdrawal	Any withdrawal from an Account that is: (1) paid to a beneficiary of, or the estate of, the Beneficiary on or after the Beneficiary's death or attributable to the permanent disability of the Beneficiary; (2) made on account of the receipt by the Beneficiary of a scholarship award or veterans' or other nontaxable educational assistance (other than gifts or inheritances), but only to the extent of such scholarship or assistance; (3) made on account of the Beneficiary's attendance at a military academy, but only to the extent of the costs of education attributable to such attendance; or (4) equal to the amount of the Beneficiary's relevant Qualified Higher Education Expenses that is taken into account in determining the Beneficiary's Hope Scholarship/American Opportunity Credit or Lifetime Learning Credit.
Unit	An ownership interest in an Investment Portfolio that is purchased by making a contribution to an Account.

Opening an Account

Account Application. To open an Account, you need to complete and sign a Plan application (the "Application"). Your signature on the Application indicates your agreement to and acceptance of all terms in this Disclosure Booklet and in the attached Participation Agreement between you and the Board. On your Application, you need to designate a Beneficiary for the Account and select the Investment Portfolio(s) in which you want to invest your contributions.

To obtain an Application and enrollment kit, call or write to the Plan (contact information is located on page 1 and the back cover of this Disclosure Booklet) or go to the Plan's website. You may complete and submit the Application online or you may mail a completed Application to the Plan. After the Plan receives your completed Application in good order, including a check or authorization for your initial contribution, the Plan will open an Account for you.

To open an Account, you need to provide your name, address (must be a permanent U.S. address and not a post office box), Social Security number or taxpayer identification number and other information that will allow the Plan to identify you, such as your telephone number. Until you provide the required information, the Plan will not be able to open your Account. There may be only one Participant per Account.

Account Ownership. To be a Participant, you must be:

- A U.S. citizen or resident alien with a valid Social Security number or taxpayer identification number who is at least 18 years of age, or an emancipated minor at the time the Account is opened.
- A trust, estate, corporation (including an IRC Section 501(c)(3) organization) or other type of entity with a valid taxpayer identification number.

- A custodian under the Uniform Gifts to Minors Act or Uniform Transfers to Minors Act ("UGMA/UTMA") with a valid Social Security number or taxpayer identification number.
- A state or local government organization.

Accounts opened by entities, Section 501(c)(3) organizations, state and local governments, trusts and UGMA/UTMA custodians are subject to additional restrictions and must provide documentation evidencing the legal status of the entity and the authorization of the representative to open an Account and to request Account transactions. UGMA/UTMA custodians are also subject to certain limitations on their ability to make changes to, and transfers to and from, such Accounts. UGMA/UTMA custodians and trust representatives should consult with a qualified advisor about the tax and legal consequences of opening an Account and their rights and responsibilities as custodians and representatives.

Selecting a Beneficiary. You must designate a Beneficiary on your Application (unless you are a state or local government or a 501(c)(3) tax-exempt organization establishing a scholarship account). Anyone with a valid Social Security number or taxpayer identification number can be the Beneficiary, including you. You do not need to be related to the Beneficiary. You may name only one Beneficiary on your Account. You may establish only one Account for each Beneficiary. You may open additional Accounts for other Beneficiaries.

Choosing Investment Portfolios. The Plan offers multiple Investment Portfolios. On the Application, you must select the Investment Portfolio(s) in which you want to invest your contributions. You may select one or a combination of the Investment Portfolios, subject to the minimum initial contribution amount per Investment

Portfolio. (For minimum initial contribution amounts, see the Overview table in the front of this Disclosure Booklet.) If you select more than one Investment Portfolio, you must designate what percentage of your contribution should be invested in each Investment Portfolio. See "Investment Portfolios" for summaries of the Investment Portfolios offered under the Plan.

Effective September 25, 2013, the Investment Portfolio(s) you select and the percentage of your contribution to be allocated to each Investment Portfolio as indicated on your Application will be the allocation instructions for all future contributions made to your Account by any method (except payroll deduction) ("**Allocation Instructions**"). You can change your Allocation Instructions at any time online, by telephone or by submitting the appropriate Plan form.

Designating a Successor Participant. On the Application, you may designate a person to be the successor Participant in the event of your death. Only Participants who are individuals are able to make such a designation.

Making Changes to Your Account

Changing Your Beneficiary. After you open an Account, you may change your Beneficiary to a Member of the Family of the former Beneficiary without adverse tax consequences. Otherwise, the change may be subject to federal or California income taxes. There also may be federal gift, estate and generation-skipping tax consequences of changing the Beneficiary. You should consult with a qualified advisor regarding the possible tax and legal consequences of changing the Beneficiary on your Account. To request a Beneficiary change, please complete the appropriate Plan form.

Changing Investment Strategy for Future Contributions. You may change your Allocation Instructions for future contributions at any time online, by telephone or by submitting the appropriate Plan form.

Changing Investment Strategy for Previously Contributed Amounts. You may move all or a portion of amounts previously contributed to your Account to different Investment Portfolios only once per calendar year, or if you change the Beneficiary on your Account to a Member of the Family of the previous Beneficiary.

Adding or Changing the Successor Participant. You may change or add a successor Participant on your Account at any time by completing the appropriate Plan form. You should consult with a qualified advisor regarding the possible tax and legal consequences of making such a change.

Transfer of Account Ownership. You may transfer the ownership of your Account to another individual or entity that is eligible to be a Participant by submitting the appropriate Plan form. You do not need to change the Beneficiary if you transfer Account ownership. A

transfer of the ownership of an Account will be effective only if the assignment is irrevocable, and transfers all rights, title and interest in the Account. Certain types of Participants that are not individuals may be subject to restrictions on their ability to transfer ownership of the Account. A change in Account ownership may have income or gift tax consequences. You should consult with a qualified advisor regarding the possible tax and legal consequences of transferring ownership of an Account. If a change of Account ownership is required by order of a court of competent jurisdiction directing such change or by an affidavit or declaration that is recognized under applicable law as requiring transfer of ownership upon death without a court order, such change of Account ownership will not be effective until the Plan receives the court order, affidavit or declaration requiring such change and the change is registered in the records of the Plan, unless otherwise required by law.

Contributions

Who May Contribute. Anyone (including your friends and family) may make a contribution to your Account. However, there may be gift or other adverse tax consequences to the contributor and/or the Participant. A person, other than the Participant, who contributes to an Account, will not retain any rights with respect to such contribution — for example, only the Participant may give investment instructions for contributions or request withdrawals from the Account.

Contribution Minimums. The minimum initial and subsequent contribution to an Investment Portfolio is \$25 except for contributions made via payroll deduction where the minimum is \$15 per Investment Portfolio per pay period. The minimum subsequent contribution amount is being waived at this time, but may be reinstated at any point in the future. The Board may, at any time, change the minimum contribution amounts without notice.

Methods of Contribution. Contributions to an Account, which must be in U.S. dollars, may be made:

- By check drawn on a banking institution located in the U.S.
- By recurring automatic fund transfers from a checking or savings account.
- With a one-time electronic funds transfer.
- Through payroll deduction.
- With an incoming rollover from another state's 529 Plan or from within the Plan from an Account for a different Beneficiary.
- With redemption proceeds from a Coverdell Education Savings Account ("**Coverdell ESA**") or a qualified U.S. savings bond.

Impermissible Methods of Contribution. The Plan cannot accept contributions made by cash, starter check, traveler's check, credit card, convenience check, cashier's check or money order.

Checks. Checks should be made payable to the "ScholarShare College Savings Plan." Personal checks, bank drafts, teller's checks and checks issued by a financial institution or brokerage firm payable to the Participant and endorsed over to the Plan by the Participant are permitted, as are third-party personal checks up to \$10,000 that are endorsed over to the Plan. If you opened your Account prior to September 25, 2013 and you have not submitted Allocation Instructions for your Account for future contributions, with each contribution by check, you will need to tell the Plan in which Investment Portfolio(s) your contribution should be invested and how much of the contribution should be invested in each Investment Portfolio.

Automatic Contribution Plan. You may authorize the Plan to periodically debit your checking or savings account on your Application or, after your Account is opened, by submitting the appropriate Plan form or contacting the Plan by mail, telephone or online. You may change or stop this automatic debit at any time by submitting the appropriate Plan form, or contacting the Plan by mail, telephone or online.

One-time Electronic Funds Transfer. You may authorize the Plan to debit your checking or savings account on your Application or, after your Account is opened, by completing the appropriate Plan form or by contacting the Plan by mail, telephone or online. If you opened your Account prior to September 25, 2013 and you have not submitted Allocation Instructions for your Account for future contributions, with each contribution by a one-time electronic funds transfer, you will need to tell the Plan in which Investment Portfolio(s) your contribution should be invested and how much of the contribution should be invested in each Investment Portfolio.

Payroll Deduction. You may be able to make automatic contributions to your Account through payroll deduction if your employer offers such a service. Please check with your employer for more information and to see whether you are eligible to contribute to the Plan through payroll deduction. If eligible, you will also need to complete the appropriate Plan form and notify your employer to start such deductions. You can change or stop such deductions by contacting your employer and the Plan.

Incoming Rollovers. You may roll over funds (i) from an account in another state's 529 Plan to an Account in the Plan for the same Beneficiary without adverse federal or California tax consequences, provided that it has been at least 12 months from the date of a previous transfer to a 529 Plan for that Beneficiary; (ii) from an account in another state's 529 Plan to an Account in the Plan for a new Beneficiary, without adverse federal or California tax consequences, provided that the new Beneficiary is a Member of the Family of the previous Beneficiary or (iii) from an Account in the Plan to another Account in the Plan for a new Beneficiary

without adverse federal or California tax consequences, provided that the new Beneficiary is a member of the family of the previous Beneficiary. If you roll over funds more than once in 12 months without a change in Beneficiary, every rollover after the first will be considered a Taxable Withdrawal or a Non-Qualified Withdrawal, depending on the circumstances. If you roll over funds to a new Beneficiary that is not a Member of the Family of the previous Beneficiary, that will be considered a Taxable Withdrawal or a Non-Qualified Withdrawal, depending on the circumstances.

Incoming rollovers may be direct or indirect. Direct rollovers involve the transfer of funds directly from an account in another state's 529 Plan (or from an Account in the Plan for a different Beneficiary) to your Account. Indirect rollovers involve the transfer of funds from an account in another state's 529 Plan (or from an Account in the Plan for a different Beneficiary) to the Participant, who then contributes the funds to an Account. To avoid adverse federal or California tax consequences, the funds received by the Participant from the rollover must be contributed to an Account within 60 days of the withdrawal from the previous account. If the contribution to the Account occurs after the 60-day time frame, the rollover will be considered a Taxable Withdrawal or a Non-Qualified Withdrawal, depending on the circumstances.

Please note that incoming rollover contributions to the Plan must be accompanied by a basis and earnings statement from the distributing plan that shows the earnings portion of the contribution. If the Plan does not receive this documentation, the entire amount of your contribution will be treated as earnings. This could have negative tax implications under some Plan withdrawal scenarios. For more information, please see the section on "Withdrawals."

Redemption Proceeds from Coverdell ESA or Qualified U.S. Savings Bond. You may contribute amounts from the redemption of a Coverdell ESA or qualified U.S. savings bond to an Account without adverse federal tax consequences. If you are contributing amounts from a Coverdell ESA, you must submit an account statement issued by the financial institution that acted as trustee or custodian of the Coverdell ESA that shows the principal and earnings portions of the redemption proceeds. If you are contributing amounts from a savings bond, you must submit an account statement or Internal Revenue Service ("IRS") Form 1099-INT issued by the financial institution that redeemed the bonds showing the interest portion of the redemption proceeds.

Maximum Account Balance. Currently, the maximum account balance for all Accounts in the Plan for the same Beneficiary is \$371,000. Any contribution or transfer that would cause the Account balance(s) for a Beneficiary to exceed the maximum account balance will be rejected by the Plan and returned. It is possible that increases in market value could cause amounts in an Account(s) to exceed the maximum account balance.

In this case, the amount in excess of the maximum could remain in the Account(s) and potential earnings would continue to accrue, but no new contributions or transfers would be accepted.

received after the close of regular trading or on a day when the NYSE is not open will be credited to your Account at the Unit value next determined.

Unit Value

The Plan will credit contributions to, or deduct withdrawals from, your Account at the Unit value of the applicable Investment Portfolio determined on the day the Account transaction request is received in good order before the close of regular trading on the New York Stock Exchange (“NYSE”) (usually 4:00 p.m., Eastern time). Contribution or withdrawal requests

The value of a Unit in each Investment Portfolio is computed by dividing (a) the Investment Portfolio’s assets minus its liabilities by (b) the number of outstanding Units of such Investment Portfolio.

Investments in the Principal Plus Interest Portfolio earn a rate of interest at the declared rate then in effect which will be compounded daily and will be credited to Accounts on a daily basis.

Plan Fees

The following table describes the Plan’s current fees. The Board reserves the right to change the fees and/or to impose additional fees in the future.

