



OFFICE OF THE
ARIZONA STATE TREASURER
KIMBERLY YEE
TREASURER



May 30, 2025

Dear Valued AZ529 Customer,

As Arizona State Treasurer and Administrator of the AZ529, Arizona's Education Savings Plan, I am pleased to share with you some upcoming changes to our Plan which continues to help over 54,000 more families save for their educational dreams, since we began administering the program in October 2020.

I am writing to notify you of important changes pertaining to the CollegeSure CDs managed by College Savings Bank (CSB), a Division of NexBank. Beginning on July 31, 2025, CSB will accelerate the maturity on all CollegeSure CDs that mature on or after July 31, 2026, as reviewed and approved by the Arizona State Board of Investment (BOI), as follows:

- Each CollegeSure CD issued on or before March 28, 2011, (Legacy CollegeSure CDs) will receive a 4.5% annual percentage yield (APY) paid in full on July 31, 2025.
- Each CollegeSure CD issued after March 28, 2011, will receive a 2.0% APY paid in full on July 31, 2025.

This accelerated schedule will provide account holders with a likely higher APY than if the CD was held to maturity. Please review the options as outlined in the attached disclosure documents from CSB. Unless otherwise directed, the funds in your account will automatically be transferred to a CollegeSure Honors Savings Account and then transition to an investment option in the AZ529 Plan, Arizona's Education Savings Plan, as managed by Fidelity Investments on August 31, 2025.

CSB has been a contracted AZ529 program manager with the State of Arizona since the AZ529 Plan was first created and launched in 1999. In 2021, CSB's parent company Nexbank, indicated they no longer desired to offer 529 savings products and as a result, the BOI approved and the Arizona State Treasurer's Office entered into a transition service agreement with CSB with quarterly transitions of accounts and assets to Fidelity Investments.

We thank you for your partnership and encourage you to visit our website at AZ529.gov to learn more about our educational savings options with Fidelity and Goldman Sachs. These investment options continue to include the Arizona state income tax deduction of up to \$2,000 per beneficiary for single filers or up to \$4,000 per beneficiary for married couples who contribute to any 529 education savings plan. Additionally, any leftover 529 funds of up to \$35,000 can now be rolled over into a Roth investment retirement account for the same beneficiary, providing another benefit for our AZ529 Plan customers.

Thank you for saving for your loved one's future education and your continued partnership with our Office. If you have any questions, please contact us at (602) 542-7529 or via e-mail at AZ529@aztreasury.gov.

Sincerely,

The Honorable Kimberly Yee
Arizona State Treasurer



AZ529, Arizona's Education Savings Plan — **Bank Plan**
College Savings Bank, a Division of NexBank
2515 McKinney Avenue, Suite 1100
Dallas, TX 75201

May 31, 2025

IMPORTANT CHANGES TO THE AZ529, ARIZONA'S EDUCATION SAVINGS PLAN — BANK PLAN

College Savings Bank, a division of NexBank and the program manager for the AZ529, Arizona's Education Savings Plan — Bank Plan (AZ529 Bank Plan or Bank Plan), is exiting the 529 business. As a result, the Bank Plan will transition August 31, 2025. This notice will provide you details of changes to the Bank Plan (the Transition).

What to expect

Depending on the type of CD or savings option you have invested in, your maturity schedule and options at maturity may be modified as part of the Transition. Read below to see the changes that apply to your CD or savings investment option. We also provide a list of key dates later in this letter to help you understand key events in the Transition.

Bank Plan CollegeSure CDs

If your investment option consists of CollegeSure® CDs with an original maturity date on or before July 31, 2025, the maturity of your CollegeSure CD will not change.

