

## First Step Program by ColleeInvest

### Terms & Conditions

#### General:

The First Step Program by ColleeInvest provides a \$100 contribution to the ColleeInvest account of a Beneficiary born or adopted in the State of Colorado on or after January 1, 2020. If you do not have a ColleeInvest account, you must open one prior to your application. The Account Owner must be a parent/legal guardian and the eligible child must be the Beneficiary.

The Account Owner must meet certain eligibility criteria as outlined in these Terms and Conditions.

No more than one application per Beneficiary will be accepted for a First Step contribution. Account Owners can submit separate applications for multiple Beneficiaries.

First Step awards in the calendar year of 2020 will be \$100 per Beneficiary. Thereafter, the rate will be adjusted annually based on the cost of living adjustment.

There is no guarantee that funding for this program in subsequent years will be available.

#### Defined Terms:

Account Owner – The individual who owns and controls a ColleeInvest Account.

Application Period – The time frame ColleeInvest will accept applications for the First Step Program. The application period begins January 1, 2020. The application period ends December 31, 2040 at the latest, and may close earlier if the Board determines there is insufficient funding.

Awardee – An Applicant that meets all the requirements of the First Step Program and is awarded a contribution to their ColleeInvest Account.

Beneficiary – The child named in the account who will receive the benefits of the ColleeInvest Account. For the First Step Program, this individual must meet the eligibility requirements specified in these Terms and Conditions.

ColleeInvest – ColleeInvest is a not-for-profit division of the Colorado Department of Higher Education, responsible for administering Colorado's 529 college savings program. ColleeInvest manages and administers the First Step Program. No taxpayer dollars or admin fees are used for this Program.

ColleeInvest Account – An account or accounts in any plan offered under the ColleeInvest 529 College Savings Program administered by ColleeInvest. These plans currently include the Direct Portfolio College Savings Plan, Scholars Choice College Savings Program, Smart Choice College Savings Plan, and the Stable Value Plus College Savings Plan.

ColleeInvest First Step Program, or Program – The program as described in these Terms and Conditions, as such Terms and Conditions may be amended from time to time by ColleeInvest.

First Step Applicant, or Applicant – A ColleeInvest Account Owner applying for ColleeInvest First Step who meets the eligibility criteria outlined in these Terms and Conditions.

First Step Funds – The funds awarded by CollegenInvest as a First Step contribution. Funds are subject to availability and are not guaranteed.

Participant – An Applicant that has been awarded a CollegenInvest First Step contribution.

**First Step Applicant Eligibility:**

The Applicant must be the parent (or legal guardian) of the child. Furthermore, the parent (or legal guardian) must be a U.S. citizen, legal permanent resident, or is otherwise lawfully present in the U.S. pursuant to federal law. Colorado law requires verification of the lawful presence in the United States of all persons 18 years of age or older before providing public benefits.

The Applicant must own or open a CollegenInvest account for the Beneficiary, which may be unfunded.

**Beneficiary Eligibility:**

The Beneficiary must be born or adopted in the State of Colorado on January 1, 2020 or later and must be under the age of 5 years old at the time of Application.

The Beneficiary may only receive one (1) First Step award. In the event of two First Step Applicants with the same Beneficiary, only the first application received in good order and processed by CollegenInvest will be accepted.

**Conditions and Amount of Award:**

If all of the eligibility criteria have been met and the application is eligible, the Applicant will be notified by CollegenInvest they are eligible. All such First Step contributions to be awarded will be subject to the availability of First Step Funds.

**Application for a First Step Contribution:**

Account Owners whose child may be eligible to receive a First Step contribution to their CollegenInvest account must submit an online First Step Application. Only one Application Form per Beneficiary. An Account Owner may apply for multiple Beneficiaries with separate CollegenInvest Account(s), by submitting a separate Application Form for each Beneficiary.

By applying for the Program you agree to receive communications about the Program and your status from CollegenInvest by mail, email or phone.

**Application Period and Process:**

First Step Application Forms will be accepted beginning February 18, 2020 and daily thereafter.

First Step Applicants must complete the online Application Form. Eligibility for an award will be determined by CollegenInvest based on information provided to CollegenInvest by the Colorado Department of Health and Public Environment and the Applicant.

If the First Step Applicant or Beneficiary is deemed ineligible or incomplete, and the application is rejected, the Applicant will be notified by CollegenInvest.

**Program Eligibility Verification:**

In the event CollegenInvest determines that any false information was provided by the Participant with respect to his or her Program eligibility, CollegenInvest shall have the right to immediately revoke the First Step Award without the consent of or prior notice to the Participant or the Beneficiary. The selection of First Step Program Participants will be conducted by CollegenInvest personnel whose decisions shall be final.

**Ownership and Investment of Participant's CollegenInvest Account:**

The Participant opens, owns and otherwise maintains control of his/her CollegenInvest account as the Account Owner. The Participant chooses investment options and determines when and if funds are disbursed according to Section 529 of the Internal Revenue Code. His or her CollegenInvest Account is governed by the rules set forth in the Plan Disclosure Statement for the particular plan in which the Participant (as Account Owner) has invested.

**Withdrawals from Accounts:**

The Participant may make withdrawals from his/her CollegenInvest Account in accordance with applicable CollegenInvest plan guidelines. See Plan Disclosure Statements for the Plan you are invested in for more details.

**Investment Options for Accounts:**

The Participant can choose any investment option available under the CollegenInvest plan for his/her CollegenInvest Account. See the Plan Disclosure Statement for the Plan you are invested in for more details.

**Public Assistance Consequences:**

Determining the effect of the First Step Award and the Participant's CollegenInvest Account on eligibility for public assistance programs is the responsibility of the Participant/Account Owner. The Participant/Account Owner should consult a qualified advisor to determine how a college savings plan and/or an award such as First Step may affect eligibility for state and/or federal benefits. CollegenInvest makes no representation in regard to the effects of a First Step or CollegenInvest Account on eligibility for public assistance programs.

**Participant's CollegenInvest Account Tax Advantages and Consequences:**

To learn about tax advantages and consequences for any CollegenInvest Account, please refer to the Plan Disclosure Statement for the applicable CollegenInvest plan in which you are invested.

**Updated Terms and Conditions:**

To meet the demands of the First Step Program, CollegenInvest reserves the right to and may periodically make adjustments to the Program's Terms and Conditions.