AGE-BASED INVESTMENT PORTFOLIOS

Investment Portfolios	Plan Manager Fee ⁽¹⁾⁽²⁾	Board Administrative Fee ⁽¹⁾⁽³⁾	Estimated Expenses of an Investment Portfolio's Underlying Fund Investments ⁽⁴⁾	Total Annual Asset-Based Fees ⁽⁵⁾
Active Age-Based Portfolio				
Age Band 0–4 Years	0.05%	0.05%	0.50%	0.60%
Age Band 5–8 Years	0.05%	0.05%	0.49%	0.59%
Age Band 9–10 Years	0.05%	0.05%	0.49%	0.59%
Age Band 11–12 Years	0.05%	0.05%	0.48%	0.58%
Age Band 13–14 Years	0.05%	0.05%	0.48%	0.58%
Age Band 15 Years	0.05%	0.05%	0.43%	0.53%
Age Band 16 Years	0.05%	0.05%	0.38%	0.48%
Age Band 17 Years	0.05%	0.05%	0.31%	0.41%
Age Band 18 Years and over	0.05%	0.05%	0.24%	0.34%
Passive Age-Based Portfolio				
Age Band 0–4 Years	0.05%	0.00%	0.13%	0.18%
Age Band 5–8 Years	0.05%	0.00%	0.13%	0.18%
Age Band 9–10 Years	0.05%	0.00%	0.14%	0.19%
Age Band 11–12 Years	0.05%	0.00%	0.15%	0.20%
Age Band 13–14 Years	0.05%	0.00%	0.16%	0.21%
Age Band 15 Years	0.05%	0.00%	0.14%	0.19%
Age Band 16 Years	0.05%	0.00%	0.13%	0.18%
Age Band 17 Years	0.05%	0.00%	0.10%	0.15%
Age Band 18 Years and over	0.05%	0.00%	0.08%	0.13%

MULTI-FUND INVESTMENT PORTFOLIOS

Investment Portfolios	Plan Manager Fee ⁽¹⁾⁽²⁾	Board Administrative Fee ⁽¹⁾⁽³⁾	Estimated Expenses of an Investment Portfolio's Underlying Investments ⁽⁴⁾	Total Annual Asset-Based Fees ⁽⁵⁾
Active Diversified Equity Portfolio	0.05%	0.05%	0.50%	0.60%
Active Growth Portfolio	0.05%	0.05%	0.49%	0.59%
Active Moderate Growth Portfolio	0.05%	0.05%	0.48%	0.58%
Active Conservative Portfolio	0.05%	0.05%	0.23%	0.33%
Active International Equity Portfolio	0.05%	0.05%	0.36%	0.46%
Active Diversified Fixed Income Portfolio	0.05%	0.05%	0.47%	0.57%
Passive Diversified Equity Portfolio	0.05%	0.00%	0.11%	0.16%
Passive Growth Portfolio	0.05%	0.00%	0.13%	0.18%
Passive Moderate Growth Portfolio	0.05%	0.00%	0.16%	0.21%
Passive Conservative Portfolio	0.05%	0.00%	0.09%	0.14%
Passive Diversified Fixed Income Portfolio	0.05%	0.00%	0.18%	0.23%
Index International Equity Portfolio	0.05%	0.00%	0.11%	0.16%

SINGLE FUND INVESTMENT PORTFOLIOS

Investment Portfolios	Plan Manager Fee ⁽¹⁾⁽²⁾	Board Administrative Fee ⁽¹⁾⁽³⁾	Estimated Expenses of an Investment Portfolio's Underlying Investments ⁽⁴⁾	Total Annual Asset-Based Fees ⁽⁵⁾
Social Choice Portfolio	0.05%	0.05%	0.18%	0.28%
Index Bond Portfolio	0.05%	0.00%	0.13%	0.18%
Index U.S. Large Cap Equity Portfolio	0.05%	0.00%	0.06%	0.11%
Index U.S. Equity Portfolio	0.05%	0.00%	0.07%	0.12%
Principal Plus Interest Portfolio⁽⁶⁾	None	None	None	None

- (1) Although the Plan Manager Fee and the Board Administrative Fee, if any, are deducted from an Investment Portfolio, not from your Account, each Account in the Investment Portfolio indirectly bears its pro rata share of the Plan Manager Fee and the Board Administrative Fee as these fees reduce the Investment Portfolio's return.
- (2) Each Investment Portfolio (with the exception of the Principal Plus Interest Portfolio) pays the Plan Manager a fee at an annual rate of 0.05% of the average daily net assets held by that Investment Portfolio.
- (3) Certain Investment Portfolios pay to the Board a fee equal to 0.05% of the average daily net assets held by such Investment Portfolios to pay for expenses related to the administration of the Plan.
- (4) The percentages set forth in this column are based on the expense ratios of the mutual funds in which an Investment Portfolio invests. The amounts are calculated using the expense ratio reported in each mutual fund's most recent prospectus available prior to the date of this Disclosure Booklet weighted according to the Investment Portfolio's allocation among the mutual funds in which it invests. Although

these expenses are not deducted from an Investment Portfolio's assets, each Investment Portfolio (other than the Principal Plus Interest Portfolio, which does not invest in mutual funds) indirectly bears its pro rata share of the expenses of the mutual funds in which it invests as these expenses reduce such mutual fund's return.

- (5) These figures represent the estimated weighted annual expense ratios of the mutual funds in which the Investment Portfolios invest plus the fees paid to the Plan Manager and to the Board.
- (6) The Principal Plus Interest Portfolio does not pay a Plan Manager Fee or a Board Administrative Fee. TIAA-CREF Life Insurance Company ("TIAA-CREF Life"), the issuer of the funding agreement in which this Investment Portfolio invests and an affiliate of TFI, makes payments to the Plan Manager. TIAA-CREF Life also pays the Board a fee, equal to 0.05% of the average daily net assets held by the Principal Plus Interest Portfolio. These payments, among many other factors, are considered by the issuer when determining the interest rate(s) credited under the funding agreement.

Investment Cost Example. The example in the following table is intended to help you compare the cost of investing in the different Investment Portfolios over various periods of time. This example assumes that:

- You invest \$10,000 in an Investment Portfolio for the time periods shown below.
- Your investment has a 5% compounded return each year.
- You withdraw your entire investment from the Investment Portfolio at the end of the specified periods for Qualified Higher Education Expenses.
- Total Annual Asset-Based Fees remain the same as those shown in the Fee Table above.

Although your actual costs may be higher or lower, based on the above assumptions, your costs would be:

AGE-BASED INVESTMENT PORTFOLIOS

INVESTMENT PORTFOLIOS	APPROXIMATE COST OF \$10,000 INVESTMENT			
	1 Year	3 Years	5 Years	10 Years
Active Age-Based Portfolio				
Age Band 0–4 Years	\$62	\$193	\$336	\$752
Age Band 5–8 Years	\$60	\$190	\$330	\$740
Age Band 9–10 Years	\$60	\$190	\$330	\$740
Age Band 11–12 Years	\$59	\$186	\$325	\$727
Age Band 13–14 Years	\$59	\$186	\$325	\$727
Age Band 15 Years	\$54	\$170	\$297	\$666
Age Band 16 Years	\$49	\$154	\$269	\$605
Age Band 17 Years	\$42	\$132	\$230	\$518
Age Band 18 and over	\$35	\$109	\$191	\$431
Passive Age-Based Portfolio				
Age Band 0–4 Years	\$18	\$58	\$102	\$230
Age Band 5–8 Years	\$18	\$58	\$102	\$230
Age Band 9–10 Years	\$19	\$61	\$107	\$243
Age Band 11–12 Years	\$21	\$64	\$113	\$255
Age Band 13–14 Years	\$22	\$68	\$118	\$268
Age Band 15 Years	\$19	\$61	\$107	\$243
Age Band 16 Years	\$18	\$58	\$102	\$230
Age Band 17 Years	\$15	\$48	\$85	\$192
Age Band 18 Years and over	\$13	\$42	\$73	\$167

MULTI-FUND INVESTMENT PORTFOLIOS

INVESTMENT PORTFOLIOS	APPROXIMATE COST OF \$10,000 INVESTMENT			
	1 Year	3 Years	5 Years	10 Years
Active Diversified Equity Portfolio	\$62	\$193	\$336	\$752
Active Growth Portfolio	\$60	\$190	\$330	\$740
Active Moderate Growth Portfolio	\$59	\$186	\$325	\$727
Active Conservative Portfolio	\$34	\$106	\$186	\$419
Active International Equity Portfolio	\$47	\$148	\$258	\$580
Active Diversified Fixed Income Portfolio	\$58	\$183	\$319	\$715
Passive Diversified Equity Portfolio	\$16	\$52	\$90	\$205
Passive Growth Portfolio	\$18	\$58	\$102	\$230
Passive Moderate Growth Portfolio	\$22	\$68	\$118	\$268
Passive Conservative Portfolio	\$14	\$45	\$79	\$179
Passive Diversified Fixed Income Portfolio	\$24	\$74	\$130	\$293
Index International Equity Portfolio	\$16	\$52	\$90	\$205

SINGLE FUND INVESTMENT PORTFOLIOS

INVESTMENT PORTFOLIOS	APPROXIMATE COST OF \$10,000 INVESTMENT			
	1 Year	3 Years	5 Years	10 Years
Social Choice Portfolio	\$29	\$90	\$158	\$356
Index Bond Portfolio	\$18	\$58	\$102	\$230
Index U.S. Large Cap Equity Portfolio	\$11	\$36	\$62	\$141
Index U.S. Equity Portfolio	\$12	\$39	\$68	\$154
Principal Plus Interest Portfolio	\$0	\$0	\$0	\$0

Investment Portfolios

Choosing Your Investment Portfolios. This section describes each Investment Portfolio offered in the Plan and the risks associated with an investment in such Investment Portfolio.

The Board approves and authorizes each Investment Portfolio, the investments in which it invests and the allocations among those investments. The Board may add or remove Investment Portfolios and change the allocations or the investments in which an Investment Portfolio invests at any time.

You should consider a periodic assessment of your Investment Portfolio selections to determine whether such selections are consistent with your current investment time horizon, risk tolerance and investment objectives. See "Making Changes to Your Account" for information about changing your Investment Portfolio selections.

Investments of the Investment Portfolios. Each Investment Portfolio will be invested in one or more mutual funds and/or in a funding agreement. **Please keep in mind that you will not own shares of any of these mutual funds nor will you own any interest in a funding agreement.** Instead, you will own interests in the Investment Portfolio(s) of the Plan in which you invest.

Risk Information. The risks of investing in each Investment Portfolio are identified within the Investment Portfolio description below. An explanation of these risks immediately follows the last Investment Portfolio description.

Age-Based Investment Portfolios

Investment Objective. The Age-Based Investment Portfolios seek to match the investment objective and level of risk to the investment horizon by taking into account the Beneficiary's current age and the number of

years before the Beneficiary turns 18 and is expected to enter college.

Investment Strategy. Depending on the Beneficiary's age, contributions to these Investment Portfolios will be placed in one of nine age bands, each of which has a different investment objective and investment strategy. As discussed in more detail below, the age bands for younger Beneficiaries seek a favorable long-term return by investing primarily in mutual funds that primarily invest in equity securities (including real estate securities), which may have greater potential for returns than debt securities, but which also have greater risk than debt securities. As a Beneficiary nears college age, the age bands invest less in mutual funds that invest in equity securities (including real estate securities) and invest more heavily in mutual funds that invest in debt securities and in a funding agreement to preserve capital.

As the Beneficiary ages, assets in your Account invested in an Age-Based Investment Portfolio are moved from one age band to the next on the first "Rolling Date" following the Beneficiary's fifth, ninth, eleventh, thirteenth, fifteenth, sixteenth, seventeenth and eighteenth birthdays. The Rolling Dates are March 20, June 20, September 20 and December 20 (or the first business day thereafter).

Each age band invests in multiple mutual funds to varying degrees. Certain of the age bands for older beneficiaries will also invest in a funding agreement that is substantially similar to the funding agreement in which the Principal Plus Interest Portfolio invests 100% of its assets. (See "Principal Plus Interest Portfolio" for a description of the funding agreement.) The percentage of each age band's assets allocated to each mutual fund and the funding agreement are set forth in the tables below.

Active Age-Based Portfolio (Risk level shifts from aggressive to conservative as the Beneficiary ages)

Each of the age bands in the Active Age-Based Portfolio invests primarily in mutual funds that are actively-managed. An actively-managed mutual fund is different from an index mutual fund in that an actively-managed mutual fund is not managed to track its benchmark index, but rather, is managed pursuant to the investment style and strategy of its investment manager. This means that the performance of an actively-managed mutual fund can vary greatly from that of its benchmark index – in either a positive or negative direction. Because of the active management style, actively-managed mutual funds tend to have higher expenses than index mutual funds.

More About Investment Strategy. To varying degrees, the age bands invest in certain mutual funds that invest primarily in equity securities. As a Beneficiary ages, an age band's investment in these

mutual funds will decrease. Through these mutual funds, an age band intends to indirectly allocate varying percentages of its assets to:

- domestic equity securities (across all capitalization ranges);
- equity securities of foreign issuers, including large issuers, and issuers located in developed countries and in emerging market countries; and
- equity securities of issuers that are principally engaged in or related to the real estate industry, including those that own significant real estate assets, such as real estate investment trusts ("REITs").

Also to varying degrees, the age bands invest in certain mutual funds that invest primarily in fixed income or other types of debt securities. As a Beneficiary ages, an age band's investment in these mutual funds will generally increase, although investments in all mutual funds will decrease as age bands for older beneficiaries invest in a funding agreement. Through these mutual funds, an age band intends to indirectly allocate varying percentages of its assets to:

- a wide spectrum of fixed income instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and non-U.S. public or private sector entities across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;
- inflation-indexed bonds of varying maturities, the principal value of which increases or decreases based on changes in an official inflation measure, which are issued by U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations, and which may be represented by forwards or derivatives; and
- floating rate loans and floating rate debt securities, most of which are below investment grade and which may be non-U.S. dollar denominated.

Investment Risks. Because the Active Age-Based Investment Portfolios invest in mutual funds that, taken together, invest in a diversified portfolio of securities, and certain of the Active Age-Based Investment Portfolios invest in a funding agreement, the Active Age-Based Investment Portfolios are subject to the following risks to varying degrees: Active Management Risk, Convertible Securities Risk, Credit Risk, Currency Risk, Derivatives Risk, Emerging Markets Risk, Foreign Investment Risk, Growth Investing Risk, High Yield Risk, Illiquid Investments Risk, Impairment of Collateral Risk, Interest Rate Risk (a type of Market Risk), Issuer Risk (often called Financial Risk), Large-Cap Risk, Leverage Risk, Market Risk, Mid-Cap Risk, Mortgage-Related and Other Asset-Backed Securities Risk, Pre-Payment Risk, Quantitative Analysis Risk, Real Estate Investing Risk, Securities Lending Risk, Senior Loans Risk, Short Sale Risk, Small-Cap Risk, Value Investing Risk and the risk

that TIAA-CREF Life could fail to perform its obligations under the funding agreement for financial or other reasons.

The age bands for younger Beneficiaries are subject to Emerging Markets Risk, Foreign Investment Risk, Large-Cap Risk, Market Risk, Mid-Cap Risk, Small-Cap Risk and Real Estate Investing Risk to a greater extent than are the age bands for older Beneficiaries.

Likewise, the age bands for older Beneficiaries are subject to Credit Risk, Interest Rate Risk (a type of Market Risk), Mortgage-Related and Other Asset-Backed Securities Risk and Pre-Payment Risk to a greater extent than are the age bands for younger Beneficiaries.