If your investment option consists of CollegeSure CDs with an original maturity date on or after July 31, 2026, we will accelerate those CDs to mature on July 31, 2025. This means all outstanding CollegeSure CDs with a July 31, 2026 or later maturity date will receive a single interest payment. The Annual Percentage Yield (APY) for your CollegeSure CD, calculated based on the issue date and the original maturity term, are as follows, compounded annually:

CollegeSure CD Maturity Date Schedule

July 31, 2025	standard schedule maturity
July 31, 2026 and after	accelerated schedule maturity

CollegeSure CDs issued on or before March 28, 2011 4.5% APY

CollegeSure CDs issued after March 28, 2011 2.0% APY

This single interest payment exceeds the original CollegeSure CD interest rate floor guarantee. The CollegeSure CD will no longer earn interest after July 31, 2025. The Interest Rate and APY are published online at www.collegesavings.com. Rates are reviewed by CSB on a periodic basis and may be reset at any time without notice.

Enclosed you will find detailed transition information which includes current interest guarantee, the value of your CollegeSure CD if you held it until its original maturity date and the amount paid under the new accelerated maturity date and rate offer.

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

1. Take a distribution from your account. This can be qualified or non-qualified. Please note that non-qualified withdrawals will be subject to federal taxes and penalties and, if you are an Arizona taxpayer, recapture of previously claimed tax deductions; or
2. Rollover the matured funds to AZ529 Plan, Arizona's Education Savings Plan (managed by Fidelity Investments); or
3. Rollover the matured funds to a 529 plan not offered by the state of Arizona.

If you prefer to not accept the accelerated maturity rate you may withdraw all or part of your CollegeSure CD prior to July 31, 2025. You will receive the existing guaranteed floor rate and will not incur any early redemption penalty.

CollegeSure Honors Savings Accounts

All remaining assets in CollegeSure Honors Savings Accounts will transition to an investment option in the AZ529 Plan, Arizona's Education Savings Plan.

Please note that federal law limits exchanges between investment options in a 529 plan to twice each calendar year, and/or exchanges associated with a beneficiary change. Because the Fall 2025 transition is an investment change initiated by the Bank Plan, it will not be considered one of your twice-annual investment exchanges.

KEY DATES TO KEEP IN MIND		
DATE	AFFECTED ACCOUNTS	EVENT
July 31, 2025	CollegeSure CD	Last maturity date for all CollegeSure CDs. CollegeSure CDs with a maturity date of July 31, 2025 will mature according to their original schedule. CollegeSure CDs with a maturity date of July 31, 2026 or later will mature at the accelerated rate outlined in this notice.
August 31, 2025	All	Rollover of all remaining assets held in the CollegeSure Honors Savings Account into AZ529, Arizona's Education Savings Plan (managed by Fidelity Investments)

We want to assure you that we are committed to making this process as smooth as possible. Our customer service team is available to address your questions or concerns and to discuss how this may impact your college planning. Thank you for your understanding and for being a valued college saver.

If you have any questions, please give us a call at 1.800.888.2723, send us an email info@collegesavings.com or live chat with a Client Service Representative.

phone: 1.800.888.2723
<https://collegesavings.com/529-Plans/Arizona-Residents>

The Federal Deposit Insurance Corporation (FDIC) generally insures, with respect to each FDIC-insured institution, deposit accounts that are held in the same right and capacity up to the maximum amount set by federal law, currently \$250,000. An account owner's interest in the insurable balance of a Bank Plan account is insured by the FDIC on a pass-through basis, together with any other deposit accounts the account owner holds at College Savings Bank, up to the maximum amount. Please see the Disclosure Statement for further information. The Arizona Savings Plan Bank Plan is not insured by the State of Arizona. Neither the principal invested nor the investment return is guaranteed by the State of Arizona.

CollegeSure and Honors Savings Account are registered trademarks of College Savings Bank, a Division of NexBank | Member FDIC.

Amendment to the CollegeSure® CD Product Disclosure

Please file this Supplement to the CollegeSure® CD Certificate of Deposit Terms and Conditions Dated December 2020 with your records.

CollegeSure CD Terms and Conditions

THE PARAGRAPH ENTITLED “MATURITY DATE” IS REPLACED IN ITS ENTIRETY AS FOLLOWS:

Maturity Date: If your investment option consists of CollegeSure® CDs with an original maturity date on or before July 31, 2025, the maturity of your CollegeSure CD will not change.