Allocations for the Active Age-Based Portfolio

Age Bands	T. Rowe Price Inst'l Large Cap Growth Fund	T. Rowe Price Inst'l Large Cap Value Fund	T. Rowe Price Inst'l Floating Rate Fund	TIAA-CREF Small-Cap Equity Fund	TIAA-CREF Real Estate Securities Fund	DFA Large Cap International Portfolio	DFA Emerging Markets Core Equity Portfolio	PIMCO Total Return Inst'l Fund	PIMCO Real Return Fund	PIMCO Income Fund	T-C Life Funding Agreement
0-4 Years	22.68%	22.68%	2.00%	5.04%	5.60%	19.20%	4.80%	10.00%	4.00%	4.00%	0.00%
5-8 Years	19.85%	19.85%	3.00%	4.40%	4.90%	16.80%	4.20%	15.00%	6.00%	6.00%	0.00%
9-10 Years	17.01%	17.01%	4.00%	3.78%	4.20%	14.40%	3.60%	20.00%	8.00%	8.00%	0.00%
11-12 Years	14.18%	14.18%	5.00%	3.14%	3.50%	12.00%	3.00%	25.00%	10.00%	10.00%	0.00%
13-14 Years	11.34%	11.34%	6.00%	2.52%	2.80%	9.60%	2.40%	30.00%	12.00%	12.00%	0.00%
15 Years	8.51%	8.51%	6.00%	1.88%	2.10%	7.20%	1.80%	30.00%	12.00%	12.00%	10.00%
16 Years	7.09%	7.09%	5.50%	1.57%	1.75%	6.00%	1.50%	27.50%	11.00%	11.00%	20.00%
17 Years	5.67%	5.67%	4.50%	1.26%	1.40%	4.80%	1.20%	22.50%	9.00%	9.00%	35.00%
18 Years and over	4.25%	4.25%	3.50%	0.95%	1.05%	3.60%	0.90%	17.50%	7.00%	7.00%	50.00%

Passive Age-Based Portfolio (Risk level shifts from aggressive to conservative as the Beneficiary ages)

Each of the age bands in the Passive Age-Based Portfolio invests primarily in mutual funds that are index mutual funds. An index mutual fund is managed to track a specific securities index that the mutual fund uses as a benchmark. Each of the age bands also invests in certain other mutual funds that are actively-managed (the TIAA-CREF Real Estate Securities Fund, the TIAA-CREF Inflation-Linked Bond Fund and the TIAA-CREF High-Yield Fund) and certain age bands also invest in a funding agreement. Therefore, although a majority of the mutual funds in which this Portfolio invests are passively-managed, it does not invest exclusively in passively-managed mutual funds.

More about Investment Strategy. To varying degrees, the age bands invest in certain mutual funds that invest primarily in equity securities. As a Beneficiary ages, an age band's investment in these mutual funds will decrease. Through these mutual funds, an age band intends to indirectly allocate varying percentages of its assets to:

- domestic equity securities (across all capitalization ranges);
- equity securities of foreign issuers, including large issuers, and issuers located in developed countries and in emerging market countries, including frontier markets (emerging market countries in an earlier stage of development); and
- equity securities of issuers that are principally engaged in or related to the real estate industry,

including those that own significant real estate assets, such as REITS.

Also to varying degrees, the age bands invest in certain mutual funds that invest primarily in fixed income or other types of debt securities. As a Beneficiary ages, an age band's investment in these mutual funds will generally increase, although investments in all mutual funds will decrease as age bands for older beneficiaries invest in a funding agreement. Through these mutual funds, an age band intends to indirectly allocate varying percentages of its assets to:

- a wide spectrum of public, investment-grade, taxable debt securities denominated in U.S. dollars including government securities, as well as mortgage-backed, commercial mortgage-backed and asset-backed securities; and
- debt securities, the principal value of which increases or decreases based on changes in the Consumer Price Index for All Urban Consumers over the life of the securities (typically, U.S. Treasury Inflation-Linked Securities, but also including inflation-linked bonds of foreign issuers or inflation-linked bonds that are issued or guaranteed by U.S. and non-U.S. public or private sector entities).

Also to varying degrees, each age band invests a relatively small percentage of its assets in a mutual fund that invests primarily in junk bonds (also called high-yield securities) issued by both domestic and foreign companies.

Investment Risks. Because the Passive Age-Based Investment Portfolios invest in mutual funds that, taken together, invest in a diversified portfolio of securities, and certain of the Passive Age-Based Investment Portfolios invest in a funding agreement, the Passive Age-Based Investment Portfolios are subject to the following risks to varying degrees: Active Management Risk, Call Risk, Credit Risk, Derivatives Risk, Emerging Markets Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Foreign Investment Risk, Income Volatility Risk, Index Risk, Interest Rate Risk (a type of Market Risk), Issuer Risk (often called Financial Risk), Large-Cap Risk, Market Risk, Mid-Cap Risk, Market Volatility, Liquidity and Valuation Risk (types of Market Risk), Non-Investment Grade Securities Risk, Pre-Payment Risk, Real Estate Investing Risk, Small-Cap Risk, Special Risks for Inflation-Indexed Bonds, and the risk that TIAA-CREF Life could fail to perform its obligations under the funding agreement for financial or other reasons.

The age bands for younger Beneficiaries are subject to Emerging Markets Risk, Foreign Investment Risk, Large-Cap Risk, Market Risk, Mid-Cap Risk, Small-Cap Risk and Real Estate Investing Risk to a greater extent than are the age bands for older Beneficiaries. Likewise, the age bands for older Beneficiaries are subject to Call Risk, Credit Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Income Volatility Risk, Interest Rate Risk (a type of Market Risk), Pre-Payment Risk and Special Risks for Inflation-Indexed Bonds to a greater extent than are the age bands for younger Beneficiaries.

Allocations for the Passive Age-Based Portfolio

Age Bands	TIAA-CREF Equity Index Fund	TIAA-CREF International Equity Index Fund	TIAA-CREF Emerging Markets Equity Index Fund	TIAA-CREF Real Estate Securities Fund	TIAA-CREF Bond Index Fund	TIAA-CREF Inflation-Linked Bond Fund	TIAA-CREF High-Yield Fund	T-C Life Funding Agreement
0–4 Years	50.40%	19.20%	4.80%	5.60%	14.00%	4.00%	2.00%	0.00%
5–8 Years	44.10%	16.80%	4.20%	4.90%	21.00%	6.00%	3.00%	0.00%
9–10 Years	37.80%	14.40%	3.60%	4.20%	28.00%	8.00%	4.00%	0.00%
11–12 Years	31.50%	12.00%	3.00%	3.50%	35.00%	10.00%	5.00%	0.00%
13–14 Years	25.20%	9.60%	2.40%	2.80%	42.00%	12.00%	6.00%	0.00%
15 Years	18.90%	7.20%	1.80%	2.10%	42.00%	12.00%	6.00%	10.00%
16 Years	15.75%	6.00%	1.50%	1.75%	38.50%	11.00%	5.50%	20.00%
17 Years	12.60%	4.80%	1.20%	1.40%	31.50%	9.00%	4.50%	35.00%
18 Years and over	9.45%	3.60%	0.90%	1.05%	24.50%	7.00%	3.50%	50.00%

Multi-Fund Investment Portfolios

These Investment Portfolios are intended for Participants who prefer to select an Investment Portfolio with a fixed risk level rather than a risk level that changes as the Beneficiary ages. Each of these Investment Portfolios invests in more than one mutual fund or in a funding agreement, and each Investment Portfolio has a different investment objective and investment strategy and is subject to different investment risks as summarized below.

Active Multi-Fund Investment Portfolios

There are six separate Active Multi-Fund Investment Portfolios which invest primarily in mutual funds that are actively-managed and/or in a funding agreement. Each of these Investment Portfolios has its own investment objective and strategy, and each has a fixed risk level that does not change as the Beneficiary ages.

Active Diversified Equity Portfolio (Risk level – Aggressive)

Investment Objective. This Investment Portfolio seeks to provide a favorable long-term return, mainly through capital appreciation.

Investment Strategy. This Investment Portfolio invests 100% of its assets in actively-managed mutual funds that invest primarily in equity securities. The percentage of the Investment Portfolio's assets allocated to each mutual fund is:

T. Rowe Price Institutional Large Cap Growth Fund	28.35%
T. Rowe Price Institutional Large Cap Value Fund	28.35%
TIAA-CREF Small-Cap Equity Fund	6.30%
TIAA-CREF Real Estate Securities Fund	7.00%
DFA Large Cap International Portfolio	24.00%
DFA Emerging Markets Core Equity Portfolio	6.00%

Through its investments in these mutual funds, this Investment Portfolio intends to indirectly allocate a certain percentage of its assets to:

- domestic equity securities (across all capitalization ranges);
- equity securities of foreign issuers, including large issuers, and issuers located in developed countries and in emerging market countries, including frontier markets (emerging market countries in an earlier stage of development); and
- equity securities of issuers that are principally engaged in or related to the real estate industry, including those that own significant real estate assets, such as REITS.

Investment Risks. Through its investments in the mutual funds above, this Investment Portfolio is subject to Active Management Risk, Currency Risk, Derivatives Risk, Emerging Markets Risk, Foreign Investment Risk, Growth Investing Risk, Issuer Risk (often called Financial Risk), Large-Cap Risk, Market Risk, Mid-Cap Risk, Quantitative Analysis Risk, Real Estate Investing Risk, Securities Lending Risk, Small-Cap Risk and Value Investing Risk.

Active Growth Portfolio (Risk level – Aggressive)

Investment Objective. This Investment Portfolio seeks to provide a favorable long-term return, mainly through capital appreciation.

Investment Strategy. This Investment Portfolio invests 70% of its assets in actively-managed mutual funds that invest primarily in equity securities and 30% of its assets in actively-managed mutual funds that invest primarily in fixed income and other debt securities. The percentage of the Investment Portfolio's assets allocated to each mutual fund is:

T. Rowe Price Institutional Large Cap Growth Fund	19.85%
T. Rowe Price Institutional Large Cap Value Fund	19.85%
TIAA-CREF Small-Cap Equity Fund	4.40%
TIAA-CREF Real Estate Securities Fund	4.90%
DFA Large Cap International Portfolio	16.80%
DFA Emerging Markets Core Equity Portfolio	4.20%
PIMCO Total Return Fund	15.00%
PIMCO Real Return Fund	6.00%
T. Rowe Price Institutional Floating Rate Fund	3.00%
PIMCO Income Fund	6.00%

Through its investments in these mutual funds, this Investment Portfolio intends to indirectly allocate its assets to:

- domestic equity securities (across all capitalization ranges);
- equity securities of foreign issuers, including large issuers, and issuers located in developed countries and in emerging market countries, including frontier markets (emerging market countries in an earlier stage of development);
- equity securities of issuers that are principally engaged in or related to the real estate industry, including those that own significant real estate assets, such as REITS;
- a wide spectrum of fixed income instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various

U.S. and non-U.S. public or private sector entities across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;

- inflation-indexed bonds of varying maturities, the principal value of which increases or decreases based on changes in an official inflation measure, which are issued by U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations, and which may be represented by forwards or derivatives; and
- floating rate loans and floating rate debt securities, most of which are below investment grade and which may be non-U.S. dollar denominated.

Investment Risks. Through its investments in the mutual funds above, this Investment Portfolio is subject to: Active Management Risk, Convertible Securities Risk, Credit Risk, Currency Risk, Derivatives Risk, Emerging Markets Risk, Foreign Investment Risk, Growth Investing Risk, High Yield Risk, Illiquid Investments Risk, Impairment of Collateral Risk, Interest Rate Risk (a type of Market Risk), Issuer Risk (often called Financial Risk), Large-Cap Risk, Leverage Risk, Market Risk, Mid-Cap Risk, Mortgage-Related and Other Asset-Backed Securities Risk, Pre-Payment Risk, Quantitative Analysis Risk, Real Estate Investing Risk, Securities Lending Risk, Senior Loans Risk, Short Sale Risk, Small-Cap Risk and Value Investing Risk.

Active Moderate Growth Portfolio (Risk level – Moderate)

Investment Objective. This Investment Portfolio seeks to provide moderate growth.

Investment Strategy. This Investment Portfolio invests in a mix of actively managed mutual funds that invest primarily in equity securities and actively managed mutual funds that invest primarily in fixed income and other debt securities. The percentage of the Investment Portfolio's assets allocated to each mutual fund is:

T. Rowe Price Institutional Large Cap Growth Fund	11.34%
T. Rowe Price Institutional Large Cap Value Fund	11.34%
TIAA-CREF Small-Cap Equity Fund	2.52%
TIAA-CREF Real Estate Securities Fund	2.80%
DFA Large Cap International Portfolio	9.60%
DFA Emerging Markets Core Equity Portfolio	2.40%
PIMCO Total Return Fund	30.00%
PIMCO Real Return Fund	12.00%
T. Rowe Price Institutional Floating Rate Fund	6.00%
PIMCO Income Fund	12.00%

Through its investments in these mutual funds, this Investment Portfolio intends to indirectly allocate its assets to:

- domestic equity securities (across all capitalization ranges);
- equity securities of foreign issuers, including large issuers, and issuers located in developed countries and in emerging market countries, including frontier markets (emerging market countries in an earlier stage of development);
- equity securities of issuers that are principally engaged in or related to the real estate industry, including those that own significant real estate assets, such as REITS;
- a wide spectrum of fixed income instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and non-U.S. public or private sector entities across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;
- inflation-indexed bonds of varying maturities, the principal value of which increases or decreases based on changes in an official inflation measure, which are issued by U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations, and which may be represented by forwards or derivatives; and
- floating rate loans and floating rate debt securities, most of which are below investment grade and which may be non-U.S. dollar denominated.

Investment Risks. Through its investments in the mutual funds above, this Investment Portfolio is subject to: Active Management Risk, Convertible Securities Risk, Credit Risk, Currency Risk, Derivatives Risk, Emerging Markets Risk, Foreign Investment Risk, Growth Investing Risk, High Yield Risk, Illiquid Investments Risk, Impairment of Collateral Risk, Interest Rate Risk (a type of Market Risk), Issuer Risk (often called Financial Risk), Large-Cap Risk, Leverage Risk, Market Risk, Mid-Cap Risk, Mortgage-Related and Other Asset-Backed Securities Risk, Pre-Payment Risk, Quantitative Analysis Risk, Real Estate Investing Risk, Securities Lending Risk, Senior Loans Risk, Short Sale Risk, Small-Cap Risk and Value Investing Risk.

Active Conservative Portfolio (Risk level – Conservative to Moderate)

Investment Objective. This Investment Portfolio seeks to provide preservation of capital along with a moderate long-term rate of return.

Investment Strategy. This Investment Portfolio invests in a number of actively managed mutual funds that invest primarily in fixed income and other debt securities and it invests in a funding agreement. The percentage of the Investment Portfolio's assets allocated to each investment is:

PIMCO Total Return Fund	25.00%
PIMCO Real Return Fund	10.00%
T. Rowe Price Institutional Floating Rate Fund	5.00%
PIMCO Income Fund	10.00%
TIAA-CREF Life Funding Agreement	50.00%

Through its investments in these mutual funds and a funding agreement, this Investment Portfolio intends to indirectly allocate its assets to:

- a wide spectrum of fixed income instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and non-U.S. public or private sector entities across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;
- inflation-indexed bonds of varying maturities, the principal value of which increases or decreases based on changes in an official inflation measure, which are issued by U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations, and which may be represented by forwards or derivatives;
- floating rate loans and floating rate debt securities, most of which are below investment grade and which may be non-U.S. dollar denominated; and
- a funding agreement issued by TIAA-CREF Life. (See Principal Plus Interest Portfolio for a description of the funding agreement).

Investment Risks. Through its investments in the mutual funds above and in a funding agreement, this Investment Portfolio is subject to Active Management Risk, Convertible Securities Risk, Credit Risk, Currency Risk, Derivatives Risk, Emerging Markets Risk, Foreign Investment Risk, High Yield Risk, Illiquid Investments Risk, Impairment of Collateral Risk, Interest Rate Risk (a type of Market Risk), Issuer Risk (often called Financial Risk), Leverage Risk, Market Risk, Mortgage-Related and Other Asset-Backed Securities Risk, Prepayment Risk, Senior Loans Risk, Short Sale Risk and the risk that TIAA-CREF Life fails to perform its obligations under the funding agreement for financial or other reasons.

Active International Equity Portfolio (Risk level – Aggressive)

Investment Objective. This Investment Portfolio seeks to provide a favorable long-term return, mainly through capital appreciation.

Investment Strategy. This investment Portfolio invests 100% of its assets in actively-managed mutual funds that invest primarily in international equity securities. The percentage of the Investment Portfolio's assets allocated to each mutual fund is:

DFA Large Cap International Portfolio	80.00%
DFA Emerging Markets Core Equity Portfolio	20.00%

Through its investments in these mutual funds, the Investment Portfolio intends to indirectly allocate a certain percentage of its assets to equity securities of foreign issuers, including large issuers, located in developed countries and emerging market countries, including frontier markets (emerging market countries in an earlier stage of development).

Investment Risks. Through its investments in the mutual funds above, this Investment Portfolio is subject to Currency Risk, Derivatives Risk, Emerging Markets Risk, Foreign Investment Risk, Market Risk, Securities Lending Risk, Small-Cap Risk and Value Investing Risk.

Active Diversified Fixed Income Portfolio (Risk level – Moderate)

Investment Objective. This Investment Portfolio seeks to provide a moderate long-term rate of return, primarily through current income.

Investment Strategy. This Investment Portfolio invests 100% of its assets in a diverse mix of actively-managed mutual funds that invest primarily in fixed-income securities. The percentage of the Investment Portfolio's assets allocated to each mutual fund is:

PIMCO Total Return Fund	50.00%
PIMCO Real Return Fund	20.00%
T. Rowe Price Institutional Floating Rate Fund	10.00%
PIMCO Income Fund	20.00%

Through its investments in these mutual funds, the Investment Portfolio intends to indirectly allocate its assets to:

- a wide spectrum of fixed income instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements, issued by various U.S. and non-U.S. public or private sector entities across several investment sectors, including high yield securities (junk bonds) and securities denominated in foreign currencies;
- inflation-indexed bonds of varying maturities, the principal value of which increases or decreases based on changes in an official inflation measure, which are issued by U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations, and which may be represented by forwards or derivatives; and
- floating rate loans and floating rate debt securities, most of which are below investment grade and which may be non-U.S. dollar denominated.

Investment Risks. Through its investments in the mutual funds above, this Investment Portfolio is subject to Active Management Risk, Convertible Securities Risk, Credit Risk, Currency Risk, Derivatives Risk, Emerging Markets Risk, Foreign Investment Risk, High Yield Risk, Illiquid Investments Risk, Impairment of Collateral Risk, Interest Rate Risk (a type of Market Risk), Issuer Risk (often called Financial Risk), Leverage Risk, Market Risk, Mortgage-Related and Other Asset-Backed Securities Risk, Prepayment Risk, Senior Loans Risk and Short Sale Risk.

Passive Multi-Fund Investment Portfolios

There are six separate Passive Multi-Fund Investment Portfolios each of which invests a majority of its assets in index funds and/or a funding agreement. Each of these Investment Portfolios has its own investment objective and strategy, and each has a fixed risk level that does not change as the Beneficiary ages.

Passive Diversified Equity Portfolio (Risk level – Aggressive)

Investment Objective. This Investment Portfolio seeks to provide a favorable long-term total return, mainly from capital appreciation.

Investment Strategy. This Investment Portfolio invests 100% of its assets in mutual funds that invest primarily in equity securities. The percentage of the Investment Portfolio's assets allocated to each mutual fund is:

TIAA-CREF Equity Index Fund	63.00%
TIAA-CREF International Equity Index Fund	24.00%
TIAA-CREF Emerging Markets Equity Index Fund	6.00%
TIAA-CREF Real Estate Securities Fund	7.00%

Through its investments in these mutual funds, this Investment Portfolio intends to indirectly allocate a certain percentage of its assets to:

- domestic equity securities across all capitalization ranges;
- equity securities of foreign issuers, including issuers located in developed countries and emerging market countries; and
- equity securities of issuers that are principally engaged in or related to the real estate industry, including those that own significant real estate assets, such as REITS.

Investment Risks. Through its investments in the mutual funds above, this Investment Portfolio is subject to Active Management Risk, Emerging Markets Risk, Foreign Investment Risk, Index Risk, Issuer Risk (often called Financial Risk), Large-Cap Risk; Market Risk; Mid-Cap Risk, Real Estate Investing Risk and Small-Cap Risk.

Passive Growth Portfolio (Risk level – Aggressive)

Investment Objective. This Investment Portfolio seeks to provide a favorable long-term total return, mainly from capital appreciation.

Investment Strategy. This Investment Portfolio invests in mutual funds that invest primarily in equity securities and in a smaller percentage to mutual funds that invest in fixed-income and other debt securities. A number of the mutual funds are considered “index funds” meaning that they are designed to track a benchmark index. The percentage of the Investment Portfolio's assets allocated to each mutual fund is:

TIAA-CREF Equity Index Fund	44.10%
TIAA-CREF International Equity Index Fund	16.80%
TIAA-CREF Emerging Markets Equity Index Fund	4.20%
TIAA-CREF Real Estate Securities Fund	4.90%
TIAA-CREF Bond Index Fund	21.00%
TIAA-CREF Inflation-Linked Bond Fund	6.00%
TIAA-CREF High Yield Fund	3.00%

Through its investments in these mutual funds, this Investment Portfolio intends to indirectly allocate a certain percentage of its assets to:

- domestic equity securities across all capitalization ranges;
- equity securities of foreign issuers, including issuers located in developed countries and emerging market countries;
- equity securities of issuers that are principally engaged in or related to the real estate industry, including those that own significant real estate assets, such as REITS;
- a wide spectrum of public, investment-grade, taxable debt securities denominated in U.S. dollars including government securities, as well as mortgage-backed, commercial mortgage-backed and asset-backed securities;
- debt securities, the principal value of which increases and decreases based on changes in the Consumer Price Index for All Urban Consumers over the life of the securities (typically U.S. Treasury Inflation-Linked Securities, but also including inflation-linked bonds that are issued or guaranteed by U.S. and non-U.S. public or private sector entities; and
- high yield securities (commonly called junk bonds) issued by both domestic and foreign companies.

Investment Risks. Through its investments in the mutual funds above, this Investment Portfolio is subject to Active Management Risk, Call Risk, Credit Risk, Derivatives Risk, Emerging Markets Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Foreign Investment Risk, Income Volatility Risk, Index Risk,

interest Rate Risk (a type of Market Risk), Issuer Risk (often called Financial Risk), Large-Cap Risk, Market Risk, Market Volatility, Liquidity and Valuation Risk (types of Market Risk), Mid-Cap Risk, Non-Investment Grade Securities Risk, Prepayment Risk, Real Estate Investing Risk, Small-Cap Risk and Special Risks for Inflation-Indexed Bonds.

**Passive Moderate Growth Portfolio
(Risk level – Moderate)**

Investment Objective. This Investment Portfolio seeks moderate growth.

Investment Strategy. This Investment Portfolio invests in mutual funds that invest primarily in equity securities and mutual funds that invest primarily in fixed income and other debt securities. A number of the mutual funds are considered “index funds” meaning that they are designed to track a benchmark index. The percentage of the Investment Portfolio’s assets allocated to each mutual fund is:

TIAA-CREF Equity Index Fund	25.20%
TIAA-CREF International Equity Index Fund	9.60%
TIAA –CREF Emerging Markets Equity Index Fund	2.40%
TIAA-CREF Real Estate Securities Fund	2.80%
TIAA-CREF Bond Index Fund	42.00%
TIAA-CREF Inflation-Linked Bond Fund	12.00%
TIAA-CREF High Yield Fund	6.00%

Through its investments in these mutual funds, this Investment Portfolio intends to indirectly allocate a certain percentage of its assets to:

- domestic equity securities across all capitalization ranges;
- equity securities of foreign issuers, including issuers located in developed countries and emerging market countries;
- equity securities of issuers that are principally engaged in or related to the real estate industry, including those that own significant real estate assets, such as REITS;
- a wide spectrum of public, investment-grade, taxable debt securities denominated in U.S. dollars including government securities, as well as mortgage-backed, commercial mortgage-backed and asset-backed securities;
- inflation-indexed bonds, the principal value of which increases or decreases based on changes in an official inflation measure of varying maturities issued by U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations, which may be represented by forwards or derivatives; and
- high yield securities (commonly called junk bonds) issued by both domestic and foreign companies.

Investment Risks. Through its investments in the mutual funds above, this Investment Portfolio is subject to Active Management Risk, Call Risk, Credit Risk, Derivatives Risk, Emerging Markets Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Foreign Investment Risk, Income Volatility Risk, Index Risk, Interest Rate Risk (a type of Market Risk), Issuer Risk (often called Financial Risk), Large-Cap Risk, Market Risk, Market Volatility, Liquidity and Valuation Risk (types of Market Risk), Mid-Cap Risk, Non-Investment Grade Securities Risk, Prepayment Risk, Real Estate Investing Risk, Small-Cap Risk and Special Risks for Inflation-Indexed Bonds.

**Passive Conservative Portfolio
(Risk level – Conservative to Moderate)**

Investment Objective. This Investment Portfolio seeks to provide preservation of capital along with a moderate long-term rate of return.

Investment Strategy. This Investment Portfolio invests in mutual funds that invest primarily in debt securities and a funding agreement. One of the mutual funds is considered an “index fund” meaning that it tracks a particular benchmark index while the other two mutual funds are actively-managed. The percentage of the Investment Portfolio’s assets allocated to each mutual fund and a funding agreement is:

TIAA-CREF Bond Index Fund	35.00%
TIAA-CREF Inflation-Linked Bond Fund	10.00%
TIAA-CREF High Yield Fund	5.00%
TIAA-CREF Life Funding Agreement	50.00%

Through its investments in these mutual funds and a funding agreement, this Investment Portfolio intends to indirectly allocate its assets to:

- a wide spectrum of public, investment-grade, taxable debt securities denominated in U.S. dollars including government securities, as well as mortgage-backed, commercial mortgage-backed and asset-backed securities;
- debt securities, the principal value of which increases and decreases based on changes in the Consumer Price Index for All Urban Consumers over the life of the securities (typically U.S. Treasury Inflation-Linked Securities, but also including inflation-linked bonds that are issued or guaranteed by U.S. and non-U.S. public or private sector entities;
- high yield securities (commonly called junk bonds) issued by both domestic and foreign companies; and
- a funding agreement issued by TIAA-CREF Life. (See Principal Plus Interest Portfolio for a description of the funding agreement.)

Investment Risks. Through its investments in the mutual funds above and in a funding agreement, this Investment Portfolio is subject to Active Management Risk, Call Risk, Credit Risk, Derivatives Risk, Emerging Markets Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Income Volatility Risk, Index Risk, Interest Rate Risk (a type of Market Risk), Issuer Risk (often called Financial Risk), Market Volatility, Liquidity and Valuation Risk (types of Market Risk), Non-Investment Grade Securities Risk, Prepayment Risk, Special Risks for Inflation-Indexed Bonds and the risk that TIAA-CREF Life fails to perform its obligations under the funding agreement for financial or other reasons.

**Passive Diversified Fixed Income Portfolio
(Risk level – Moderate)**

Investment Objective. This Investment Portfolio seeks to provide a moderate long-term rate of return primarily through current income.

Investment Strategy. This Investment Portfolio invests in mutual funds that invest primarily in debt securities. The majority of the Portfolio is invested in an “index fund” which means that the mutual fund attempts to track a benchmark index. The percentage of the Investment Portfolio’s assets allocated to each mutual fund is:

TIAA-CREF Bond Index Fund	70.00%
TIAA-CREF Inflation-Linked Bond Fund	20.00%
TIAA-CREF High Yield Fund	10.00%

Through its investments in these mutual funds, this Investment Portfolio intends to indirectly allocate its assets to:

- a wide spectrum of public, investment-grade, taxable debt securities denominated in U.S. dollars including government securities, as well as mortgage-backed, commercial mortgage-backed and asset-backed securities;
- debt securities, the principal value of which increases and decreases based on changes in the Consumer Price Index for All Urban Consumers over the life of the securities (typically U.S. Treasury Inflation-Linked Securities, but also including inflation-linked bonds that are issued or guaranteed by U.S. and non-U.S. public or private sector entities); and
- high yield securities (commonly called junk bonds) issued by both domestic and foreign companies.

Investment Risks. Through its investments in the mutual funds above, this Investment Portfolio is subject to Active Management Risk, Call Risk, Credit Risk, Derivatives Risk, Emerging Markets Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Income Volatility Risk, Index Risk, Interest Rate Risk (a type of Market Risk), Issuer Risk (often called Financial Risk),

Market Volatility, Liquidity and Valuation Risk (types of Market Risk), Non-Investment Grade Securities Risk, Prepayment Risk and Special Risks for Inflation-Indexed Bonds.

**Index International Equity Portfolio
(Risk level – Aggressive)**

Investment Objective. This Investment Portfolio seeks to provide a favorable long-term return, mainly from capital appreciation.

Investment Strategy. Each of the mutual funds in which this Investment Portfolio invests is considered an “index fund,” meaning that it attempts to track a benchmark index. The percentage of the Investment Portfolio’s assets allocated to each mutual fund is:

TIAA-CREF International Equity Index Fund	80.00%
TIAA-CREF Emerging Markets Equity Index Fund	20.00%

Through its investments in these mutual funds, this Investment Portfolio intends to indirectly allocate its assets to equity securities of foreign issuers, including issuers located in developed countries and in emerging market countries.

Investment Risks. Through its investments in the mutual funds above, this Investment Portfolio is subject to Emerging Markets Risk, Foreign Investment Risk, Index Risk, Issuer Risk (often called Financial Risk), Large-Cap Risk, Market Risk and Mid-Cap Risk.

Single Fund Investment Portfolios

There are five separate Single Fund Investment Portfolios, four of which are invested in one mutual fund each and one of which is solely allocated to a funding agreement. Each of these Investment Portfolios has its own investment objective and strategy, and each has a fixed risk level that does not change as the Beneficiary ages.