If your investment option consists of CollegeSure CDs with an original maturity date on or after July 31, 2026, we will accelerate those CDs to mature on July 31, 2025. This means all outstanding CollegeSure CDs with a July 31, 2026 or later maturity date will receive a single interest payment.

CollegeSure CD Maturity Date Schedule

July 31, 2025	standard schedule maturity
July 31, 2026 and after	accelerated schedule maturity

THE PARAGRAPH ENTITLED “INTEREST RATE” IS REPLACED IN ITS ENTIRETY AS FOLLOWS:

Interest Rate. CollegeSure® CDs pay interest each year they remain outstanding. The interest rate was established July 31, 2017, and serves as the Floor Rate for the remaining term of the CollegeSure® CD. Your Floor Rate will never be less than zero percent.

The interest rate will adjust each August 1 based upon the prior year rate and the change in the July 31 college inflation rate, as measured by the College Board’s Independent College 500® Index (IC 500®) subject to the Floor Rate. The IC 500® index is published online at www.collegesavings.com.

If your investment option consists of CollegeSure CDs with an original maturity date on or after July 31, 2026, we will accelerate those CDs to mature on July 31, 2025. This means all outstanding CollegeSure CDs with a July 31, 2026 or later maturity date will receive a single interest payment.

THE PARAGRAPH ENTITLED “ANNUAL PERCENTAGE YIELD (APY).” IS REPLACED IN ITS ENTIRETY AS FOLLOWS:

Annual Percentage Yield (APY). The Annual Percentage Yield (APY) for your CollegeSure CD, calculated based on the issue date and the original maturity term, are as follows, compounded annually:

CollegeSure CDs issued on or before March 28, 2011	4.5% APY
CollegeSure CDs issued after March 28, 2011	2.0% APY

This single interest payment exceeds the original CollegeSure CD interest rate floor guarantee. The CollegeSure CD will no longer earn interest after July 31, 2025.

THE PARAGRAPH ENTITLED “OPTIONS AT MATURITY” IS REPLACED IN ITS ENTIRETY AS FOLLOWS:

Options at Maturity. We will provide written notification at least 60 days before the Maturity Date. You must provide written instructions at least 30 days prior to the Maturity Date if you would like the proceeds upon maturity of the CollegeSure CD to be invested other than in accordance with the default action described below. If you provide instructions in good order, funds will be disbursed from your Account no later than the first Exchange Business Day following the Maturity Date. If we do not receive instructions at maturity, we will hold the matured funds in a CollegeSure Honors Savings Account until you provide distribution or other investment instructions.

NOTE: Instructions received during the Black Out Date time periods (three business days prior to the Default Transfer Date) will not be honored.

Alternatively, you may choose one of the following options at maturity:

- Rollover the matured funds to AZ529 Plan, Arizona’s Education Savings Plan (managed by Fidelity Investments); or into an Account in another 529 plan;
- Take a Qualified or Non-Qualified Distribution of the funds. Please note any actions other than taking a Qualified or Non-Qualified Distribution or the default action stated above, could be considered one of your twice per calendar year investment exchanges and could therefore be subject to the restrictions described in Maintaining and Making Changes to Your Account on page 23 of AZ529 Arizona’s Education Savings Plan—Bank Plan Disclosure Dated December 15, 2011.

A rollover to another 529 plan could result in a loss of FDIC coverage and may incur additional fees.

THE PARAGRAPH ENTITLED “EARLY WITHDRAWAL” IS REPLACED IN ITS ENTIRETY AS FOLLOWS:

Early Withdrawal. Upon 30 days prior written notice, you may take a Qualified or Non-Qualified Distribution, in whole or in part prior to the Maturity Date. If you prefer to not accept the accelerated maturity rate you may withdraw all or part of your CollegeSure CD prior to July 31, 2025. You will receive the existing guaranteed floor rate and will not incur any early redemption penalty.

Questions. Client Service Representatives can be reached Monday through Friday from 9AM EST – 6PM EST.