**Social Choice Portfolio
(Risk level – Aggressive)**

Investment Objective. This Investment Portfolio seeks to provide a favorable long-term total return.

Investment Strategy. This Investment Portfolio invests 100% of its assets in one mutual fund that invests primarily in equity securities. The mutual fund in which this Investment Portfolio is invested is:

TIAA-CREF Social Choice Equity Fund	100%
-------------------------------------	------

Through its investment in this mutual fund, this Investment Portfolio intends to indirectly allocate its assets to equity securities of companies (including a small percentage of foreign companies) that have been

screened to meet certain social, environmental and governance criteria.

Investment Risks. Through its investments in the mutual fund above, this Investment Portfolio is subject to Active Management Risk, Foreign Investment Risk, Index Risk, Issuer Risk (often called Financial Risk), Market Risk, Mid-Cap Risk, Quantitative Analysis Risk, Small-Cap Risk and Social Criteria Risk.

Index Bond Portfolio
(Risk level – Moderate)

Investment Objective. This Investment Portfolio seeks to provide a moderate rate of return primarily through current income.

Investment Strategy. This Investment Portfolio invests 100% of its assets in an “index fund,” meaning that the mutual fund attempts to track a benchmark index. The mutual fund in which this Investment Portfolio is invested is:

TIAA-CREF Bond Index Fund	100%
---------------------------	------

Through its investment in this mutual fund, this Investment Portfolio intends to indirectly allocate its assets to a wide spectrum of public, investment-grade, taxable debt securities denominated in U.S. dollars, including government securities, as well as mortgage-backed, commercial mortgage-backed and asset-backed securities.

Investment Risks. Through its investments in the mutual fund above, this Investment Portfolio is subject to Call Risk, Credit Risk, Extension Risk, Fixed-Income Foreign Investment Risk, Income Volatility Risk, Index Risk, Interest Rate Risk (a type of Market Risk), Issuer Risk (often called Financial Risk), Market Volatility, Liquidity and Valuation Risk (types of Market Risk) and Prepayment Risk.

Index U.S. Large Cap Equity Portfolio
(Risk level – Aggressive)

Investment Objective. This Investment Portfolio seeks to provide a favorable long-term total return, mainly from capital appreciation.

Investment Strategy. This Investment Portfolio invests 100% of its assets in an “index fund,” meaning that the mutual fund attempts to track a benchmark index. The mutual fund in which this Investment Portfolio is invested is:

TIAA-CREF S&P 500 Index Fund	100%
------------------------------	------

Through its investment in this mutual fund, this Investment Portfolio intends to indirectly allocate its assets to large capitalization equity securities.

Investment Risks. Through its investments in the mutual fund above, this Investment Portfolio is subject to Index Risk, Issuer Risk (often called Financial Risk), Large-Cap Risk and Market Risk.

Index U.S. Equity Portfolio
(Risk level – Aggressive)

Investment Objective. This Investment Portfolio seeks to provide a favorable long-term growth, mainly from capital appreciation.

Investment Strategy. This Investment Portfolio invests 100% of its assets in an “index fund,” meaning that the mutual fund attempts to track a benchmark index. The mutual fund in which this Investment Portfolio is invested is:

TIAA-CREF Equity Index Fund	100%
-----------------------------	------

Through its investment in this mutual fund, this Investment Portfolio intends to indirectly allocate its assets to domestic equity securities across all capitalization ranges.

Investment Risks. Through its investments in the mutual fund above, this Investment Portfolio is subject to Index Risk, Issuer Risk (often called Financial Risk), Large-Cap Risk, Market Risk, Mid-Cap Risk and Small-Cap Risk.

Principal Plus Interest Portfolio
(Risk level – Conservative)

Investment Objective. This Investment Portfolio seeks to preserve capital and provide a stable return.

Investment Strategy. The assets in this Investment Portfolio are allocated to a funding agreement issued by TIAA-CREF Life, which is an affiliate of TFI, to the Board as the policyholder on behalf of the Plan. The funding agreement provides a minimum guaranteed rate of return on the amounts allocated to it by the Investment Portfolio. The minimum effective annual interest rate will be neither less than 1% nor greater than 3% at any time. The guarantee is made by the insurance company to the policyholder, not to Participants. In addition to the guaranteed rate of interest to the policyholder, the funding agreement allows for the possibility that additional interest may be credited as declared periodically by TIAA-CREF Life. The rate of any additional interest is declared in advance for a period of up to 12 months and is not guaranteed for any future periods. The current effective annual interest rate applicable to the funding agreement will be posted on the Plan’s website. The funding agreement to which this Investment Portfolio is allocated is:

TIAA-CREF Life Funding Agreement	100%
----------------------------------	------

Investment Risks. There is a risk that TIAA-CREF Life could fail to perform its obligations under the funding agreement for financial or other reasons.

Explanation of Investment Risks of the Investment Portfolios

Active Management Risk — An advisor's strategy, investment selection, investment techniques, risk analysis or trading execution may cause a mutual fund to underperform relative to its benchmark index or mutual funds with similar investment objectives and strategies. The advisor's judgments about the attractiveness, value, risks or potential appreciation of a mutual fund's investments may prove incorrect. Legislative, regulatory or tax developments may affect the investment techniques available to an advisor.

Call Risk — During periods of falling interest rates, an issuer may call (or repay) a fixed-income security prior to maturity, resulting in a decline in a mutual fund's income.

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

Credit Risk (a type of Issuer Risk) — The issuer or guarantor of a debt security or the counterparty to a derivative contract may not be able or willing to meet its financial obligations, such as interest or principal payments, when due. High yield bond and loan issuers are more likely to suffer an adverse change in financial condition that would result in the inability to meet a financial obligation. Accordingly, securities and loans involving such companies carry a higher risk of default and should be considered speculative. A mutual fund's overall credit risk is increased to the extent that it invests in loans not secured by collateral or if it purchases a participation interest in a loan.

Currency Risk — A mutual fund's investments in foreign (non-U.S.) currencies or in securities that trade in, or receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies may decline in value relative to the U.S. dollar. A foreign government may convert, or be forced to convert, its currency to another currency, thereby changing its value against the U.S. dollar.

Derivatives Risk — Derivatives are instruments whose value is derived from that of other assets, rates or indices. The use of derivatives for non-hedging purposes may be considered more speculative than other types of investments. The risks associated with investing in derivatives may be different and greater than the risks associated with directly investing in the underlying securities and other instruments. Futures, options and other derivatives, such as swaps, may present counterparty, credit, liquidity, interest rate,

management, market, mispricing and improper valuation risks. Changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index, and investing in a derivative can result in a loss greater than the principal amount invested.

Emerging Markets Risk — The risk of foreign investment may be especially high in countries with emerging markets. The governments and economies of these countries may be more unstable than developed countries. Numerous emerging market countries have a history of, and continue to experience serious, and potentially continuing, economic and political problems. Securities of companies located in emerging market countries may be substantially more volatile, and may be substantially less liquid, than the securities of companies located in developed foreign markets. Stock markets in many emerging market countries are relatively small, expensive to trade in and generally have higher risks than those in developed markets. Foreigners are often limited in their ability to invest in, and withdraw assets from, these markets. Additional restrictions may be imposed under other conditions. In addition, foreign investors, such as a mutual fund, are subject to a variety of special restrictions in many emerging market countries. Frontier market countries generally have smaller economies or less developed capital markets and, as a result, the risks of investing in emerging market countries are magnified in frontier market countries.

Extension Risk — During periods of rising interest rates, borrowers may pay off their mortgage loans later than expected, preventing a mutual fund from reinvesting principal proceeds at higher interest rates and resulting in less income than potentially available.

Fixed-Income Foreign Investment Risk — Investment in fixed-income securities or financial instruments of foreign issuers involves increased risks due to adverse issuer, political, regulatory, currency, market or economic developments. These developments may impact the ability of a foreign debt issuer to make timely and ultimate payments on its debt obligations to a mutual fund or impair a mutual fund's ability to enforce its rights against the foreign debt issuer. These risks are heightened in emerging or developing markets. Foreign investments may also be less liquid and more difficult to value than investments in U.S. issuers.

Foreign Investment Risk — Foreign markets can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, currency, market, taxation or economic developments and can result in greater price volatility and may perform differently from financial instruments of U.S. issuers. Foreign markets may also be smaller than U.S. markets and may have different reporting, accounting and auditing standards. Foreign investments may also be less liquid, more difficult to value, and subject to less regulation. These risks may be especially high in emerging or developing market countries.

Growth Investing Risk — Different investment styles tend to shift in and out of favor depending on market conditions and investor sentiment. A mutual fund's growth approach to investing could cause it to underperform relative to other stock funds that employ a different investment style. Growth stocks tend to be more volatile than certain other types of stock and their prices fluctuate more dramatically than the overall stock market. A stock with growth characteristics can have share price declines due to decreases in current or expected earnings and may lack dividends that can help cushion its share price in a declining market. Growth-oriented mutual funds may underperform when value investing is in favor.

High Yield Risk — High Yield securities and unrated securities of similar credit quality (commonly known as "junk bonds") are subject to greater levels of credit and liquidity risks than are higher-rated securities. High yield securities are considered primarily speculative with respect to the issuer's continuing ability to make principal and interest payments. In addition, high yield securities can be harder to value and sell, generally have higher rates of default, and their prices can be more volatile than more highly rated securities.

Illiquid Investments Risk — Illiquid investments may be difficult to purchase or sell for their fair market value and a mutual fund may be unable to purchase or sell illiquid securities at an advantageous time or price. Certain illiquid investments may not have an active trading market and may have contractual restrictions on resale which could delay their sale and adversely impact the sale price. In addition, a mutual fund may be unable to achieve its desired level of exposure to a certain sector.

Impairment of Collateral Risk — The value of collateral securing a floating rate loan in which a mutual fund may invest could decline, be insufficient to satisfy the loan obligation, or be difficult to liquidate. A mutual fund's access to collateral could be limited by bankruptcy or by the type of loan it purchases. As a result, a collateralized senior loan may not be fully collateralized and can decline significantly in value.

Income Volatility Risk — The level of current income from a portfolio of fixed-income investments may decline in certain interest rate environments.

Index Risk — A mutual fund's performance may not correspond to its benchmark index for any period of time and may underperform such index or the overall stock market. Additionally, to the extent that a mutual fund's investments vary from the composition of its benchmark index, the mutual fund's performance could potentially vary from the index's performance to a greater extent than if the mutual fund merely attempted to replicate the index.

Interest Rate Risk (a type of **Market Risk**) — Increases in interest rates can cause the prices of fixed-income

securities to decline. This risk is heightened to the extent that a mutual fund invests in longer duration fixed-income investments and during periods when prevailing interest rates are low. A mutual fund with a longer average portfolio duration will be more sensitive to changes in interest rates than a mutual fund with a shorter average portfolio duration.

Issuer Risk (often called **Financial Risk**) — An issuer's earnings prospects and overall financial position may deteriorate and thus cause a decline in the value of the issuer's financial instruments over short or extended periods of time. The value of a security may decline for a reason directly related to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's goods or services.

Large-Cap Risk — Large-capitalization companies may be more mature and may grow more slowly than the economy as a whole and tend to go in and out of favor based on market and economic conditions. Securities issued by large-cap companies tend to be less volatile than securities issued by smaller companies. However, larger companies may not be able to attain the high growth rates of successful smaller companies, especially during strong economic periods, and may be unable to respond as quickly to competitive challenges.

Leverage Risk — Certain transactions of a mutual fund, such as reverse repurchase agreements, loans of portfolio securities, and the use of when-issued, delayed delivery or forward commitment transactions, or derivative instruments, may give rise to leverage and cause the mutual fund to be more volatile than if it had not been leveraged.

Market Risk — The market prices of investments held by a mutual fund may fall rapidly or unpredictably due to a variety of factors, including changing economic, political or market conditions. Market risk may affect a single issuer, industry or sector of the economy, or it may affect the market as a whole. Stocks generally fluctuate in value more than bonds and may decline significantly over short time periods. Stock markets tend to move in cycles with periods of rising prices and falling prices.

Market Volatility, Liquidity and Valuation Risk (types of **Market Risk**) — Volatile or dramatic reductions in trading activity may make it difficult for a mutual fund to properly value its investments and a mutual fund may not be able to purchase or sell an investment at an attractive price, if at all.

Mid-Cap Risk — The stocks of mid-capitalization companies often experience greater price volatility, lower trading volume and less liquidity than the stocks of larger, more established companies.

Mortgage-Related and Other Asset-Backed Securities Risk — Mortgage-related and other asset-backed securities in which a mutual fund may invest are

subject to several risks, including interest rate risk, extension risk and prepayment risk.

Prepayment Risk — During periods of falling interest rates, borrowers may pay off the principal on a loan (including a mortgage loan) sooner than expected. Such early payments may cause a mutual fund to reinvest the unanticipated proceeds at lower interest rates, which could result in a decline in income, and reduces the potential for price gains.

Quantitative Analysis Risk — Stocks selected using quantitative modeling and analysis could perform differently from the market as a whole.

Real Estate Investing Risk — A mutual fund that invests in securities related to the real estate industry is subject to all of the risks associated with the ownership of real estate. These risks include, among others, declines in the value of real estate, negative changes in the climate for real estate, risks related to general and local economic conditions, decreases in property revenues, increases in prevailing interest rates, property taxes and operating expenses, changes in zoning laws and costs resulting from the clean-up of environmental problems.

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

Senior Loans Risk — Senior loans are subject to the risk that a court could subordinate a senior loan, which typically holds the most senior position in an issuer's capital structure, to presently existing or future indebtedness or take other action detrimental to the holders of senior loans.

Short Sale Risk — A mutual fund that enters into a short sale may potentially lose more money than the actual cost of the investment. For example, a third party to the short sale may fail to honor its contract terms, which could cause a loss for the mutual fund.

Small-Cap Risk — The stocks of small-capitalization companies often experience greater price volatility than large- or mid-sized companies because small-cap companies are often newer or less established than larger companies and are likely to have more limited resources, products and markets. Securities of small-cap companies are often less liquid than securities of larger companies as a result of there being a smaller market for their securities and this could make it difficult to sell a small-cap company security at a desired time or price. In general, small-cap companies are also more

vulnerable than larger companies to adverse business or economic developments.

Social Criteria Risk — When a mutual fund uses social criteria to exclude securities of certain issuers for non-financial reasons, the mutual fund may forgo some market opportunities available to mutual funds that do not use these social criteria.

Special Risks for Inflation-Indexed Bonds — Interest payments on, or the market value of, inflation-indexed investments may decline because of a decline in inflation (or deflation) or changes in investors' and/or the market's inflation expectations. In addition, inflation indices may not reflect the true rate of inflation.

Value Investing Risk — Different investment styles tend to shift in and out of favor depending on market conditions and investor sentiment. A mutual fund's value approach to investing could cause it to underperform relative to other stock funds that employ a different investment style. The intrinsic value of a stock with value characteristics may not be fully recognized by the market for a long time or a stock judged to be undervalued may actually be appropriately priced at a low level.

Information about the Funding Agreements and the Mutual Funds in which the Investment Portfolios Invest

Information about the funding agreements is contained in this Disclosure Booklet within the Principal Plus Interest Portfolio description. Additional information about the investment strategies and risks of each mutual fund in which an Investment Portfolio invests is available in the mutual fund's current prospectus and statement of additional information. You can request a copy of the current prospectus, the statement of additional information or the most recent semiannual or annual report of each such mutual fund by:

- calling 1-800-223-1200 or visiting www.tiaa-cref.org/prospectuses/index.html for the TIAA-CREF funds. (The investment advisor to the TIAA-CREF funds is Teachers Advisors, Inc., an affiliate of the Plan Manager);
- calling 512-306-7400 or visiting www.dimensionalfund.com for the DFA funds;
- calling 1-888-877-4626 or visiting <http://investments.pimco.com/prospectuses> for the PIMCO funds;
- calling 1-800-225-5132 or visiting <http://corporate.troweprice.com> for the T. Rowe Price funds.

Risks of Investing in the Plan

Investment Risks. Through its investments, an Investment Portfolio is subject to one or more of the investment risks summarized above. The value of your Account may increase or decrease over time based on

the performance of the Investment Portfolios you selected. There is a risk that you could lose part or all of the value of your Account and that your Account may be worth less than the total amount contributed to it.

No Guarantee of Attendance. There is no guarantee that a Beneficiary will be accepted for admission to an Eligible Educational Institution, or, if admitted, will graduate or receive a degree, or otherwise be permitted to continue to be enrolled at an Eligible Educational Institution.

No Guarantee of Costs. Increases in Qualified Higher Education Expenses could exceed the rate of return of the Investment Portfolios over the same time period. Even if the value of all Accounts for a Beneficiary reaches the maximum account balance, those funds may not be sufficient to pay all Qualified Higher Education Expenses of the Beneficiary.

Changes in Law. Changes to federal or California laws, including Section 529, may adversely impact the Plan. For example, Congress could amend Section 529 or other federal law in a manner that would materially change or eliminate the federal tax treatment described in this Disclosure Booklet. The State of California could also make changes to California tax law that could materially affect the California tax treatment of the Plan. In addition, the U.S. Treasury Department has issued proposed regulations addressing certain aspects of Section 529, but has not issued final regulations. Final regulations, if issued, may differ from the proposed regulations and may apply retroactively. Other administrative guidance or court decisions may be issued that could affect the tax treatment described in this Disclosure Booklet.

Not an Investment in Mutual Funds or Registered Securities. Although certain Investment Portfolios invest in mutual funds, neither the Plan nor any of the Plan's Investment Portfolios is a mutual fund. An investment in the Plan is considered an investment in municipal fund securities that are issued and offered by the State of California. These securities are not registered with the U.S. Securities and Exchange Commission ("SEC") or any state, nor are the Plan or any of the Plan's Investment Portfolios registered as investment companies with the SEC or any state.

Potential Plan Changes, including Change of the Plan Manager. The Board may change or terminate the Plan. For example, the Board could change the Plan's fees, add or close an Investment Portfolio, change the investments of the Investment Portfolios or change the Plan manager. In certain circumstances, the Board may terminate your participation in the Plan and close your Account. Depending on the change, you may be required to participate, or be prohibited from participating, in the change if your Account was established prior to the change. If the Board changes the Plan manager, your Account may automatically be invested in new investment portfolios or you may need

to open a new Account in the Plan to make future contributions on behalf of your Beneficiary. There is no guarantee that such a change would be without tax implications or that Plan investment portfolios in the future will be similar to those described in this Disclosure Booklet. Certain Plan transactions, such as those that relate to changing the Plan manager, could result in the assets of the Plan being temporarily held in cash. Certain Plan transactions could also result in additional expenses or could negatively impact the performance of the Investment Portfolios.

Potential Impact on Financial Aid. The eligibility of your Beneficiary for financial aid will depend upon the circumstances of the Beneficiary's family at the time the Beneficiary enrolls in school, as well as on the policies of the governmental agencies, school or private organizations to which the Beneficiary or the Beneficiary's family applies for financial assistance. Because saving for college will increase the financial resources available to the Beneficiary, there will most likely be some effect on the Beneficiary's eligibility. However, because these policies vary at different institutions and can change over time, it is not possible to predict how the federal financial aid program, state or local government, private organizations or the school to which your Beneficiary applies, will treat your Account.

Medicaid Eligibility. The eligibility of a Participant for Medicaid assistance could be impacted by the Participant's ownership of a college savings account in a 529 Plan. Medicaid laws and regulations may change and you should consult with a qualified advisor regarding your particular situation.

Suitability; Investment Alternatives. None of the State of California, the Trust, the Board, each Board member, the Plan or the Plan Manager make any representations regarding the suitability of any Investment Portfolios for any particular investor or the appropriateness of the Plan as a college savings investment vehicle. Other types of investments may be more appropriate depending upon your residence, financial condition, tax situation, risk tolerance or the age of the Beneficiary. Various 529 Plans other than the Plan, including programs designed to provide prepaid tuition, are currently available, as are other investment alternatives. The investments, fees, expenses, eligibility requirements, tax and other consequences and features of these alternatives may differ from those of the Plan. Before investing in the Plan, you may wish to consider alternative college savings vehicles and you should consult with a qualified advisor to discuss your options.

No Insurance or Guarantee. None of the State of California, the Plan, the Trust, the Board, each Board member, the Federal Deposit Insurance Corporation, nor any other government agency or entity, nor any of the service providers to the Plan insure any Account or guarantee any rate of return or any interest on any contribution to the Plan.

Past Performance

The following tables show the returns of each Investment Portfolio over the time period(s) indicated. (For purposes of this discussion, each Age Band in the Age-Based Investment Portfolios is considered a separate Investment Portfolio.)

The tables below compare the average annual total return of an Investment Portfolio (after deducting fees and expenses) to the returns of a benchmark. The benchmark included in the tables combines the benchmark(s) for the underlying investment(s) in which an Investment Portfolio invests weighted according to the allocations to those underlying investment(s) and adjusted to reflect any changes in the allocations and/or the benchmark(s) during the relevant time period. Benchmarks are not available for investment, are not managed, and do not reflect the fees or expenses of investing.

Past performance is not a guarantee of future results. Performance may be substantially affected over time by changes in the allocations and/or changes in the investments in which each Investment Portfolio invests. Investment returns and the principal value will fluctuate, so that your Account, when redeemed, may be worth more or less than the amounts contributed to your Account.

For monthly performance information, visit the Plan's website at www.ScholarShare.com or call the Plan at 1-800-544-5248.

Active Age-Based Portfolio

Average Annual Total Returns For the Period Ended April 30, 2014

Age Bands	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
0 – 4 Years	15.05%	N/A	N/A	N/A	15.69%	November 4, 2011
Benchmark	12.52%	N/A	N/A	N/A	14.52%	
5 – 8 Years	13.27%	N/A	N/A	N/A	14.48%	November 4, 2011
Benchmark	10.77%	N/A	N/A	N/A	12.96%	
9 – 10 Years	11.36%	N/A	N/A	N/A	13.26%	November 4, 2011
Benchmark	9.04%	N/A	N/A	N/A	11.41%	
11 – 12 Years	9.32%	N/A	N/A	N/A	11.98%	November 4, 2011
Benchmark	7.32%	N/A	N/A	N/A	9.87%	
13 – 14 Years	7.33%	N/A	N/A	N/A	10.71%	November 4, 2011
Benchmark	5.62%	N/A	N/A	N/A	8.33%	
15 Years	5.54%	N/A	N/A	N/A	9.00%	November 4, 2011
Benchmark	4.05%	N/A	N/A	N/A	6.57%	
16 Years	4.68%	N/A	N/A	N/A	7.89%	November 4, 2011
Benchmark	3.33%	N/A	N/A	N/A	5.58%	
17 Years	3.90%	N/A	N/A	N/A	6.55%	November 4, 2011
Benchmark	2.66%	N/A	N/A	N/A	4.48%	
18 Years and over	3.09%	N/A	N/A	N/A	5.18%	November 4, 2011
Benchmark	2.00%	N/A	N/A	N/A	3.39%	

Passive Age-Based Portfolio

Average Annual Total Returns for the Period Ended April 30, 2014

Age Bands	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
0 – 4 Years	13.02%	N/A	N/A	N/A	14.68%	November 4, 2011
Benchmark	12.59%	N/A	N/A	N/A	14.78%	
5 – 8 Years	11.29%	N/A	N/A	N/A	13.16%	November 4, 2011
Benchmark	10.85%	N/A	N/A	N/A	13.24%	
9 – 10 Years	9.58%	N/A	N/A	N/A	11.64%	November 4, 2011
Benchmark	9.14%	N/A	N/A	N/A	11.70%	
11 – 12 Years	7.73%	N/A	N/A	N/A	10.02%	November 4, 2011
Benchmark	7.43%	N/A	N/A	N/A	10.16%	
13 – 14 Years	5.97%	N/A	N/A	N/A	8.46%	November 4, 2011
Benchmark	5.75%	N/A	N/A	N/A	8.63%	
15 Years	4.61%	N/A	N/A	N/A	6.88%	November 4, 2011
Benchmark	4.18%	N/A	N/A	N/A	6.84%	
16 Years	3.96%	N/A	N/A	N/A	5.96%	November 4, 2011
Benchmark	3.44%	N/A	N/A	N/A	5.82%	
17 Years	3.39%	N/A	N/A	N/A	5.00%	November 4, 2011
Benchmark	2.76%	N/A	N/A	N/A	4.68%	
18 Years and over	2.89%	N/A	N/A	N/A	4.06%	November 4, 2011
Benchmark	2.07%	N/A	N/A	N/A	3.55%	

Multi-Fund Investment Portfolios

Average Annual Total Returns for the Period Ended April 30, 2014

Investment Portfolios	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
Active Diversified Equity Portfolio	18.85%	N/A	N/A	N/A	18.11%	November 4, 2011
Benchmark	16.06%	N/A	N/A	N/A	17.64%	
Active Growth Portfolio	13.27%	N/A	N/A	N/A	14.48%	November 4, 2011
Benchmark	10.77%	N/A	N/A	N/A	12.96%	
Active Moderate Growth Portfolio	7.17%	N/A	N/A	N/A	11.19%	November 9, 2011
Benchmark	5.62%	N/A	N/A	N/A	8.72%	
Active Conservative Portfolio	-0.09%	N/A	N/A	N/A	3.22%	November 4, 2011
Benchmark	-0.47%	N/A	N/A	N/A	1.15%	
Active International Equity Portfolio	10.98%	N/A	N/A	N/A	13.75%	November 10, 2011
Benchmark	10.03%	N/A	N/A	N/A	13.37%	
Active Diversified Fixed Income Portfolio	-0.95%	N/A	N/A	N/A	5.47%	November 8, 2011
Benchmark	-1.02%	N/A	N/A	N/A	2.29%	
Passive Diversified Equity Portfolio	16.37%	N/A	N/A	N/A	17.70%	November 4, 2011
Benchmark	16.10%	N/A	N/A	N/A	17.89%	
Passive Growth Portfolio	11.13%	N/A	N/A	N/A	13.09%	November 4, 2011
Benchmark	10.85%	N/A	N/A	N/A	13.24%	
Passive Moderate Growth Portfolio	5.99%	N/A	N/A	N/A	8.40%	November 8, 2011
Benchmark	5.75%	N/A	N/A	N/A	8.49%	
Passive Conservative Portfolio	-0.10%	N/A	N/A	N/A	1.55%	November 4, 2011
Benchmark	-0.38%	N/A	N/A	N/A	1.32%	
Passive Diversified Fixed Income Portfolio	-1.12%	N/A	N/A	N/A	2.34%	November 8, 2011
Benchmark	-0.84%	N/A	N/A	N/A	2.64%	
Index International Equity Portfolio	10.74%	N/A	N/A	N/A	12.86%	November 4, 2011
Benchmark	10.20%	N/A	N/A	N/A	12.66%	

Single Fund Investment Portfolios

Average Annual Total Returns for the Period Ended April 30, 2014

Investment Portfolios	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
Social Choice Portfolio	19.92%	N/A	N/A	N/A	19.36%	November 4, 2011
Benchmark	20.78%	N/A	N/A	N/A	20.61%	
Index Bond Portfolio	-0.57%	N/A	N/A	N/A	1.79%	November 4, 2011
Benchmark	-0.26%	N/A	N/A	N/A	2.19%	
Index U.S. Large Cap Equity Portfolio	20.23%	N/A	N/A	N/A	20.22%	November 4, 2011
Benchmark	20.44%	N/A	N/A	N/A	20.44%	
Index U.S. Equity Portfolio	20.68%	N/A	N/A	N/A	20.40%	November 4, 2011
Benchmark	20.78%	N/A	N/A	N/A	20.61%	
Principal Plus Interest Portfolio	1.47%	N/A	N/A	N/A	1.47%	November 4, 2011

Withdrawals

Only you, the Participant, may request withdrawals from your Account. There are two components of a withdrawal – principal (the amount contributed to the Account) and earnings, if any (the amount of market return or interest earned on amounts contributed). Whether the earnings portion is subject to tax depends on the purpose for which you use the withdrawal proceeds, as summarized below.

A withdrawal will receive the Unit value next calculated for the Investment Portfolio(s) from which you requested a withdrawal after a completed withdrawal request is received in good order by the Plan. If your Account is invested in more than one Investment Portfolio, you must select the Investment Portfolio(s) from which your funds are to be withdrawn. You will not be able to withdraw a contribution until 10 days after receipt of that contribution by the Plan. If you make a change to your mailing address or to your banking information on file, or if you transfer the Account to a new Participant, no withdrawals can be made from the Account for 30 days after the Plan has received the request form, unless you have provided a medallion signature guarantee as set forth on the appropriate Plan form. You will be required to provide a medallion signature guarantee for withdrawal requests of \$100,000 or more.

To request a withdrawal from your Account, complete and mail the appropriate Plan form to the Plan or make a request through the secure portion of the Plan website or by telephone. Withdrawal proceeds may generally be paid to you, the Beneficiary, an Eligible Educational Institution, or other third party. There are certain limitations as to whom the proceeds may be paid depending on the method of the withdrawal request. For more information, review the Plan's Withdrawal

Request Form. Potential federal tax consequences associated with withdrawals are set forth below.

You and your Beneficiary are responsible, under federal and California tax law, to substantiate your treatment of contributions to, withdrawals from, and other transactions involving your Account. You should retain receipts, invoices and other documents and information adequate to substantiate your treatment of such transactions, including the treatment of expenses as Qualified Higher Education Expenses.