- Phone: 800-888-2723
- Fax: 214-481-1289
- Website: www.collegesavings.com
- Mail: 2515 McKinney Ave, Suite 1100, Dallas, TX 75201

The College Board’s Independent College 500 IC 500® Index (IC 500®), published annually in July, describes the average total charge and annual rate of change for tuition, fees, room and board incurred by full-time freshman at the 500 independent four-year institutions which provide housing for at least 15% of their students, and whose aggregate charges for tuition, fees, room and board, multiplied by the number of full-time students, are the largest among all independent colleges. (It should be noted that students incur expenses at college beyond those included in the Index: transportation, books and supplies, personal care, for example).

This Index is one of several prepared by the College Board, using data collected in its Annual Survey of Colleges, which is intended to facilitate analysis and forecasting of college charges in various segments of higher education. The IC 500 Index is not necessarily representative of higher education institutions as a whole, nor of all independent institutions. A brochure describing its technical construction is available by mail upon request.

NexBank, and its affiliates do not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction.



AZ529 Arizona's Education Savings Plan—Bank Plan Disclosure Statement Amendment

Offered by the Office of the Arizona State Treasurer. Managed by College Savings Bank, a Division of NexBank (CSB)

EFFECTIVE 10/1/2024

This Supplement describes important changes and updates to the Bank Plan and supersedes all previous Supplements inconsistent with the information provided in this Supplement. You should review this information carefully and keep it together with your current copy of the AZ529 Arizona's Education Savings Plan—Bank Plan Disclosure Statement. Unless otherwise defined, terms used in this Supplement have the same meaning as those terms defined in the Disclosure Statement. Any information in the Disclosure Statement inconsistent with the information provided in this Supplement is superseded by the information in this Supplement.

THE FOLLOWING ARE CHANGES TO THE BANK DISCLOSURE STATEMENT DATED DECEMBER 15, 2011.

THE SECTION ENTITLED “CONTRIBUTING TO YOUR ACCOUNT: MAXIMUM ACCOUNT BALANCE” IS REPLACED IN ITS ENTIRETY AS FOLLOWS:

Maximum Account Balance. You can contribute up to a Maximum Account Balance \$590,000 (accurate and effective as of October 1, 2024) for each Beneficiary. The aggregate market value of all accounts for the same Beneficiary under all Qualified Tuition Programs sponsored by the State are counted toward the Maximum Account Balance regardless of the Account Owner. Earnings may cause the account balances for any one

Beneficiary to exceed \$590,000 and no further contributions will be allowed at that point. If a contribution is made to an Account that would cause the aggregate balance of all accounts to exceed the Maximum Account Balance, all or a portion of the contribution amount will be returned to you or the contributor. If you are enrolled in an ACH Plan, the ACH Plan will be discontinued.

IMPORTANT TRANSITION UPDATE: No further investments.

The AZ529 Bank Plan is no longer open to new investors (effective November 1, 2021) and no longer accepting contributions from current Account Owners (effective February 1, 2022). Investments will continue to be offered through the AZ529 Plan, Arizona's Education Savings Plan (managed by Fidelity Investments) and the Goldman Sachs 529 Plan to residents and non-residents of Arizona who wish to save for future college costs. However, unlike investments through the AZ529 Bank Plan, investments may not be covered by FDIC insurance. College Savings Bank, a Division of NexBank will continue to provide operation management services to the AZ529 Bank Plan including investment management, customer service and recordkeeping.

Please file this Supplement to the AZ529 Arizona's Education Savings Plan—Bank Plan Disclosure Statement Dated December 15, 2011 with your records.

Phone: 800.888.2723
Monday—Friday, 9 AM—6 PM EST

Online: www.collegesavings.com
E-mail: info@collegesavings.com
Fax: 214.481.1289

Regular Mail
College Savings Bank, a Division of NexBank
2515 McKinney Avenue, Suite 1100
Dallas, Texas 75201

Neither the Bank Plan, nor the BOI, nor the ASTO, nor NexBank, nor other organizations participating in the program are providing tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction.

Documents and reports that are referenced in this Disclosure Statement are available upon request from the Bank.

©2024 Arizona's Education Savings Plan.

©2024 College Savings Bank, a Division of NexBank

Member FDIC. All rights reserved.