Types of Withdrawals. Each withdrawal you make from your Account will fall into one of the following categories:

- a Qualified Withdrawal;
- a Taxable Withdrawal;
- an outgoing rollover; or
- a Non-Qualified Withdrawal.

Qualified Withdrawals. To be a Qualified Withdrawal, the withdrawal must be used to pay for Qualified Higher Education Expenses of the Beneficiary at an Eligible Educational Institution. No portion of a Qualified Withdrawal will be taxed.

Qualified Higher Education Expenses are defined generally to include:

- tuition;
- certain room and board expenses;
- fees;
- books; and
- supplies and equipment

required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution. Qualified Higher Education Expenses include certain

additional enrollment and attendance costs of Beneficiaries with special needs. Unlike other expenses, the cost of room and board may be treated as Qualified Higher Education Expenses only if it is incurred during an academic period during which the Beneficiary is enrolled or accepted for enrollment in a degree, certificate or other program that leads to a recognized educational credential awarded by an Eligible Educational Institution, and during which the Beneficiary is enrolled at least half-time. (Half-time is defined as half of a full-time academic workload for the course of study the Beneficiary is pursuing based on the standard at the Beneficiary's Eligible Educational Institution.) The amount of room and board expenses that may be treated as a Qualified Higher Education Expense is generally limited to the room and board allowance applicable to a student that is included by the Eligible Educational Institution in its "cost of attendance" for purposes of determining eligibility for federal education assistance for that year. For students living in housing owned or operated by the Eligible Educational Institution, if the actual invoice amount charged by the Eligible Educational Institution for room and board is higher than the "cost of attendance" figure, then the actual invoice amount may be treated as qualified room and board costs.

Taxable Withdrawals. A Taxable Withdrawal is a withdrawal from your Account that is: (1) paid to a beneficiary of, or the estate of, the Beneficiary on or after the Beneficiary's death or attributable to the permanent disability of the Beneficiary; (2) made on account of the receipt by the Beneficiary of a scholarship award or veterans' or other nontaxable educational assistance (other than gifts or inheritances), but only to the extent of such scholarship or assistance; or (3) made on account of the Beneficiary's attendance at a military academy, but only to the extent of the costs of education attributable to such attendance. In addition, the amount of the Beneficiary's relevant Qualified Higher Education Expenses that is taken into account in determining the Beneficiary's Hope/American Opportunity Credit or Lifetime Learning Credit is treated as a Taxable Withdrawal.

The earnings portion of a Taxable Withdrawal is subject to income tax but not to the Additional Tax.

Outgoing Rollovers. You may roll over funds from an Account to an account in another state's 529 Plan for the same Beneficiary without adverse federal tax consequences, provided that it has been at least 12 months from the date of a previous transfer to a 529 Plan for that Beneficiary. You may also roll over funds from an Account to an account in another state's 529 Plan (or an Account in the Plan for a new Beneficiary) without adverse federal tax consequences, provided that the new Beneficiary is a Member of the Family of the previous Beneficiary. If you roll over funds more than once in 12 months without a change in Beneficiary, every rollover after the first will be considered a Taxable Withdrawal or a Non-Qualified Withdrawal, depending

on the circumstances. If you roll over funds to a new Beneficiary that is not a Member of the Family of the previous Beneficiary, that will be considered a Taxable Withdrawal or a Non-Qualified Withdrawal, depending on the circumstances.

Outgoing rollovers may be direct or indirect. Direct rollovers involve the transfer of funds directly from an Account to an account in another state's 529 Plan (or an Account in the Plan for a different Beneficiary). Indirect rollovers involve the transfer of funds from an Account to the Participant, who then contributes the funds to an account in another state's 529 Plan (or an Account in the Plan for a different Beneficiary). To avoid adverse federal tax consequences, the funds received by the Participant from the rollover must be contributed to the new account (or an Account in the Plan) within 60 days of withdrawal from the Account. If the contribution to the new account (or an Account in the Plan) occurs after the 60-day time frame, the rollover will be considered a Taxable Withdrawal or a Non-Qualified Withdrawal, depending on the circumstances.

The 529 Plan of another state may impose restrictions on or prohibit certain types of incoming rollovers. Be sure to check with the other 529 Plan before requesting an outgoing rollover from the Plan.

Non-Qualified Withdrawals. A Non-Qualified Withdrawal is any withdrawal that does not meet the requirements of being: (1) a Qualified Withdrawal; (2) a Taxable Withdrawal; or (3) an outgoing rollover to another state's 529 Plan or to an Account within the Plan for a different Beneficiary who is a Member of the Family of the previous Beneficiary.

The earnings portion of a Non-Qualified Withdrawal is subject to income tax and the Additional Tax.

Information regarding California tax treatment of withdrawals from an Account may be found in "California Tax Information" below. You should consult with a qualified advisor regarding how both California and federal tax laws may apply to your particular circumstances.

Administration of the Plan

The Plan is a tax-advantaged way to save for college tuition and certain related expenses. The Plan was established by the State of California under Section 529 and the Statute. Pursuant to the Statute, the Board is the trustee of the Trust and all powers and duties of the Trust and the Plan are vested in and exercised by the Board. The Board appoints an Executive Director to administer and manage the Trust. The Trust's assets are held in a separate fund within the Trust. The Statute further provides the Board may make and enter into contracts necessary for the administration of the Trust and the Plan.

Board Responsibilities. The responsibilities of the Board with respect to the Plan include:

- Approving the Investment Portfolios offered in the Plan.
- Managing and operating the Plan.
- Adopting regulations for the administration of the Plan.
- Setting the dollar limit for the maximum account balance.

The Plan Manager

The Board selected TFI as the Plan Manager. TFI is a wholly owned, indirect subsidiary of Teachers Insurance and Annuity Association of America (“TIAA”). TIAA, together with its companion organization, the College Retirement Equities Fund (“CREF”), forms one of America’s leading financial services organizations and one of the world’s largest pension systems, based on assets under management.

Management Agreement. TFI and the Board, on behalf of the Plan, entered into a Management Agreement under which TFI provides certain services to the Plan, including investment recommendations, recordkeeping, reporting and marketing. The Management Agreement is set to terminate on November 6, 2016. At the Board’s discretion, the term may be extended for five one-year terms.

TFI Responsibilities. The responsibilities of TFI to the Plan include:

- Providing investment recommendations for the Plan.
- Providing certain administrative, marketing and customer support services to the Plan under the direction of the Board.

Confirmations, Account Statements and Tax Reports

Confirmations and Account Statements. You will receive confirmations of Account activity, as well as quarterly and annual Account statements indicating for the applicable time period: (1) contributions to your Account; (2) withdrawals from your Account; (3) the market value of your Account at the beginning and at the end of the period; and (4) earnings, if any, on your Account.

If you receive a confirmation that you believe does not accurately reflect your instructions or, an Account statement that does not accurately reflect information about your Account, you have 60 days from the date of the confirmation or Account statement to notify the Plan of the error. If you do not notify the Plan within that time, you will be deemed to have approved the information in the confirmation or Account statement and to have released the Plan and its service providers

from all responsibility for matters covered in the confirmation or Account statement.

You can securely access your Account information any time through the Plan website by obtaining an online user name and password through the website. (Certain entity Accounts are not eligible for online access.)

Tax Reports. Annually, the Plan will issue a Form 1099-Q to each distributee for any withdrawal(s) made from an Account in the previous calendar year as required by the IRC. The Plan will also report withdrawals to the IRS and to the State of California as may be required. Form 1099-Q shows the basis (contributions) and earnings, if any, portion for all withdrawals made from your Account. The Form 1099-Q recipient (which is deemed to be the Participant unless the withdrawal is paid to the Beneficiary or an Eligible Educational Institution on behalf of the Beneficiary) is responsible for determining whether the earnings portion of the withdrawal is taxable, for retaining appropriate documentation to support this determination and for appropriately reporting earnings on his/her federal and California income tax forms.

Financial Statements. Each year, audited financial statements will be prepared for the Plan. You may request a copy by contacting the Plan.

Federal Tax Information

The federal and California tax rules applicable to the Plan are complex and some of the rules have not yet been finalized. Their application to any particular person may vary according to facts and circumstances specific to that person. You should consult with a qualified advisor regarding how the rules apply to your circumstances. Any references to specific dollar amounts or percentages in this section are current only as of the date of this Disclosure Booklet; you should consult with a qualified advisor to learn if the amounts or percentages have been updated.

Contributions. Contributions to an Account generally will not result in taxable income to the Beneficiary. Contributions are made on an after-tax basis. A contributor may not deduct the contribution from income for purposes of determining federal income taxes.

Withdrawals. The federal tax treatment of withdrawals from an Account is described in the “Withdrawals” section above. A withdrawal may be subject to federal income tax and the Additional Tax. Only the earnings portion of a withdrawal is ever subject to federal income tax. All withdrawals are considered as attributable partially to contributions made to the Account and partially to earnings, if any.

Refunds of Payments of Qualified Higher Education Expenses. If an Eligible Educational Institution refunds any portion of an amount previously withdrawn from an Account and treated as a Qualified Withdrawal, you may

be required to treat the amount of the refund as a Non-Qualified Withdrawal or Taxable Withdrawal (depending on the reason for the refund) for purposes of federal income tax. Different treatment may apply if the refund is used to pay other Qualified Higher Education Expenses of the Beneficiary or to make a qualifying outgoing rollover. The treatment of refunds for federal income tax purposes is uncertain, and you should consult with a qualified advisor regarding such tax treatment.

Coordination with Other Income Tax Incentives for Education. In addition to the income tax benefits provided to Participants and Beneficiaries under Section 529, benefits are provided by several other provisions of the IRC for education-related investments or expenditures. These include Coverdell ESAs, Hope Scholarship/American Opportunity Credits, Lifetime Learning Credits and “qualified United States savings bonds” described in IRC Section 135 (“**qualified U.S. savings bonds**”). The available tax benefits for paying Qualified Higher Education Expenses through these programs must be coordinated in order to avoid the duplication of such benefits. Participants should consult a qualified tax advisor regarding the interaction under the IRC of the federal income tax education-incentive provisions addressing Account withdrawals.

Federal Gift, Estate and Generation-Skipping Transfer Tax Treatment. The tax treatment summarized in this section is complicated and will vary depending on your individual circumstances. You should consult with a qualified advisor regarding the application of these tax provisions to your particular circumstances.

Contributions to the Plan are generally considered completed gifts for federal tax purposes and, therefore, are potentially subject to federal gift tax. Generally, if a contributor's contributions to an Account for a Beneficiary, together with all other gifts by the contributor to the Beneficiary during the year, are less than, or equal to, the current annual exclusion of \$14,000 per year (\$28,000 for married contributors electing to split gifts), no federal gift tax will be imposed on the contributor for gifts to the Beneficiary during that year. This annual exclusion amount is indexed for inflation in \$1,000 increments and may therefore increase in future years.

If a contributor's contributions to an Account for a Beneficiary in a single year exceed \$14,000 (\$28,000 for married contributors electing to split gifts), the contributor may elect to treat up to \$70,000 of the contribution (\$140,000 in the case of a consenting married couple or a community property gift) as having been made ratably over a five-year period. (For purposes of determining the amount of gifts made by the contributor to that Beneficiary in the four-year period following the year of contribution, the contributor will need to take into account the ratable portion of the Account contribution allocated to that year.)

In addition, to the extent not previously used, each contributor has a lifetime exemption that will be applied to gifts in excess of the annual exclusion amounts referred to above. This lifetime exemption is adjusted for inflation and is currently \$5,340,000 for each contributor. A married couple may elect to split gifts and apply their combined exemption of \$10,680,000 to gifts by either of them. Accordingly, while federal gift tax returns are required for gifts in excess of the annual exclusion amounts referred to above (including gifts that the contributor elects to treat as having been made ratably over a five-year period), no federal gift tax will be due until the lifetime exemption has been used. The top gift tax rate is currently 40 percent.

Amounts in an Account that are considered completed gifts by the contributor generally will not be included in the contributor's gross estate for federal estate tax purposes. However, if the contributor elects to treat the gifts as having been made over a five-year period and dies before the end of the five-year period, the portion of the contribution allocable to the remaining years in the five-year period (not including the year in which the contributor died) would be includible in computing the contributor's gross estate for federal estate tax purposes. Amounts in an Account at the death of a Beneficiary will be included in the Beneficiary's gross estate for federal estate tax purposes to the extent such amounts are distributed to a beneficiary of, or the estate of, the Beneficiary. Each taxpayer has an estate tax exemption reduced by lifetime taxable gifts. This estate tax exemption is adjusted for inflation and is currently \$5,340,000 for each contributor. The top estate tax rate is currently 40 percent.

A change of the Beneficiary of an Account or a transfer of funds from an Account to an account for another Beneficiary will potentially be subject to federal gift tax if the new Beneficiary is in a younger generation than the generation of the Beneficiary being replaced or is not a Member of the Family of that Beneficiary. In addition, if the new Beneficiary is in a generation two or more generations younger than the generation of the prior Beneficiary, the transfer may be subject to the generation-skipping transfer tax. Each taxpayer has a generation-skipping transfer tax exemption that may be allocated during life or at death. This generation-skipping transfer tax exemption is adjusted for inflation and is currently \$5,340,000 for each contributor. The generation-skipping transfer tax rate is currently 40 percent. Under the proposed regulations under Section 529, these taxes would be imposed on the prior Beneficiary.

California Tax Information

The following discussion applies only with respect to California taxes. California tax treatment in connection with the Plan applies only to California taxpayers. You should consult with a qualified advisor regarding the application of California tax provisions to your particular circumstances.

Contributions. Contributions to an Account generally do not result in California taxable income to the Beneficiary. Contributions to an Account are not deductible for California income tax purposes.

Withdrawals. California's income taxation of withdrawals generally follows the federal income tax treatment described above. Earnings from the investment of contributions to an Account will not be subject to California income tax, if at all, until funds are withdrawn in whole or in part from the Account. Qualified Withdrawals and outgoing rollovers that are free from federal income tax are also free from California income tax. The earnings portions of a Taxable Withdrawal is subject to California income tax, but no portion of a Taxable Withdrawal is subject to the additional 2.5% California tax. The earnings portion of a Non-Qualified Withdrawal is subject to California income taxation and an additional 2.5% California tax.

Taxes Imposed by Other Jurisdictions. Prospective Participants should consider the potential impact of income taxes imposed by jurisdictions other than California. It is possible that other state or local taxes apply to withdrawals from or accumulated earnings within the Plan, depending on the residency, domicile or sources of taxable income of the Participant or the Beneficiary. Participants and Beneficiaries should consult with a qualified advisor regarding the applicability of state or local taxes imposed by other jurisdictions.

Other Information About Your Account

No Pledging of Account Assets. Neither you nor your Beneficiary may use your Account or any portion of your Account as security for a loan.

Protection of your Account in the Event of a Bankruptcy. The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 expressly excludes from an individual debtor's bankruptcy estate (and, therefore, will not be available for distribution to such individual's creditors), certain assets that have been contributed to a 529 Plan account. However, bankruptcy protection for 529 Plan assets is limited and has certain conditions. To be protected, the Account Beneficiary must be (or have been during the taxable year of the contribution) a child, stepchild, grandchild or step-grandchild of the individual who files for bankruptcy protection. In addition, contributions made to all 529 Plan accounts for the same beneficiary (meaning that your Account for a Beneficiary would be aggregated with any other account you have for the same Beneficiary in a 529 Plan in another state) are protected as follows: (1) there is no protection for any assets that are contributed less than 365 days before the bankruptcy filing; (2) assets are protected in an amount up to \$5,850 if they have been contributed between 365 and 720 days before the bankruptcy filing; and (3)

assets are fully protected if they have been contributed more than 720 days before the bankruptcy filing. This information is not meant to be individual advice, and you should consult with a qualified advisor concerning your individual circumstances and the applicability of California law.

APPENDIX I
to the Disclosure Booklet for the ScholarShare College Savings Plan

Participation Agreement for the ScholarShare College Savings Plan

Each term used but not defined in this Participation Agreement has the meaning given to it in the Disclosure Booklet. By signing the Application, you agree to all the terms and conditions in the Disclosure Booklet and in this Participation Agreement. Together, the Application and this Participation Agreement are referred to as the "Agreement."

This Agreement is entered into between you, the Participant and the ScholarShare Investment Board (the "Board"), acting as trustee to the Golden State ScholarShare College Savings Trust. The terms and conditions under which your Account in the Plan is offered are contained in this Agreement and the Disclosure Booklet. This Agreement becomes effective when the Plan opens an Account for you.

I, the Participant hereby acknowledge and agree with and represent and warrant to the Board as follows:

1. Disclosure Booklet. I read and understand the Disclosure Booklet, this Agreement and the Application. When making a decision to open an Account, I did not rely on any representations or other information, whether oral or written, other than those in the Disclosure Booklet and this Agreement.

2. Purpose for Account. I am opening this Account to provide funds for the Qualified Higher Education Expenses of the Beneficiary.

3. Accurate Information. I represent and warrant that I accurately and truthfully completed the Application and that any other documentation or information I provide or forms I fill out, including withdrawal requests, related to my Account(s) will be true and correct.

4. Account Owner Authority. As the Participant, I understand that only I may (i) provide instructions on how to invest contributions to my Account(s), (ii) direct transfers, (iii) request a rollover, (iv) change the investment strategy of my Account(s) (as permitted by applicable law), (v) change the Beneficiary or (vi) request withdrawals.

5. Maximum Account Balance. I understand that the amount of any contribution to an Account that would cause the market value of such Account and all other Accounts in the Plan for the same Beneficiary to exceed the maximum account balance, will be rejected and returned to me. I understand that the Board may change the maximum account balance at any time without notice.

6. One Beneficiary per Account. I understand that there may be only one Beneficiary per Account.

7. Incoming Rollovers. If I contribute to my Account using funds from (i) an incoming rollover from another 529 Plan, (ii) a Coverdell ESA, or (iii) the redemption of a qualified U.S. savings bond, I understand that I must so

inform the Plan and I must provide acceptable documentation showing the earnings portion of the contribution. If such documentation is not provided, the Plan must treat the entire amount of the contribution as earnings.

8. Allocation Instructions. I understand that on my Application, I must select one or more of the Investment Portfolios in which I want my initial contribution invested. I also must designate what percentage of the contribution made to the Account should be invested in each Investment Portfolio that I select. I understand that effective September 25, 2013, all future contributions to my Account by any method (excluding payroll deduction) will be invested in the Investment Portfolio(s) selected by me on my Application according to the percentages indicated on my Application until I change such Allocation Instructions.

9. No Investment Direction. I understand that all investment decisions for the Plan will be made by the Board. Although I must select the Investment Portfolio(s) in which I want contributions to my Account invested, I cannot directly or indirectly select the investments for an Investment Portfolio and an Investment Portfolio's investments may be changed at any time by the Board. I also understand that once invested in a particular Investment Portfolio, contributions (and earnings, if any) may be moved to another Investment Portfolio only once per calendar year or if I change the Beneficiary for that Account.

10. Withdrawals. I understand that once a contribution is made to an Account, my ability to withdraw funds without adverse tax consequences is limited. I understand these restrictions and potential tax liabilities and penalties are described in the Disclosure Booklet.

11. Investment Risks. I represent that I reviewed and understand the risks related to investing in the Plan discussed in the Disclosure Booklet. I understand that investment returns are not guaranteed by the State of California, the Board, each Board member, the Trust, the Plan, or any of the service providers to the Plan (including the Plan Manager), and that I assume all investment risk of an investment in the Plan, including the potential liability for taxes and penalties that may be assessable in connection with a withdrawal from my Account(s). I understand that I can lose money by investing in the Plan.

12. No Guarantees. I understand that participation in the Plan does not guarantee that actual qualified higher education expenses will be equal to projections and estimates provided by the Plan or that contributions and the investment return, if any, on contributions will be adequate to cover the higher education expenses of a Beneficiary, or that a Beneficiary will be admitted to, or if admitted will be determined a resident for tuition purposes, or be permitted to continue to attend an institution of higher education, or will graduate or receive a degree from any institution.

13. Loans. I understand that my Account(s) or any portion of my Account(s) cannot be used as collateral for any loan and that any attempt to do so shall be void.

14. Tax Records. I understand that for tax reporting purposes, I must retain adequate records relating to withdrawals from my Account(s).

15. Transfer of Account Ownership. I understand that if I transfer an Account to any other person, I will cease to have any right, title, claim or interest in the Account and that the transfer is irrevocable.

16. Not an Investor in Underlying Investments. I understand that I am not, by virtue of my investment in an Investment Portfolio of the Plan, a shareholder in or owner of interests in such Investment Portfolio's investments.

17. Changes to Laws. I understand that the Plan is established and maintained by the State of California pursuant to the Statute and is intended to qualify for certain federal income tax benefits under Section 529. I further understand that qualification under Section 529 is vital and that the Plan may be changed by the State of California and the Board at any time if it is determined that such change is required to maintain qualification under Section 529. I also understand that California and federal laws are subject to change for any reason, sometimes with retroactive effect, and that none of the State of California, the Board, the Board members, the Trust, the Plan, or any of the service providers to the Plan (including the Plan Manager) makes any representation that such California or federal laws will not be changed or repealed or that the terms and conditions of the Plan will remain as currently described in the Disclosure Booklet and this Agreement.

18. UGMA/UTMA and Trust Accounts. I understand that if I established the Account in my capacity as custodian for a minor under the Uniform Gifts to Minors Act or Uniform Transfers to Minors Act (UGMA/UTMA) or as the trustee for a trust established for a minor, the Account will be subject to certain specific requirements pursuant to UGMA/UTMA or the trust, as applicable, that I am solely responsible for compliance with such requirements, and I will:

- be required to provide the Plan with an original, signed certificate, a certified copy of material portions of the trust instrument, or a certified copy of a court order, that confirms the creation of a trust naming a minor as the trust beneficiary, identifies the trustee and authorizes the trustee to act on behalf of the trust beneficiary;
- not be permitted to change the Beneficiary of the Account either directly or by means of a rollover, except as permitted under UGMA/UTMA or the trust document, as applicable;
- not be permitted to name a successor participant, or to change ownership of the Account except as permitted under UGMA/UTMA or the trust document, as applicable; and
- be required to notify the Plan when the Beneficiary reaches the age of majority or is otherwise legally authorized to assume ownership of the Account so that the Beneficiary can be registered as the Participant and take control of the Account.

19. Legal Entity Participant. If I am a person establishing the Account on behalf of a legal entity and I sign the Application and enter into this Agreement for such entity, I represent and warrant that (i) the entity may legally become, and thereafter be, the Participant, (ii) I am duly authorized to act on behalf of/for the entity, (iii) the Disclosure Booklet may not discuss tax consequences and other aspects of the Plan that are relevant to the entity, and (iv) the entity has consulted with and relied on a professional advisor, as deemed appropriate by the entity, before becoming a Participant.

20. Indemnification by Me. I recognize that the establishment of any Account will be based on the statements, agreements, representations, and warranties made by me in this Agreement, on Plan forms and in any other communications related to my Account(s). I agree to indemnify the State of California, the Plan, the Board, the Board members, the Trust and any of the service providers to the Plan (including the Plan Manager) and any of their affiliates or representatives from and against any and all loss, damage, liability or expense (including the costs of reasonable attorney's fees), to which said entities may be put or which they may incur by reason of, or in connection with, any misstatement or misrepresentation made by me or a Beneficiary in the above-mentioned documents or otherwise, any breach by me of the acknowledgments, representations or warranties contained in the Agreement, or any failure by me to fulfill any covenants or obligations in this Agreement. All of my statements, representations or warranties shall survive the termination of this Agreement and this indemnification shall remain enforceable against me, notwithstanding my permitted transfer of ownership of the Account to another person.

21. Termination. I understand that the Board may at any time terminate the Plan and/or this Agreement, either of which may cause a distribution to be made from my Account. I further understand that I may be liable for taxes and may need to pay a penalty on the earnings, if any, of such a distribution. I understand that I may cancel this Agreement at any time by written notice to the Plan requesting a 100% distribution from my Account.

22. Controlling Law. This Agreement is governed by California law without regard to principles of conflicts of law.

23. Additional Documentation. I understand that in connection with opening an Account for me, and prior to processing any Account transactions or changes requested by me after an Account is opened, the Plan may ask me to provide additional documentation and I agree to promptly comply with any such requests.

24. Duties and Rights of the California Entities and the Service Providers. None of the State of California, the Board, the Board members, the Trust, the Plan, nor any of the service providers to the Plan (including the Plan Manager) has a duty to perform any action other than those specified in the Agreement or the Disclosure Booklet. The State of California, the Board, the Board members, the Trust, the Plan and the service providers to the Plan (including the Plan Manager) may accept and conclusively rely on any instructions or other communications reasonably believed to be from me or a person authorized

by me and may assume that the authority of any authorized person continues to be in effect until they receive written notice to the contrary from me. None of the State of California, the Board, the Board members, the Trust, the Plan, nor any of the service providers to the Plan (including the Plan Manager) has any duty to determine or advise me of the investment, tax, or other consequences of my actions, of their actions in following my directions, or of their failing to act in the absence of my directions. Each of the State of California, the Board, the Board members, the Trust, the Plan and each of the service providers to the Plan (including the Plan Manager) is a third-party beneficiary of, and can rely upon and enforce, any of my agreements, representations, and warranties in this Agreement.

25. Arbitration. Any controversy or claim arising out of or relating to this Participation Agreement, or the breach, termination or validity thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered into any court having jurisdiction thereof.

The foregoing is a predispute arbitration clause. By signing an arbitration agreement the parties agree as follows:

- 1) All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the American Arbitration Association.**
- 2) Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is limited.**
- 3) The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.**
- 4) The arbitrators do not have to explain the reason(s) for their award.**
- 5) The rules of the American Arbitration Association may impose time limits for bringing a claim in arbitration.**

APPENDIX II
to the Disclosure Booklet for the ScholarShare College Savings Plan

Privacy Policy

Please read this notice carefully. It gives you important information about how the Plan handles nonpublic personal information it may receive about you in connection with the Plan.

Information the Plan Collects

Nonpublic personal information about you (which may include your Social Security number or taxpayer identification number) may be obtained in any of the following ways:

- you provide it on the Plan application;
- you provide it on other Plan forms;
- you provide it on the secure portion of the Plan's website; or
- you provide it to complete your requested transactions.

How Your Information Is Used

The Plan does not disclose your personal information to anyone for marketing purposes. The Plan discloses your personal information only to those service providers who need the information to respond to your inquiries and/or to service and maintain your Account. In addition, the Plan or its service providers may be required to disclose your personal information to government agencies and other regulatory bodies (for example, for tax reporting purposes or to report suspicious transactions).

The service providers who receive your personal information may use it to:

- process your Plan transactions;
- provide you with Plan materials; and
- mail you Plan Account statements.

These service providers provide services at the Plan's direction and include fulfillment companies, printing and mailing facilities.

- These service providers are required to keep your personal information confidential and to use it only for providing contractually required services to the Plan.

Security of Your Information

The Plan protects the personal information you provide against unauthorized access, disclosure, alteration, destruction, loss or misuse. Your personal information is protected by physical, electronic and procedural safeguards in accordance with federal and state standards. These safeguards include appropriate procedures for access and use of electronic data, provisions for the secure transmission of sensitive personal information on the Plan's website, and telephone system authentication procedures.

Changes to this Privacy Policy

The Plan will periodically review this Privacy Policy and its related practices and procedures. You will be notified of any material amendments to this Privacy Policy.

Notice About Online Privacy

The personal information that you provide through the Plan's website is handled in the same way as the personal information that you provide by any other means, as described above. This section of the notice gives you additional information about the way in which personal information that is obtained online is handled.

Online Enrollment, Account Information Access and Online Transactions

When you visit the Plan's website, you can go to pages that are open to the general public or log on to protected pages to enroll in the Plan, access information about your Account, or conduct certain transactions related to your Account. Once you have opened an Account in the Plan, access to the secure pages of the Plan's website is permitted only after you have created a user ID and password by supplying your Social Security number or taxpayer identification number and Account number. The user ID and password must be supplied each time you want to access your Account information online. This information serves to verify your identity.

When you enter personal data into the Plan's website (including your Social Security number or taxpayer identification number and your password) to enroll or access your Account information online, you will log into secure pages where Secure Sockets Layer (SSL) protocol is used to protect information.

To use this section of the Plan's website, you need a browser that supports encryption and dynamic web page construction.

If you provide personal information to effect transactions on the Plan's website, a record of the transactions that you have performed while on the site is retained by the Plan.

Other Personal Information Provided by You on the Plan's Website

If you decide not to enroll online and you want to request that Plan materials be mailed to you, or you want to subscribe to the Plan email newsletter, you can click on another section of the Plan's website to provide your name, mailing address and email address. The personal information that you provide on that page of the site will be stored and used to market the Plan more effectively. Although that page of the Plan's website does not use SSL encryption protocol, your information will be safeguarded in accordance with federal and state privacy laws and industry norms.

To contact the Plan and to obtain Plan forms:

1. Visit the Plan's **website** at www.ScholarShare.com;
2. **Call** the Plan toll-free at 1-800-544-5248; or
3. **Write** to the Plan at P.O. Box 55205, Boston, MA 02205-5205.

